

4.8. Council Activities

(also refer to the separate attachment)

(Report prepared by M Fletcher)

F230-A23-03

Purpose of report

1. The purpose of this paper is to present for Councillors' information on each of Council's Activities and provide a guide to the structure of each the Activity Statements in the **separate Attachment**. The intention is that this information will be made available to the public during the consultation process as supporting information.

RECOMMENDATIONS

That Council:

1. **Note the availability of the information contained in the separate Activity Attachment.**
2. **Receive and adopt the information as supporting information.**

Attachment

Attachment 4.8 – Council Activities (attached separately to the Agenda paper)

| | |
|------------|--|
| Author | All Departmental Managers |
| Authoriser | Martin Fletcher, Chief Financial Officer |

Council Meeting

2 March 2023

Separate Attachment

This attachment relates to Item 4.8
in your Agenda

4.8 Council Activities

Purpose

1. The purpose of this paper is to present for Councillors' information on each of Council's Activities and provide a guide to the structure of each the Activity Statements in the separate Attachment. The intention is that this information will be made available to the public during the consultation process as supporting information.

RECOMMENDATIONS

That Council:

1. **Note the availability of the information contained in the separate Activity Attachment.**
2. **Receive and adopt the information as supporting information.**

Background

2. Previously, Council was required to prepare detailed information on each of its activities as part of its Draft Annual Plan (AP) for public consultation. Changes to the Local Government Act 2002 mean that Councils must produce a more focused Consultation Document instead of a draft AP; consequently the intention is to provide this Activity information as supporting information available on the Council website. The Final 2023-24 AP (to be adopted in June 2023) will include Activity information that reflects decisions made after the consultation process.
3. The presentation of Activity Budget information, at existing levels of service, is in a similar format to that provided in 2022.

The following Activities are included in the **separate attachment** with the number being the page number in the LTP:

| | |
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| 1. Democratic Process | - 37 |
| 2. Culture and Heritage | - 40 |
| 3. Housing for Seniors | - 43 |
| 4. Community Support | - 47 |
| 5. Library Services | - 53 |
| 6. Emergency Management | - 58 |
| 7. Community Facilities | - 62 |
| 8. Roads and Footpaths | - 78 |
| 9. Flood Protection and Control Works | - 88 |
| 10. Sewerage including Treatment and Disposal | - 98 |
| 11. Stormwater Drainage | -108 |
| 12. Water Supply | -117 |
| 13. Solid Waste Management | -130 |
| 14. Environmental Policy | -145 |
| 15. Environmental Science and Monitoring | -151 |
| 16. Resource Consents | -156 |
| 17. Environmental Protection | -160 |
| 18. Biosecurity | -171 |
| 19. Building Control | -175 |
| 20. Environmental Health | -179 |
| 21. Animal Control | -184 |
| 22. Harbours | -188 |
| 23. Regional Development | -194 |

Also **attached** are similar statements for Council support functions:

1. Customer Services, Office Services, Human Resources, General Management
2. Information Management Services
3. Corporate Finance
4. General Counsel

Activity Budget Paper Format

1. Activity and Manager Name

2. Emerging issues and expected changes

This section outlines the emerging issues that will affect the Activity and may include upcoming Government initiatives (Legislation/NPSs/Regulation), Community concerns, Compliance issues, changes in means of delivery, resourcing issues etc. For example, in Water Supply the emerging issues section will contain how Government is responding to the Havelock North Inquiry and Building Control the proposed academic standards for staff.

3. Revenue and operating expenditure by significant type

The table comprises six columns of figures:

1. 2022-23 (current year) budget figure as contained in the LTP and is included for comparison purposes only.
2. Budget for 2023-24 as contained in the LTP.
3. The change between what was budgeted for 2023-24 in the LTP and the current draft budget.
4. 2023-24 draft Annual Plan budget.
5. 2024-25 budget as per the draft Annual Plan Budget.
6. 2025-26 budget as per the draft Annual Plan Budget.

Columns 5 & 6 have been included to identify the full impact of expenditure decisions when there is a phased introduction. This happens in particular for major capital projects, where it is only in year 2 and 3 that the full costs of operation, depreciation and debt servicing apply.

Explanations of significant Revenue and Expenditure variations between 2022-23 budget (column 1) and the 2023-24 budget (column 4), 2023-24 budget in LTP (column 2) and the 2023-24 current draft Annual Plan (column4) are contained below this table.

4. Services infrastructure costs (Water Supply, Stormwater, Sewerage, Solid Waste, Flood Protection, Roads and Footpaths)

This table provides more details on the areas of major expenditure that were detailed in the 'revenue and operating expenditure by significant type' table.

5. Grants (where relevant)

Include the recipient, \$ for projection year and out 3 years and comments.

6. Major Projects

Include project name, budget and comment.

7. Major contracts

This table provides more detail on any major contracts that support the delivery of the Activity as indicated in the 'contracts' line(s) of the 'Revenue and operating expenditure by significant type' table, and in the 'services infrastructure costs' table. This table includes Contract description, \$ per annum, finish date and comment.

8. Capital expenditure projects

This table provides details of capital expenditure projects planned over the coming **four** years, because of the long-term impact of Capital expenditure. The final column provides more detail about the project and in some cases, the impact/consequence of reducing/deferring capital expenditure.

Council Activities

| | Page(s) |
|--|----------------|
| 1. Democratic Process | 2 - 4 |
| 2. Culture and Heritage | 5 - 7 |
| 3. Housing for Seniors | 8 - 10 |
| 4. Community Support | 11 - 17 |
| 5. Library Services | 18 - 19 |
| 6. Emergency Management | 20 - 22 |
| 7. Community Facilities | 23 - 31 |
| 8. Roads and Footpaths | 32 - 36 |
| 9. Flood Protection and Control Works | 37 - 42 |
| 10. Sewerage | 43 - 48 |
| 11. Stormwater | 49 - 53 |
| 12. Water Supply | 54 - 61 |
| 13. Solid Waste Management | 62 - 67 |
| 14. Environmental Policy | 68 - 70 |
| 15. Environmental Science and Monitoring | 71 - 75 |
| 16. Resource Consents | 76 - 77 |
| 17. Environmental Protection | 78 - 80 |
| 18. Biosecurity | 81 - 83 |
| 19. Building Control | 84 - 86 |
| 20. Environmental Health | 87 - 89 |
| 21. Animal Control | 90 - 92 |
| 22. Harbours | 93 - 97 |
| 23. Regional Development | 98 - 103 |

Also attached are similar statements for Council support functions:

| | |
|----------------------------|-----------|
| 1. Support Services | 104 - 107 |
| 2. IT and Digital Services | 108 - 111 |
| 3. Corporate Finance | 112 - 114 |
| 4. General Counsel | 115 - 115 |

Activity: Democratic Process

Operating costs of this Activity represent approximately 2.77% of total Activity expenditure.

Manager: Mike Porter, Hara Adams, Glenn Webster

What is this Activity About?

Marlborough District Council is a unitary authority with the functions, duties and powers of both a regional council and a territorial authority, as conferred on it by the Local Government Act 2002. This Act describes the purpose of local government as being:

- (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

Marlborough District Council's Local Governance Statement provides a comprehensive overview of its governance policies and processes. Copies of the Local Governance Statement and associated policies and documents can be viewed at Council Service Centres, Libraries and on the Council's website.

Iwi Relationships

Te Tiriti o Waitangi and consequent legislation such as the Resource Management Act 1991 and the Local Government Act 2022 guide how Marlborough District Council engages with Māori. These documents provide a foundation on how Council and its staff engage with iwi and Mana/Tangata whenua within the Marlborough District to ensure that the views and values of Māori are considered across Council activities as we make decisions about Marlborough, for Marlborough, our resources and ultimately our environment.

Maintaining partnerships with our iwi within Marlborough – Ngāti Apa ki te Rā Tō, Ngāti Koata, Ngāti Kuia, Ngāti Kuri-Ngāi Tahu, Ngāti Rārua, Ngāti Toa Rangatira, Rangitāne o Wairau and Te Ātiawa o Te Waka-a-Māui, is of high priority to Council and one we are committed to. We remain focused on sustainable iwi partnerships and collaborations. We are dedicated to improving this throughout our work streams.

This engagement is achieved through the establishment and election of our Māori Ward providing better representation of Māori and providing a Māori voice at the governance level. We have also allocated iwi representation on our committees; Assets and Services Committee, Environment and Planning Committee (who will also sit on the Climate Change Committee) and Economic, Finance and Community Committee – these seats to hopefully be filled in the coming months.

At an operational level, our Kaihautū – Manager of Māori Partnerships purpose is to foster working and strategic relationships between Council and iwi and guide Council staff on cultural substance providing advice on how to engage fittingly across Council projects to enable appropriate partnership and collaboration where required and where necessary.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Iwi Relationships

Creation and implementation of a Council and Iwi Partnership Agreement, alongside Tasman District Council and Nelson City Council to further solidify our relationship commitments and provide a working document that underpins our working relationship not only for today, but into the future.

The need to provide avenues to enhance our staff's cultural capability and understanding. We already provide opportunities for staff to participate in learning Te Reo Māori through the Te Ataarangi courses. We are considering how Council employees extend their capabilities and are investigating the possibility of:

- engagement workshops that aim to broaden understanding of Te Ao Māori (Māori ways of life)
- Te Tiriti o Waitangi workshops
- Council Kaumātua

- development of an Iwi Engagement team to work alongside Kaihautū.

Related to the above, the minimum expectations to access the \$17.28M of Tranche 2 of the 3 Waters Well Being grant funding are to have:

- relationships built on trust and mutual respect;
- funding proposals have been co-designed and co-implemented from inception; and
- decision-making on initiatives to fund and prioritise have been made jointly.

We will be working to exceed these minimum criteria.

Communications

The news media has been through major changes in New Zealand and globally in recent years as the influence of the internet and social media have grown. Council has adjusted its communications channels to reflect these changes, giving a greater emphasis to the online provision of information through its website, Facebook, Antenna and e-newsletters. We are also enhancing our use of video.

However, a significant proportion of Marlborough residents still read a print newspaper. Council will therefore continue to publish its weekly advertorial news in the local community newspapers.

Levels of Service

| Levels of Service 2023-24: Democratic Process | | | |
|---|---|----------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 5.7 | ≥ 5.7 |
| Provide a communications level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 6.5 | ≥ 6.5 |
| Provide a service that is timely and responsive to residents' needs. | % of agendas available to the public, by way of the website and counter enquiry, at least three working days prior to meetings. | 100% | 100% |
| Manage local elections and polls to comply with the provisions of the Local Electoral Act 2001. | Number of petitions for an enquiry. | 0 | 0 |
| Encourage Public contribution to the decision making process. | % of Council items of business open to the public. | 93.5% | ≥ 93.5% |

Revenue and Expenditure by Significant Type

| Democratic Process | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|--------------|----------------|-------------------|---------------|--------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | \$000's |
| Contributions - Miscellaneous | 2 | 2 | - | 2 | 2 | 2 |
| Gain On Sale of Fixed Assets | - | - | - | - | - | - |
| Refunds (other than rates) | 70 | - | - | - | - | 74 |
| Total external revenue | 72 | 2 | - | 2 | 2 | 76 |
| Corporate Overhead Allocations | 1,700 | 1,671 | 274 | 1,945 | 2,033 | 2,112 |
| Councillors Salaries | 760 | 749 | 11 | 760 | 781 | 801 |
| Personnel costs | 625 | 576 | 107 | 683 | 709 | 736 |
| Advertising | 160 | 158 | 33 | 191 | 196 | 211 |
| Audit Fees | - | 126 | (6) | 120 | - | - |
| Subscriptions | 116 | 122 | (6) | 116 | 119 | 123 |
| Section Management | 107 | 120 | (31) | 89 | 101 | 104 |
| Allowances - Meeting | | | | | | |
| Attendance | 5 | 5 | 50 | 55 | 57 | 58 |
| Allowances - Mileage | 20 | 21 | 14 | 35 | 36 | 37 |
| General Expenses | 34 | 34 | (2) | 32 | 32 | 36 |
| IWI Liaison | 30 | 31 | (1) | 30 | 31 | 32 |
| Travel and Accommodation | 28 | 29 | (1) | 28 | 29 | 30 |
| Promotions | 25 | 26 | (1) | 25 | 26 | 26 |
| Other Operating Cost | 353 | 197 | (46) | 151 | 187 | 355 |
| Total operating costs | 3,963 | 3,866 | 395 | 4,261 | 4,337 | 4,659 |

Major Projects/Contracts

| Contract | Comment |
|--|---|
| Election | Election costs split over two financial years – however, elections only occur every three years. Cost around \$200K for each round. |
| Advertising in Marlborough Express/Blenheim Sun/Marlborough Weekly | Approximately \$195K per annum. |

Capital Expenditure

| Democratic Process | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|------------------------|----------|----------|-----------|----------|------------------|
| | \$000's | \$000's | \$000's | \$000's | |
| Administration fleet | - | - | 60 | - | Mayoral Vehicle |
| Total additions | - | - | 60 | - | |

Activity: Culture and Heritage

Operating costs of this Activity represent approximately 1.03% of total Activity expenditure.

Manager: Jodie Griffiths

What is this Activity About?

This Activity promotes cultural wellbeing. Council defines “culture” as encompassing the customs, practices, languages, values and world views that define social groups in Marlborough. Practices such as arts, design and architecture reflect and create our cultural identity. Likewise, the ways in which we approach and understand our heritage shapes our image of ourselves, and the image we convey to future generations.

The Marlborough culture is unique: nowhere else in the world is there the same combination of people, place and practices. Cultural identity — the sense of connection with other people through a shared culture — can make a strong contribution to a person’s overall wellbeing. Responding to community changes requires a continual balance between the old and the new.

Council’s Arts and Culture Strategy, and its Heritage Strategy, outline Council’s roles in the arts and heritage sectors, and the ways in which it proposes working with the community to achieve outcomes for culture and heritage.

These include:

- forming partnerships with organisations and institutions that contribute to cultural wellbeing, (eg, the collections database project);
- supporting projects that reflect and strengthen Marlborough’s cultural identity; and
- managing the cultural and heritage assets and resources in a sustainable manner.

Council also provides annual heritage and arts operating grants along with access to a contestable grant fund.

While a range of operating grants/contracts are provided to key heritage, arts and culture organisations in Marlborough, Council’s relationships with its partners in the heritage and arts sectors will remain its most important resource in delivering this Activity.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Funding

The Heritage and Arts sectors are under increasing stress due to limited funding sources and a need to invest in new technology, update collections and collection practices, and cope with the increasing diverse forms of arts being practised in Marlborough. Expansion and maintenance of museum facilities and attracting more trained professionals to work in this sector are desirable.

Council will assist organisations in accessing support beyond the current levels from other funding agencies. The Marlborough Heritage Trust ceased operating at the end of March 2023 with Council taking over the management and functions of the Marlborough Museum, Brayshaw Heritage Park and the Marlborough Archives.

New Art Gallery in Blenheim

A new art gallery in Blenheim is planned for completion in 2023 as part of the new library development, funded in part from a COVID-19 related Shovel Ready grant from the Government and community fundraising and donations.

Levels of Service

| Levels of Service 2023-24: Culture and Heritage | | | |
|---|--|----------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 6.6 | ≥ 6.6 |
| Ensure service quality and value through oversight of Council's grants and third party providers. | % of contract and grant requirements met. | 100% | 100% |

Revenue and Operating Expenditure by Significant Type

| Arts | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------------|--------------|----------------|-------------------|---------------|------------|------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | \$000's |
| Non-Govt Capital grants & donations | 1,000 | - | - | - | - | - |
| Total external revenue | 1,000 | - | - | - | - | - |
| Grants | 613 | 613 | - | 613 | 613 | 613 |
| Section Management | 80 | 79 | 51 | 130 | 133 | 146 |
| Interest - Internal Loans | 57 | 78 | 14 | 92 | 89 | 86 |
| Depreciation | - | 60 | - | 60 | 61 | 62 |
| Corporate Overhead Allocations | 41 | 40 | 2 | 42 | 45 | 47 |
| Internal contracts & recharges | 13 | - | - | - | - | - |
| Total operating costs | 804 | 870 | 67 | 937 | 941 | 953 |

| Heritage | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|------------|----------------|-------------------|---------------|------------|------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | \$000's |
| Grants | 608 | 458 | 30 | 487 | 487 | 487 |
| Section Management | 45 | 44 | 28 | 72 | 74 | 81 |
| Corporate Overhead Allocations | 23 | 23 | 1 | 23 | 25 | 26 |
| Insurance | 8 | 7 | 4 | 10 | 11 | 11 |
| Depreciation | 7 | 8 | - | 9 | 9 | 9 |
| Rates | 2 | 2 | - | 2 | 2 | 2 |
| Repairs & maintenance | 1 | 1 | - | 1 | 1 | 1 |
| Total operating costs | 694 | 543 | 62 | 605 | 610 | 619 |

Grants

| Grants (in \$000) | 22-23 | 23-24 | 24-25 | 25-26 | Purpose |
|--|--------------|--------------|--------------|--------------|---|
| Millennium Art Gallery - CEO | 50 | 50 | 50 | 50 | Annual Operating |
| Millennium Art Gallery - Rent relief | 43 | 43 | 43 | 43 | Annual Operating |
| Millennium Gallery contents Insurance | 17 | 17 | 17 | 17 | Annual Operating |
| Millennium Art Gallery | 93 | 93 | 93 | 93 | Annual Operating |
| Total Art Gallery (18086) | 203 | 203 | 203 | 203 | |
| ASB Civic Theatre Trust | 390 | 390 | 390 | 390 | Annual Operating |
| Marlborough District Brass Band | 20 | 20 | 20 | 20 | Annual Operating |
| Total Arts Other (18087) | 410 | 410 | 410 | 410 | |
| General | 151 | 151 | 151 | 151 | Annual Operating |
| Archives position | 20 | 20 | 20 | 20 | Annual Operating |
| \$ for \$ | 50 | 50 | 50 | 50 | Annual Operating |
| Insurance | 38 | 53 | 53 | 53 | Annual Operating (increase from 2022/23) |
| Consolidation of grants | 9 | 9 | 9 | 9 | Annual Operating |
| Collection management | 50 | 50 | 50 | 50 | Annual Operating |
| Total Marlborough Heritage Trust (17083) | 318 | 333 | 333 | 333 | |
| Picton Historical Society | 34 | 34 | 34 | 34 | Annual Operating |
| Regional marketing | 10 | 10 | 10 | 10 | Annual Operating |
| Partnership agreements for Edwin Fox, Renwick, Havelock & Flaxbourne Museums | 41 | 30 | 30 | 30 | Annual Operating (\$7.5k each,\$11K one-off grants for Edwin Fox) |
| Marlborough Heritage Trust | 20 | 20 | 20 | 20 | Annual Operating |
| Strategy Implementation - inventory database | 30 | 30 | 30 | 30 | Annual Operating |
| Strategy Review - Smart & Connected | 20 | 20 | 20 | 20 | Annual Operating |
| Total Heritage Other (17085)* | 155 | 144 | 144 | 144 | |
| TOTAL ACTIVITY | 1,086 | 1,090 | 1,090 | 1,090 | |

*Will be CPI adjusted each year.

Capital Expenditure Projects – N/A

Activity: Housing for Seniors

Operating costs of this Activity represents approximately 1.24% of total Activity expenditure.

Manager: Maighan Watson

What is this Activity About?

Council owns and maintains a housing portfolio for senior residents in our community.

Council also has an advocacy and facilitation role and will work closely with other housing entities to attract more funding and housing options for the Marlborough community.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Financial sustainability

Emerging issues within this Activity are:

- the age of the portfolio and the increasing maintenance costs;
- the increasing proportion of older people in Marlborough;
- the increasing living costs and fixed incomes of many tenants;
- an increase in demand for age-friendly, small units in Marlborough;
- the increasing cost of building materials and labour, which impacts the feasibility of future development and expansion of current complexes.

An ongoing programme of refurbishments is required to maintain the quality of the units.

Developments

At present the existing housing stock is of sound quality. However, due to some units being older and others being on unstable land there is a need to investigate redevelopment options.

The development of a new 12-unit, two-storey Senior Housing complex in Blenheim commenced late-2022.

Levels of Service

| Levels of Service 2023-24: Housing for Seniors | | | |
|---|---|----------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 7.0 | ≥ 7.0 |
| | Tenant satisfaction with this service as measured by survey, where 10 = "service delivered extremely well". | 8.0 | ≥ 8.0 |
| Provide a well maintained housing portfolio which meets resident needs. | % occupancy level. | 98% | ≥ 98% |
| | % of urgent unplanned maintenance ¹ completed within 24 hours of notification. | 98% | ≥ 98% |
| | % of unplanned non-urgent maintenance ² completed within 20 working days of notification. | 97% | ≥ 97% |
| | % of planned maintenance/projects (as per budget and Committee meetings) completed. | 98% | ≥ 98% |

[1] Urgent unplanned maintenance is for events that would make the unit uninhabitable if left for an extended period.

[2] Non urgent unplanned maintenance is for events that do not pose a risk to the tenant if not dealt with straight away but does need to be dealt with in the near future.

Revenue and Expenditure by Significant Type

| Housing for Seniors | 2022-23 | 2023-24 | | 2024-25 | 2025-26 | |
|--------------------------------|--------------|----------------|-------------------|---------------|--------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | |
| Property rentals | 1,729 | 1,898 | (68) | 1,830 | 2,050 | 2,153 |
| Disbursement Recoveries | 24 | 32 | (8) | 23 | 24 | 20 |
| Total external revenue | 1,753 | 1,930 | (76) | 1,854 | 2,074 | 2,173 |
| Depreciation | 496 | 420 | 136 | 555 | 591 | 611 |
| R&M Housing for Seniors | 646 | 462 | 68 | 530 | 670 | 676 |
| Rates | 320 | 318 | 35 | 353 | 363 | 372 |
| Insurance | 124 | 127 | 30 | 157 | 161 | 166 |
| Property Management charges | 101 | 106 | (3) | 103 | 104 | 107 |
| Contracts | 92 | 98 | (4) | 94 | 113 | 116 |
| Corporate Overhead Allocations | 55 | 55 | 2 | 57 | 62 | 63 |
| Departmental Management | | | | | | |
| Allocations | 21 | 22 | (1) | 20 | 21 | 22 |
| Other Operating Cost | 45 | 68 | (25) | 42 | 45 | 47 |
| Total operating costs | 1,902 | 1,675 | 236 | 1,911 | 2,131 | 2,180 |

Major Projects

| Description | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Comments |
|----------------|---------|---------|---------|---------|---|
| R&M Painting | - | - | 84,000 | - | Asset Management Plan – Cladding re-paint |
| R&M Buildings | 140,700 | - | - | - | Asset Management Plan – Roof replacement |
| R&M Plumbing | - | 55,000 | - | - | Asset Management Plan – Water main replacement |
| R&M Electrical | - | - | 43,500 | - | Asset Management Plan – Stove replacements |
| Renovations | 222,500 | 163,300 | 105,000 | 83,000 | Asset Management Plan – Kitchen and bathroom upgrades |

Major Contracts

| Description | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Comments |
|-------------|---------|---------|---------|---------|------------------------------|
| Grounds | 92,000 | 92,000 | 110,000 | 110,000 | Grounds maintenance contract |

Capital Expenditure Projects

| Housing for Seniors | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|------------------------------|--------------|------------|----------|------------|---|
| | \$000's | \$000's | \$000's | \$000's | |
| Permanent material buildings | - | 185 | - | 195 | Budget for the acquisition of owner-occupied units at Bryant Place as they become available for purchase. Acquired units are added to Council's Senior Housing portfolio and tenanted. |
| Other buildings + Structures | 3,000 | - | - | - | Budget for the construction of a new high-density, 12-unit, two-storey Senior Housing complex. This development will increase Councils housing supply with fit-for-purpose, modern and sustainable housing. |
| Total additions | 3,000 | 185 | - | 195 | |

Activity: Community Support

Operating costs of this Activity represent approximately 1.91% of total Activity expenditure.

Manager: Community Support, Events Management and S+C (Jodie Griffiths), Energy Efficiency (Chris Lake), Community Safety (Dean Heiford), Passenger Transport (Richard Coningham)

What is this Activity About?

Community support is provided by Council in a number of ways through organisations and agencies working with particular groups within the community, provision of funding, advocacy, and directly addressing specific issues through service provision. This Activity combines a number of distinct ways Council is involved in supporting its community.

Community Support and Development

Council acknowledges the needs of specific sectors in our community including our older people and youth. Council works in partnership with key organisations and has now developed the Age Friendly Strategy for Marlborough 2022 - 2027. Monthly Positive Ageing Forums and regular Picton Regional Forums are held to give a voice to this sector and enable issues to be raised and addressed.

Similarly, Council has a Youth Policy and Youth Initiatives Plan to work towards achieving a better environment and services for this sector, and to encourage input from youth. This includes making progress towards the Mayor's Task Force goal *"that all young people under the age of 25 should be engaged in appropriate education, training, work or positive activities in their communities"*. Monthly Youth Council meetings are held to provide a voice for youth and to give effect to the Youth Policy and Plan. The Plan also provides direction for the allocation of Council's Youth Funding.

The volunteer sector, including non-government and not-for-profit organisations, underpins most of the delivery of community services in Marlborough.

Advocating for the needs of the community sector is an ongoing issue, particularly given the changes being experienced in the age and ethnicity of the community. Strengthening relationships with key organisations, and providing training and support are key elements of building the capacity of the sector. Council is working in partnership with Immigration New Zealand to implement the Welcoming Communities Programme in Marlborough over the next three years.

Council also assists by providing community grants. Criteria for these grants have been set to target specific needs in the community and relationships with other funding providers have the potential to maximise the funds available.

These grants provide one-off funding for not-for-profit organisations providing essential services in the Marlborough community, supporting community welfare, social services, the environment and/or sports and recreation.

Council contracts Age Concern to support older people and Volunteer Marlborough to build the capacity of the voluntary sector through training.

Community Safety

Community safety is an important component of the "living" Community Outcome, which is *"Marlborough's enviable community facilities, infrastructure, landscapes and climate enables our community to thrive. Life in Marlborough is safe and healthy"*.

Council has longer term arrangements with the police and central government to enhance community safety wherever possible. The Safer Communities Marlborough section of Council delivers restorative justice initiatives which are self-funding via Government grants.

The security camera network in the Blenheim and Picton CBD is managed by Council and is funded by rates.

Events Management

Free community-based events make a positive contribution to the wellbeing of the community by enhancing cultural identity, physical activity and social cohesion. Events also have a role to play in attracting visitors to Marlborough, along with showcasing and promoting the area. New contracts regarding event delivery are being put in place following the closure of the Festival and Events Trust in 2022.

Energy Efficiency

Council promotes warmer, healthier homes by offering an upfront residential funding service for retrofit insulation, clean heating, solar water heating and solar power. This cost is recovered over nine years through a voluntary targeted property rate for participating households. The rates recovery amount also includes interest, an administration charge and GST on all costs. This is cost neutral to Council.

Passenger Transport and Total Mobility Scheme

Public transport services give people access to economic and social opportunities. Council currently operates an urban bus service in Blenheim, trial bus services for Picton and Renwick, and a district-wide mobility scheme.

These activities are part funded by the New Zealand Transport Agency. Additional sponsorship for the bus service is currently being sought.

Smart and Connected Communities

Council established community-led groups in some of our larger communities (Havelock, Picton, Renwick and Seddon) via the Smart+Connected process. These groups over previous years have developed strategic plans and a number of working groups to implement their plans through their own efforts and by working with key partners including Council, other public providers and businesses. The Smart+Connected groups have reduced in activity over the past few years.

Emerging Issues and Expected Changes

Changing Demographics

The predicted change of age structure of the Marlborough community continues to unfold, posing challenges for future infrastructure and the delivery of services such as health and education, additional pressure to the housing shortage, transport (including passenger transport and mobility) and recreation. It is anticipated in the coming years our community is going to be “older” — 2018 population projections by Statistics NZ indicates 23% of the population is over 65 and this is projected to increase to 34% by 2043.

The transition to an increasingly ethnic diverse community in Marlborough continues and has been enhanced to a small degree with Marlborough becoming a Refugee Re-Settlement Community in 2020 and the arrival of former refugees now from two ethnic groups.

Community Safety

Safer Communities Marlborough has always operated in an environment of potential change due to its reliance on central government for the majority of its funding. Our current contract finishes at the end of 2023. However, the Ministry of Justice have indicated that it could be extended between 18 months to 30 June 2025 or even 2027.

Bus Services

Both the Picton and Renwick trial bus services have been extended until June 2023. These trial services are subject to review during the 2023-24 draft annual plan process.

Patronage levels across the Blenheim and Picton routes is beginning to trend upwards however the Renwick route remains poorly patronised.

The Government has announced a further extension of half price public transport fares until 30 June 2023.

Half price fares for total mobility users have been made permanent.

Levels of Service

| Levels of Service 2023-24: Community Support | | | |
|---|--|--------------------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations (excludes Passenger transport). | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | | |
| | • Community Support. | 6.5 | ≥ 6.5 |
| | • Community Safety. | 6.7 | ≥ 6.7 |
| | • Events Management. | 6.6 | ≥ 6.6 |
| Ensure service quality and value through oversight of Council's community grants and third party providers. | % of contract and grant requirements met. | 100% | 100% |
| Ensure service quality and value of community events through oversight of third party providers. | % compliance with contract requirements. | 100% | 100% |
| | Number of participants as a % of targets in contracts. | 90% | ≥ 90% |
| Support Seniors community through implementation of the Positive Ageing Accord. | Number of Older Persons Forums held. | 10 | ≥ 10 |
| Support the Youth community through implementation of the Youth Initiatives Plan. | Number of Youth Forums held. | 9 | ≥ 9 |
| | % of actions in Youth Initiatives Plan completed. | 100% | 100% |
| Build capacity of the Volunteer Sector through provision of training in partnership with key service providers. | Number of training courses delivered where attendance numbers meet targets. | 4 | ≥ 4 |
| Provide quality service to the community through meeting or exceeding the expectations of the funding Ministries. | % of Ministry of Justice contract conditions met. | 100% | 100% |
| Provide a well-used and affordable bus service in Blenheim and to Picton and Renwick that is timely and responsive to community needs, including extending infrastructure as funding allows.. | Annual % increase in patronage | 1% > previous year | ≥ 2% |
| | Resident satisfaction as measured by survey (10 = service delivered extremely well). | 6.0 | ≥ 6.2 |
| | Number of bus shelters added. | 1 | ≥ 1 |

Revenue and Expenditure by Significant Type

| Community Support and Development | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-----------------------------------|--------------|--------------|-----------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Grants | 576 | 552 | 3 | 554 | 524 | 524 |
| Internal contracts & recharges | 158 | 167 | (9) | 158 | 163 | 168 |
| Personnel costs | 60 | 68 | 38 | 106 | 110 | 117 |
| Grants - Youth | 60 | 60 | - | 60 | 60 | 60 |
| Corporate Overhead Allocations | 51 | 50 | 2 | 52 | 57 | 58 |
| Section Management | 40 | 31 | 20 | 51 | 51 | 59 |
| Contracts | 50 | 53 | (10) | 42 | 44 | 45 |
| Grants for Waiver | 30 | 31 | (1) | 30 | 31 | 32 |
| Grants - Positive Ageing | 15 | 15 | - | 15 | 15 | 15 |
| Departmental Management | | | | | | |
| Allocations | 1 | 1 | - | 1 | 1 | 1 |
| Total operating costs | 1,041 | 1,027 | 42 | 1,070 | 1,056 | 1,080 |

| Events Management | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|------------------------------|------------|------------|-----------|------------|------------|------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Contracts | 196 | 202 | 9 | 211 | 218 | 225 |
| Personnel costs | 10 | 12 | 7 | 19 | 19 | 21 |
| Grants | 30 | 10 | - | 10 | 10 | 10 |
| Corporate Overhead | | | | | | |
| Allocations | 9 | 9 | - | 9 | 10 | 10 |
| Section Management | 7 | 5 | 4 | 9 | 9 | 10 |
| Total operating costs | 252 | 237 | 20 | 257 | 267 | 276 |

| Energy Efficiency | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-----------------------------------|------------|------------|-------------|------------|------------|------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Contributions - Lump Sum (Rating) | | | | | | |
| Powers | 173 | 157 | 16 | 173 | 178 | 182 |
| Fees | 7 | 4 | 3 | 7 | 7 | 7 |
| Total external revenue | 180 | 161 | 19 | 180 | 185 | 190 |
| Energy Efficiency Services | 610 | 740 | (90) | 650 | 650 | 650 |
| Internal contracts & recharges | 137 | 149 | 14 | 162 | 166 | 176 |
| Total operating costs | 747 | 889 | (76) | 812 | 816 | 826 |

| Passenger Transport | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------|------------|------------|-----------|------------|------------|------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Roading subsidies OPEX | 255 | 215 | 21 | 236 | 264 | 255 |
| Sponsorship | 24 | 24 | - | 24 | 24 | 24 |
| Roading subsidies CAPEX | 11 | 12 | (1) | 11 | 12 | 12 |
| Sales | 12 | 13 | (5) | 8 | 9 | 11 |
| Total external revenue | 302 | 264 | 16 | 280 | 309 | 302 |
| Contracts | 190 | 189 | 25 | 214 | 224 | 230 |
| Materials | 130 | 131 | (1) | 130 | 139 | 143 |
| Subsidies | 35 | 37 | (2) | 35 | 36 | 37 |
| Corporate Overhead | | | | | | |
| Allocations | 32 | 31 | 1 | 32 | 35 | 36 |
| Advertising | 15 | 15 | (1) | 15 | 15 | 15 |
| Repairs & maintenance | 13 | 14 | (1) | 13 | 14 | 16 |
| Depreciation | 11 | 11 | - | 11 | 11 | 11 |
| Interest - Internal Loans | 9 | 8 | 2 | 10 | 10 | 9 |
| Other Operating Cost | 107 | 11 | (6) | 5 | 30 | 5 |
| Total operating costs | 540 | 448 | 17 | 465 | 515 | 503 |

| Smart and Connected Communities | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---------------------------------|------------|------------|--------------|-----------|-----------|-----------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Personnel costs | 71 | 87 | (87) | - | - | - |
| Professional Fees | 40 | 42 | (2) | 40 | 41 | 42 |
| Corporate Overhead | | | | | | |
| Allocations | 37 | 37 | (16) | 21 | 22 | 23 |
| General Expenses | 10 | 10 | - | 10 | 10 | 11 |
| Total operating costs | 158 | 176 | (105) | 71 | 73 | 76 |

| Community Safety | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---------------------------------------|------------|------------|------------|------------|------------|------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Non-Govt Operating grants & donations | 116 | - | 120 | 120 | - | - |
| Total external revenue | 116 | - | 120 | 120 | - | - |
| Personnel costs | 16 | - | 17 | 17 | 2 | - |
| Lease - Equipment | 136 | 143 | (7) | 136 | 140 | 143 |
| Contracts | 50 | - | 50 | 50 | - | - |
| Repairs & maintenance | 20 | 21 | (1) | 20 | 21 | 21 |
| Other Operating Cost | 30 | 8 | 22 | 30 | 9 | 9 |
| Total operating costs | 252 | 172 | 81 | 253 | 171 | 174 |

Grants

| Community Support Grants (\$000) | 22/23 | 23/24 | 24/25 | 25/26 | Purpose |
|---|------------|------------|------------|------------|---|
| Marlborough Community Vehicle Trust | 20 | - | - | - | |
| Argosy Trust - Making Marlborough - the Immigrants' Story | 16 | - | - | - | |
| Awatere Community Trust | 8 | 8 | 8 | 8 | Information office |
| Awatere Community Trust | 8 | 8 | 8 | 8 | Rent |
| Blenheim Community Patrol - vehicle costs | 5 | 5 | 5 | 5 | |
| Citizens Advice Bureau | 12 | 12 | 12 | 12 | Annual Operating Grant |
| Community Grants | 300 | 300 | 300 | 300 | Criteria set applied annually |
| Festive Lights | 23 | 23 | 23 | 23 | Reserves administrator |
| Graeme Dingle Foundation - Career Navigator | 12 | 12 | 12 | 12 | Annual Operating Grant |
| Havelock Community Association | 33 | 33 | 33 | 33 | Annual Operating Grant |
| Havelock Community Association – Community hub | 3 | 3 | 3 | 3 | Annual Operating Grant |
| Life Flight | 10 | 10 | 10 | 10 | Annual Operating Grant |
| Lions Science Fair and miscellaneous | 2 | 2 | 2 | 2 | Annual Operating Grant |
| Marlborough Migrant Centre | 15 | 15 | 15 | 15 | Annual Operating Grant |
| Marlborough Youth Trust | 30 | 30 | 30 | 30 | Annual Operating Grant |
| Christmas in the Park | 2 | 2 | 2 | 2 | Annual Operating Grant |
| Nelson Rescue Helicopter | 10 | 10 | 10 | 10 | Annual Operating Grant |
| NZ Riding for the Disabled Association Inc | 10 | 10 | 10 | 10 | Annual Operating Grant |
| Picton Resource Centre | 10 | 10 | 10 | 10 | Annual Operating Grant |
| Rarangi Surf Life Saving | 10 | 10 | 10 | 10 | Annual Operating Grant |
| Sport Tasman | 25 | 25 | 25 | 25 | Annual Operating Grant |
| Warmer Healthier Homes | 30 | 30 | 30 | - | |
| Youth Initiatives Funding | 60 | 60 | 60 | 60 | Annual contract, applied to plan implementation, allocated by the Youth Council |
| Positive Ageing Accord | 15 | 15 | 15 | 15 | Policy implementation, events, contracts |
| Building Consent Grants | 15 | 15 | 15 | 15 | Applied to under policy criteria |
| Resource Consent Grants | 13 | 13 | 13 | 13 | Applied to under policy criteria |
| Transfer Station Grants | 2 | 2 | 2 | 2 | Applied to under policy criteria |
| Future of work | - | 10 | 10 | 10 | |
| Total Grants & Donations (15081) | 699 | 673 | 673 | 643 | |
| Wheel chair taxi hoists | 24 | - | 24 | - | Triennial grant (60% funded by NZTA) |
| Total Mobility Scheme (53710) | 24 | - | 24 | - | |
| Picton Maritime Festival | 10 | 10 | 10 | 10 | |
| Total Recreation & Events (15080) | 10 | 10 | 10 | 10 | |
| Total Community Support Grants | 733 | 683 | 707 | 653 | |

Note: the 2022/23 figures above do not include carryovers.

Major Contracts (at least \$100,000 or 5% of the Activity's Expenditure)

| Contract | \$ per annum | Finishes | Comment |
|---|-----------------------|------------------|--|
| Passenger Transport - Blenheim Urban Bus Services | \$169,068 | 28 February 2027 | Council has a nine-year contract with Ritchies Transport Holdings Limited, which commenced on 1 March 2018. The contract value excludes the quarterly passenger transport index adjustments |
| Events Management – Contract holder | | | New contracts regarding event delivery are being put in place following the closure of Festival and Events Trust in 2022. |
| Security – CCTV monitoring, lease and maintenance | \$200,000 approx p.a. | 30 June 2024 | |

Capital Expenditure Projects

| Community Support | 2023-24 \$000's | 2024-25 \$000's | 2025-26 \$000's | 2026-27 \$000's | Benefits Summary |
|------------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| Passenger Transport | 23 | 23 | 24 | 24 | |
| Total additions | 23 | 23 | 24 | 24 | |

Activity: Library Services

Operating costs of this Activity represents approximately 3.20% of total Activity expenditure.

Manager: Glenn Webster

What is this Activity About?

This Activity provides the community with a professional library service. Marlborough District Libraries provide access to great physical and digital collections with easy to use services and great staff. Libraries are places of discovery, imagination and creativity, supporting life-long learning and fostering connection between people and groups. They are valued and trusted by the community as modern, vibrant and exciting places. They aspire to connect services with people where they are: in-library, online or in the community.

Council provides library services to all Marlborough residents through a network of library facilities. These comprise a District Library in Blenheim and a Branch Library in Picton (a joint Library and Service Centre) which are both open seven days. Council also supports school-based community libraries in Ward, Seddon, Havelock and Waitaria Bay with resources for adults.

Emerging Issues and Expected Changes

A new District Library and Art Gallery will open in May 2023 at 15 High Street Blenheim. The joint Library and Art Gallery facility will provide spaces for expanded programming, collections, exhibitions, meeting rooms and a Café, with extended opening hours on Sunday. The ground floor meeting rooms will also be available to hire out of hours. A COVID-19 related Shovel Ready grant from the Government assisted the funding of this project.

Levels of Service

| Levels of Service 2023-24: Library Services | | | |
|---|---|-------------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 7.7 | ≥ 7.7 |
| Support the tastes, interests and reading levels of users through providing a range of current resources. | Average age of resources (measured in years). | 8 | ≤ 8 |
| | Frequency of items being taken out (turnover rate). | 4 | ≥ 4 |
| Provide a range of programmes or training opportunities that meet or exceed customers' expectations. | Satisfaction of attendees with courses and programmes as measured by survey (1=Unsatisfactory; 3=Good; 5=Excellent) | 4.5 | ≥ 4.5 |
| Provide access to information electronically | Annual % increase of e-book and e-audio loans. | 31,500 | ≥ 10% |
| | Annual % increase of digital sessions numbers. (using a library computer or Wi-Fi on own device) | New measure | ≥ 10% |

Revenue and Expenditure by Significant Type

| Library Services | 2022-23 | 2023-24 | | 2024-25 | 2025-26 |
|-------------------------------|--------------|----------------|-------------------|---------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's |
| Gain On Sale of Fixed Assets | - | - | 1,496 | 1,496 | - |
| Non-property rentals | 50 | 53 | (23) | 30 | 32 |
| Photocopying / Typing | 16 | 17 | (1) | 16 | 17 |
| Fines | 14 | 15 | (3) | 12 | 13 |
| Other External Revenue | 11 | 19 | (10) | 9 | 9 |
| Total external revenue | 91 | 103 | 1,459 | 1,562 | 69 |
| Personnel costs | 1,439 | 1,415 | 764 | 2,179 | 2,142 |
| Corporate Overhead | | | | | |
| Allocations | 750 | 737 | 218 | 955 | 1,002 |
| Depreciation | 438 | 695 | 42 | 737 | 769 |
| Interest - Internal Loans | 173 | 179 | 129 | 308 | 209 |
| Contracts | 109 | 112 | 45 | 158 | 174 |
| Insurance | 97 | 65 | 47 | 112 | 116 |
| Cleaning | 85 | 98 | (3) | 95 | 98 |
| Repairs & maintenance | 35 | 48 | 8 | 55 | 37 |
| Projects | - | - | 40 | 40 | - |
| Power | 47 | 57 | (18) | 39 | 41 |
| National Library Charges | 34 | 36 | (2) | 34 | 35 |
| Software | 19 | 20 | 10 | 30 | 34 |
| Rates | 7 | 20 | 8 | 28 | 29 |
| Other Operating Cost | 47 | 40 | (20) | 20 | 19 |
| Total operating costs | 3,280 | 3,521 | 1,270 | 4,791 | 4,707 |

Capital Expenditure Projects

| Library Services | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|------------------------|------------|------------|------------|------------|------------------|
| | \$000's | \$000's | \$000's | \$000's | |
| Library books | 280 | 296 | 311 | 325 | |
| Computer systems | 100 | - | - | - | |
| Computers | 48 | 23 | 23 | 24 | |
| Library - non-books | 31 | 33 | 35 | 37 | |
| Office equipment | 20 | 21 | 21 | 22 | |
| Total additions | 479 | 373 | 391 | 408 | |

Activity: Emergency Management

Operating costs of this Activity represent approximately 0.65% of total Activity expenditure.

Manager: Brian Paton

What is this Activity About?

Council is a key member, and the sole funding provider, for the Marlborough Civil Defence Emergency Management Group (Marlborough Emergency Management). The Group is responsible for writing, administering and implementing the CDEM Group Plan. The Assets and Services Committee fulfils the role of the Joint Committee (governance role) under the CDEM Act, and the Coordinating Executive Group (members include Te Tauihu Iwi, Fire, Police, Ambulance, Health and Council) provides operational oversight.

The operative CDEM Group Plan describes:

- the emergency management policies and procedures in place to manage Marlborough's distinct hazards and risks;
- arrangements for declaring a state of emergency in the district;
- arrangements for cooperation and coordination with all emergency services and other Civil Defence Emergency Management Groups;
- Marlborough's risk profile which identifies the hazards, likelihood, consequence, and total risk rating which must be managed by the CDEM Group. The eight most significant hazards are:
 - local source tsunami
 - earthquake
 - human pandemic
 - marine accident
 - animal pandemic
 - marine pests and diseases
 - river flooding
 - plant and animal pests.

The Group Plan is required by legislation to be reviewed every five years and therefore will be rewritten during the 2023-24 financial year. This will also involve a review of the hazards above and compliance with new legislation that will be introduced to the House in 2023. It will also involve extensive public consultation to ensure it meets the expectations of Marlborough's communities.

The four goals of Marlborough Emergency Management are:

- to coordinate efforts to reduce the risk posed by hazards that threaten the life, wellbeing, infrastructure, economic fabric, and ecological systems that support the lifestyle of Marlborough;
- to improve an awareness of the remaining risks faced by communities to be better prepared for known hazards;
- to enhance the efficiency and effectiveness of all agencies and the community in their response to an emergency through integrated and coordinated effort;
- improve the process of recovery after an emergency to return to normal life as quickly as possible with a minimum of loss and disruption.

Emerging Issues and Expected Changes

How Emergency Management is delivered throughout New Zealand in the future is currently under review on several fronts. The CDEM Act of 2002 is being replaced with a new piece of legislation being put to Select Committee in early 2023 with the hope that the Bill is passed before the end of 2023. Proposed changes

include an increased emphasis on working in partnership with iwi/Māori and disproportionately impacted people across all aspects of:

- reduction, readiness, response, and recovery planning; and
- preparedness and clarity around Territorial Authority and Emergency Management Group roles and responsibilities.

There will also be the legislated ability for the Chief Executive of the National Emergency Management Agency to establish rules and regulations which could result in capacity and capability issues arising to enable those to be met.

Once the new Emergency Management Act is passed, the emphasis will then focus on reviewing the National Civil Defence Emergency Management Plan, reviewing the Director’s Guidelines and developing a 10-year implementation plan from the National Disaster Resilience Strategy.

The detail around how all these changes and workflows will impact on the Marlborough Emergency Management Office are unclear at this point but will unfold over the coming 12 months.

Two severe storms in the last two years have resulted in a huge recovery effort that will have a long tail of many years. A Recovery Office has been established and two Recovery Navigators have been employed to assist the affected communities respond to the significant disruption to their lives. For many, previous access options may be strictly limited and the viability of commercial enterprises impacted by these climate change events which are likely to increase in the coming years.

Marlborough Emergency Management has established a new role focusing on Community Resilience. As previous events have unfolded it has become apparent that many communities, both rural and urban, are not as resilient to emergencies as they were thought to be, and it is hoped that the new role can begin to address this lack of preparedness.

Levels of Service

| Levels of Service 2023-24: Emergency Management | | | |
|---|---|------------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents’ expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 7.5 | ≥ 7.5 |
| Provide a planned and tested capability to respond to major Civil Defence and Emergency Events. | Compliance of CDEM Group Plan and Group Welfare Plan with the Ministry of Civil Defence Director’s Guidelines. | 100% | 100% |
| | Number of meetings of Coordinating Executive Group, Readiness & Response Committee and Welfare Coordination Group held. | 9 | ≥ 9 |
| | Regional Incident Management Team training events/exercises held. | 10 | ≥ 10 |
| | Time taken to activate EOC in case of an event or post a national warning being received from MCDEM, if an active response is required (target in minutes). | 30 minutes | ≤ 30 |

Revenue and Expenditure by Significant Type

| Emergency Management | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-----------------------------------|------------|------------|------------|------------|------------|--------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Govt Operating grants & donations | - | - | 100 | 100 | 100 | 100 |
| Property rentals | 18 | 18 | - | 18* | 18 | 18 |
| Hires | 1 | 1 | - | 1 | 1 | 1 |
| Total external revenue | 19 | 19 | 100 | 119 | 119 | 119 |
| Personnel costs | 443 | 386 | 118** | 504 | 524 | 543 |
| Corporate Overhead Allocations | 132 | 129 | 53 | 183 | 192 | 199 |
| Depreciation | 44 | 43 | 4 | 48 | 55 | 55 |
| Contributions | 30 | 31 | (1) | 30 | 31 | 32 |
| Departmental Management | | | | | | |
| Allocations | 17 | 16 | 5 | 22 | 23 | 23 |
| Telephone Tolls Faxes and Pagers | 20 | 21 | (1) | 20 | 23 | 23 |
| Equipment | 17 | 18 | (3) | 15 | 15 | 16 |
| Cleaning | 10 | 10 | 3 | 13 | 13 | 14 |
| Power | 10 | 10 | 2 | 12 | 12 | 13 |
| Repairs & maintenance | 11 | 11 | - | 12 | 12 | 12 |
| Insurance | 9 | 9 | 2 | 11 | 11 | 11 |
| Protective Clothing | 8 | 9 | 2 | 11 | 11 | 11 |
| Other Operating Cost | 76 | 78 | (8) | 70 | 72 | 72 |
| Total operating costs | 825 | 772 | 176 | 948 | 993 | 1,024 |

* The \$18,000 revenue relates to the FENZ lease of space within the Emergency Operations Centre.

**Three new positions have been added to the budget: Administration Support, Recovery Navigator and Senior Advisor Community Resilience.

Capital Expenditure

| Emergency Management | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|------------------------|----------|-----------|-----------|-----------|---|
| | \$000's | \$000's | \$000's | \$000's | |
| Radio telephones | 5 | 5 | 5 | 5 | Retaining an effective communications network |
| Office equipment | 2 | 2 | 2 | 2 | EOC replacements |
| Sundry plant | 2 | 2 | 2 | 2 | |
| Administration fleet | - | 26 | - | - | |
| Utilities | - | 24 | 44 | - | Vehicle replacement |
| Total additions | 9 | 59 | 54 | 10 | |

Activity: Community Facilities

Operating costs of this Activity represent approximately 10.01% of total Activity expenditure.

Manager: Jane Tito

What is this Activity About?

Council provides and maintains open spaces and build facilities to meet a range of community needs. Community facilities include reserves, parks, accessways, open space and planted areas, street trees, trees, playgrounds, tracks and trails, sports parks and buildings, public toilets, halls, cemeteries and memorials.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

There are some general issues and changes which may impact a number of the Council's community facilities.

Planning

Parks and Open Spaces have several documents underway that will assist Council and the community to address planning and budgeting in our Parks and Open Spaces. The Victoria Domain Reserves Management Plan was reviewed in 2022 specifically to address parking issues at Memorial Park over the summer months. The management plans for Seddon Domain, Grovetown Lagoon and Waikawa Bay Foreshore Reserve are being drafted and the review of the current management plan for the Wither Hills Farm Park is underway. The Picton Foreshore Reserve review will start during the life of the Long Term Plan.

The development of a plan for the grounds at A&P Park and the needs of the users is underway with a new build expected in the 2024-25.

Contracts and Tenders

A number of our larger key maintenance contracts have been renewed over the last three years. These contracts had been in place for about 8-10 years and all contracts went through an open market tender process.

The review of the open spaces maintenance contracts has brought in the newly developed areas (not previously managed within the contract) and included in the respective maintenance contracts. This review provides Council with a much more accurate assessment of overall costs and planning requirement in order to maintain our open spaces and meet levels of service.

Traffic Management

Traffic management, (to ensure that health and safety of workers and the public are protected), is an important aspect of activities carried out by Parks and Open Spaces, including maintenance works, being undertaken within the road reserve or adjacent to the road reserve. The costs of traffic management have increased significantly with new regulatory requirements. This has ongoing implications for budgets for activities occurring in locations where traffic management plans are required to be in place, particularly along State Highway corridors.

Climate Change

Weather events have the potential to damage reserves and Council infrastructure. The implications of these events will need to be considered along with the impacts of anticipated sea level rise. There are costs already being incurred associated with these impacts and we anticipate further costs in managing these effects. There will be longer term discussions with communities regarding expectations from Council in responding to these events.

In particular, weather events are having an effect on the Parks and Open Spaces environment with noticeable damage and loss of assets including structures, walkways and tracks. This was particularly evident in the storm events in 2021 and 2022 with severe damage to the Marlborough Sounds infrastructure and to other Parks and Open Spaces assets.

Greater losses of trees are also being experienced which may see a need for different responses to species being planted and/or a need for irrigation. There is also an increase in the range and number of pest infestations in Marlborough that will result in greater control or maintenance requirements.

Tree Management

Council adopted a Tree Policy to support management of Council's tree portfolio in June 2020. The more robust data capture and monitoring system introduced for managing trees continues to result in an improved understanding of our tree portfolio and the maintenance required. The rigorous management of our trees has related budgetary implications along with increased traffic management costs.

Vandalism

There has been an increasing trend in the extent of vandalism occurring in our parks and open spaces. This includes vandalism to toilet facilities as well as to areas being accessed by vehicles causing significant damage to structures and to grassed areas. There has been a noticeable increase in theft from within our premier parks which may have longer term implication for the flower portfolio. These incidents have budgetary implications with resources required to repair any damage and our security system.

Cemeteries

Cemetery plans developed in 2017 are under review and will be updated to reflect future development considerations, management and operational requirements across Council-run cemeteries. The plans have an implementation programme, with prioritised projects to be reflected in budget allocations.

A Cemetery Policy/Plan is being developed as the overarching management document to assist the Council in decisions on planning, funding, managing and operating the cemeteries it controls. It will also set out how Council will meet growth demands and changing community preferences for interment.

Marlborough, like other areas around the country, is experiencing an increase in cremations compared to burials. Consequently, there is a need to consider the most appropriate options for ashes interments at each of the cemeteries. There is also a trend for self-funerals where the use of funeral directors does not occur. This may see greater staff resources needed to assist the public through the process. There is also increasing demand for access to Council's online cemetery database.

A review continues of the Burial and Cremation Act 1964 and associated regulations. This may see more responsibilities placed on local authorities in managing the burial process with related costs. Planning around the need for more land for burials will also be required during the life of the Long Term Plan.

Memorials

A district-wide master plan is being prepared for memorials. Similar to the cemetery master plans, this will guide future development, management, budget and operational requirements relating to memorials.

There is an increasing number of requests from the public to plant trees in public places and place plaques on structures throughout Marlborough to commemorate specific people and events.

Public Toilets

A major upgrade, and in some cases replacement, of public toilets around Marlborough continues. Upgrades to the facilities at Anakiwa, Havelock, Seymour Square, Okiwi Bay, Rai Valley, Collins Memorial Taylor Dam are complete. New toilet facilities have been built at Lake Elterwater and Renwick Dog Park, with the first toilet along the Whale Trail at Redwood Pass also now complete. The construction of an effluent dump station at Carluke Domain has also been completed.

Upgrades to existing facilities at Carluke Domain Hall is currently underway. New facilities are proposed at Ferry Bridge Picnic Area (near Spring Creek) and Wedge Point (Queen Charlotte Drive), with central government funding also approved for these facilities. In response to increased use of tracks and trails, new public conveniences are also being considered at George Conroy Drive (Blenheim) as a consequence of further recreational development of the former Taylor Pass landfill and the Taylor Pass Road Mountain Bike Park car park.

Capital funding assistance has been received for several of these projects through application to the Ministry of Business Innovation and Employment's Tourism Infrastructure Fund. Some of the projects not yet underway may also be eligible for Tourism Infrastructure Funding.

A strategic update of Council's toilet assets with a proposal for additional facilities to meet levels of service expectations will be included on the budget agenda.

Walking and Cycling

There is an increasing demand for the development of more paths and tracks for walking and cycling communities, including locals and visitors. The Walking and Cycling Strategy for Marlborough outlines areas where cycling and walking opportunities are to be enhanced and/or new connections made to the network. This is certainly a positive in terms of health, social and mental wellbeing and the possible economic impact that may occur, however ongoing funding to develop and maintain these facilities will need to be considered in the longer-term.

Enhancements to the network that will require budgetary provision for maintenance include widening of Taylor River pathways (completed – 4,400m), extension to Renwick cycle path (underway), Jackson Road cycle pathway (completed - 1,277m), Havelock accessway: Kaituna Estuary walk (completed - 664m), Havelock Waterfall track (completed – 1,695m), Ward Hall to SH1 walkway (completed - 600 m).

Budgetary provision to maintain the WHFP Skills Park in the Gentle Annie Walking area may also be required. This will be at a higher Level of Service than currently required in this area.

New Reserves

New reserves have been or will be obtained by Council as a result of subdivision development. These include Rose Manor, Grovetown, Wai-Iti, Town Branch walkway/cycleway and the former landfill site at Taylor Pass. There will be budgetary implications for maintenance of these areas as well as some costs in establishing facilities for the public such as a playground.

Development on existing Reserves

Development or improvement works are underway at Kowhai Reserve, Havelock War Memorial Park playground, Wairau Valley Hall kitchen improvement, Taylor Pass Reserve development, Lansdowne Park women's toilet, and Endeavour Park gravel banding to sports field.

Upgrades to district playgrounds that are planned will also result in additional maintenance costs including: completed developments include Rousehill Reserve, Hammond Reserve, Vorbach Reserve (Renwick), Parklands Reserve, Picton Foreshore, Shelly Beach (Picton), Clearwater Place Reserve, Rata Place, Ballinger Park, George Young, Pollard Park Toddler Playground (Blenheim), Havelock War Memorial Park (Havelock).

Small Townships Programme

There will be budgetary implications for projects implemented through the Small Townships Programme. The projects will have an impact on maintenance costs and subsequent increase in Levels of Service. There will need to be funding provided to ensure new projects are maintained at a level that meets community expectations.

Levels of Service

| Levels of Service 2023-24: Community Facilities | | | |
|---|--|----------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide community facilities which are accessible, maintained to a high standard and appropriate to the range and level of use. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 7.8 | ≥ 7.8 |
| Provide neighbourhood parks in urban area within walking distance of home, providing play opportunities for all ages, open space and amenity values. | % of residentially zoned houses in urban areas within 500m walking distance of a neighbourhood park. | 98% | ≥ 98% |

Levels of Service 2023-24: Community Facilities

Performance Targets (for the financial year)

| Level of Service | Indicator | Baseline | 2023-24 |
|---|---|-------------|--|
| Provide reserves and manage their use in accordance with Reserve Management Plans (RMP). | Number of RMPs being reviewed or prepared. | 2 | ≥ 2 |
| Provide a connected network of walking and cycling paths and tracks that is accessible, visible and caters for a range of abilities. | Walking and cycling paths and tracks being upgraded or are under development (measured in kilometres). | 5KM | ≥ 5KM |
| Provide well maintained street trees to contribute to an attractive streetscape. | % of appropriately planted street trees on new urban roads (or renewed on existing roads). | 100% | 100% |
| | Number of additional and replacement street trees planted. | 130 | ≥ 130 |
| | % of assessments undertaken once every two years (or sooner if necessary) of the condition of each street tree. | 100% | 100% |
| Provide playgrounds which are varied and stimulating and also safe and well maintained. | % of new playgrounds and playground renewals that have shade (including natural shading) in the design. | 100% | ≥ 100% |
| | % of weekly playground audits undertaken. | 100% | 100% |
| Provide well-maintained cemeteries which are accessible and appropriate sites for the interment needs of the community. | % of projects in respective cemetery master plans completed. | New measure | 60% of projects (medium term priorities) |
| | Minimum number of burial and ashes plots available. | 650 | ≥ 650 |
| Provide sports parks which: <ul style="list-style-type: none"> • cater for a range of sporting and recreation activities; and • are well maintained, available, accessible and safe to use. | % of outcomes of Sports Facilities Strategic Plan 2021 implemented | New measure | 40% of projects (short term priorities) |
| Provide public toilets which are well designed, accessible, clean and safe to use. | % of response to requests for service within allotted time. | 100% | 100% |

Revenue and Expenditure by Significant Type

| Cemeteries | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------|------------|------------|-------------|------------|------------|------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Interment - Conventional | 132 | 155 | (5) | 150 | 155 | 160 |
| Plot Purchases - Conventional | 86 | 100 | (2) | 97 | 101 | 104 |
| Plot Purchases - Cremated | 29 | 34 | (1) | 33 | 34 | 35 |
| Interment - Cremation | 19 | 23 | (1) | 22 | 23 | 24 |
| Other External Revenue | 19 | 21 | (1) | 20 | 21 | 21 |
| Total external revenue | 284 | 333 | (10) | 322 | 334 | 344 |
| Contracts | 239 | 238 | 34 | 272 | 281 | 289 |
| Interest - Internal Loans | 64 | 85 | 5 | 90 | 100 | 108 |
| Burials | 76 | 79 | (4) | 76 | 78 | 80 |
| Repairs & maintenance | 48 | 44 | 4 | 47 | 49 | 51 |
| Depreciation | 36 | 43 | (2) | 41 | 45 | 48 |
| Personnel costs | 39 | 39 | (2) | 37 | 39 | 40 |
| Corporate Overhead | | | | | | |
| Allocations | 35 | 34 | 1 | 35 | 38 | 40 |
| Section Management | 32 | 30 | (1) | 28 | 31 | 32 |
| Tree Maintenance | 21 | 23 | (1) | 21 | 22 | 23 |
| Other Operating Cost | 21 | 27 | (6) | 21 | 21 | 22 |
| Total operating costs | 610 | 641 | 28 | 669 | 705 | 733 |

| Memorials | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|------------------------------|------------|------------|-----------|------------|------------|------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Depreciation | 47 | 36 | 18 | 54 | 57 | 59 |
| Repairs & maintenance | 40 | 32 | (2) | 31 | 52 | 33 |
| Contracts | 27 | 22 | 6 | 28 | 29 | 30 |
| Power | 15 | 15 | 2 | 17 | 18 | 18 |
| Insurance | 14 | 14 | 3 | 17 | 17 | 18 |
| Other Operating Cost | 39 | 38 | (1) | 37 | 42 | 41 |
| Total operating costs | 182 | 157 | 27 | 184 | 215 | 199 |

| Street berms, trees and plots | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------|------------|------------|-------------|------------|------------|------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Contracts | 557 | 600 | (16) | 584 | 605 | 622 |
| Repairs & maintenance | 209 | 196 | 8 | 204 | 220 | 226 |
| Personnel costs | 36 | 36 | (2) | 34 | 36 | 37 |
| Corporate Overhead | | | | | | |
| Allocations | 32 | 31 | 1 | 32 | 35 | 36 |
| Section Management | 29 | 27 | (1) | 26 | 28 | 29 |
| Other Operating Cost | 32 | 36 | (9) | 27 | 33 | 35 |
| Total operating costs | 894 | 925 | (18) | 907 | 957 | 986 |

| Halls | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------|------------|------------|------------|------------|------------|------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Property rentals | 1 | 1 | - | 1 | 1 | 1 |
| Total external revenue | 1 | 1 | - | 1 | 1 | 1 |
| Depreciation | 226 | 178 | 112 | 290 | 303 | 275 |
| Repairs & maintenance | 42 | 122 | (4) | 118 | 44 | 45 |
| Insurance | 75 | 75 | 28 | 103 | 107 | 110 |
| Interest - Internal Loans | 70 | 65 | 18 | 83 | 80 | 76 |
| Contributions | 45 | 47 | (2) | 45 | 47 | 48 |
| Personnel costs | 41 | 41 | (2) | 39 | 42 | 43 |
| Corporate Overhead | | | | | | |
| Allocations | 37 | 36 | 1 | 38 | 41 | 42 |
| Grants | 281 | 27 | 3 | 31 | 31 | 31 |
| Section Management | 34 | 32 | (1) | 30 | 33 | 34 |
| Other Operating Cost | 35 | 35 | (1) | 34 | 36 | 37 |
| Total operating costs | 885 | 659 | 152 | 812 | 762 | 741 |

| Public Toilets | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|--------------|--------------|------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Contracts | 629 | 602 | 38 | 640 | 663 | 682 |
| Depreciation | 203 | 208 | 57 | 265 | 282 | 312 |
| Interest - Internal Loans | 164 | 195 | 42 | 237 | 283 | 353 |
| Repairs & maintenance | 84 | 56 | 28 | 85 | 88 | 90 |
| Personnel costs | 63 | 63 | (3) | 60 | 63 | 66 |
| Corporate Overhead Allocations | 56 | 55 | 2 | 58 | 62 | 64 |
| Section Management | 51 | 48 | (2) | 46 | 50 | 51 |
| Insurance | 24 | 22 | 7 | 29 | 30 | 31 |
| Departmental Management | | | | | | |
| Allocations | 22 | 22 | (1) | 20 | 21 | 22 |
| Other Operating Cost | 59 | 85 | (22) | 63 | 66 | 67 |
| Total operating costs | 1,356 | 1,357 | 146 | 1,503 | 1,608 | 1,738 |

| Reserves | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-----------------------------------|--------------|--------------|-----------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Reserve Fund Contributions - Cash | 1,807 | 1,843 | - | 1,843 | 1,880 | 1,918 |
| Development contributions | 607 | 619 | - | 619 | 631 | 644 |
| Property rentals | 31 | 32 | - | 32 | 34 | 34 |
| Miscellaneous Revenue | 25 | 10 | 14 | 25 | 26 | 27 |
| Disbursement Recoveries | 13 | 13 | (1) | 13 | 13 | 14 |
| Total external revenue | 2,482 | 2,518 | 14 | 2,532 | 2,584 | 2,636 |
| Contracts | 2,461 | 2,592 | (130) | 2,461 | 2,558 | 2,637 |
| Depreciation | 1,342 | 1,390 | 114 | 1,504 | 1,550 | 1,588 |
| Personnel costs | 1,253 | 1,174 | 85 | 1,260 | 1,317 | 1,366 |
| Repairs & maintenance | 1,018 | 1,112 | (46) | 1,066 | 1,060 | 1,230 |
| Interest - Internal Loans | 480 | 579 | 98 | 677 | 776 | 800 |
| Corporate Overhead Allocations | 499 | 491 | 103 | 593 | 638 | 659 |
| Section Management | 457 | 428 | 48 | 476 | 513 | 530 |
| Departmental Management | | | | | | |
| Allocations | 192 | 194 | 17 | 210 | 218 | 226 |
| Insurance | 132 | 136 | 45 | 180 | 187 | 192 |
| Contributions | 131 | 133 | 13 | 146 | 151 | 156 |

| Reserves | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|----------------|----------------|------------|--------------|----------------|----------------|
| Power | 88 | 93 | 14 | 107 | 109 | 112 |
| External support | 110 | 92 | (5) | 88 | 70 | 72 |
| General Expenses | 86 | 1 | 85 | 86 | 89 | 91 |
| Materials | 64 | 67 | (3) | 64 | 68 | 68 |
| Grants | 553 | 53 | - | 53 | 53 | 53 |
| Plants seeds and Shrubs | 52 | 55 | (3) | 52 | 54 | 55 |
| Internal contracts & recharges | 49 | 52 | (5) | 47 | 48 | 49 |
| Rates | 38 | 37 | 5 | 43 | 44 | 46 |
| Tree Maintenance | 42 | 17 | 22 | 38 | 44 | 41 |
| Vandalism | 21 | 22 | - | 23 | 22 | 23 |
| Projects | 20 | 21 | (1) | 20 | 21 | 21 |
| Other Operating Cost | 185 | 88 | 5 | 94 | 104 | 107 |
| Total operating costs | 9,272 | 8,824 | 461 | 9,285 | 9,692 | 10,120 |

| Swimming Pools | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------|----------------|------------------------|---------------------------|-----------------------|----------------|----------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | \$000's |
| Disbursement Recoveries | 12 | 13 | (1) | 12 | 13 | 13 |
| Total external revenue | 12 | 13 | (1) | 12 | 13 | 13 |
| Contracts | 800 | 842 | (42) | 800 | 829 | 853 |
| Depreciation | 582 | 586 | 122 | 708 | 733 | 755 |
| Contributions | 131 | 123 | 9 | 132 | 136 | 140 |
| Interest - Internal Loans | 112 | 125 | (14) | 111 | 104 | 92 |
| Personnel costs | 59 | 59 | (3) | 57 | 60 | 62 |
| Corporate Overhead | | | | | | |
| Allocations | 53 | 52 | 2 | 54 | 58 | 60 |
| Section Management | 48 | 45 | (2) | 43 | 47 | 48 |
| Other Operating Cost | 52 | 53 | - | 54 | 55 | 57 |
| Total operating costs | 1,838 | 1,884 | 73 | 1,957 | 2,022 | 2,067 |

Grants

| Description | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---------------------------------|------------------|----------------|----------------|----------------|
| Havelock Hall | 15,000 | 15,000 | 15,000 | 15,000 |
| Linkwater Hall | 11,365 | 11,365 | 11,365 | 11,365 |
| Okiwi Bay Hall | 210 | 210 | 210 | 210 |
| Whale Trail | 1,000,000 | - | - | - |
| Okiwi Bay | 1,340 | 1,340 | 1,340 | 1,340 |
| Bright Centre Society | 1,240 | 1,240 | 1,240 | 1,240 |
| Rapaura Tennis Club Maintenance | 15,000 | 15,000 | 15,000 | 15,000 |
| Renwick Domain | 30,000 | 30,000 | 30,000 | 30,000 |
| Marl. Equestrian | 299,000 | - | - | - |
| Horton Park | 5,000 | - | 5,000 | - |
| Oliver Park | - | 5,000 | - | 5,000 |
| Ward Hall | 250,000 | - | - | - |
| Spring Creek Hall | 3,000 | 3,000 | 3,000 | 3,000 |
| Total | 1,631,155 | 82,155 | 82,155 | 82,155 |

Contributions

| Description | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|----------------|----------------|----------------|----------------|
| Flaxbourne Cemetery | 2,400 | 2,400 | 2,400 | 2,400 |
| Flaxbourne Hall | 3,041 | 3,041 | 3,041 | 3,041 |
| Flaxbourne Public Convenience | 2,817 | 2,817 | 2,817 | 2,817 |
| Ward Domain | 13,255 | 18,325 | 18,325 | 18,325 |
| Ward Memorial | 917 | 917 | 917 | 917 |
| Queen Charlotte College Contribution to Gymnasium | 4,500 | 4,500 | 4,500 | 4,500 |
| Waitaria Bay Settlers Hall | 4,212 | 4,212 | 4,212 | 4,212 |
| Awatere Hall | 30,000 | 30,000 | 30,000 | 30,000 |
| Canvastown Hall | 1,000 | 1,000 | 1,000 | 1,000 |
| Wairau Valley Hall | 2,190 | 2,190 | 2,190 | 2,190 |
| Sounds Public Convenience | 9,540 | - | - | - |
| Canvastown Public Convenience | 1,000 | 1,000 | 1,000 | 1,000 |
| Stadium Aquatic Centre | 39,000 | 39,000 | 39,000 | 39,000 |
| Queen Charlotte College Pool Maintenance | 30,000 | 30,000 | 30,000 | 30,000 |
| Supervisor/Lifeguards | 21,000 | 36,000 | 36,000 | 36,000 |
| Seddon Camp&Pool | 26,500 | 26,500 | 26,500 | 26,500 |
| Renwick Domain R&M | 66,000 | 66,000 | 66,000 | 66,000 |
| Horton Park (Cricket) | 22,352 | 22,352 | 22,352 | 22,352 |
| Oliver Park (Cricket) | 24,352 | 24,352 | 24,352 | 24,352 |
| Total | 304,076 | 314,606 | 314,606 | 314,606 |

Major Contracts

| Contract | \$ per annum | Finishes | Comment |
|--|--------------|------------|--------------------|
| Blenheim Open Space Maintenance - Downer | \$1,418,664 | 31/10/2023 | Excludes day works |
| Picton Cemeteries & Open Space Maintenance - Downer | \$517,546 | 30/06/2024 | Excludes day works |
| Havelock & Sounds Open Space Services - Downer | \$140,357 | 31/10/2024 | Excludes day works |
| Marlborough Cemeteries (Fairhall, Havelock, Omaka, Tuamarina) & Renwick Open Space Services - Downer | \$356,195 | 31/10/2024 | Excludes day works |
| Maintenance of Street and Carpark plots and Trees - Nelmac | \$515,000 | 30/11/2022 | Excludes day works |
| Marlborough Public Convenience Servicing - OCS | \$559,835 | 30/06/2024 | Excludes day works |

Capital Expenditure Projects

| Community Facilities | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|--|--------------|--------------|--------------|--------------|------------------|
| | \$000's | \$000's | \$000's | \$000's | |
| Cemeteries: Awatere | 5 | 10 | 5 | 11 | |
| Cemeteries: Fairhall | 190 | 26 | 16 | 27 | |
| Cemeteries: Flaxbourne | 2 | 2 | 2 | 8 | |
| Cemeteries: Havelock | 10 | 5 | 5 | 65 | |
| Cemeteries: Omaka | 5 | - | 144 | 5 | |
| Cemeteries: Picton | 141 | 14 | 281 | 23 | |
| Cemeteries: Rai Valley | - | 5 | 5 | - | |
| Cemeteries: Tuamarina | 145 | 5 | 11 | 5 | |
| Halls: Other (gp 3) | 20 | 21 | 21 | 22 | |
| Memorials: Cleghorn Rotunda | - | - | - | 16 | |
| Memorials: Other | 8 | 8 | 9 | 9 | |
| Memorials: Renwick | - | - | - | 327 | |
| Memorials: War Memorial - Clock | - | - | - | 109 | |
| Memorials: Ward | 35 | - | - | - | |
| Public Conveniences: Awatere | - | - | - | 5 | |
| Public Conveniences: Blenheim | 720 | 570 | 783 | 224 | |
| Public Conveniences: Canvastown | - | 16 | - | - | |
| Public Conveniences: Flaxbourne | - | - | 181 | - | |
| Public Conveniences: Havelock | - | - | 5 | - | |
| Public Conveniences: Picton | 90 | 83 | 320 | 11 | |
| Public Conveniences: Rai Valley | - | 5 | - | - | |
| Public Conveniences: Renwick | 365 | - | - | - | |
| Public Conveniences: Rural | - | 466 | 938 | - | |
| Public Conveniences: Sounds | - | - | - | 11 | |
| Reserves: Ath Park/Oliver Park (Group 7) | - | - | - | - | |
| Reserves: Awatere Domains (Group 10) | 260 | 59 | 107 | 251 | |
| Reserves: Bln Neighbourhood (Group 1a) | 62 | 119 | 45 | 77 | |
| Reserves: Endeav. Prk (Group 5) | 60 | - | - | - | |
| Reserves: Esplanade (Group 14) | 50 | 52 | 53 | 55 | |
| Reserves: Foreshores & Domains (Group 8) | 130 | 41 | - | - | |
| Reserves: Lansdowne/A&P/Horton (Group 6) | 2,200 | 2,072 | - | 518 | |
| Reserves: Picton (Group 8) | 323 | 67 | - | 93 | |
| Reserves: Picton&Koromiko (Group 14) | - | - | 11 | - | |
| Reserves: Pollard&Seymour (Group 12) | 300 | - | 110 | - | |
| Reserves: Rural Reserves (Group 14) | - | - | 80 | - | |
| Reserves: Taylor/Riverside/Pocket Parks (Group 12) | 250 | 259 | 266 | 273 | |
| Reserves: Unspecified (Group 1a) | 288 | 1,379 | 1,466 | 2,227 | |
| Street Plots - Blenheim | 10 | 10 | 11 | 11 | |
| Street Plots - Picton | 5 | 5 | 5 | 5 | |
| Street Trees - Awatere | 2 | 2 | 2 | 2 | |
| Street Trees - Blenheim | 12 | 12 | 13 | 13 | |
| Street Trees - Picton | 5 | 5 | 5 | 5 | |
| Street Trees - Renwick | 5 | 5 | 5 | 5 | |
| Swimming Pools: Seddon (Awatere) | 200 | - | - | - | |
| Total additions | 5,898 | 5,325 | 4,905 | 4,415 | |

Activity: Roads and Footpaths

Operating costs of this Activity represent approximately 17.66% of total Activity expenditure.

Manager: Steve Murrin

What is this Activity About?

This Activity is carried out to provide our community with an efficient, safe and resilient road network.

As the owner of the local roading network, Council provides and maintains roads to a standard that achieves an acceptable balance between user levels of service and costs. In addition, Council is responsible for all roading related assets — bridges, footpaths, kerb and channelling, street lighting and car parks. Some wharves are also owned and maintained by Council. There continues to be an increased emphasis on alternative modes such as walking and cycling, particularly the connection of the existing networks.

Separate roles

Council is responsible for all roads in Marlborough except the State Highways, which are the responsibility of Waka Kotahi (New Zealand Transport Agency).

Marlborough District Council has a contract with Waka Kotahi's Marlborough Roads office to manage Council's roads on its behalf. This is achieved through a formal contract and a close management relationship between Council and Marlborough Roads.

The Transport Agency Waka Kotahi is a key partner and co-investor in Council's land transport programme and the State Highway network is of significant strategic importance in achieving Council's community outcomes.

Council also works closely with the Police on road safety issues and maintains and annually reviews a Road Safety Action Plan for the District.

The most up to date information on this Activity and the assets involved is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Intensive Heavy Vehicle Movements

Intensive heavy vehicle movements associated with forestry, quarrying and other operations are causing damage to under-strength pavements and structures; resulting in reduced asset lives and unacceptable safety and amenity issues.

Natural Events

The increasing frequency and intensity of natural events is impacting on our vulnerable local road network, resulting in more frequent emergency events, network deterioration and subsequent network disruption. Reinstating network connections following the July 2021, February 2022 and August 2022 storm events.

Increasing Traffic Flows

Increased traffic flows in urban and rural areas are resulting in barriers to walking and cycling (especially for the youngest and oldest members of the community), putting safety at risk and reducing transport options.

Renewal Need

We are working on a bow-wave of renewal need in asphalt surfacing and chip sealing. This work is in progress and will maintain ride quality and avoid damage occurring to underlying pavement assets.

Compliance Costs

The compliance costs and resources required to mitigate harmful effects of transport on the environment are increasing, resulting in increased complexity and cost of transport activities, which would incur further costs to repair.

Levels of Service

| Levels of Service 2023-24: Roads and Footpaths | | | |
|--|--|----------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 6.2 | ≥ 6.2 |
| Road safety Provide a safe transport infrastructure. | The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number. | -1 | ≤ 0 |
| Road condition Provide a quality transport infrastructure | Average quality of ride on a local sealed road network measured by Smooth Travel Exposure and classified using ONRC hierarchy ¹ | | |
| | Arterial | 87% | ≥ 88% |
| | Primary Collector | 92% | ≥ 89% |
| | Secondary Collector | 95% | ≥ 87% |
| | Access | 92% | ≥ 87% |
| | Low Volume | 91% | ≥ 87% |
| | 85% average road roughness classified using ONRC hierarchy | | |
| Arterial | 110 | ≤ 111 | |
| Primary Collector | 110 | ≤ 115 | |
| Secondary Collector | 116 | ≤ 120 | |
| Access | 130 | ≤ 130 | |
| Low Volume | 135 | ≤ 135 | |
| | NB: a newly sealed road has an average roughness of 50 – 70. A very rough gravel road will have a roughness value higher than 300. | | |
| Road maintenance Provide a sustainable land transport infrastructure. | % of sealed road network that is resurfaced annually. Average chipseal life is 13.5 years. | 5% | ≥ 5% |
| Footpaths Provide footpaths that meet the needs of an ageing community. | % of footpaths that meets the Asset Management Plan rating of better than 4 (1="Excellent" 2="Good" 3="Average" 4="Poor" 5="Very Poor") | 95% | ≥ 95% |
| Respond to Service Requests | % of customer services requests relating to roads and footpaths to which the territorial authority responds within 15 days. | 90% | ≥ 95% |

¹ Smooth Travel Exposure is the percentage of vehicle kilometres travelled on roads meeting a certain roughness standard. This indicator shows the extent to which Council has maintained the road asset. It records travel on the roading network which meets the roughness benchmarks therefore providing a measure of delivery of a safe and comfortable ride. Well maintained roads contribute to lower operating costs for road users. The Marlborough values compare favourably with peer agencies.

ONRC = One Network Road Classification. The purpose of the classification is so roads of the same classification are maintained to a similar standard across the country.

Revenue and Expenditure by Significant Type

| Roading | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------------|---------------|---------------|-------------|---------------|---------------|---------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Roading subsidies CAPEX | 5,809 | 4,816 | 717 | 5,533 | 6,015 | 8,119 |
| Roading subsidies OPEX | 51,162 | 4,804 | 151 | 4,955 | 5,136 | 5,299 |
| Development contributions | 828 | 849 | - | 849 | 871 | 894 |
| Contributions - Vested Assets | 624 | 663 | (39) | 624 | 648 | 669 |
| Development impact levies | 100 | 106 | (6) | 100 | 104 | 107 |
| Contributions - Subdivisional Works | 50 | 53 | (3) | 50 | 52 | 54 |
| Miscellaneous Revenue | 27 | 29 | (3) | 27 | 28 | 29 |
| Other External Revenue | 49 | 9 | - | 9 | 10 | 10 |
| Total external revenue | 58,649 | 11,330 | 818 | 12,147 | 12,863 | 15,180 |
| Repairs & maintenance | 100 | 106 | (6) | 100 | 104 | 107 |
| Materials | 70 | 74 | (4) | 70 | 73 | 75 |
| Contracts | 36 | 38 | (2) | 36 | 38 | 39 |
| Grants | 30 | 30 | - | 30 | 30 | 30 |
| Insurance | 21 | 19 | 4 | 23 | 24 | 25 |
| Fees + Charges | 5 | 5 | - | 5 | 5 | 5 |
| Pest and Weed Control | - | - | 5 | 5 | 5 | 5 |
| Power | 5 | 5 | - | 5 | 5 | 5 |
| Rates | 3 | 2 | 1 | 4 | 4 | 4 |
| Operating costs | 269 | 280 | (2) | 278 | 287 | 296 |
| Emergency reinstatement | 51,000 | 2,125 | (125) | 2,000 | 2,078 | 2,144 |
| Sealed pavement maintenance | 1,288 | 1,429 | - | 1,429 | 1,485 | 1,532 |
| Network and Asset Management | 1,223 | 1,198 | 55 | 1,253 | 1,303 | 1,344 |
| Traffic services maintenance | 1,137 | 1,171 | - | 1,171 | 1,217 | 1,255 |
| Environmental Maintenance | 1,006 | 903 | 133 | 1,036 | 1,076 | 1,110 |
| Unsealed pavement maintenance | 660 | 680 | - | 680 | 707 | 729 |
| Street cleaning | 612 | 650 | (38) | 612 | 636 | 656 |
| Routine Drainage Maintenance | 516 | 531 | - | 531 | 552 | 569 |
| Minor Events | 400 | 531 | (131) | 400 | 416 | 429 |
| Structure Maintenance | 357 | 266 | 102 | 368 | 382 | 394 |
| Operational Traffic Management | 289 | 297 | - | 297 | 309 | 319 |
| Concrete footpaths maintenance | 172 | 178 | (3) | 175 | 182 | 188 |
| Cyclepath maintenance | 165 | 173 | (6) | 167 | 173 | 179 |
| Road Safety Programmes | 84 | 114 | (29) | 84 | 88 | 90 |
| Asset Management Planning | 30 | 64 | (4) | 60 | 31 | 32 |
| Sealed footpaths maintenance | 56 | 57 | - | 57 | 60 | 62 |
| Regional Land Transport Planning | 52 | 55 | (3) | 52 | 54 | 56 |
| Vehicle crossing maintenance | 45 | 48 | (3) | 45 | 47 | 48 |
| Level crossing warning devices | 41 | 37 | 5 | 42 | 44 | 46 |
| Signs maintenance | 25 | 27 | (2) | 25 | 26 | 27 |
| Road legalisation | 15 | 16 | (1) | 15 | 16 | 16 |
| Special projects maintenance | 30 | 11 | (1) | 10 | 31 | 11 |
| Pedestrian utilities expense | 10 | 11 | (1) | 10 | 10 | 11 |
| Abandoned vehicles | 10 | 11 | (1) | 10 | 10 | 11 |
| Rural numbering | 1 | 1 | - | 1 | 1 | 1 |
| Kerb and channel maintenance | - | 32 | (32) | - | - | - |
| Infrastructure costs | 59,223 | 10,615 | (83) | 10,532 | 10,933 | 11,258 |
| Depreciation | 12,360 | 12,447 | 2,067 | 14,514 | 15,369 | 16,086 |
| Corporate Overhead Allocations | 1,295 | 1,443 | 48 | 1,491 | 1,570 | 1,629 |

| Roading | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------------|---------------|---------------|--------------|---------------|---------------|---------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Interest - Internal Loans | 676 | 642 | 336 | 978 | 1,097 | 1,180 |
| Departmental Management Allocations | 164 | 183 | (7) | 176 | 185 | 191 |
| Personnel costs | 144 | 253 | (82) | 172 | 178 | 185 |
| Internal contracts & recharges | 2 | 2 | - | 2 | 2 | 2 |
| Section Management | (216) | (235) | (235) | (470) | (483) | (496) |
| Other operating costs | 14,426 | 14,735 | 2,127 | 16,862 | 17,920 | 18,777 |
| Total operating costs | 73,918 | 25,630 | 2,041 | 27,672 | 29,141 | 30,331 |

Major Contracts

| Contract | \$ per annum | Finishes | Comment |
|--|--------------|--------------|---|
| Network Outcomes Contract | \$12,714,493 | 30 June 2027 | Undertake road & footpath maintenance & renewals. |
| Street light maintenance (Marlborough Lines) | \$216,000 | June 2026 | New Contract in place from 1 July 2021 |

Roading Infrastructure Costs

| Major Expenditure Type | Opportunities for \$ reduction and associated Impact/Consequence/Risks on LOS |
|------------------------------|--|
| Roading infrastructure costs | Subsidised roading maintenance activities have been budgeted at equivalent levels to the approved 2021/24 National Land Transport Programme. Non-subsidised activities are at the minimum levels identified in the Roading Asset Management Plan. |
| Roading Recovery costs | The costs of recovery following the July 2021, February 2022 and August 2022 Storm Events is being negotiated. |

Capital Expenditure Projects

| Roads and Footpaths | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|--|---------------|---------------|---------------|---------------|------------------|
| | \$000's | \$000's | \$000's | \$000's | |
| Northwest periphery | | | | | |
| Additions: Pipelines | 186 | 70 | 73 | 75 | |
| Additions: Sealed pavement | 91 | 26 | 27 | 27 | |
| Sub total | 277 | 96 | 99 | 102 | |
| Roads and Streets | | | | | |
| Renewals: Sealed Road Resurfacing | 4,348 | 7,636 | 4,661 | 4,793 | |
| Renewals: Pavement Rehabilitation | 1,673 | 1,738 | 1,793 | 1,844 | |
| Renewals: Unsealed Road Metalling | 1,617 | 1,680 | 1,733 | 1,782 | |
| Renewals: Drainage | 814 | 846 | 872 | 897 | |
| Additions: Vested assets - external | 624 | 648 | 669 | 688 | |
| Renewals: Minor Improvements | 608 | 1,151 | 1,188 | 1,221 | |
| Renewals: Footpaths (sealed) | 533 | 554 | 572 | 588 | |
| Renewals: Bridges | 470 | 488 | 4,256 | 4,376 | |
| Renewals: Structures Component | | | | | |
| Replacement | 412 | 428 | 442 | 454 | |
| Renewals: Traffic Services | 325 | 337 | 348 | 358 | |
| Additions: Cycle Facilities | 50 | 52 | 54 | 55 | |
| Sub total | 11,473 | 15,559 | 16,588 | 17,056 | |
| CBD & Small Township Upgrades | | | | | |
| Additions: Other buildings + Structures | 1,625 | 649 | 670 | 689 | |
| Additions: Paved/Cobbled areas | - | 1,039 | 1,072 | 1,102 | |
| Sub total | 1,625 | 1,689 | 1,742 | 1,791 | |
| Roading Related works | | | | | |
| Additions: Cycle Facilities | 1,522 | 439 | 131 | 134 | |
| Additions: Footpaths (concrete) | 173 | 180 | 185 | 191 | |
| Additions: Sealed pavement | 100 | 104 | 107 | 110 | |
| Additions: Kerb and channel | 90 | 94 | 96 | 99 | |
| Renewals: Vehicle crossings | 81 | 84 | 87 | 89 | |
| Additions: Signs | 45 | 47 | 48 | 50 | |
| Additions: Streetlighting | 40 | 42 | 43 | 44 | |
| Renewals: Street Furniture | 40 | 42 | 43 | 44 | |
| Additions: Vehicle crossings | 30 | 31 | 32 | 33 | |
| Additions: Street furniture | 5 | 5 | 5 | 6 | |
| Sub total | 2,126 | 1,066 | 778 | 800 | |
| Wharves | | | | | |
| Additions: Wharves. | 107 | 111 | 115 | 118 | |
| Sub total | 107 | 111 | 115 | 118 | |
| Roads: Subdivisional Works | | | | | |
| Additions: Sealed pavement | 150 | 156 | 161 | 165 | |
| Sub total | 150 | 156 | 161 | 165 | |
| Total additions | 15,758 | 18,677 | 19,483 | 20,033 | |

Activity: Flood Protection and Control Works

Operating costs of this activity represents approximately 6.57% of total activity expenditure.

Manager: Andy White

What is this Activity About?

The Activity is primarily about managing flood hazard and drainage of the more developed areas of Marlborough. Requirements in different areas have developed according to the history of flood risks, predecessor authorities work activities and from more recent assessments of flood risks as land uses change with development.

Staff also provide appropriate input into resource consent and building applications near waterways or where a possible flood hazard exists.

The most up to date information on this Activity and the assets involved can be found in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Blenheim Stormwater Outfall Upgrades

Ongoing development of Blenheim including infill housing and expansion into the recently rezoned areas to the north and west requires upgrade of the stormwater system, including the outfall channels and pump stations.

Work continues on the design and construction of upgrades for the Redwood Street catchment (Town Branch drain, Snowdens pond and new outfall), Murphys Creek (Boyce Street stormwater diversion main), Blenheim west (Camerons Creek capacity and environmental issues). Budget provision has been included for new/upgraded pump stations and channel upgrades.

July 2021 Wairau River Flood Damage Repairs

The stopbanked reach of the Wairau River downstream from the Waihopai confluence has very powerful and erosive river flows. Bank protection in the form of rock rip-rap armouring and tree planting is required to protect the stopbanks from erosion, especially as a result of floods.

Work is underway on a three year programme of work to complete repairs to stopbanks, edge protection works and stormwater outfalls. The stopbank and stormwater outfall work is essentially complete with the major remaining task being completion of edge repairs including to lower sections of the Wairau River diversion. High risk areas are either complete or interim repairs have been completed. Final repair progress is limited by the availability of heavy armour rock.

The flood event of August 2022 has added to the already significant repair programme from the July 2021 flood. Fortunately, the interim repairs completed after July 2021 came through essentially undamaged and only one significant new repair job has been added to the Wairau River repair schedule. However, a lot of resource and effort is still underway to assist landowners in the Wairau Scheme tributaries and non-scheme areas in the district with flood damage repairs.

Stopbank upgrades

Ongoing stopbank upgrades are planned for the lower Opawa River and lower Wairau River. The stopbank upgrades are to bring older sections of stopbank up to current structural standards and to provide agreed flood capacity. Likely climate change impacts will be included in upgrade designs where appropriate.

Pukaka Quarry Extension

The Council owned Pukaka Quarry is a key source of rock rip-rap for river protection works on the Wairau River and tributaries and clay for stopbank upgrades and repairs. The quarry also supplies a variety of aggregates to the contracting market as a by-product of the rock production.

The rock resource within the existing land boundary is now very limited and further land was acquired in 2021 to continue for a further 40 plus years.

Capital works are underway to develop the quarry extension. The initial development phase is expected to be completed by mid-2023 which will enable two new benches to be developed over the winter. The Pukaka Quarry is key to completing flood damage repairs to the Wairau Diversion edge erosion damage.

Renwick Lower Terrace Flood Protection

Flood investigation modelling is now completed for Renwick Lower Terrace following the July and August 2022 flood events. Preliminary design is now underway with several options that will be put forward to Council and affected parties for approval and progression to detailed design. The community expectation is for some physical works to be underway by early 2024.

Levels of Service

| Levels of Service 2023-24: Flood Protection and Control Works | | | |
|--|--|---------------------|---------------------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 6.9 | ≥ 6.9 |
| Wairau River scheme - system and adequacy Maintain, repair and renew these major flood protection and control works to the standards defined in Rivers and Drainage Asset Management Plan (AMP). | % of floodway and tributary network inspected for condition and maintenance requirements. | 95% | ≥ 95% |
| | % of programmed maintenance and renewal works identified in the AMP practically completed. ¹ | 100% | 100% |
| | % of capital improvement works in the AMP achieved. | 35% | ≥ 50% |
| | Time taken to provide a report to the Assets and Services Committee on the damage to the Floodway network and potential problem areas following significant (generally exceeding a 1:2 year return) flood events - measured in months. | 2 months post event | 2 months post event |
| Wairau Plains Provide effective drainage to the lower Wairau plains. | % of drain network inspected at least once for condition and maintenance requirements. | 100% | 100% |
| | % of drains weed sprayed. | 90% | ≥ 90% |
| | % of drains mechanically cleared. | 4% | ≥ 4% |
| Picton Floodways Monitor, maintain and upgrade key Picton floodways (Waitohi and Waikawa Rivers) to provide for a 1 in 50 year return period flood event. | % of floodway network inspected for condition and maintenance requirements. | 100% | 100% |
| | % of programmed maintenance and renewal works as identified in the AMP practically completed. | 100% | 100% |
| Blenheim Urban Upgrade and maintain key Blenheim stormwater outfalls. | % of programmed maintenance and renewal works as identified in the AMP practically completed. | 100% | 100% |
| | % of capital improvement works in the AMP achieved. | 75% | ≥ 75% |
| Provide sound flood hazard advice. | Number of liability consequences for Council arising from incorrect advice provided on flood hazards as part of the Resource Consent, Building Consent, PIMs and LIMs processes. | 0 | 0 |

¹ NZS 3910: 2003 defines practical completion as when the contract works or any separable portion are complete except for minor omissions and minor defects.

Channels and pump stations, including the Town Branch Caseys, Fulton and Murphys Creeks to provide for a 1 in 50-year return period storm event runoff including both infill and greenfield development.

Revenue and Expenditure by Significant Type

| River Leases | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------------|--------------|--------------|------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Property rentals | 3,212 | 3,164 | 564 | 3,729 | 3,758 | 3,785 |
| Disbursement Recoveries | 176 | 205 | (6) | 199 | 209 | 219 |
| Total external revenue | 3,388 | 3,369 | 558 | 3,928 | 3,967 | 4,004 |
| Rates | 181 | 189 | 8 | 197 | 197 | 197 |
| Property Management charges | 146 | 153 | (5) | 148 | 150 | 154 |
| Corporate Overhead Allocations | 11 | 11 | - | 11 | 12 | 13 |
| Valuations | 10 | 5 | 2 | 8 | 3 | 3 |
| Legal | 5 | 5 | - | 5 | 5 | 5 |
| Departmental Management Allocations | 1 | 1 | - | 1 | 1 | 1 |
| Total operating costs | 354 | 364 | 6 | 370 | 369 | 373 |

| Rivers Outside Wairau Floodplain | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------------|------------|------------|----------|------------|------------|------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Greenscape contracts | 85 | 90 | 1 | 91 | 94 | 97 |
| Minor Works contracts | 58 | 62 | - | 62 | 64 | 66 |
| Personnel costs | 28 | 30 | 1 | 31 | 33 | 34 |
| Section Management | 23 | 27 | (3) | 24 | 26 | 27 |
| Interest - Internal Loans | 17 | 15 | 4 | 19 | 17 | 15 |
| Corporate Overhead Allocations | 14 | 14 | 1 | 14 | 15 | 16 |
| Contracts | 10 | 11 | - | 11 | 11 | 11 |
| Insurance | 4 | - | 5 | 5 | 5 | 5 |
| Departmental Management Allocations | 2 | 2 | - | 2 | 2 | 2 |
| Total operating costs | 241 | 250 | 9 | 259 | 267 | 274 |

| Wairau Floodplain Drainage | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|--------------|--------------|-------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Personnel costs | 185 | 199 | 7 | 206 | 214 | 222 |
| Repairs & maintenance | 193 | 205 | (12) | 193 | 200 | 207 |
| Interest - Internal Loans | 108 | 252 | (68) | 184 | 302 | 372 |
| Depreciation | 177 | 195 | (17) | 178 | 183 | 194 |
| Section Management | 152 | 174 | (17) | 157 | 167 | 177 |
| Minor Works contracts | 130 | 138 | 1 | 139 | 144 | 149 |
| Drain spraying contracts | 106 | 113 | 1 | 113 | 118 | 121 |
| Power | 72 | 76 | 21 | 97 | 101 | 104 |
| Corporate Overhead Allocations | 90 | 88 | 4 | 92 | 100 | 103 |
| Greenscape contracts | 60 | 64 | - | 64 | 67 | 69 |
| Insurance | 47 | - | 56 | 56 | 58 | 60 |
| Other Operating Cost | 45 | 47 | (1) | 46 | 48 | 49 |
| Total operating costs | 1,365 | 1,551 | (26) | 1,525 | 1,702 | 1,827 |

| Wairau Floodplain Rivers | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Insurance refunds and claims | 1,983 | - | 1,983 | 1,983 | - | - |
| Gravel Extraction | 420 | 446 | (26) | 420 | 436 | 450 |
| Sales | 274 | 291 | (7) | 284 | 294 | 302 |
| Govt Capital grants & donations | 630 | - | - | - | - | - |
| Total external revenue | 3,307 | 737 | 1,950 | 2,687 | 730 | 751 |
| Flood Damage | 3,305 | 265 | 3,039 | 3,305 | 259 | 268 |
| Minor Works contracts | 1,414 | 1,512 | 12 | 1,524 | 1,581 | 1,631 |
| Personnel costs | 616 | 564 | 123 | 686 | 713 | 740 |
| Contracts | 482 | 522 | 4 | 526 | 546 | 564 |
| Section Management | 507 | 491 | 33 | 523 | 557 | 592 |
| Greenscape contracts | 355 | 377 | 3 | 380 | 394 | 407 |
| Insurance | 288 | 12 | 326 | 338 | 351 | 362 |
| Corporate Overhead Allocations | 300 | 250 | 57 | 307 | 333 | 343 |
| Internal contracts & recharges | (269) | (284) | 15 | (269) | (278) | (286) |
| Interest - Internal Loans | 89 | 144 | (4) | 139 | 245 | 390 |
| Repairs & maintenance | 119 | 126 | (7) | 119 | 123 | 127 |
| External support | 88 | 93 | (5) | 88 | 91 | 94 |
| Depreciation | 49 | 51 | 5 | 56 | 58 | 59 |
| Projects | 40 | 42 | (2) | 40 | 42 | 43 |
| Departmental Management | | | | | | |
| Allocations | 38 | 32 | 5 | 36 | 38 | 39 |
| Defence Force Adjustment | 31 | 28 | 6 | 34 | 35 | 37 |
| Draughting / Survey | 25 | 27 | (2) | 25 | 26 | 27 |
| Other Operating Cost | 52 | 52 | 3 | 56 | 58 | 59 |
| Total operating costs | 7,526 | 4,305 | 3,608 | 7,913 | 5,173 | 5,495 |

Major Contracts

| Contract | \$ per annum | Finishes | Comment |
|---|--------------|---------------|--|
| Minor Works – Simcox Construction Ltd. | \$1,200,000 | October 2023 | Existing contract extended by one year due to August 2022 flood event. |
| Strategic Labour - Downer NZ Ltd. | \$550,000 | June 2025 | New contract with initial 3-year term signed July 2022. |
| Grass Maintenance – Total Vegetation Control Ltd. | \$100,000 | July 2024 | Existing contract renewed in May 2022. |
| Pukaka Quarry – Simcox Construction Ltd. | \$500,000 | December 2023 | Tendering of contract planned once quarry extension initial development complete and production resumes. |

Capital Expenditure Projects

| Flood Protection and Control Works | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|---|--------------|--------------|--------------|--------------|---------------------|
| | \$000's | \$000's | \$000's | \$000's | |
| Drains: Blenheim Minor Rivers | 2,000 | 2,594 | 375 | - | |
| Rivers WV: Lower Wairau | 900 | 623 | - | 110 | |
| Rivers WV: Wairau Tuamarina | 500 | 2,438 | 642 | 552 | |
| Rivers WV: Omaka River below Hawkesbury | 400 | 104 | 107 | 221 | |
| Drainage Pump Stations: Blenheim | 360 | 52 | 214 | - | |
| Rivers WV: Rivers Land Purchases | 200 | 415 | 214 | 221 | |
| Rivers WV: Taylor above Burleigh | 150 | - | 54 | - | |
| Rivers ex WV: Pic/ Waikawa Minor Streams | 73 | 21 | 21 | 22 | |
| Rivers WV: Taylor below Burleigh | 40 | 62 | - | 66 | |
| Rivers WV: W/Hills Soil Conservation | 40 | 42 | 43 | 44 | |
| Rivers WV: Ōpaoa Loop | 40 | - | 43 | - | |
| Drainage Pump Stations: Rural | 30 | 31 | 32 | 442 | |
| Rivers WV: Lower Ōpaoa | 20 | 508 | 21 | 210 | |
| Rivers WV: Riverlands and Witherhills St | 20 | - | 107 | 22 | |
| Rivers WV: Ruakanakana (Gibson) Creek | - | 438 | 857 | - | |
| Rivers WV: Ōpaoa above SH1 | - | 42 | 418 | 166 | |
| Drains: Rural Zone A | - | 42 | 43 | - | |
| Rivers WV: Wairau Diversion | - | - | 428 | - | |
| Rivers WV: Waihopai below SH 63 Bridge | - | - | 54 | - | |
| Rivers WV: Taylor Dam | - | - | - | 552 | |
| Total additions | 4,773 | 7,410 | 3,672 | 2,627 | |

Activity: Sewerage

Operating costs of this activity represents approximately 9.93% of total activity expenditure.

Manager: Stephen Rooney

What is this Activity about?

Collection, treatment and disposal of wastewater to provide sanitary living conditions, protect public health and avoid damaging discharges to the environment is an essential service that contributes to:

- the health of communities;
- minimisation of adverse environmental effects; and
- industrial and residential development.

The most up to date information on this activity and the assets involved, including information on individual schemes can be found in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Reasons for the Upcoming Projects

- Gaining renewal of resource consents for Blenheim, Seddon and Havelock wastewater treatment plants is likely to result in revised consent conditions. These may include a requirement to recycle effluent or discharge it to land. For Blenheim this might require a new ocean outfall.
- The Blenheim Main Outfall Pump Station (MOPS) at Riverlands requires replacement to provide the necessary hydraulic and seismic performance.
- Increasing treatment capacity at the Blenheim Sewage Treatment Plant (BSTP) is necessary to meet continuing growth in trade waste.
- Infrastructure renewal is necessary across networks due to damage caused by the 2016 earthquakes and as pipelines near the end of their useful life.
- Installation of new pipelines or increasing the capacity of existing pipelines to meet residential and industrial growth to meet development demands.

Ongoing Issues

- The management and control of rainfall derived inflow and groundwater infiltration into the wastewater reticulation.
- Failure of on-site wastewater treatment systems in townships and rural residential areas without municipal sewerage systems.

Levels of Service

| Levels of Service 2023-24: Sewerage Including Treatment and Disposal | | | |
|---|---|-----------|-----------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Customer Satisfaction Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 7.7 | ≥ 7.7 |
| | The total number of complaints received by the territorial authority about any of the following: (a) sewage odour (b) sewerage system faults (c) sewerage system blockages, and (d) the territorial authority's response to issues with its sewerage system, expressed per 1000 connections to the territorial authority's sewerage system. | 8 | ≤ 8 |
| System and Adequacy Provide a level of service quality that minimises environmental risks. | The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system. | 0.4 | ≤ 0.4 |
| Discharge Compliance Provide a reliable wastewater service with adequate system capacity and performance. | Number of wet weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system. | 0.5 | ≤ 0.5 |
| | Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions, received by the territorial authority in relation those resource consents. | 0 | 0 |
| Fault Response Times Provide a service that is timely and responsive to customers' needs | Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times (in hours) measured: | | |
| | (a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site, and | | |
| | Blenheim | 1 hour | ≤ 1 hour |
| | Picton | 1 hour | ≤ 1 hour |
| | Riverlands | 1 hour | ≤ 1 hour |
| | Renwick | 1 hour | ≤ 1 hour |
| | Seddon | 2 hours | ≤ 2 hours |
| Havelock | 2 hours | ≤ 2 hours | |
| (b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault. | 4 hours | ≤ 4 hours | |

Revenue and Expenditure by Significant Type

| Combined Sewerage | 2022-23 | 2023-24 | | 2024-25 | 2025-26 |
|---------------------------------------|--------------|----------------|-------------------|---------------|---------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's |
| Development contributions | 2,142 | 2,185 | - | 2,185 | 2,273 |
| Trade Waste - Operating Charges | 246 | 261 | (15) | 246 | 263 |
| Contributions - Vested Assets | 120 | 127 | (7) | 120 | 128 |
| Trade Waste - Capital Charges | 75 | 75 | - | 75 | 75 |
| Connection charges | 67 | 71 | (4) | 67 | 72 |
| Total external revenue | 2,650 | 2,720 | (27) | 2,693 | 2,812 |
| Insurance | 451 | 188 | 500 | 688 | 737 |
| Rates | 72 | 71 | 9 | 79 | 85 |
| Fees + Charges | 12 | 13 | 7 | 20 | 21 |
| Trade Waste Sampling | 9 | 9 | (1) | 9 | 9 |
| Legal | 3 | 3 | - | 3 | 3 |
| General Expenses | 1 | 1 | - | 1 | 1 |
| Advertising | 1 | 1 | - | 1 | 1 |
| Operating costs | 548 | 286 | 515 | 801 | 858 |
| Pump Stations - power | 310 | 351 | (5) | 345 | 370 |
| Treatment costs | 320 | 531 | (206) | 325 | 711 |
| Reticulation - mains maintenance | 234 | 248 | (14) | 234 | 250 |
| Pump stations - other | 211 | 227 | (15) | 212 | 234 |
| Treatment - monitoring/testing | 136 | 144 | (8) | 136 | 146 |
| Treatment - Power | 102 | 108 | (6) | 102 | 109 |
| Pump stations - buildings/civil | 73 | 78 | - | 78 | 78 |
| Treatment - Oxidation pond | | | | | |
| maintenance | 76 | 81 | (10) | 71 | 113 |
| Reticulation - infiltration/leaks | 70 | 74 | (4) | 70 | 107 |
| Reticulation - connection maintenance | 69 | 73 | (4) | 69 | 74 |
| Pump stations - mechanical | 69 | 73 | (4) | 69 | 74 |
| Grinder Pumps - Electrical | 52 | 55 | (3) | 52 | 56 |
| Pump stations - electrical | 44 | 47 | (3) | 44 | 47 |
| Grinder Pumps - Mechanical | 35 | 37 | (2) | 35 | 37 |
| Reticulation - manholes maintenance | 18 | 19 | (1) | 18 | 19 |
| Pump stations - telemetry | 12 | 12 | (1) | 12 | 13 |
| Infrastructure costs | 1,829 | 2,158 | (288) | 1,870 | 2,437 |
| Depreciation | 3,425 | 4,324 | (485) | 3,840 | 5,761 |
| Interest - Internal Loans | 1,418 | 1,393 | 403 | 1,796 | 4,499 |
| Personnel costs | 853 | 935 | (121) | 815 | 924 |
| Corporate Overhead Allocations | 708 | 812 | (87) | 725 | 810 |
| Section Management | 546 | 519 | (24) | 495 | 573 |
| Works Depot costs | 312 | 369 | (130) | 238 | 274 |
| Planning and Development charges | 111 | 152 | (62) | 90 | 95 |
| Internal contracts & recharges | 74 | 76 | 11 | 87 | 92 |
| Departmental Management Allocations | 90 | 103 | (17) | 86 | 93 |
| Other operating costs | 7,537 | 8,682 | (512) | 8,170 | 13,121 |
| Total operating costs | 9,915 | 11,126 | (285) | 10,841 | 16,415 |

| Riverlands Sewerage | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Trade Waste - Operating Charges | 1,840 | 1,993 | (116) | 1,877 | 1,986 | 2,091 |
| Trade Waste - Capital Charges | 1,200 | 1,600 | - | 1,600 | 1,600 | 1,600 |
| Total external revenue | 3,040 | 3,593 | (116) | 3,477 | 3,586 | 3,691 |
| Insurance | 43 | 38 | (9) | 29 | 30 | 31 |
| Rates | 1 | 1 | - | 1 | 1 | 1 |
| Operating costs | 44 | 39 | (9) | 30 | 31 | 32 |
| Treatment - Power | 720 | 765 | 75 | 840 | 872 | 899 |
| Treatment costs | 82 | 87 | (5) | 82 | 85 | 283 |
| Treatment - monitoring/testing | 67 | 71 | (4) | 67 | 69 | 71 |
| Pump stations - mechanical | 25 | 27 | (2) | 25 | 26 | 27 |
| Pump Stations - power | 17 | 18 | (1) | 17 | 18 | 18 |
| Pump stations - other | 14 | 14 | (1) | 14 | 14 | 14 |
| Pump stations - electrical | 10 | 11 | (1) | 10 | 10 | 11 |
| Other Infrastructure Costs | 14 | 15 | (1) | 14 | 15 | 15 |
| Infrastructure costs | 948 | 1,007 | 61 | 1,068 | 1,108 | 1,338 |
| Depreciation | 449 | 468 | 13 | 481 | 505 | 525 |
| Interest - Internal Loans | 456 | 356 | 169 | 525 | 507 | 731 |
| Personnel costs | 228 | 214 | 3 | 217 | 236 | 247 |
| Corporate Overhead Allocations | 189 | 186 | 8 | 194 | 210 | 216 |
| Section Management | 146 | 119 | 13 | 132 | 143 | 153 |
| Works Depot costs | 86 | 87 | (21) | 66 | 70 | 76 |
| Planning and Development charges | 30 | 35 | (11) | 24 | 25 | 25 |
| Departmental Management | | | | | | |
| Allocations | 24 | 24 | (1) | 23 | 24 | 25 |
| Internal contracts & recharges | 5 | 6 | - | 5 | 6 | 6 |
| Other operating costs | 1,612 | 1,494 | 174 | 1,667 | 1,727 | 2,004 |
| Total operating costs | 2,604 | 2,539 | 226 | 2,765 | 2,866 | 3,374 |

Services Infrastructure Costs

| Major Expenditure Type | \$ value | Impact on LOS of reducing/deferring |
|--------------------------|-------------|---|
| Pump Stations | \$914,715 | This funds the operation and maintenance of pump stations including electrical, mechanical, buildings, telemetry and power charges |
| Reticulation maintenance | \$401,500 | This funds the maintenance of pipelines including connections, manholes, and infiltration |
| Treatment | \$1,501,700 | This funds the operation and maintenance of treatment facilities, including oxidation ponds, monitoring & testing and power charges |

Major Contracts

| Contract | \$ value | Finishes | Comment |
|---|------------------------|-----------------|--|
| Picton Water, Sewerage and Stormwater Operation and Maintenance Contract. | \$620,535 (GST excl) | 31 October 2027 | There are two rights of renewal during this contract term, each of two years |
| Earthquake Damage - Sewer Mains Relining Phase 4 | \$4,109,046 (GST excl) | 30 June 2023 | This will complete all relining required in Picton. |

Capital Expenditure Projects

| Sewerage | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|--------------------------------------|---------------|---------------|---------------|---------------|--|
| | \$000's | \$000's | \$000's | \$000's | |
| Sewer: Blenheim | | | | | |
| Additions: Pump station | 5,660 | 11,413 | 364 | 530 | Meeting growth & resilience upgrade of Alabama Road outfall pump station |
| Additions: Pipelines | 3,416 | 1,790 | 1,055 | 7,571 | Providing for residential and industrial growth |
| Additions: Treatment plant | 2,450 | 2,542 | 22,484 | 193 | Upgrades required to meet resource consents |
| Renewals: Pipelines | 986 | 993 | 1,025 | 1,057 | Upgrading aging infrastructure |
| Additions: Engineering | 333 | 314 | 763 | 383 | |
| Renewals: Pump stations | 138 | 143 | 148 | 152 | Replacing aging infrastructure and providing for growth |
| Additions: Vested assets - external | 120 | 125 | 128 | 132 | |
| Additions: Connections | 40 | 42 | 43 | 44 | |
| Additions: Telemetry field equipment | 2 | 2 | 2 | 2 | |
| Sub Total | 13,144 | 17,363 | 26,011 | 10,064 | |
| Sewer: Havelock | | | | | |
| Additions: Treatment plant | 2,943 | 7,125 | 54 | - | Upgrades required to meet resource consents & to meet growth |
| Additions: Pipelines | 1,843 | - | - | - | Meeting growth & alignment with new treatment plants |
| Additions: Pump station | 1,399 | - | - | - | Meeting growth & alignment with new treatment plants |
| Additions: Engineering | 161 | 131 | 2 | - | |
| Additions: Connections | 5 | 5 | 5 | 6 | Allowing for residential growth |
| Sub Total | 6,351 | 7,261 | 61 | 6 | |
| Sewer: Picton | | | | | |
| Renewals: Pipelines | 3,000 | - | - | - | Replacing aging infrastructure, meeting growth, reducing infiltration |
| Additions: Treatment plant | 418 | 8,062 | 2,141 | 7,395 | Meeting growth, improving treatment to enable wastewater reuse |
| Additions: Engineering | 89 | 250 | 78 | 293 | |
| Additions: Connections | 10 | 10 | 11 | 11 | Allowing for residential growth |
| Additions: Pipelines | 5 | 3,123 | 439 | 11 | Allowing for residential growth |
| Additions: Pump station | - | 2,400 | - | - | Allowing for residential growth & reduction of infiltration |
| Sub Total | 3,522 | 13,846 | 2,669 | 7,710 | |
| Sewer: Renwick | | | | | |

| Sewerage | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|--------------------------------------|---------------|---------------|---------------|---------------|---|
| | \$000's | \$000's | \$000's | \$000's | |
| Renewals: Pump stations | 5 | - | - | - | |
| Additions: Connections | 5 | 5 | 5 | 6 | |
| Additions: Engineering | - | 3 | - | 70 | |
| Additions: Pump station | - | 156 | - | 1,766 | Installation of generator & additional storage to enable residential growth |
| Sub Total | 11 | 164 | 6 | 1,842 | |
| Sewer: Seddon | | | | | |
| Additions: Treatment plant | 3,550 | 11,050 | - | - | Meeting resource consent requirements including irrigation to land |
| Additions: Engineering | 92 | 203 | - | - | |
| Additions: Connections | 5 | 5 | 5 | 6 | |
| Sub Total | 3,647 | 11,259 | 6 | 6 | |
| Sewer: Grovetown | | | | | |
| Additions: Pump station | - | 22 | - | 23 | Allowing for residential growth |
| Additions: Engineering | - | - | - | 1 | |
| Sub Total | - | 22 | - | 24 | |
| Sewer: Riverlands Industrial | | | | | |
| Additions: Treatment plant | 150 | 156 | 9,636 | 3,477 | Allowing for industrial growth |
| Additions: Engineering | 4 | 3 | 291 | 137 | |
| Renewals: Pump stations | - | 11 | - | - | |
| Sub Total | 154 | 170 | 9,927 | 3,614 | |
| Sewer: Spring Creek | | | | | |
| Additions: Connections | 2 | 2 | 2 | 2 | |
| Additions: Telemetry field equipment | - | 1 | 1 | 1 | |
| Additions: Engineering | - | 2 | - | - | |
| Additions: Treatment plant | - | 83 | - | - | |
| Sub Total | 3 | 87 | 3 | 3 | |
| Total additions | 26,832 | 50,172 | 38,682 | 23,269 | |

Activity: Stormwater

Operating costs of this activity represents approximately 2.03% of total activity expenditure.

Manager: Stephen Rooney

What is this Activity About?

Council provides a stormwater drainage system to manage stormwater run-off from urban catchments. Collection and disposal of stormwater contributes to:

- minimising the incidence of flooding to protect the community from harm;
- minimising damage to properties from flooding;
- facilitating commercial and residential development;
- protecting the aquatic environment through the management of water quality from urban stormwater run-off; and
- reducing erosion.

The most up to date information on this Activity including detail about the individual areas served is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Stormwater Strategy

Blenheim's flat topography and sensitive receiving environments provide challenging conditions for stormwater management. Council has approved a Stormwater Strategy which provides clear direction and an integrated approach to managing Blenheim's stormwater future. This strategy sets out a 10 year plan of activity and provides a comprehensive framework to manage both the quality and quantity of stormwater. It also provides for an overhaul of the resource consent structure for Blenheim's stormwater, which will involve review and consolidation of existing stormwater discharge consents.

The strategy requires clear lines of responsibility, improved integration, rigorous monitoring and a more modern approach to regulation. It will result in the establishment of effective Stormwater Management Area Plans throughout Blenheim.

Ongoing investment in the objectives of the strategy will result in functional infrastructure, improved customer experience and minimal impact on the natural receiving environments.

The strategy's goals and approach will be extended to other townships over time.

The first of a series of 11 Stormwater Management Areas was granted resource consent in October 2020 for the Springlands catchment. This consent sets out how Council will manage the volume and quality of stormwater discharges to the various waterways within the catchment. The consent also sets out accepted stormwater services for urban growth within the catchment.

Urban Growth Strategy

Stormwater management is a significant element in planning new urban development pockets as part of the Growing Marlborough Urban Growth Strategy. Early involvement with developers from the outset of the planning process allows structures to manage stormwater quantity and quality to be incorporated into the design of new subdivisions.

Urban growth in Blenheim is largely to the north and west of the town — and it will be important to ensure downstream upgrades are provided in a timely manner. Evaluation and installation of effective stormwater quality and attenuation control techniques for new subdivisions and retrofit of existing reticulation will also occur.

Climate Change

The impact of climate change is likely to become increasingly important in future planning. The current indications are that extreme weather events will become more frequent and more intense. Sea level rise will have implications for the effectiveness of discharge to the sea and from the outfalls of the drainage network. Additional contingencies are being built into new designs but existing infrastructure will be severely tested by changing weather patterns.

The following issues are emerging within this Activity:

- Implementation of the Blenheim Stormwater Strategy and extension of strategic goals to other townships.
- Establishment of effective Stormwater Management Area Plans in Blenheim and other areas.
- Review and consolidation of existing stormwater discharge consents.
- Urban growth in Blenheim is largely to the north and west of the town – ensuring downstream upgrades are provided in a timely manner.
- Ensuring good stormwater design is incorporated into the design of new sub-divisions.
- Upgrades of the Town Branch drainage system to improve its efficiency and to enable capacity improvements to the Redwood Street urban stormwater network.
- Evaluate and install effective stormwater quality control techniques for new sub-divisions and retro-fit to existing reticulation where required.
- Adaption to climate change.

Levels of Service

| Levels of Service 2023-24: Stormwater Drainage | | | |
|--|--|------------------------------|------------------------------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Customer satisfaction Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 6.5 | ≥ 6.5 |
| | The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system. | 1.8 | ≤ 1.8 |
| System adequacy Provide a reliable stormwater service. | The number of flooding events that occur in a territorial authority district. | Actual number to be reported | Actual number to be reported |
| | For each flooding event, the number of habitable floors affected, expressed per 1000 properties connected to the territorial authority's stormwater system. | 2.6 | ≤ 2.6 |
| Discharge compliance Minimise the environmental risks of stormwater discharge. | Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: | 0 | 0 |
| | (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions, received by the territorial authority in relation those resource consents. | | |

Levels of Service 2023-24: Stormwater Drainage

Performance Targets (for the financial year)

| Level of Service | Indicator | Baseline | 2023-24 |
|---|--|----------|----------|
| Response times Provide a service that is timely and responsive to customers' needs. | The median* response time (in hours) to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site. (*The statistical median is the time in which half of calls are responded to in less time and half in more time.) | 1 hour | ≤ 1 hour |

Revenue and Expenditure by Significant Type

| Blenheim Stormwater | 2022-23 | 2023-24 | | 2024-25 | 2025-26 |
|---------------------------------------|--------------|----------------|-------------------|---------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's |
| Development contributions | 863 | 880 | - | 880 | 915 |
| Contributions - Vested Assets | 200 | 212 | (12) | 200 | 214 |
| Connection charges | 40 | 42 | (2) | 40 | 43 |
| Total external revenue | 1,103 | 1,135 | (15) | 1,120 | 1,172 |
| Insurance | 136 | - | 156 | 157 | 168 |
| Monitoring Expense | 76 | 81 | 33 | 114 | 133 |
| Rates | 1 | 1 | - | 1 | 2 |
| General Expenses | 1 | 1 | - | 1 | 1 |
| Operating costs | 214 | 83 | 190 | 273 | 303 |
| Reticulation - mains maintenance | 60 | 64 | (4) | 60 | 64 |
| Reticulation - connection maintenance | 18 | 19 | (1) | 18 | 19 |
| Monitoring | 15 | 16 | (1) | 15 | 16 |
| Other Infrastructure Costs | 24 | 26 | 4 | 29 | 31 |
| Infrastructure costs | 117 | 124 | (2) | 122 | 131 |
| Depreciation | 1,252 | 1,405 | 83 | 1,488 | 1,689 |
| Personnel costs | 129 | 121 | 2 | 123 | 139 |
| Corporate Overhead Allocations | 107 | 105 | 4 | 109 | 122 |
| Section Management | 82 | 67 | 7 | 75 | 86 |
| Works Depot costs | 49 | 49 | (12) | 37 | 43 |
| Internal contracts & recharges | 9 | 10 | 5 | 15 | 16 |
| Departmental Management | | | | | |
| Allocations | 14 | 13 | - | 13 | 14 |
| Other operating costs | 1,642 | 1,770 | 90 | 1,860 | 2,110 |
| Total operating costs | 1,973 | 1,978 | 277 | 2,255 | 2,544 |

| Other Stormwater Schemes | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--|------------|------------|------------|------------|------------|------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Development contributions | 30 | 31 | - | 31 | 32 | 32 |
| Connection charges | 11 | 12 | (1) | 11 | 11 | 12 |
| Total external revenue | 41 | 43 | (1) | 42 | 43 | 44 |
| Insurance | 59 | 1 | 66 | 67 | 69 | 71 |
| Rates | 6 | 7 | - | 7 | 7 | 8 |
| Monitoring Expense | 3 | 3 | - | 3 | 3 | 3 |
| Operating costs | 69 | 11 | 66 | 77 | 80 | 82 |
| Reticulation - mains maintenance | 59 | 53 | 6 | 59 | 61 | 63 |
| Reticulation - open drains maintenance | 31 | 33 | (2) | 31 | 32 | 33 |
| Other Infrastructure Costs | 24 | 20 | (1) | 19 | 35 | 14 |
| Infrastructure costs | 113 | 105 | 3 | 108 | 128 | 110 |
| Depreciation | 550 | 591 | 34 | 624 | 663 | 692 |
| Personnel costs | 21 | 19 | - | 20 | 22 | 22 |
| Interest - Internal Loans | 12 | 4 | 18 | 22 | 19 | 17 |
| Corporate Overhead Allocations | 17 | 17 | 1 | 18 | 19 | 20 |
| Section Management | 13 | 11 | 1 | 12 | 13 | 14 |
| Works Depot costs | 4 | 4 | (1) | 3 | 3 | 4 |
| Departmental Management Allocations | 2 | 2 | - | 2 | 2 | 2 |
| Other operating costs | 620 | 648 | 53 | 701 | 741 | 771 |
| Total operating costs | 801 | 764 | 122 | 886 | 949 | 963 |

Services Infrastructure Costs

| Major Expenditure Type | \$ value | Impact on LOS of reducing/deferring |
|--------------------------|-----------|--|
| Pump Stations | \$13,150 | This funds the operation and maintenance of pump stations including electrical, mechanical, buildings, telemetry and power charges |
| Reticulation maintenance | \$136,000 | This funds the maintenance of pipelines and open drains including connections, manholes and sumps |

Major Contracts

| Contract | \$ value | Finishes | Comment |
|---|----------------------|-----------------|--|
| Picton Water, Sewerage and Stormwater Operation and Maintenance Contract, 2014/15 | \$620,535 (GST excl) | 31 October 2027 | There are two rights of renewal during this contract term, each of two years |

Capital Expenditure Projects

| Stormwater Drainage | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|-------------------------------------|--------------|--------------|--------------|--------------|--|
| | \$000's | \$000's | \$000's | \$000's | |
| Stormwater: Blenheim | | | | | |
| Additions: Pipelines | 1,246 | - | 3,212 | 1,656 | Meeting residential growth |
| Renewals: Pipelines | 500 | 1,038 | 535 | 55 | Renewing aging infrastructure & increasing drainage capacity |
| Additions: Vested assets - external | 200 | 208 | 214 | 221 | |
| Additions: Connections | 40 | 42 | 43 | 44 | Meeting residential growth |
| Additions: Drainage channels | - | - | - | - | |
| Sub Total | 1,986 | 1,287 | 4,004 | 1,976 | |
| Stormwater: Havelock | | | | | |
| Additions: Connections | 1 | 1 | 1 | 1 | Meeting residential growth |
| Sub Total | 1 | 1 | 1 | 1 | |
| Stormwater: Picton | | | | | |
| Additions: Pipelines | 50 | 52 | 21 | 22 | Meeting residential growth |
| Renewals: Pipelines | 9 | 684 | 10 | 10 | Renewing aging infrastructure & increasing drainage capacity |
| Additions: Connections | 5 | 5 | 5 | 6 | Meeting residential growth |
| Renewals: Pump stations | - | - | 6 | - | |
| Sub Total | 64 | 741 | 42 | 38 | |
| Stormwater: Renwick | | | | | |
| Renewals: Pipelines | 10 | 10 | 11 | 11 | Renewing aging infrastructure & increasing drainage capacity |
| Additions: Connections | 3 | 3 | 3 | 3 | Meeting residential growth |
| Sub Total | 13 | 13 | 14 | 14 | |
| Stormwater: Spring Creek | | | | | |
| Additions: Connections | 2 | 2 | 2 | 2 | Meeting residential growth |
| Additions: Pipelines | - | 208 | - | - | LOS upgrade to reduce incidence of flooding |
| Sub Total | 2 | 210 | 2 | 2 | |
| Total additions | 2,066 | 2,252 | 4,064 | 2,031 | |

Activity: Water Supply

Operating costs of this activity represents approximately 8.22% of total activity expenditure.

Manager: Stephen Rooney

What is this Activity About?

Council drinking water supplies are necessary so that larger communities can receive an adequate supply of potable (drinking) water which cost-effectively contributes to:

- the health of the community;
- minimisation of adverse environmental effects;
- community safety through providing for the firefighting capability of the water supply system;
- industrial and residential development.

Around 82% of the Marlborough population has access to Council's reticulated water supplies. Underground water reticulation systems are expensive to install and maintain, so are only cost-effective with a certain level of population density. Funding upgrades (particularly to meet the New Zealand Drinking Water Standards and depreciation) has been a challenge but this has been partially resolved by the introduction of the Combined Water Scheme Charges Policy in 2017.

The most up to date information on this Activity and the assets involved, including detail on each individual scheme, is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Compliance with DWSNZ

Compliance with DWSNZ continues to require significant capital expenditure. The affordability issues for smaller communities (Awatere, Renwick, Wairau Valley, and Havelock) have largely been resolved with the adoption of the Combined Water Schemes Charging Policy in 2017. Upgrades to treatment plants to meet DWSNZ have been delayed beyond the target dates in the Health Amendment Act (2007) and Water Services Act 2021. The Seddon water treatment plant was completed in 2019.

A new reservoir was completed for Renwick in 2020 providing a threefold increase in storage capacity. Upgrading of the water treatment plant is underway and planned to be completed in 2023/24.

An upgrade of the Havelock water treatment plant is being designed with construction planned to be completed in 2024/25. A second reservoir was completed for Havelock in 2022 providing a twofold increase in storage capacity.

An upgrade of the Wairau Valley water treatment plant has been designed with construction underway and planned to be completed in 2022/23.

A new water treatment plant is being designed for the Riverlands water supply. Construction is planned to be completed in 2024/25.

When these water treatment plant upgrades are complete all Council water supplies will be compliant with the Water Services Act 2021.

Havelock North Drinking-Water Contamination Inquiry

The recommendations of the Havelock North Drinking-Water Contamination Inquiry have far-reaching consequences for water suppliers. The Government's response to the recommendations has included the revocation of 'secure bore' status (affecting the Riverlands supply). It has led to new legislation in the form of the Water Services Act 2021. This creates a greater emphasis on the provision of safe drinking water for all communities. It includes chlorination of all supplies, more training and accreditation of staff and more monitoring of water quality. Currently there are two supplies that do not have chlorination, Blenheim and Riverlands. Plans are being prepared to chlorinate these supplies as chlorination has been made mandatory. Tamata Arowai has released revised Drinking Water Standards.

Fluoridation

The Health (Fluoridation of Drinking Water) Amendment Bill passed its final reading in November 2021. The new legislation gives the Director General of Health the power to issue a direction to local authority water suppliers to fluoridate a public water supply. Council has received notification a direction order is likely to be given in the middle of 2024.

Renewal of Infrastructure

Infrastructure renewal is becoming necessary across all networks as pipelines near the end of their useful life, particularly for older networks such as the Awatere and for asbestos cement piping across all networks.

Demand Management

Growth in demand for water in Renwick and Havelock has caused supply capacity issues. Residents agreed to fit water meters to all properties to help suppress peak demand and delay the need for investment in new water sources. The installation of water meters across these two networks was completed in 2020. Charging for water used commenced from July 2021. Demand in these two townships has reduced by as much as 35%. Other demand management techniques such as pressure zone management and leakage control are being implemented where practicable.

Levels of Service

| Levels of Service 2023-24: Water Supply | | | |
|--|---|----------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Customer satisfaction Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 8.0 | ≥ 8.0 |
| | The total number of complaints received by the local authority about any of the following ¹ : | | |
| | (a) drinking water clarity | 1.10 | ≤ 1.10 |
| | (b) drinking water taste | 1.90 | ≤ 1.90 |
| | (c) drinking water odour | 0.65 | ≤ 0.65 |
| | (d) drinking water pressure or flow | 1.50 | ≤ 1.50 |
| | (e) continuity of supply | 1.30 | ≤ 1.30 |
| | (f) the local authority's response to any of these issues | 0.65 | ≤ 0.65 |
| Expressed per 1000 connections to the local authority's networked reticulation system. | | | |
| Safety of drinking water Provide a level of water quality that meets community needs and is appropriate to the degree of public health risk. | The extent to which the local authority's drinking water supply complies with: (a) Part 4 of the drinking-water standards (bacteria compliance criteria), and (b) Part 5 of the drinking-water standards (protozoal compliance criteria). | | |
| | Blenheim | a)Y b)Y | a)Y b)Y |
| | Picton | a)Y b)Y | a)Y b)Y |
| | Havelock | a)Y b)N | a)Y b)N |
| | Renwick | a)Y b)N | a)Y b)Y |
| | Riverlands | a)Y b)N | a)Y b)Y |
| | Awatere - Rural | a)N b)N | a)N b)N |
| | Seddon | a)Y b)Y | a)Y b)Y |
| Wairau Valley | a)Y b)N | a)Y b)Y | |
| Maintenance of the reticulation network | The percentage of real water loss from the local authority's networked reticulation system. ² | | |
| | Blenheim | 37% | ≤ 37% |
| | Picton | 28% | ≤ 28% |
| | Havelock | 28% | ≤ 28% |

Levels of Service 2023-24: Water Supply

Performance Targets (for the financial year)

| Level of Service | Indicator | Baseline | 2023-24 |
|--|--|-----------------|-------------------|
| | Renwick | 28% | ≤ 28% |
| | Awatere | 15% | ≤ 15% |
| | Wairau Valley | 15% | ≤ 15% |
| Fault response times Provide a service that is timely and responsive to customers' needs | Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: | | |
| (The target figures are the 'median' time ie half of all call-outs will be responded to/resolved in less time, half will be greater) | (a) attendance for urgent call-outs (in hours): from the time that the local authority receives notification to the time that service personnel reach the site, and | | |
| | Blenheim | 1 hour | ≤ 1 hour |
| | Picton | 1 hour | ≤ 1 hour |
| | Riverlands | 1 hour | ≤ 1 hour |
| | Renwick | 1 hour | ≤ 1 hour |
| | Awatere | 2 hours | ≤ 2 hours |
| | Havelock | 2 hours | ≤ 2 hours |
| | Wairau Valley | 2 hours | ≤ 2 hours |
| | (b) resolution of urgent call-outs (in hours): from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. | | |
| | | 4 hours | ≤ 4 hours |
| | (c) attendance for non-urgent call-outs (in working days): from the time that the local authority receives notification to the time that service personnel reach the site, and | | |
| | | 3 working days | ≤ 3 working days |
| | (d) resolution of non-urgent call-outs (in working days): from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. | | |
| | | 10 working days | ≤ 10 working days |
| Demand management Provide a reliable water supply service | The average consumption (in litres) of drinking water per day per resident within the territorial authority district. | 750 litres | ≤ 710 litres |

¹. Assumes 15,591 connections. Estimated in accordance with DIA recommended option 2. Minimum Night Flow Analysis. Riverlands not included as industrial night consumption volumes not available.

². The water loss figures shown are based on the best available information and do not include legitimate commercial/industrial night usage, day/night adjustment factor or system specific issues that are not currently monitored. Water loss has been calculated in accordance with Method Option 2 (minimum night flow analysis) recommended by the Department of Internal Affairs guidance for non-financial performance measures for water supply.

Revenue and Expenditure by Significant Type

| Combined Water | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---------------------------------------|--------------|---------------|--------------|---------------|---------------|---------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Development contributions | 878 | 896 | - | 896 | 913 | 932 |
| Contributions - Vested Assets | 195 | 207 | (12) | 195 | 202 | 209 |
| Connection charges | 112 | 118 | (7) | 112 | 116 | 119 |
| Backflow Prevention Charges | 58 | 62 | (4) | 58 | 60 | 62 |
| Total external revenue | 1,243 | 1,283 | (23) | 1,260 | 1,292 | 1,322 |
| Insurance | 461 | 307 | 252 | 558 | 579 | 598 |
| Rates | 33 | 35 | 3 | 37 | 39 | 40 |
| Grants for remission | 44 | 45 | (14) | 31 | 32 | 33 |
| Advertising | 7 | 7 | - | 7 | 7 | 7 |
| Telephone Tolls Faxes and Pagers | 4 | 5 | - | 4 | 3 | 4 |
| Security | 3 | 3 | - | 3 | 3 | 3 |
| General Expenses | 1 | 1 | - | 1 | 1 | 1 |
| Operating costs | 553 | 403 | 239 | 642 | 665 | 686 |
| Treatment costs | 751 | 798 | (141) | 656 | 857 | 885 |
| Reticulation - connection maintenance | 486 | 516 | 25 | 541 | 561 | 579 |
| Reticulation - mains maintenance | 434 | 435 | - | 434 | 451 | 465 |
| Treatment - Power | 382 | 406 | (24) | 382 | 396 | 409 |
| Pump Stations - power | 325 | 345 | (13) | 332 | 353 | 364 |
| Reticulation - toby maintenance | 286 | 281 | (25) | 256 | 265 | 274 |
| Backflow prevention | 136 | 144 | 42 | 186 | 192 | 199 |
| Treatment - monitoring/testing | 115 | 122 | (7) | 115 | 119 | 123 |
| Reticulation - valves maintenance | 77 | 82 | (5) | 77 | 80 | 82 |
| Pump stations - other | 56 | 60 | (3) | 56 | 58 | 60 |
| Reticulation - hydrant maintenance | 47 | 39 | 8 | 47 | 49 | 51 |
| Pump stations - mechanical | 47 | 50 | (3) | 47 | 49 | 50 |
| Pump stations - electrical | 45 | 48 | (3) | 45 | 47 | 48 |
| Meter maintenance | 28 | 44 | (3) | 41 | 49 | 73 |
| Reticulation - infiltration/leaks | 16 | 16 | (1) | 16 | 16 | 17 |
| Meter reading | 14 | 15 | (1) | 14 | 15 | 15 |
| Pump stations - telemetry | 12 | 12 | (1) | 12 | 12 | 13 |
| Pump stations - buildings/civil | 8 | 9 | (1) | 8 | 9 | 9 |
| Infrastructure costs | 3,265 | 3,422 | (156) | 3,266 | 3,579 | 3,716 |
| Depreciation | 3,100 | 3,715 | (79) | 3,636 | 4,090 | 4,681 |
| Interest - Internal Loans | 825 | 796 | 244 | 1,040 | 1,224 | 1,866 |
| Personnel costs | 544 | 601 | (20) | 581 | 631 | 659 |
| Corporate Overhead Allocations | 452 | 522 | (5) | 517 | 556 | 574 |
| Section Management | 348 | 333 | 19 | 353 | 383 | 409 |
| Works Depot costs | 158 | 187 | (48) | 139 | 148 | 160 |
| Internal contracts & recharges | 59 | 57 | 16 | 72 | 75 | 77 |
| Planning and Development charges | 71 | 98 | (33) | 64 | 67 | 67 |
| Departmental Management Allocations | 57 | 66 | (5) | 61 | 64 | 66 |
| Other operating costs | 5,613 | 6,375 | 88 | 6,463 | 7,239 | 8,559 |
| Total operating costs | 9,431 | 10,199 | 171 | 10,370 | 11,483 | 12,960 |

| Awatere Water | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---------------------------------------|------------|------------|-------------|------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Development contributions | 16 | 16 | - | 16 | 16 | 16 |
| Connection charges | 7 | 7 | - | 7 | 7 | 7 |
| Total external revenue | 23 | 23 | - | 23 | 23 | 23 |
| Insurance | 40 | 6 | 42 | 48 | 50 | 51 |
| Grants for remission | 16 | 15 | (7) | 8 | 9 | 9 |
| Advertising | 1 | 1 | - | 1 | 1 | 1 |
| Rates | 1 | 1 | - | 1 | 1 | 1 |
| Operating costs | 58 | 22 | 36 | 58 | 60 | 62 |
| Reticulation - mains maintenance | 100 | 106 | (31) | 75 | 78 | 80 |
| Meter maintenance | 50 | 53 | (3) | 50 | 52 | 54 |
| Reticulation - connection maintenance | 40 | 42 | (2) | 40 | 42 | 43 |
| Treatment costs | 30 | 32 | (2) | 30 | 101 | 104 |
| Treatment - monitoring/testing | 20 | 22 | (1) | 20 | 21 | 22 |
| Backflow prevention | 20 | 21 | (1) | 20 | 21 | 21 |
| Reticulation - valves maintenance | 30 | 14 | (1) | 13 | 13 | 14 |
| Meter reading | 12 | 13 | (1) | 12 | 12 | 13 |
| Pump Stations - power | 11 | 12 | (1) | 11 | 12 | 12 |
| Pump stations - other | 10 | 11 | (1) | 10 | 10 | 11 |
| Other Infrastructure Costs | 54 | 33 | (2) | 31 | 32 | 33 |
| Infrastructure costs | 378 | 359 | (46) | 313 | 394 | 407 |
| Depreciation | 456 | 528 | (4) | 524 | 561 | 593 |
| Interest - Internal Loans | 3 | 18 | (16) | 3 | 22 | 40 |
| Personnel costs | 20 | 19 | - | 19 | 21 | 22 |
| Corporate Overhead Allocations | 17 | 16 | 1 | 17 | 18 | 19 |
| Section Management | 13 | 10 | 1 | 12 | 13 | 13 |
| Internal contracts & recharges | 5 | 5 | - | 5 | 5 | 5 |
| Planning and Development charges | 3 | 3 | (1) | 2 | 2 | 2 |
| Departmental Management | | | | | | |
| Allocations | 2 | 2 | - | 2 | 2 | 2 |
| Other operating costs | 518 | 602 | (19) | 583 | 643 | 696 |
| Total operating costs | 954 | 983 | (29) | 954 | 1,098 | 1,165 |

| Riverlands Water | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|-----------|-----------|------------|-----------|-----------|-----------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Sales | 31 | 32 | (2) | 31 | 32 | 33 |
| Backflow Prevention Charges | 2 | 2 | - | 2 | 2 | 2 |
| Total external revenue | 33 | 35 | (2) | 33 | 34 | 35 |
| Insurance | 42 | 38 | 23 | 61 | 63 | 65 |
| External support | - | 21 | (1) | 20 | 21 | 21 |
| Rates | 4 | 4 | 1 | 5 | 5 | 5 |
| Operating costs | 46 | 63 | 22 | 85 | 89 | 91 |
| Pump Stations - power | 40 | 42 | (2) | 40 | 42 | 43 |
| Treatment - monitoring/testing | 26 | 28 | (2) | 26 | 27 | 28 |
| Backflow prevention | 15 | 16 | (1) | 15 | 16 | 16 |
| Treatment costs | 70 | 153 | (153) | - | 73 | 154 |
| Other Infrastructure Costs | 43 | 46 | (3) | 43 | 45 | 46 |

| Riverlands Water | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------------|------------|--------------|--------------|------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Infrastructure costs | 194 | 285 | (161) | 124 | 202 | 287 |
| Interest - Internal Loans | 292 | 645 | (272) | 373 | 800 | 994 |
| Depreciation | 222 | 451 | (263) | 188 | 194 | 531 |
| Personnel costs | 5 | 5 | 55 | 60 | 65 | 68 |
| Corporate Overhead Allocations | 4 | 4 | 49 | 53 | 56 | 58 |
| Section Management | 3 | 3 | 34 | 36 | 40 | 42 |
| Works Depot costs | 2 | 2 | 16 | 18 | 19 | 21 |
| Internal contracts & recharges | 10 | 9 | 2 | 10 | 11 | 11 |
| Planning and Development charges | 1 | 1 | 6 | 7 | 7 | 7 |
| Departmental Management Allocations | 1 | - | 6 | 6 | 7 | 7 |
| Other operating costs | 539 | 1,119 | (367) | 752 | 1,198 | 1,739 |
| Total operating costs | 779 | 1,467 | (506) | 961 | 1,488 | 2,118 |

Services Infrastructure Costs

| Major Expenditure Type | \$ value | Impact on LOS of reducing/deferring |
|--------------------------|-------------|--|
| Pump Stations | \$595,273 | This funds the operation and maintenance of pump stations including electrical, mechanical, buildings, telemetry and power charges |
| Reticulation maintenance | \$1,530,700 | This funds the maintenance of pipelines including backflow prevention connections, hydrants, meter maintenance & reading, valves, and leak detection |
| Treatment | \$1,229,828 | Operation and maintenance of treatment facilities, including monitoring & testing and power charges |

Major Contracts

| Contract | \$ value | Finishes | Comment |
|---|----------------------|-----------------|---|
| Picton Water, Sewerage and Stormwater Operation and Maintenance Contract, 2014/15 | \$620,535 (GST excl) | 31 October 2021 | There are two rights of renewal during this contract term, each of two years |
| Awatere Water Scheme Operations & Maintenance contract | \$279,476 (GST excl) | 31 October 2022 | The Contract allows for two possible renewals each for a term of two years. We are in the middle of negotiations for the rollover of this contract. |

Capital Expenditure Projects

| Water Supply | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|-------------------------------------|--------------|--------------|--------------|---------------|--|
| | \$000's | \$000's | \$000's | \$000's | |
| Water: Blenheim | | | | | |
| Additions: Pipelines | 1,850 | 764 | 5,787 | 5,568 | Meeting residential growth and pipelines for additional treatment capacity |
| Additions: Treatment plant | 1,555 | 4,218 | - | 8,278 | Chlorination |
| Renewals: Pipelines | 520 | 1,854 | - | - | Renewal of aging infrastructure including asbestos cement pipe |
| Additions: Vested assets - external | 195 | 202 | 209 | 215 | |
| Additions: Engineering | 112 | 137 | 195 | 678 | |
| Additions: Water Meters | 100 | 104 | 107 | 110 | |
| Additions: Connections | 75 | 78 | 80 | 83 | |
| Renewals: Pump stations | 27 | 23 | - | - | |
| Additions: Pump station | - | 228 | 70 | 2,892 | Booster pump station upgrade to meet growth & new bores |
| Additions: Reservoir | - | - | 203 | - | |
| Sub Total | 4,435 | 7,608 | 6,651 | 17,825 | |
| Water: Havelock | | | | | |
| Additions: Treatment plant | 2,036 | 6,338 | - | - | Treatment to meet the requirements of the Drinking water standards |
| Additions: Pipelines | 180 | - | 128 | - | Pipelines associated with the new treatment plant |
| Additions: Engineering | 58 | 117 | 4 | - | |
| Renewals: Pump stations | 11 | - | - | - | Renewal's upgrade |
| Additions: Connections | 3 | 3 | 3 | 3 | |
| Renewals: Pipelines | 2 | 2 | 2 | 2 | |
| Sub Total | 2,290 | 6,460 | 138 | 6 | |
| Water: Picton | | | | | |
| Additions: Treatment plant | 780 | 3,299 | 4,818 | - | Additional bores to provide resilience if existing bores were to fail |
| Additions: Dams | 140 | 145 | - | - | |
| Additions: Water Meters | 120 | 1,987 | - | - | Universal water metering |
| Additions: Reservoir | 60 | 125 | - | - | Additional capacity to meet growth and add resilience |
| Additions: Pump station | 50 | - | - | - | |
| Renewals: Pipelines | 35 | 36 | 37 | 39 | Network renewals including replacing asbestos cement pipe |
| Additions: Engineering | 32 | 125 | 188 | 3 | |
| Renewals: Connections | 28 | 29 | 30 | 30 | Renewal of aging connections |
| Additions: Connections | 15 | 16 | 16 | 17 | |
| Additions: Pipelines | - | 1,145 | 1,285 | - | Renewal of pipeline from Speeds Rd to the Elevation |
| Renewals: Pump stations | - | - | 35 | - | |
| Sub Total | 1,259 | 6,906 | 6,409 | 89 | |
| Water: Renwick | | | | | |
| Additions: Treatment plant | 4,952 | - | - | - | Treatment to meet the requirements of the Drinking water standards |
| Renewals: Pipelines | 2,100 | 2,179 | - | - | Replacement of asbestos cement pipelines |
| Additions: Engineering | 184 | 40 | - | 1 | |
| Additions: Connections | 10 | 10 | 11 | 11 | |
| Additions: Pipelines | 3 | 3 | 3 | 3 | |
| Sub Total | 7,248 | 2,233 | 14 | 15 | |

| Water Supply | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|-----------------------------------|---------------|---------------|---------------|---------------|--|
| | \$000's | \$000's | \$000's | \$000's | |
| Water: Awatere | | | | | |
| Renewals: Pipelines | 144 | 256 | - | - | Renewal of aging infrastructure |
| Renewals: Pump stations | 75 | - | - | - | Renewal of aging infrastructure |
| Additions: Engineering | 6 | 5 | - | - | |
| Sub Total | 225 | 260 | - | - | |
| Water: Awatere Rural (POE) | | | | | |
| Additions: Reservoir | 1,270 | - | - | - | Replacing the Lions Back reservoir tanks |
| Renewals: Pipelines | 388 | 519 | - | 552 | Replacement of asbestos cement pipelines |
| Additions: Pipelines | 337 | - | - | 301 | Upgrades to meet growth and improve levels of service |
| Additions: Engineering | 52 | 39 | - | 34 | |
| Additions: Connections | 6 | 7 | 7 | 7 | |
| Additions: Treatment plant | - | 1,556 | - | - | Point of Entry treatment for Rural households to meet the requirements of the Drinking water standards |
| Renewals: Pump stations | - | 17 | - | - | |
| Sub Total | 2,054 | 2,138 | 7 | 894 | |
| Water: Seddon | | | | | |
| Additions: Reservoir | 1,270 | - | - | - | Upgrades to meet growth and improve levels of service |
| Additions: Treatment plant | 190 | - | - | - | Treatment upgrade to reduce water loss during filter backwashing |
| Additions: Engineering | 38 | 6 | - | - | |
| Additions: Connections | 3 | 4 | 4 | 4 | |
| Additions: Pipelines | - | 340 | - | - | |
| Sub Total | 1,502 | 350 | 4 | 4 | |
| Water: Riverlands | | | | | |
| Additions: Treatment plant | 5,890 | 6,111 | - | - | Treatment to meet the requirements of the Drinking water standards |
| Additions: Pipelines | 2,626 | 2,724 | - | - | New pipelines from new treatment plant to industrial estates |
| Additions: Engineering | 221 | 163 | - | - | |
| Renewals: Pipelines | 1 | 1 | 1 | 1 | |
| Sub Total | 8,737 | 8,999 | 1 | 1 | |
| Water: Wairau Valley | | | | | |
| Additions: Pipelines | - | - | 412 | - | Providing water to south side of SH63 |
| Additions: Engineering | - | - | 12 | - | |
| Sub Total | - | - | 425 | - | |
| Total additions | 27,750 | 34,954 | 13,649 | 18,834 | |

Activity: Solid Waste Management

Operating costs of this Activity represent approximately 11.06% of total Activity expenditure.

Manager: Alec McNeil

What is this Activity About?

Marlborough District Council is bound by legislation to ensure that our solid waste is managed in an effective and efficient manner, reducing any potential environmental impact and protecting public health. Council is the main source of waste management infrastructure for the district, providing a network of six transfer stations, a central landfill, waste sorting centre, resource recovery centre, reuse centre, e-waste collection facility, hazardous waste centre, rural community recycling stations, greenwaste acceptance facility and salvage yard. They are all operated under contract to Council.

These facilities are designed and operated to ensure the minimum impact on people's amenity and the environment. By promoting the reduction, reuse, and recycling of waste we will reduce our reliance on landfill for disposal and have the ability to influence the direction of our waste management and minimisation planning. Council also collects refuse and recyclables from the kerbside in Blenheim and Picton through a contract.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Waste Management and Minimisation Plan

As the territorial authority for the Marlborough District, Council is required to develop, adopt, maintain and review a waste management and minimisation plan (WMMP). The current WMMP 2021-27 was adopted in May 2021 and contains the following targets:

| Target | Comment |
|--------|--|
| 1 | Investigate beneficial use of landfill gas by December 2021. |
| 2 | Investigate a regional solution for organic material including green, animal and food wastes by December 2022. |
| 3 | Retender the waste management and minimisation services and award contracts by November 2023. |
| 4 | Implement, monitor and review the contracts awarded across the period 2024 to 2027. |

Product Stewardship Schemes

The introduction of Product Stewardship schemes could have a significant impact on how waste and recycling services and infrastructure are funded in the future. Product Stewardship is an environmental management strategy that means whoever designs, produces, sells, or uses a product takes responsibility for minimising the product's environmental impact throughout all stages of the product's life cycle, including end of life management.

There are two types of product stewardship schemes, voluntary and mandatory. To date the approach has focused on voluntary schemes set up by interested parties. In future the focus will be on mandatory schemes through the Government's declaration of 'priority products'.

Council supports the costs associated with managing waste products being redistributed to the producer/consumer and away from the ratepayer. We will continue to participate in policy discussions and development of product stewardship at a national level as a means of achieving this.

Contract Renewals

The main waste and recycling contracts are all up for retender between 2022 and 2023. Retendering services is an opportunity to reflect on what has and has not worked during the current contract period and how this could be

improved going forward. Retendering also provides an opportunity to reset budgets based on the market response through pricing.

The Landfill Operations Contract (2021-039) was awarded in 2022 to Roding and Asphalt Limited and runs until 2030. This contract covers the operation and management of the Bluegums landfill. Separate contracts are also awarded for the design and construction of the various stages of the landfill. At present stage 9 of 13 is under construction. Stages are constructed on a needs basis that ensures there is sufficient tipping space available to receive the region’s waste.

The Reuse Centre Services Contract (2021-159) was awarded to JBL Environmental Limited and commences on 1 July 2024. This new contract framework covers the operation of the reuse centre, the repurposing of unwanted household goods service, the supply and operation of a collection and delivery vehicle and the provision of four community repurposing programmes.

The Waste Management and Minimisation Service Contract (2021-077) was awarded, on a conditional basis, to Waste Management (NZ) Limited. This contract covers the kerbside collection service, the transfer station service, the resource recovery centre and the greenwaste facility. The contract introduces a change to levels of waste services including the introduction of wheelie bins onto the kerbside collection routes, the expansion of the kerbside collection area and the introduction of remote transfer stations to replace the existing coin skips and rural community recycling bins. The proposed changes to levels of wastes services were subject to community consultation in November 2022 and a series of Hearing Panel Meetings in December 2022. The Hearing Panel recommended that the kerbside proposal was adopted but included an option of a range of wheelie bin sizes to reflect the needs of different households. The Hearing Panel recommended that the kerbside collection area be expanded to all townships within the district. The Hearing Panel recommended that the remote transfer station proposal be adopted subject to the proposed locations at Okiwi Bay and Duncan Bay being removed in favour of an alternative proposal to redevelop the Rai Valley transfer station. Council adopted the Hearing Panel recommendations in March 2023 and the new contract will commence on 1 July 2024.

Waste Disposal Levy Increases

The waste disposal levy is applied to all waste entering the Bluegums Landfill site. The current levy rate has increased from \$30 to \$50 per tonne (GST exclusive). From July 2023 other classes of landfill will also be subject to the waste disposal levy. The summary of the waste disposal levy charges and future increases is shown in the following table.

| Landfill Class | 1-Jul-21 | 1-Jul-22 | 1-Jul-23 | 1-Jul-24 |
|--|----------|----------|----------|----------|
| Municipal landfill (class 1) | \$20 | \$30 | \$50 | \$60 |
| Construction and demolition fill (class 2) | | \$20 | \$20 | \$30 |
| Managed fill (class 3) | | | \$10 | \$10 |
| Controlled fill (class 4) | | | \$10 | \$10 |
| | | | | |

For the 2023/24 period the anticipated levy income for Council is in the region of \$600k to \$990k. Council have agreed to allocate the received share of the waste disposal levy as follows:

- reduction projects 20%;
- reuse projects 15%;
- recovery projects 50%; and
- recycling projects 15%.

The outcomes of this spending allocation will be reported and reviewed annually.

Levels of Service

| Levels of Service 2023-24: Solid Waste Management | | | |
|--|---|-----------|-------------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 7.0 | ≥ 7.0 |
| Continue to reduce the amount of waste sent to the landfill by providing and promoting diversion processing. | Tonnage processed at the Resource Recovery Centre. | 4,367 | ≥ 5,000 |
| | \$value of sales at the Reuse Shop. | \$251,850 | ≥ \$285,000 |
| | Tonnage diverted at the Waste Sorting Centre. | 1,456 | ≥ 1,900 |
| | Tonnage throughput at the Greenwaste Acceptance Facility. | 18,742 | ≥ 22,000 |
| Operate effective waste management and minimisation services. | Number of resident's complaints in regard to Bluegums Landfill operations. | 9 | ≤ 9 |
| | Kerbside Refuse and Recycling Collection Service complaints/missed lifts as a percentage of serviced households. | 0.2% | ≤ 0.2% |
| | Number of resident's complaints in regard to Compost operation. | 4 | ≤ 4 |
| | Number of resident's complaints in regard to the transfer stations, reuse centre, resource centre, e-waste facility, coin skips and salvage yard. | 30 | ≤ 30 |

Revenue and Operating Expenditure by Significant Type

| Landfills | 2022-23 | 2023-24 | | 2024-25 | 2025-26 |
|----------------------------------|--------------|----------------|-------------------|---------------|---------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's |
| Dump Fees | 9,129 | 6,477 | 3,990 | 10,467 | 11,923 |
| Non-property rentals | 153 | 176 | (10) | 166 | 178 |
| Property rentals | 27 | 28 | - | 28 | 28 |
| Disbursement Recoveries | 12 | 13 | (1) | 12 | 13 |
| Total external revenue | 9,322 | 6,694 | 3,979 | 10,672 | 11,773 |
| Levy Payment | 2,007 | 630 | 2,691 | 3,321 | 4,144 |
| Depreciation | 1,809 | 2,025 | (382) | 1,642 | 1,648 |
| Contracts | 1,600 | 1,699 | (99) | 1,600 | 1,660 |
| Landfill ETS obligation | 1,345 | 532 | 813 | 1,345 | 1,395 |
| Personnel costs | 360 | 322 | 129 | 451 | 490 |
| Section Management | 231 | 179 | 95 | 274 | 297 |
| Corporate Overhead Allocations | 299 | 280 | 121 | 401 | 418 |
| External support | 180 | 169 | 11 | 180 | 187 |
| Professional Fees | 105 | 111 | (6) | 105 | 109 |
| Interest - Internal Loans | 88 | 78 | 17 | 95 | 80 |
| Repairs & maintenance | 65 | 45 | 18 | 63 | 136 |
| Insurance | 45 | 46 | 4 | 51 | 53 |
| Planning and Development charges | 45 | 51 | (2) | 49 | 51 |
| Departmental Management | | | | | |
| Allocations | 38 | 35 | 12 | 47 | 50 |
| Laboratory Charges | 44 | 50 | (7) | 43 | 45 |
| Other Operating Cost | 68 | 82 | (30) | 52 | 54 |
| Total operating costs | 8,329 | 6,335 | 3,386 | 9,721 | 10,817 |

| Refuse Collections | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-----------------------------------|--------------|--------------|------------|--------------|--------------|--------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Sales | 260 | 191 | 88 | 279 | -* | - |
| Miscellaneous Revenue | 2 | 2 | - | 2 | 2 | 2 |
| Govt Operating grants & donations | - | - | - | - | 149 | 149 |
| Total external revenue | 262 | 193 | 88 | 281 | 150 | 150 |
| Contracts | 1,057 | 1,007 | 99 | 1,105 | 1,491 | 1,538 |
| Fees + Charges | 397 | 319 | 167 | 486 | 736 | 759 |
| Refuse Bags | 142 | 151 | 1 | 152 | -* | - |
| Personnel costs | 109 | 102 | 2 | 104 | 113 | 118 |
| Corporate Overhead Allocations | 90 | 89 | 4 | 92 | 100 | 103 |
| Section Management | 70 | 57 | 6 | 63 | 69 | 73 |
| Other Operating Cost | 48 | 70 | (22) | 48 | 43 | 45 |
| Total operating costs | 1,913 | 1,794 | 257 | 2,051 | 2,552 | 2,636 |

*Refuse bags sales will be changed by wheelie bin service. Therefore, there is no more refuse bags cost in costs and no sales in revenue for future years.

| Transfer Stations | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Dump Fees | 1,810 | 2,078 | (150) | 1,928 | 1,878 | 1,938 |
| Govt Operating grants & donations | - | - | - | - | 198 | 198 |
| Sales | 25 | 27 | (27) | - | - | - |
| Total external revenue | 1,835 | 2,105 | (177) | 1,928 | 2,076 | 2,136 |
| Contracts | 2,674 | 2,391 | 768 | 3,159 | 2,049 | 2,114 |
| Personnel costs | 159 | 149 | 24 | 174 | 189 | 197 |
| Corporate Overhead Allocations | 132 | 130 | 25 | 155 | 164 | 170 |
| Depreciation | 117 | 121 | 7 | 128 | 129 | 129 |
| Interest - Internal Loans | 89 | 84 | 29 | 113 | 107 | 101 |
| Section Management | 102 | 83 | 23 | 106 | 115 | 122 |
| Repairs & maintenance | 52 | 55 | (3) | 52 | 53 | 55 |
| Power | 22 | 22 | 3 | 25 | 24 | 25 |
| Freight and Courier | 21 | 22 | (1) | 21 | - | - |
| Insurance | 16 | 16 | 4 | 20 | 20 | 21 |
| Fees + Charges | 2 | 2 | - | 2 | 1,359* | 1,402 |
| Other Operating Cost | 35 | 40 | (2) | 38 | 48 | 50 |
| Total operating costs | 3,419 | 3,116 | 875 | 3,991 | 4,258 | 4,386 |

*Future year landfill fees inserted based on Council paying the disposal fees direct.

| Waste Minimisation | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---------------------------------------|--------------|--------------|------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Govt Operating grants & donations | 495 | - | 825 | 825 | 644 | 644 |
| Sales | 296 | 314 | (44) | 270 | 280 | 289 |
| Dump Fees | 68 | 70 | (36) | 34 | - | - |
| Infringement (non-Court) | 3 | 3 | - | 3 | 3 | 3 |
| Infringement (ex Court) | 3 | 3 | - | 3 | 3 | 3 |
| Non-Govt Operating grants & donations | - | 175 | (175) | - | - | - |
| Total external revenue | 865 | 565 | 570 | 1,135 | 930 | 939 |
| Contracts | 1,126 | 1,025 | 139 | 1,164 | 1,721 | 1,776 |
| Projects | 282 | 11 | 494 | 505 | 114 | 118 |
| Depreciation | 143 | 169 | (18) | 151 | 152 | 154 |
| Freight and Courier | 102 | 90 | 12 | 102 | - | - |
| Personnel costs | 72 | 67 | 13 | 80 | 87 | 91 |
| Corporate Overhead Allocations | 60 | 59 | 13 | 71 | 76 | 78 |
| Interest - Internal Loans | 47 | 45 | 10 | 55 | 47 | 39 |
| Section Management | 46 | 37 | 11 | 49 | 53 | 56 |
| Repairs & maintenance | 42 | 39 | 6 | 45 | 22 | 23 |
| General Expenses | 29 | 31 | (3) | 28 | 29 | 30 |
| Other Operating Cost | 59 | 104 | (37) | 66 | 67 | 69 |
| Total operating costs | 2,008 | 1,677 | 639 | 2,316 | 2,369 | 2,435 |

The dump fees increase, contract costs increases are both caused by waste disposal levy increase.

Major Contracts

| Contract | \$ per annum | Finishes | Comment |
|--|--------------|-----------|--|
| Landfill Operations Contract | \$1,585,968 | 30/6/2029 | New contract 2021-039 commenced 1 July 2022 |
| Waste Management and Minimisation Contract | \$4,000,000 | 30/6/2024 | New Contract 2021-077 commences 1 July 2024 |
| Hazardous Waste Contract | \$300,000 | 30/6/2027 | Contract extension awarded. |
| Greenwaste Acceptance Facility Operations Contract | \$500,000 | 30/6/2024 | New Contract 2021-077 commences 1 July 2024 |
| Refuse Bag Supply Contract | \$150,000 | 30/6/2024 | This contract will cease when the when wheelie bins are introduced |

Services Infrastructure Costs

| Major Expenditure Type | Current Contract \$Values | Opportunities for \$ reduction and associated Impact/Consequence/Risks on LOS |
|--|---------------------------|--|
| Refuse Collection (Inc Recycling) | | |
| Contracts | \$1,105,000 | Nil - Kerbside collection service to Blenheim and Picton |
| Fees and charges | \$486,000 | Nil - Landfill fees for bag disposal |
| Refuse bag purchases | \$152,000 | Nil - Refuse bags for supply to Blenheim and Picton households under contract |
| Transfer Stations | | |
| Contracts | \$3,159,000 | Nil - Operation of the waste sorting centre and 6 transfer stations |
| Landfills | | |
| External Support | \$180,000 | Nil - Landfill Contract administration & technical assistance |
| Contracts | \$1,600,000 | Nil - operation of Regional landfill facility and the pyrolysis plant |
| Levy Payment | \$3,321,000 | Nil - Waste levy to Central Government (increased from \$30 to \$50 per tonne from 1 July 2023) |
| ETS Payment | \$1,345,000 | Nil - Carbon credit payment to Central Government based on \$37.75 / tonne carbon unit (purchased) |
| Lab and Monitoring Expenses | \$43,000 | Nil - Resource consent requirements |
| Waste Minimisation | | |
| Education | \$175,000 | Nil - Enviroschools, General schools programmes, Kid's Edible Gardens, Worm farm & Bokashi discounts, Sustainable Households, Sustainable Business, Food waste reduction. |
| General Operations | \$78,806 | Nil - Coin skips service at Rai Valley, Portage, Ohingaroa and the Grove inc unit rental x 4. |
| Hazardous Waste | \$311,034 | Nil - If no hazardous waste collection facilities are available then there is an increased risk of uncontained disposal to environment. |
| Illegal Dumping | \$8,500 | Nil - Collection and disposal of illegal dumping |
| Recycling | \$1,053,163 | Nil - Includes operation of Resource Recovery Centre and Re-use shop, glass recycling and recycling activities at transfer stations as well as the waste disposal levy receipts allocation (circa \$495k per annum). |
| Rubbish Removal | \$76,122 | Nil - Cost share - Port Marlborough marina collection \$18,000 and inorganic waste collections from Marlborough Sounds communities (Boat access only) \$10,000 |
| Rural Community Recycling | \$198,657 | Nil – collection and processing service for 10 sites around the district |

Capital Expenditure Projects

| Solid Waste Management | 2023-24 \$000's | 2024-25 \$000's | 2025-26 \$000's | 2026-27 \$000's | Benefits Summary |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Regional Landfill Engineering | 3,550 | 571 | 482 | 1,214 | Ensures the ongoing provision of landfill space to receive the district's waste. |
| | 92 | 11 | 15 | 4 | |
| Total additions | 3,642 | 581 | 496 | 1,218 | |

Activity: Environmental Policy

Operating costs of this Activity represents approximately 1.55% of total Activity expenditure.

Manager: Pere Hawes

What is this Activity About?

This Activity is the first of the “Plan-Do-Monitor Review” cycle of Activities that play an integral role in a wider system of environmental management.

The Environmental Policy Activity involves the development and review of policy and planning provisions under the Resource Management Act (RMA) in response to resource management issues for Marlborough. These provisions are aimed at the sustainable use, development and protection of Marlborough’s natural and physical resources, including land, water, air, indigenous ecosystems and the built environment. Many of the provisions are mandatory under the RMA. Council is required to prepare a Regional Policy Statement, a Regional Coastal Plan and a District Plan. It may also develop other regional plans, as necessary.

Council’s four core RMA policy and planning documents are:

- Marlborough Regional Policy Statement (RPS);
- Marlborough Sounds Resource Management Plan (MSRMP);
- Wairau/Awatere Resource Management Plan (WARMP);
- Proposed Marlborough Environment Plan (PMEP).

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

PMEP Implementation

The Environment Court received 51 notices of appeal on the PMEP decision. Given the number of appeal points (1268), the resolution of appeals has been a focus for the Environmental Policy Group. This focus will continue for the 2023-24 year.

On resolution of appeals to the PMEP, the plan provisions become operative and the current operative resource management framework will become inoperative. This means that the RPS, the MSRMP and the WARMP will cease to have effect. This will, in turn, simplify the task of other activities, particularly Resource Consents and Environmental Protection.

In the meantime, the application of rules in the PMEP relative to the operative rules is determined by Sections 86B(1) and 86F of the RMA. The dual status of regulatory methods creates a complexity in the administration of Council’s resource management framework. The resolution of appeals on the PMEP has been prioritised to get the PMEP to an operative status as soon as possible and remove this complexity. The process and timeframe for resolving appeals is determined by the Environment Court (not Council) and this makes it difficult to determine a timeframe for making the PMEP operative. However, the Environmental Policy Group seeks to progress appeal resolution to make the PMEP operative in the 2023-24 year.

Environment Court mediation for the appeals commenced in March 2021 and is scheduled to be completed before the 2023-24 year commences. Progress with the resolution of appeals is regularly reported to the Environment and Planning Committee.

PMEP Maintenance

Over the course of the LTP there will be a need to maintain the currency of the PMEP. New issues could emerge, and Council could be given new functions through national direction (see below). From time to time, there could therefore be the need to notify variations and, on making the PMEP operative, plan changes. The preparation of any variation is approved by the Environment and Planning Committee.

Central Government Initiatives

Government initiatives (such as legislative change or the introduction of national policy statements or national environmental standards) can influence the nature, scope and timing of the Environmental Policy work programme.

In particular, Council is required to give effect to the provisions of national policy statements, while the provisions of Council's resource management framework cannot duplicate or conflict with national environmental standards.

RMA Reform

Government introduced the Spatial Planning Bill and the Natural and Built Environment Bill in November 2022. They represent the outcome of a substantial review of the RMA and the Bill's will, when passed, replace the RMA.

Collectively, the Bills propose a fundamentally different environmental planning regime, with current RMA planning documents being replaced in time by regional spatial strategies and natural and built environment plans. Both the strategies and the plans will be regionally based, resulting in a consolidation in the number of planning documents. Council has consistently made the case that environmental planning in Marlborough should not be combined with adjoining local authorities. The Bill is consistent with that argument and the spatial extent of the regional spatial strategy and natural and built environment plan would align with the Council boundary.

Regional spatial strategies and natural and built environment plans will have to give effect to a National Planning Framework.

The process for developing both the strategies and plans would be fundamentally different to the RMA's current First Schedule process. In particular, the plans will be overseen by a regional planning committee, which are to be a separate entity to the constituent local authorities. Council would nominate representatives to the Committee as well as a Māori appointing body.

The Bills are currently going through parliamentary process and there will not be certainty about the implications of the reform on the activities of the Environmental Planning Group until the legislation is passed. The Government intends to pass the Bills into law before the end of the current parliamentary term.

It is clear that the planning documents and process will be fundamentally different to that which exists under the RMA. A reasonable transition period is anticipated, but it will be important to commence strategically preparing for this transition in the 2023-24 year.

National Direction

There are currently six national policy statements and nine national environmental standards. In most cases these were given effect to or implemented through the review of the resource management framework. However, three national policy statements have been gazetted post the notification of the PMP, the National Policy Statement Urban Development 2020, the National Policy Statement for Freshwater Management 2020 and the National Policy Statement for Highly Productive Land 2022.

In the case of the National Policy Statement Urban Development 2020, Council is required to monitor a range of indicators for housing and business development capacity for Blenheim on a quarterly basis and report the results of monitoring annually. There is also a requirement to respond to the results of monitoring to ensure that there is sufficient development capacity provided for in the PMP.

Council is aware of landowners that wish to request the rezoning of rurally zoned land on the periphery of Blenheim. It is possible that Council will be considering these requests in the 2023-24 year as a means of ensuring there is sufficient development capacity in and around Blenheim.

One of the issues that will need to be addressed in this process is the recently gazetted National Policy Statement for Highly Productive Land 2022. The periphery of Blenheim has extensive areas of highly productive land (as defined by the National Policy Statement) and the national direction is to restrict the rezoning of highly productive land. There are exceptions to this policy and the application of the exceptions to any site will have to be worked through.

The National Policy Statement for Freshwater Management 2020 sets out new direction for the way regional councils and unitary authorities manage freshwater and the activities that can adversely affect water. A work programme to give effect to the National Policy Statement for Freshwater Management 2020 was adopted by Council in 2022. Implementation of the work programme to establish a community vision with respect to freshwater and to implement Te Mana o te Wai in a Top of the South context will form a significant part of the Environmental Policy Group work programme in the 2023-24 year. This will involve ongoing engagement with Te Tau Ihu iwi and Ngāi Tahu/Ngāti Kuri and several rounds of community engagement. The objective is to notify a variation to the PMP to give effect to the National Policy Statement for Freshwater Management 2020 by December 2024.

A new National Policy Statement for Indigenous Biodiversity covering terrestrial matters is expected to be gazetted in 2023. This is likely to have significant implications for Council's current management of indigenous biodiversity, including the Significant Natural Areas programme.

Levels of Service

| Levels of Service 2023-24: Environmental Policy | | | |
|---|--|----------|-----------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Create a second generation resource management framework for Marlborough. | PMEP made operative, including resolution of appeals on MEP decisions. | N/A | 30-Jun-24 |

*This target has been revised to better reflect the actual progression.

Operating Expenditure by Significant Type

| Environmental Policy | 2022-23 | 2023-24 | | 2024-25 | 2025-26 | |
|-------------------------------------|--------------|----------------|-------------------|---------------|--------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | |
| Govt Operating grants & donations | - | - | 425 | 425 | 275 | 100 |
| Total external revenue | - | - | 425 | 425 | 275 | 100 |
| Personnel costs | 998 | 794 | 131 | 925 | 961 | 996 |
| External support | 715 | 414 | 401 | 815 | 690 | 525 |
| Corporate Overhead Allocations | 340 | 320 | 68 | 389 | 406 | 422 |
| Legal | 150 | 159 | (9) | 150 | 156 | 161 |
| Contracts | 100 | 106 | (6) | 100 | 104 | 107 |
| Departmental Management Allocations | 75 | 86 | (12) | 74 | 77 | 80 |
| Other Operating Cost | 26 | 27 | 4 | 31 | 25 | 25 |
| Total operating costs | 2,404 | 1,907 | 577 | 2,484 | 2,417 | 2,315 |

Explanation of Significant operating expenditure variations

The increase represents additional funding to give effect to national direction from Government and to ensure that Council can respond to rezoning requests to provide for residential growth.

Activity: Environmental Science and Monitoring

Operating costs of this Activity represents approximately 6.64% of total Activity expenditure.

Manager: Alan Johnson

What is this Activity About?

The Activity involves establishing and maintaining an efficient environmental resource information base to allow Council to properly discharge its resource management functions and to provide advice to the community on environmental resources and on issues affecting the resources of the district. The Activity includes the investigation, monitoring and analysis of the district's natural and physical resources, (e.g., land, air, fresh water and coast).

This Activity is also responsible for implementing a number of non-regulatory resource management methods and programmes to promote the sustainable management of our natural and physical resources. This includes education, advocacy and support for flood and other environmental emergency responses.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

The Proposed Marlborough Environment Plan (PMEP) sets the future direction and resourcing for State of Environment (SoE) monitoring and resource investigations in the district.

The Government is increasingly directing Council services through legislative change consisting of a number of National Policy Statements and National Environmental standards e.g., the National Policy Statement for Freshwater Management will impact on the levels of service for setting of catchment based limits, monitoring and reporting on the performance of our freshwater systems.

Council is investing in the following areas:

- There will be progressive increases in funding for Council's environmental science and monitoring activities to implement the PMEP as well as a number of National Environmental Policy Standards and Regulations. In particular, additional resources have been allocated for environmental monitoring, biodiversity, ecosystem health, riparian management, catchment care and the implementation of the National Policy Statement for Freshwater Management.
- Building capability and capacity working with central government, iwi and the community by seeking additional resources through scaling up environmental programs targeted at initiatives such as Jobs for Nature.
- Engaging in a collaborative project with the Kaikaiāwaro Charitable Trust for the implementation of the Te Hoiere/Pelorus restoration project.

Environmental Information

There is an expectation from Government and the community that resource information will be readily available in an open digital format. Processes continue to ensure our data is of the highest quality and to improve access to environmental data.

Water Quality

Diffuse pollution, sediment runoff and discharges to land as a consequence of intensive urban and rural land use will remain as the main human induced threat to water quality in the district. Monitoring programmes focused on measuring a range of water quality attributes are expected to be scaled up to meet NPS freshwater expectations in conjunction with determining critical source areas within catchments to help us better understand and mitigate these effects.

Catchment Care Programme

There will be an increase in collaborative catchment management programmes designed in conjunction with Government, iwi and community to help mitigate diffuse pollution and sediment runoff within at risk catchments in the region. A focus on building community capability is a key priority. The majority of these programmes are funded by central government. The future investment from government is likely to reduce and Council will need to consider future level of services.

Water Quantity

The extraction of fresh water for irrigation and consumptive use will require a continuation of careful management to balance community aspirations for economic growth while ensuring environmental sustainability is not compromised. Ongoing investigations and information is necessary to better understand natural processes, refining limits and enabling the community to set and monitor sustainable limits on our water resources.

Air Quality

Picton urban air quality monitoring is expected to be implemented and supported by government funding.

Land Management and Soil Quality

Council has an obligation to ensure the most up to date information exists on sites that are potentially contaminated, and these sites recorded as HAIL. A focused program systemically surveying sites and reviewing the level of risk continues. In addition, more investment is required to update information in relation to soil properties, erosion risk in the region to better understand the characteristics of soil profiles to promote improved soil health and efficiencies in water management.

Biodiversity

The terrestrial biodiversity programme has an objective to halt the decline in biodiversity values. An increase in resourcing has been allocated to help build capacity to protect high value significant natural areas/sites.

Council is a partner in the Kotahitanga mō te Taiao Alliance and Ngāti Kurī Takiwā Collective. The partnerships provide for collective action expected to promote partnership programmes and help to scale up the restoration and enable protection of biodiversity values across the region.

Climate Change

The longer-term consequence of climate variability will need to be better understood, including establishing measures and a coordinated response across Council.

Coastal Science

The Proposed Marlborough Environment Plan (PMEP) sets the future direction and resourcing for coastal and marine State of Environment (SoE) monitoring and resource investigations in the district.

The key emerging issues and expected changes are:

- Climate change: climate change effects are already being observed in the marine environment of Marlborough with rising sea temperatures leading to a contraction in the range of *macrosystis* kelps. Other effects of ocean acidification and increased storminess are not so well understood. These changes have the potential to interact cumulatively and combine with other stressors to have negative effects.
- Central government reforms: in the immediate future central government reforms will lead to the inclusion of estuaries in the National Policy Statement for Freshwater Management. It is unclear what further reforms are coming in the management of the marine environment but it is likely there will be a requirement for more intensive monitoring of the marine environment.

Coastal Water Quality

Point source discharges, sediment runoff and a range of nutrient inputs continue to be the main human induced threats to water quality in the district. This monitoring programme focusses on measuring a range of water quality attributes to help us better understand and mitigate these effects.

Ship Wake Effects

The proposal to introduce larger ferries to Tory Channel and Queen Charlotte Sound may cause changes to ship wake effects on the shoreline. The information provided by this monitoring programme provides long term information on the impact of ship wakes on the ecology and morphology of the shoreline which is vital for the management of the shoreline.

Ecologically Significant Marine Sites

The PMEP already lists a large number of ecologically significant marine sites. The significant marine site programme aims to identify all sites of ecological significance within areas where the seafloor has been mapped.

Understanding the extent and condition of these sites enables us to meet policy objectives around marine biodiversity.

Estuaries

The impact of land-based activities on the marine environment is frequently first observed in estuarine systems. This programme is focused on understanding these impacts and whether the condition of these systems is changing over time.

Multibeam

Council has invested in multibeam echosounder mapping of the seafloor of the sounds. This workstream utilises this data in the best way to identify areas of important biodiversity on the seafloor.

Environmental Information

There is an expectation from government and the community that resource information will be readily available in an open digital format. Processes continue to ensure our data is of the highest quality and to improve access to environmental data.

Levels of Service

| Levels of Service 2023-24: Environmental Science and Monitoring | | | |
|---|---|-------------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Monitor, investigate, gather and analyse information and report on the state of Marlborough's natural resources including: Fresh Water, Land, and Air. | Timeliness of completion data integrity audits and quality coding (In accordance with National Environmental Monitoring Standards). | 30 -Jun | 30 -Jun |
| | Number of technical SoE monitoring report cards completed. | 6 | ≥ 6 |
| | Timeliness completion of resource investigations and reporting to Council. | 30 -Jun | 30 -Jun |
| Operate an effective real time environmental monitoring network. | Percentage availability of the environmental monitoring network. | 99% | ≥ 99% |
| Promote resource management programmes to help maintain or improve the condition of the environment. | Number of sites classified as Significant Natural Areas on private land that are either protected by management interventions or legal covenants. | 108 | ≥ 120 |
| Encourage and enable the community and industry to look after and restore the environment through education, advocacy and assistance. | Number of planned communication events with Industry/Community sector groups annually. | 20 | ≥ 20 |
| | Marlborough Environment Community Grants made annually and percentage of grant contact requirements meet. | New measure | 100% |

Revenue and Operating Expenditure by Significant Type

| Environmental Science & Monitoring | 2022-23 | 2023-24 | | 2024-25 | 2025-26 |
|---------------------------------------|--------------|----------------|-------------------|---------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's |
| Govt Operating grants & donations | 2,207 | - | 3,365 | 3,365 | 200 |
| Miscellaneous Revenue | 10 | - | 10 | 10 | 11 |
| Monitoring charges | 5 | 5 | - | 5 | 5 |
| Non-Govt Operating grants & donations | - | 139 | (139) | - | - |
| Contributions - Miscellaneous | 50 | - | - | - | - |
| Total external revenue | 2,272 | 144 | 3,236 | 3,380 | 216 |
| Contracts | 1,655 | 21 | 3,049 | 3,070 | 391 |
| Personnel costs | 2,488 | 2,298 | 536 | 2,834 | 2,461 |
| Corporate Overhead Allocations | 1,203 | 978 | 422 | 1,400 | 1,528 |
| Depreciation | 672 | 704 | 7 | 711 | 804 |
| External support | 644 | 516 | 31 | 547 | 596 |
| Monitoring Expense | 228 | 413 | (68) | 345 | 378 |
| Laboratory Charges | 287 | 305 | (8) | 297 | 318 |
| Departmental Management Allocations | 244 | 253 | (6) | 247 | 266 |
| Pest and Weed Control | 170 | 202 | (12) | 190 | 203 |
| Plants seeds and Shrubs | 135 | 161 | (161) | - | - |
| Projects | 100 | 106 | (106) | - | - |
| Grants | 110 | 90 | 22 | 112 | 110 |
| Section Management | 60 | 62 | 7 | 68 | 78 |
| Contributions | 105 | 111 | (61) | 50 | 54 |
| Fencing | 270 | 53 | (53) | - | - |
| Repairs & maintenance | 41 | 43 | (3) | 41 | 43 |
| Digital Data | 23 | 24 | 6 | 30 | 32 |
| Greenscape contracts | 20 | 21 | (1) | 20 | 21 |
| Other Operating Cost | 110 | 120 | 17 | 137 | 130 |
| Total operating costs | 8,563 | 6,481 | 3,617 | 10,098 | 7,413 |

Major Contracts

| Contract | \$ per annum | Comment |
|---------------------|---------------------------------|---|
| Laboratory Services | \$226,000 (ESM activities only) | Hill Laboratories provide professional chemical and biological analysis services for Council. |

Major Projects

| Description | 2023/23 | 2023/24 | 2024/25 | Comment |
|---|-----------|-----------|-----------|---|
| Ground water resource monitoring and aquifer investigations | \$120,000 | \$110,000 | \$110,000 | Routine SoE Monitoring & Investigations, for Wairau Aquifer |
| Fresh water quality monitoring | \$130,000 | \$150,000 | \$150,000 | SoE & Recreational bathing water monitoring |
| Biodiversity Monitoring & Survey | \$75,000 | \$75,000 | \$75,000 | SoE monitoring and surveys |
| Biodiversity (SNA) Assistance programme | \$140,000 | \$170,000 | \$170,000 | SNA assistance programme (pests and weed control and fencing) |
| Marlborough Landscape Group | \$20,000 | \$20,000 | \$20,000 | Group facilitation and projects |

| Description | 2023/23 | 2023/24 | 2024/25 | Comment |
|---------------------------------------|-------------|-------------|-------------|--|
| Environmental Grants | \$90,000 | \$110,000 | \$110,000 | Contestable community fund |
| Hill Country Erosion programme | \$500,000 | \$210,000 | \$247,000 | Projects consisting of riparian planting/fencing and surveys (MPI funded) |
| Te Hoiere Catchment Program | \$1,091,000 | \$1,396,000 | \$2,383,000 | Project back bone, Restoration projects. (ARC govt funded) |
| Te Hoiere Catchment Program | \$234,000 | \$200,000 | \$200,000 | Te Hoiere Restoration fencing and mitigation Project (JFN govt funded) |
| Native Nursery Development | \$628,944 | \$301,543 | \$180,879 | Te Hoiere Restoration Project (Nga Awa govt funded) |
| Forest and Bird Predator Control | \$500,000 | \$356,274 | \$296,642 | Te Hoiere Restoration Project (Nga Awa funded) |
| Catchment Care | \$298,198 | \$130,000 | \$130,000 | At Risk Catchment programme (Mfe Funded) |
| Long Term restoration project | - | \$526,469 | \$526,469 | Te Hoiere Restoration Project (includes fencing, weed control. (Nga Awa govt funded) |
| Land Resources and soil mapping | \$100,000 | \$110,000 | \$110,000 | Soil monitoring & Investigations |
| Air quality monitoring | \$50,000 | \$30,000 | \$30,000 | Pm10 monitoring and spray drift trials |
| Marine sites and spatial database | - | \$200,000 | - | Actively record and monitor marine sites and enable analysis to drive behaviour change in the marine sector. |
| Coastal Water Quality | - | \$110,800 | \$110,800 | Routine SoE Monitoring & Investigations |
| Ship Wake effects | - | \$30,000 | \$0,000 | Biennial monitoring. |
| Ecologically Significant Marine Sites | - | \$60,000 | \$60,000 | SoE monitoring and surveys |
| Estuaries | - | \$60,000 | \$60,000 | SNA assistance programme (pests and weed control and fencing) |

Capital Expenditure Projects

| Environmental Science and Monitoring | 2023-24 \$000's | 2024-25 \$000's | 2025-26 \$000's | 2026-27 \$000's | Benefits Summary |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|------------------------------------|
| Intangibles data/software | 250 | 259 | 268 | 276 | Maintenance of telemetry equipment |
| Utilities | 52 | - | 222 | - | |
| Telemetry field equipment | 150 | 156 | 161 | 166 | |
| Total additions | 452 | 415 | 650 | 442 | |

Activity: Resource Consents

Operating costs of this Activity represents approximately 2.25% of total Activity expenditure.

Manager: Anna Davidson

What is this Activity About?

This Activity involves discharging Council's statutory obligations under the Resource Management Act 1991 (RMA). The RMA sets out a range of powers, duties and functions, and the statutory processes that must be followed when processing and determining applications for a resource consent. Consistent with the RMA's purpose, this Activity is about the promotion of the sustainable management of natural and physical resources and the administration of the Marlborough Sounds and the Wairau/Awatere Resource Management Plans and the Proposed Marlborough Environment Plan.

Specifically, this Activity processes five different types of resource consents:

- land use consents;
- water permits;
- discharge permits;
- subdivision consents; and
- coastal permits.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Legislative and Plan Changes

The challenges for this Activity centre on the need to adequately respond to legislative and other changes whilst meeting statutory timeframes for the processing of consents; providing a fair, cost effective and consistent service to the community and meeting customer expectations. As a large unitary authority, Council is responsible for processing a constantly fluctuating workflow, including applications of a complicated nature and public resources including water and coastal space.

Changes in legislation and planning policy and practice contribute to additional demand on the Resource Consent processing functions. These can be driven by Government legislation or policy changes and/or Council policy changes.

By combining the various resource management policy statements and Plans required by the Resource Management Act, Marlborough now has a single planning document enabling the integrated management of all the region's natural and physical resources. The Proposed Marlborough Environment Plan was notified on 9 June 2016. Submissions to the Proposed Marlborough Environment Plan were heard from 9 June 2016. The Proposed Marlborough Environment Plan decision document was released on 20 February 2020. The current version of the Proposed Marlborough Environment Plan is the "Appeals Version". This version is being actively maintained as appeals are resolved.

In addition to the Act and the Plans there are national environmental standards and national policy statements which also influence resource consent processes.

Council constantly reviews its processes and procedures to ensure adherence with current best practices and statutory requirements.

Levels of Service

| Levels of Service 2023-24: Resource Consents | | | |
|--|--|----------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 6.0 | ≥ 6.0 |
| Provide a consent service that is fair, consistent, cost effective, timely and responsive to customers' needs. | % of resource consent applications processed within statutory timeframes. | 100% | 100% |
| | % of objections under section 357(b) compared to total number of applications processed. ¹ | 0.2% | ≤ 0.2% |
| Provide consistent, appropriate and timely information to applicants and the public on the RMA, resource consent and approval process. | % of incomplete applications rejected under the requirements of section 88 of the RMA. | 5% | ≤ 5% |

¹ RMA, Section 357(b) – Right of objection in relation to imposition of additional charges and recovery costs

Revenue and Expenditure by Significant Type

| Resource Consents | 2022-23 | 2023-24 | | 2024-25 | 2025-26 |
|---------------------------------|--------------|----------------|-------------------|---------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's |
| Landuse Applications | 434 | 430 | 4 | 434 | 458 |
| Coastal Applications | 339 | 336 | 3 | 339 | 357 |
| Subdivision Applications | 265 | 262 | 3 | 265 | 279 |
| Consents | 204 | 210 | (6) | 204 | 215 |
| Water Applications | 184 | 182 | 2 | 184 | 194 |
| Discharge Applications | 159 | 157 | 2 | 159 | 168 |
| Marine Farming Applications | 106 | 105 | 1 | 106 | 112 |
| Certificates | 4 | 4 | - | 4 | 4 |
| Total external revenue | 1,694 | 1,685 | 9 | 1,694 | 1,786 |
| Personnel costs | 1,731 | 1,775 | 173 | 1,948 | 2,098 |
| Corporate Overhead Allocations | 739 | 827 | 55 | 882 | 961 |
| Depreciation | 258 | 214 | 48 | 262 | 268 |
| Legal | 220 | 246 | (11) | 235 | 248 |
| Internal allocation | (191) | (190) | (9) | (199) | (216) |
| Departmental Management | | | | | |
| Allocations | 108 | 118 | (5) | 113 | 121 |
| Allowances - Meeting Attendance | 80 | 84 | (4) | 80 | 84 |
| Commissioners | 80 | 84 | (4) | 80 | 84 |
| Other Operating Cost | 64 | 20 | 40 | 60 | 64 |
| Total operating costs | 3,090 | 3,179 | 283 | 3,461 | 3,713 |

Fee Note: The revenue shown in the table is before the proposed Fee adjustment contained elsewhere in the agenda.

Capital Expenditure Projects

| Resource Consents | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|------------------------|----------|----------|-----------|----------|---------------------------|
| | \$000's | \$000's | \$000's | \$000's | |
| Utilities | - | - | 43 | - | 4WD Truck for site visits |
| Total additions | - | - | 43 | - | |

Activity: Environmental Protection

Operating costs of this Activity represent approximately 1.41% of total Activity expenditure.

Manager: Glen McMurdo

What is this Activity About?

The primary purpose of this section is to implement statutory responsibilities under section 35 of the Resource Management Act 1991 (RMA) which contribute towards the sustainable management of our natural and physical resources. This includes the monitoring and enforcement of activities within the District.

Council monitors the effect of implementing its resource management plans by monitoring compliance with the conditions of resource consent conditions and permitted Activity standards.

The key objectives for the Activity are:

- to provide an active compliance monitoring and enforcement regime to sustainably manage Marlborough's natural and physical resources;
- to provide feedback and information on resource use and sufficient environmental information to enable other objectives to be met;
- to integrate programmes with Environmental Science & Monitoring and align with anticipated environmental outcomes set in the Proposed Marlborough Environment Plan (MEP).

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Resource Consent Numbers

An on-going challenge for the group is the volume of resource consents - there are more than 35,000 current resource consents. A number of monitoring programmes are undertaken of activities which have been identified as high priority. The number of monitoring programmes which can be delivered is restricted by the team's resources.

Proposed Marlborough Environment Plan

As a result of the notification of the Proposed Marlborough Environment Plan (PMEP), the status and rules relating to many activities have changed — and the team's monitoring programmes are under continual review to reflect these changes as and when they have legal effect or become operative.

Water

Water is a valuable commodity in Marlborough, both environmentally and economically. Increasing water takes are putting pressure on Marlborough's aquifers and waterways. The introduction and transition of water takes to the Resource Management (Measurement and Reporting of Water Takes) Regulations 2010 and the Resource Management (National Environmental Standards for Freshwater) Regulations 2020 has placed increased functions and responsibilities on both Council and the holders of water permits. Active monitoring of water takes is critical to the sustainability of Marlborough's aquifers and waterways.

Enforcement

Identification of breaches of the RMA and escalated enforcement due to their significance can have a substantial effect on the team's work programmes by diverting staff from other activities into enforcement proceedings. Where court action is required, this protracts the time and resources needed to finalise action outcomes. Prioritising resources is a continual issue for the team to achieve efficient and effective monitoring while meeting customer expectations and achieving environmental outcomes.

Managing Complaints

The number of complaints received remain stable at around 500 complaints (excluding excessive noise complaints) each year in regard to alleged breaches of the RMA. It however is apparent that a large proportion of these complaints are complex in nature which requires extensive investigation and time. In the past a relatively simple desktop exercise was all that was required to complete some investigations, however issues have become more

complex with changes to plan rules, national environment standards and legislation requiring on-site property or activity inspections and follow up to occur.

National Direction

Legislative change or the introduction of renewed or additional national environmental standards can influence the nature, scope and timing of the team’s work programme. Any increased statutory functions and responsibilities place increased demands on the team’s resources e.g. the introduction of the National Environmental Standards for Plantation Forestry in 2017 and National Environmental Standards for Freshwater in 2020.

Cost Recovery

Some activities are identified as of private benefit (with monitoring charges applied). Implementation and review of monitoring charges for resource users is ongoing to ensure fair and reasonable cost recovery is achieved to support the team’s monitoring programmes. This includes areas of permitted activity monitoring cost recovery for National Environmental Standards for Plantation Forestry and NES Freshwater.

However, many activities undertaken by the team are for public benefit and cannot be cost recovered, such as incident investigation and enforcement, which must be paid by rates.

Database

Current database functionality impacts on the efficiency of the team’s activities and reporting for monitoring and compliance activities. Development plans and a preliminary budget are in place for a replacement system.

Levels of Service

| Levels of Service 2023-24: Environmental Protection | | | |
|---|--|--|--|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents’ expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 6.3 | ≥ 6.0 |
| Monitor high priority activities that have either a greater environmental impact warranting special consideration or are activities that generate community concern or are related to trends highlighted through the State of the Environment Report. | Report on dairy farm effluent systems and stream crossings for compliance with permitted activity standards or Resource Management Plans and consent conditions. | 31-Aug | 31-Aug |
| | | Improved or unchanged compliance level | Improved or unchanged compliance level |
| | Report on waste from wineries for compliance with resource consent conditions (waste water and grape marc). | 30-Nov | 30-Nov |
| | | Improved or unchanged compliance level | Improved or unchanged compliance level |
| | Report on Water monitoring for compliance with resource consent conditions, MEP and RM (Measurement and Reporting of water takes) Regulations 2010 | 31-Oct | 31-Oct |
| | | Improved or unchanged compliance level | Improved or unchanged compliance level |
| Report on resource consents for forestry in the district. | 30-Nov | 30-Nov | |
| | Improved or unchanged compliance level | Improved or unchanged compliance level | |

Levels of Service 2023-24: Environmental Protection

Performance Targets (for the financial year)

| Level of Service | Indicator | Baseline | 2023-24 |
|--|--|----------|---------|
| Monitor and investigate alleged breaches of the RMA, RMP and Consents. | % of complaints assessed within one working day. | 90% | ≥ 90% |

Revenue and Expenditure by Significant Type

| Environmental Protection | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|----------------------------------|--------------|----------------|-------------------|---------------|--------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | \$000's |
| Water Permits | 360 | 346 | (16) | 330 | 339 | 348 |
| Monitoring charges | 265 | 189 | 61 | 250 | 257 | 264 |
| Moorings | 175 | 173 | (8) | 165 | 170 | 174 |
| Monitoring - staff costs charged | 106 | 210 | (60) | 150 | 206 | 232 |
| Other External Revenue | 9 | 10 | - | 9 | 10 | 10 |
| Total external revenue | 915 | 927 | (23) | 904 | 981 | 1,027 |
| Personnel costs | 1,122 | 1,094 | 147 | 1,241 | 1,289 | 1,336 |
| Corporate Overhead Allocations | 479 | 471 | 19 | 491 | 532 | 548 |
| Legal | 180 | 189 | (9) | 180 | 185 | 190 |
| Internal allocation | 87 | 86 | 4 | 90 | 95 | 98 |
| Departmental Management | | | | | | |
| Allocations | 70 | 67 | (4) | 63 | 65 | 68 |
| External support | 30 | 31 | (1) | 30 | 31 | 32 |
| Training Conferences + Seminars | 12 | 13 | 1 | 14 | 16 | 17 |
| Travel and Accommodation | 10 | 10 | - | 10 | 10 | 11 |
| Other Operating Cost | 48 | 46 | 3 | 49 | 52 | 59 |
| Total operating costs | 2,038 | 2,007 | 160 | 2,167 | 2,275 | 2,358 |

Fee Note: The revenue shown in the table is before the proposed Fee adjustment contained elsewhere in the agenda.

Capital Expenditure Projects

| Environmental Protection | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|--------------------------|---------|---------|-----------|---------|---|
| | \$000's | \$000's | \$000's | \$000's | |
| Utilities | - | - | 45 | - | Vehicles are required for officers to be respond to environmental complaints and incidents. |
| Total additions | - | - | 45 | - | |

Activity: Biosecurity

Operating costs of this Activity represents 1.74% of total Activity expenditure.

Manager: Jono Underwood

What is this Activity About?

Under the Biosecurity Act 1993 the Council has leadership responsibilities to prevent, reduce, or eliminate adverse effects from harmful organisms which are in New Zealand but not Marlborough, or are present in the region and are a significant threat. Marlborough has a long history of pests impacting on our economy and the environment, and the potential of new pest threats is ongoing and requires an active regime in order to understand and manage those threats.

The ways in which Council undertakes its activities include:

- promoting the alignment of pest management in the region;
- facilitating the development and alignment of regional pest management plans and regional pathway management plans in the region;
- promoting public support for pest management and facilitating communication and cooperation among people involved in pest management activities to enhance the effectiveness, efficiency, and equity of programmes;
- monitoring to determine whether or not pests are present and undertaking surveillance of pests, and unwanted organisms;
- investigating, eradicating or managing pests in accordance with relevant pest management plans.

The guiding framework and principles for biosecurity are outlined in the Marlborough District Council Biosecurity Strategy. A key component in the Strategy is the use of a Regional Pest Management Plan (RPMP). The RPMP highlights the priority programmes and sets clear, achievable objectives for specific harmful organisms.

The RPMP defines programmes for a number of plant and animal species. These organisms are declared pests in accordance with the Biosecurity Act 1993. The programme for each species is clearly outlined and has both objectives and outcomes that align with the National Policy Direction for Pest Management.

Council also provides a range of non-regulatory biosecurity services through the facilitation of community partnerships, conducting research, supporting biological control initiatives and promoting voluntary control of a range of other harmful organisms.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan and the RPMP.

Emerging Issues and Expected Changes

Issues relating to biosecurity and invasive species management are outlined generally in more detail within Council's Biosecurity Strategy.

An ongoing issue is the pressure for the Biosecurity Activity to address long established invasive species issues given they are more visible and causing real or perceived current impact rather than in the future. Given this is not a high strategic priority for the Biosecurity Activity, this pressure is often shared with Council's biodiversity protection or enhancement initiatives or Council as a manager of public land (e.g., Reserves). These activities are also facing significant resource pressures given invasive species are one of the greatest threats to biodiversity values and managing these established invasive species is often challenging and required in perpetuity.

In terms of invasive species issues that are the priority for the Biosecurity Activity, ongoing management of the very large future threat from Chilean needle grass and wilding conifers continues to prove challenging. However, with a high level of community buy-in, and central government investment through the National Wilding Conifer Control Programme, these programmes are on track.

An emerging issue with wilding conifer management programmes is the reliance on central government funding that does not come with long term certainty. This puts the large gains made since 2016/17 at risk including a very large amount of averted future costs.

Recent investigations into new pest plant threats such as *Bomarea multiflora* highlight that additional invasive species will require management in the future. Given new programmes are often additive, not replacement, this puts increasing pressure on resources and capacity.

Levels of Service

| Levels of Service 2023-24: Biosecurity | | | |
|---|--|----------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 6.5 | ≥ 6.5 |
| Implement the Regional Pest Management Plan (RPMP). | % of Operational Plan targets relating to the RPMP met. | 95% | ≥ 95% |
| Deliver non-RPMP biosecurity services and/or initiatives. | % of Operational Plan targets relating to non-RPMP biosecurity services and/or initiatives met. | 95% | ≥ 95% |
| Prepare an annual report on the Operational Plan. | Date Operational Plan report provided to the Environment Committee. | 31-Oct | 31-Oct |

Revenue and Expenditure by Significant Type

| Biosecurity | 2022-23 | 2023-24 | | 2024-25 | 2025-26 |
|-------------------------------------|--------------|----------------|-------------------|---------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's |
| Miscellaneous Revenue | 5,702 | 710 | 34 | 744 | 12 |
| Fees | 3 | 3 | - | 3 | 3 |
| Total external revenue | 5,705 | 713 | 33 | 747 | 16 |
| Contracts | 6,203 | 1,333 | (78) | 1,255 | 621 |
| Personnel costs | 646 | 549 | 137 | 686 | 647 |
| Corporate Overhead Allocations | 307 | 302 | 38 | 340 | 354 |
| Contributions | 108 | 115 | (7) | 108 | 112 |
| Departmental Management Allocations | 68 | 78 | (13) | 65 | 67 |
| Grants | 60 | 60 | - | 60 | 60 |
| Depreciation | 22 | 17 | 5 | 22 | 22 |
| Other Operating Cost | 135 | 221 | (77) | 145 | 138 |
| Total operating costs | 7,550 | 2,675 | 6 | 2,681 | 2,021 |

Major Contracts

| Description | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|------------------|---------------------|---------------------|---------------------|
| National Wilding Conifer Programme delivery (numerous) | 5,614,560 | \$1,000,000* | \$1,000,000* | \$1,000,000* |
| Chilean needle grass - Operations | 155,000 | 155,000 | 155,000 | 155,000 |
| Marine Biosecurity - Operations | 145,000 | 145,000 | 145,000 | 145,000 |
| Wilding conifer management (incl. contribution to NWCCP Waihopai programme) | 115,000 | 115,000 | 115,000 | 115,000 |
| Willow-leaved hakea programme | 50,000 | 50,000 | 50,000 | 50,000 |
| Woolly nightshade programme | 40,000 | 40,000 | 40,000 | 40,000 |
| TOS Marine Biosecurity Partnership | 41,000 | 41,000 | 41,000 | 41,000 |
| Marlborough Sounds Restoration Trust – annual grant | 30,000 | 30,000 | 30,000 | 30,000 |
| South Marlborough Landscape Restoration Trust – annual grant | 30,000 | 30,000 | 30,000 | 30,000 |
| Spartina grass programme | 22,000 | 22,000 | 22,000 | 22,000 |
| Total | 6,242,560 | \$1,628,000 | \$1,628,000 | \$1,628,000 |

* To be confirmed through central government processes.

Capital Expenditure Projects

| Biosecurity | 2023-24 \$000's | 2024-25 \$000's | 2025-26 \$000's | 2026-27 \$000's | Benefits Summary |
|------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Utilities | - | - | 182 | - | Safe, fit for purpose 4WD utilities to facilitate field operations |
| Total additions | - | - | 182 | - | |

Activity: Building Control

Operating costs of this Activity represents approximately 3.24% of total Activity expenditure.

Manager: Brendon Robertson

What is this Activity About?

This Activity is important for the health and safety of the residents, workers and visitors to the Marlborough District because the main purpose of the Building Act and Regulations is the health and safety of building users. The efficient processing of building consents is a key focus of this Activity to ensure we are responsive to customer needs.

This Activity involves giving effect to the Building Act 2004. This Act charges Council with several responsibilities which are set out in two separate categories: as a Territorial Authority (TA) and as a Building Consent Authority (BCA). Council's role is to ensure compliance and to meet the requirements of the relevant Acts and Regulations.

The most significant component of this Activity is to receive, process, grant, and issue Building Consent applications, followed by inspecting work for compliance and issuing Code Compliance Certificates. The standard of compliance required is set out in the Building Regulations and means of compliance are outlined in the New Zealand Building Code. Council is also required to have Building Consent Authority accreditation.

This Activity also involves other functions under separate legislation including:

- monitoring swimming pool fencing under the Building (Pools) Amendment Act 2016;
- investigating building related complaints under the Local Government Act 2002 and the Building Act 2004;
- administering the requirements in the Earthquake Prone Buildings Amendment Act 2016;
- administering the Building (Dam Safety) Regulations 2022;
- responding to emergency responses under the Civil Defence Emergency Management Act 2002.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

IANZ Accreditation

The Group's Building Consent Authority (BCA) accreditation status is audited by IANZ biennially. The BCA received re-accreditation in 2022 and the next audit round will occur May 2024.

Digital Development

The Building Control Group continues to develop and implement digital systems to provide efficiencies and improved services to the public. The latest technology to be utilised by the team is a remote inspection app called Artisan. The objective of this remote inspection tool is to reduce the cost of building consents and reduce waiting times for processing of building consents.

Succession Planning

An increasing number of team members are reaching retirement age. The need to plan ahead to ensure adequate numbers of trained staff are available to meet industry demands and the requirements of the Building (Accreditation of Building Consent Authorities) Regulations Act 2006. Allowance has been made in this year's budget to allow for training as new staff members are employed when retirements occur.

Training for Building Control Officers

In recent years the qualification process has changed for new Building Control Officers (BCOs) under Regulation 18 of the Building (Accreditation of Building Consent Authorities) Regulations 2006. The previous recognition of prior learning (APL) system has been removed. New officers without a recognized qualification will now be required to complete a two year NZQA diploma (Level 6). To achieve this qualification new staff members will be required to

undertake external training. As with most training, this training comes with a cost. Allocation for new staff training has been made for this in the current budgets.

Levels of Service

| Levels of Service 2023-24: Building Control | | | |
|--|--|-------------|---------|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 6.3 | ≥ 6.2 |
| Provide a service that is responsive to customer needs and minimises risks to public safety. | % of Building Consents applications granted within 20 working days of receipt of the application. | 100% | 100% |
| | % of Code Compliance Certificates issued within 20 working days of receipt of application. | 100% | 100% |
| | % of swimming pools inspected annually. | 33.3% | ≥ 33.3% |
| | % of Building Warrants of Fitness audited annually. | 20% | ≥ 20% |
| Provide a service that is responsive to customers' needs and minimise risk to public safety | % of CRM's (Customer Complaints -Building Act 2004) responded to in 72 hours | New measure | 100% |

Revenue and Expenditure by Significant Type

| Building Control | 2022-23 | 2023-24 | | 2024-25 | 2025-26 |
|-------------------------------------|--------------|--------------|----------------|--------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's |
| Consents - Building | 3,331 | 3,251 | (131) | 3,120 | 3,289 |
| Compliance schedules | 36 | 37 | 3 | 40 | 37 |
| Building Exemptions | 21 | 21 | 9 | 30 | 21 |
| Miscellaneous Revenue | 20 | 21 | 4 | 25 | 21 |
| Inspections | 15 | 16 | (1) | 15 | 16 |
| Project Information Memoranda | 10 | 10 | 5 | 15 | 11 |
| Other External Revenue | 24 | 27 | (2) | 26 | 25 |
| Total external revenue | 3,458 | 3,383 | (113) | 3,271 | 3,334 |
| Personnel costs | 2,338 | 2,337 | 225 | 2,562 | 2,761 |
| Corporate Overhead Allocations | 1,011 | 1,168 | 54 | 1,222 | 1,322 |
| Contracts | 280 | 294 | (14) | 280 | 295 |
| Departmental Management Allocations | 148 | 166 | (10) | 156 | 168 |
| External support | 50 | 52 | 48 | 100 | 105 |
| Internal allocation | 87 | 86 | 4 | 90 | 98 |
| Training Conferences + Seminars | 50 | 73 | (23) | 50 | 53 |
| Legal | 45 | 47 | (2) | 45 | 47 |
| Depreciation | 32 | 28 | 4 | 32 | 72 |
| Audit Fees | - | 27 | 3 | 30 | 27 |
| Travel - inspections | 24 | 25 | (1) | 24 | 25 |
| Settlements | 20 | 21 | (1) | 20 | 21 |
| Travel and Accommodation | 20 | 13 | 7 | 20 | 21 |

| Building Control | 2022-23 | 2023-24 | | 2024-25 | 2025-26 |
|--|--------------|--------------|------------|--------------|--------------|
| | | LTP | change | AP | |
| | \$000's | \$000's | \$000's | \$000's | \$000's |
| Advertising Interviews + Relocations - S | 10 | 10 | 10 | 20 | 11 |
| Other Operating Cost | 61 | 58 | 27 | 85 | 78 |
| Total operating costs | 4,175 | 4,406 | 331 | 4,737 | 5,106 |

Fee Note: The revenue shown in the table is before the proposed Fee adjustment contained elsewhere in the agenda.

Major Contracts:

| Contract | \$ per annum | Comment |
|--|----------------|---|
| Contracted processing of building consents | Approx. \$250K | Required during high volumes of consent applications. Purpose: To meet the statutory timeframes set out in the Building Act 2004. |
| Quality Control Management | Approx. \$30K | Required to ensure the group maintains BCA accreditation as required under the Building (Accreditation of Building Consent Authorities) Regulations 2006. |

Capital Expenditure Projects

| Building Control | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|------------------------|----------|-----------|------------|----------|------------------|
| | \$000's | \$000's | \$000's | \$000's | |
| Administration fleet | - | 25 | - | - | |
| Utilities | - | - | 259 | - | |
| Total additions | - | 25 | 259 | - | |

Activity: Environmental Health

Operating costs of this Activity represent approximately 0.51% of total Activity expenditure.

Manager: Glen McMurdo

What is this Activity About?

This Activity protects public health through registration, inspection and verification of operators, and the investigation of complaints, as required by the Health Act 1956 and Food Act 2014. The Activity also promotes public health and food safety by undertaking education activities and providing written information to the public.

The Environmental Health Officers also administer the Sale and Supply of Alcohol Act 2012, which requires the issuing of alcohol licences, monitoring of compliance with licence conditions and licensing of Class 4 venues under the Gambling Act 2003. Staff also investigate nuisance complaints such as noise, smoke, odours, pests, poor living conditions and hazardous substances.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Industry Education

Continuing education services are required for businesses to ensure they are aware of the requirements of legislation and therefore exercising robust food safety practices.

Electronic Systems

The team continues to work towards making the majority of processes mobile, electronic and accessible. These improvements will provide increased functionality and access to information via web-based systems for licensees and the public.

Levels of Service

Levels of Service 2023-24: Environmental Health

Performance Targets (for the financial year)

| Level of Service | Indicator | Baseline | 2023-24 |
|--|---|----------|---------|
| Ensure the residents of Marlborough and visitors to the District have confidence that they live and stay in an environment that is safe. | % of registered premises inspected once a year. | 100% | 100% |
| | Number of annual inspections of markets and events with 10 or more food stalls. | 12 | ≥ 14 |
| | % of complaints of critical nature (e.g. food poisoning) actioned within one working day. | 100% | 100% |
| | % of complaints of a non-critical nature assessed within seven working days. | 100% | 100% |
| Administer Food Control Plans under the Food Act 2014 | % of businesses registered in Food Control Plans and National Programmes - of those that are required to be registered under Food Act 2014. | 100% | 100% |
| | % of registered business as scheduled in the Food Act 2014 and Regulations audited. | 100% | 100% |

Levels of Service 2023-24: Environmental Health

Performance Targets (for the financial year)

| Level of Service | Indicator | Baseline | 2023-24 |
|--|---|----------|---------|
| Carryout the functions of Licensing Inspector controlling the sale and supply of alcohol to the public with the aim of contributing to the reduction of alcohol abuse. | % of "On Licences" ¹ inspected once a year. | 90% | ≥90% |
| Provide a service for investigation of noise complaints. | Timely provision of a report on performance of noise control contract. | 31-Aug | 31-Aug |
| | Assess complaints concerning unreasonable noise within one working day. | 90% | ≥90% |

¹ An "on-licence" allows the sale or supply of liquor to any person present on the premises, for consumption on the premises.

Revenue and Expenditure by Significant Type

| Environmental Health | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------------|------------|------------|-------------|------------|------------|------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Liquor Licences | 280 | 294 | (14) | 280 | 288 | 295 |
| Food control plans - Verification | 64 | 63 | (3) | 60 | 62 | 63 |
| Food control plans - Registration | 37 | 37 | (2) | 35 | 36 | 37 |
| Other Licences | 17 | 17 | (1) | 16 | 16 | 17 |
| Other External Revenue | 8 | 7 | (2) | 5 | 5 | 6 |
| Total external revenue | 406 | 417 | (20) | 396 | 407 | 418 |
| Personnel costs | 359 | 348 | 33 | 381 | 396 | 411 |
| Corporate Overhead Allocations | 166 | 163 | 7 | 170 | 184 | 190 |
| Internal contracts & recharges | 85 | 89 | (5) | 85 | 88 | 90 |
| Contracts | 68 | 65 | 5 | 70 | 72 | 74 |
| Departmental Management Allocations | 24 | 23 | (1) | 22 | 23 | 23 |
| Internal allocation | 10 | 10 | 1 | 11 | 11 | 12 |
| Other Operating Cost | 43 | 46 | - | 46 | 51 | 53 |
| Total operating costs | 756 | 745 | 40 | 784 | 825 | 853 |

Major Contracts

| Contract | \$ per annum | Comment |
|--|---------------------|---|
| Noise Control Services: ADT, Armourguard | Approximately \$60K | Provide Noise control services for excessive noise complaints pursuant to the Resource Management Act 1991. Operates on an Umbrella Contract yearly which is done each year and set for the 1 st of April each year. |

Capital Expenditure Projects

| Environmental Health | 2023-24 \$000's | 2024-25 \$000's | 2025-26 \$000's | 2026-27 \$000's | Benefits Summary |
|------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Administration fleet | - | 26 | - | - | Ensuring appropriate instrumentation is available for confirming compliance. |
| Instrumentation | 3 | 4 | 4 | 4 | |
| Total additions | 3 | 29 | 4 | 4 | |

Activity: Animal Control

Operating costs of this Activity represents approximately 0.57% of total Activity expenditure.

Manager: Glen McMurdo

What is this Activity About?

The objective for the Activity is to encourage responsible dog ownership which allows owners to enjoy their dogs without infringing on the enjoyment and safety of others. This involves the promotion of responsible dog ownership and protection of the community from danger, distress and nuisance caused by dogs. The Dog Control Act 1996 (DCA) is the primary legislative tool used in this Activity, together with related regulations including the Impounding Act 1955 and Council Dog Control Bylaws.

This Activity also provides services in relation to wandering livestock on public land and roads.

Council's Animal Control function has been contracted out to Maataa Waka Ki Te Ihu Trust since 1998. Council retains the administration of the contract and makes decisions on classification of dogs and owners and objections to infringements. Council's Enforcement and Prosecution Panel makes decisions on undertaking prosecutions and hear any objections to classifications.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

Perceptions of Dogs in the Community and Dog Attacks

There has been ongoing media interest in dog attacks in recent years. This can create fear in the community. While serious dog attacks are rare, when serious incidents do occur these need to be investigated thoroughly and the likely cause of the attack assessed so that appropriate enforcement action can be taken.

Workload Demands

More than 10,500 dogs are registered in the District and Council receives more than 2,000 dog associated complaints each year. This makes a significant resource demand on the Animal Control contractor and Council's Animal Control Contract Manager.

Dog Parks

Council completed construction of a dog park in Renwick on Foxes Island Road (off State Highway 6 and next to the SPCA) in 2019. The park is a dog exercise area where dogs may be off leash.

Council is progressing proposed sites for dog parks in Blenheim and Picton, with the intention of funding these parks from the Dog Control budget reserves. The proposed location in Blenheim is on a closed landfill site on the Taylor River which has already been designated for a dog park and in Picton at Waitohi Domain.

Policy and Bylaw Review

In 2021 Council completed a review of the Dog Control Policy and Dog Control Bylaw in accordance with the Dog Control Act 1996 and the Local Government Act 2002. The review is required to be undertaken every 10 years and looked at dog access to all public places and included new Council reserves which have been created since the previous bylaw review.

Levels of Service

| Levels of Service 2023-24: Animal Control | | | |
|--|--|---|---|
| Performance Targets (for the financial year) | | | |
| Level of Service | Indicator | Baseline | 2023-24 |
| Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 7.2 | ≥ 7.2 |
| Provide an effective dog control service including registration that is in accordance with the Dog Control Act 1996 (DCA). | Level of compliance with the Animal Control contract | Compliance with contract specification and reporting requirements | Compliance with contract specification and reporting requirements |
| | Annual report preparation and publicising. | 30-Sep | 30-Sep |

Revenue and Expenditure by Significant Type

| Dog Control | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|------------|----------------|-------------------|---------------|------------|------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | \$000's |
| Dog Registration | 565 | 573 | (8) | 565 | 598 | 616 |
| Infringement (ex-Court) | 20 | 21 | (1) | 20 | 21 | 21 |
| Impounding | 10 | 10 | - | 10 | 10 | 11 |
| Other External Revenue | 11 | 12 | (1) | 11 | 12 | 12 |
| Total external revenue | 606 | 617 | (10) | 606 | 640 | 659 |
| Contracts | 530 | 537 | 5 | 542 | 557 | 571 |
| Corporate Overhead Allocations | 65 | 64 | 3 | 67 | 72 | 75 |
| Personnel costs | 58 | 59 | 5 | 64 | 67 | 69 |
| Legal | 30 | 26 | (1) | 25 | 26 | 26 |
| General Expenses | 17 | 16 | (1) | 15 | 15 | 16 |
| Advertising | 12 | 13 | (1) | 12 | 12 | 13 |
| Other Operating Cost | 66 | 62 | 3 | 65 | 68 | 70 |
| Total operating costs | 778 | 777 | 13 | 790 | 818 | 840 |

| Other Animal Control | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------------|-----------|----------------|-------------------|---------------|-----------|-----------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | \$000's |
| Contributions - Miscellaneous | 80 | 71 | 9 | 80 | 82 | 84 |
| Miscellaneous Revenue | - | 4 | (4) | - | - | - |
| Total external revenue | 80 | 75 | 5 | 80 | 82 | 84 |
| Contracts | 85 | 89 | (4) | 85 | 88 | 90 |
| Corporate Overhead Allocations | 4 | 4 | - | 5 | 5 | 5 |
| Departmental Management Allocations | 1 | 1 | - | 1 | 1 | 1 |
| Total operating costs | 90 | 94 | (4) | 90 | 93 | 96 |

Major Contracts

| Contract | \$ per annum | Finishes | New Contract: | Comment |
|-----------------------------|---|---------------|---|---|
| Dog Control Services | Animal Control Services 2014/70 \$530,000 (excl GST) | 31 March 2022 | Animal Control Services 2021/90 \$543,250 (excl GST) | The Contract Price (Annual fee total) is not subject to escalation i.e., it remains fixed from the commencement date of 1 April 2022 to 22 March 2024. From 1 April 2024, annual escalation will be included in line with the Government CPI annual increase. |
| Live Stock Control Services | Animal Control Services 2014/70 \$80,000 (excl GST) | 31 March 2022 | Animal Control Services 2021/90 \$82,000 (excl GST) | The Contract Price (Annual fee total and Additional Services hourly rate \$110 per hour) is not subject to escalation i.e., it remains fixed from the commencement date of 1 April 2022 to 22 March 2024. From 1 April 2024, annual escalation will be included in line with the Government CPI annual increase. |

Activity: Harbours

Operating costs of this Activity represents approximately 1.43% of all the activity expenditure

Manager: Jake Oliver

What is this Activity About?

The purpose of the Harbours Activity within the Nautical and Coastal Team is to ensure Council meets its statutory obligations as a Harbour Authority to ensure maritime safety in the region.

As provided for under the Maritime Transport Act, Council has appointed a Harbourmaster to meet its responsibility for maritime safety in the port and harbour.

The Harbourmaster leads the Harbours Activity and is supported by a team of four full-time staff including a Deputy Harbourmaster, a Harbour Protection officer and two Maritime Officers. The function is also supported by the Nautical and Coastal Team Administrator. Additional personnel are employed in the summer months on a casual basis to support safer boating initiatives.

In addition to maritime safety, the Harbours Activity is responsible for ensuring the region maintains an adequate Oil Spill Response Capability as required under the Maritime Transport Act 1994. As with maritime safety, this requires close collaboration with Maritime New Zealand.

The foundation of all Harbours Activity is the Harbour Safety Management System. This is a risk-based approach to managing all known hazards and risks in the harbour and the system constantly evolves to meet the changing risk profile of the harbour.

The most up to date information on this Activity is contained in the 2021-31 Long Term Plan.

Emerging Issues and Expected Changes

A Changing Harbour Risk Profile

The risk profile of the harbour changes continuously and is monitored by risk assessment. The risk assessment identifies factors that have or may have led to increased risk in the harbour and identifies the controls that need to be in place or adjusted to ensure maritime safety and protection of the environment. The following sections describe the most significant risks and/or controls relevant to the Long Term Plan.

Tory Channel

The proposal to introduce larger Cook Strait ferries triggered a review of navigation risk over the entire ferry route and in particular, the Tory Channel. Advice received by Council suggests that existing controls in place to manage risk in Tory Channel may not be sufficient to enable the safe transit of larger vessels. A process of collaborative risk assessment is underway to guide the identification and implementation of risk controls necessary to ensure the ongoing safe transit of ferries to and from Picton. Stage 1 of this process is currently underway to develop a common passage plan between the Port, ferry companies and Harbourmaster.

Marine Farm Lighting

The introduction of the Proposed Marlborough Environment Plan creates opportunities to rationalise the marine farm lighting requirements in the Coastal Marine Area to enhance navigation safety and reduce light pollution. Lighting solutions to support safe navigation around marine farms will more fully consider the surrounding environment, achieve consistency across all aquaculture management areas and ensure alignment with national and international marine farm lighting.

Mooring Management Area

The proposed implementation of mooring management areas in Waikawa Bay and Picton/Waitohi aims to establish an optimal mooring layout and management system. The objectives to be achieved are; navigation safety, environmental enhancement and efficient use of water space. Achieving these objectives is essential to enable developments that lead to the enhancement of the harbour. The need for additional mooring management areas will be assessed following the establishment of the Waikawa and Waitohi mooring management areas.

Bylaws

A new draft navigation safety bylaw is expected to be put forward for consultation in 2023. Changes to the bylaw will consider existing and expected risk in the harbour, the Proposed Marlborough Environment Plan and the need for enhanced risk management of Tory Channel.

Wrecks

An ageing fleet of recreational vessels is creating a near constant stream of wrecks and derelict craft most commonly wooden displacement launches and sailing vessels. Such vessels are typically abandoned or being used as live aboard by person with limited alternative housing options. Such vessels can be costly to remove and can involve complex social issues. This problem is expected to increase.

Pelorus Sound

Pelorus Sound can only be accessed by ships over 500 gross tonnes if they are exempted from pilotage requirements by the Director of Maritime New Zealand. Depending on how the cruise sector rebounds post COVID there may be opportunities to facilitate increasing visits of boutique cruise vessels and super yachts to the area.

Digital Technologies

Tracking the changes in the risk profile of the harbour over time is essential to ensure appropriate risk management strategies are in place. New technologies are enabling improved data capture, increasing understanding of risk and enhanced monitoring and control of harbour activity. This opens the door to a more robust and informed evidence-based approach to maritime risk management.

Ongoing areas of advancing digital innovations include; cloud-based incident capture and management, advanced vessel traffic monitoring and alerting, improved app and web based harbour user engagement tools, an expanding network of weather sensors, aids to navigation health and operation status sensors, tide and current modelling, high density bathymetry and automated vessel wake and speed monitoring.

Work is underway to bring the team's work onto digital platforms to enhance visibility of the work and future proof the work activities undertaken.

Mass Rescue Plan

A regional Mass Rescue Plan has been developed by Police to deal with an event such as the foundering of a cruise ship. In an event of this scale the initial local response will be critical. The Harbourmaster and Marlborough Emergency Group are aiming to establish drills and scenario training to ensure adequate regional response capability.

Rivers

Changes to the Maritime Transport Act in 2017 created an obligation on Council to regulate navigation safety on the rivers of the region despite rivers having been excluded from the navigation safety bylaws. The Harbours Activity now actively manages risk on high risk parts of the Wairau River and may expand risk management efforts on this river and/or extend regulatory activity to cover other rivers in the region. Decisions as to the extent of effort to be applied in this area are guided by risk assessment. Changes to this will likely be covered by the new navigation safety bylaw.

Levels of Service

Levels of Service 2023-24: Nautical and Coastal Team

Performance Targets (for the financial year)

| Level of Service | Indicator | Baseline | 2023-24 |
|--|--|----------|---------|
| Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | 7.4 | ≥ 7.4 |
| Provide a safe environment for all users through effective public education. | Number of Marlborough Safe Navigation and Tides Brochures distributed. | 7,000 | ≥ 7,000 |
| | Annual % increase of Cruise Guide App users. | 5% | ≥ 5% |

Levels of Service 2023-24: Nautical and Coastal Team

Performance Targets (for the financial year)

| Level of Service | Indicator | Baseline | 2023-24 |
|--|--|-----------|-----------|
| | Number of safe boating surveys completed through face to face on water interactions. | 1,000 | ≥ 1,000 |
| | Number of targeted 'no excuses' enforcement days undertaken in high risk areas. | 5 | ≥ 5 |
| Maintain compliance with the Harbours Maritime Transport Operators Plan (HTOP) as certified by Maritime New Zealand. | Review | Annually | Annually |
| Ensure that Port and Harbour Safety Code requirements are met. | Completion of self-assessment and review of the Safety Management System (SMS), Risk Assessment, General Direction, and Harbourmaster Notices. | Annually | Annually |
| | Number of risk review meetings undertake with Port Marlborough Marine Services. | 2 | ≥ 2 |
| | Safety Management System verified by as compliant with the Code. | Annually | Annually |
| Remove Wrecks and provide navigation warnings when necessary. | All wrecks removed in a reasonable timeframe (in days). | 30 | ≤ 30 |
| Audit Marine Farms. | Number of marine farm lighting audited each year. | 150 | ≥ 150 |
| | Audit mooring arrangements on all Fin Fish farms annually. | Annually | Annually |
| Regulate Pilotage activity. | Review of the Certified Marlborough Pilot Exemption Certificate (PEC) Training Program. | Annually | Annually |
| | Check of Pilot and PEC Master Currency | Quarterly | Quarterly |
| Provide navigation aids to International Light House Authority (IALA) standard. | % Availability | | |
| | Cat 1 | 99.9% | ≥ 99.9% |
| | Cat 2 | 99% | ≥ 99.0% |
| | Cat 3 | 97% | ≥ 97.0% |
| Maintain an Oil Spill Response capacity. | Meet all annual requirements as specified by the Maritime New Zealand Oil Spill Response Service. | Annually | Annually |

Revenue and Expenditure by Significant Type

| Harbours | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|-------------------------------------|--------------|--------------|-------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Navigation Levies | 460 | 482 | (22) | 460 | 473 | 485 |
| Miscellaneous Revenue | 122 | 128 | (6) | 122 | 126 | 129 |
| Other External Revenue | 8 | 8 | - | 8 | 8 | 8 |
| Total external revenue | 590 | 619 | (29) | 590 | 607 | 622 |
| Personnel costs | 640 | 603 | 92 | 695* | 722 | 749 |
| Depreciation | 318 | 336 | 74 | 410 | 416 | 335 |
| Corporate Overhead Allocations | 251 | 235 | 21 | 256 | 278 | 287 |
| Insurance | 160 | 133 | 57 | 191 | 196 | 201 |
| Contracts | 169 | 177 | (41) | 136 | 140 | 144 |
| Projects | 19 | 99 | (5) | 94 | 97 | 99 |
| Fuel + Oil | 47 | 50 | 17 | 67 | 69 | 70 |
| Repairs & maintenance | 66 | 63 | (2) | 61 | 62 | 64 |
| External support | 50 | 52 | (2) | 50 | 51 | 53 |
| Departmental Management Allocations | 56 | 63 | (15) | 49 | 51 | 53 |
| Interest - Internal Loans | 27 | 31 | 10 | 41 | 43 | 58 |
| Rent | 49 | 31 | (1) | 30 | 31 | 32 |
| General Expenses | 77 | 26 | (1) | 25 | 26 | 26 |
| Telephone Tolls Faxes and Pagers | 21 | 23 | (2) | 21 | 21 | 21 |
| Other Operating Cost | 67 | 71 | 10 | 81 | 84 | 84 |
| Total operating costs | 2,015 | 1,995 | 213 | 2,208 | 2,285 | 2,275 |

* There have been 2 maritime officers on the books for a long time. The additional staffing that could be seen as an increase is a staff turnover during the last 12 months, with gaps between appointments.

Major Projects

| Description | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Comment |
|--|---|--|----------|----------|--|
| Collaborative Risk Assessment | - | \$50,000 | \$50,000 | \$50,000 | Ensures safe introduction of new tonnage as relates to the IREX project and future use of Tory Channel |
| Queen Charlotte Sound Channel Currents and Tides | Phase 1 Installation/Delivery \$206,400 | Phase 2 Model Validation \$150,000 | - | - | Essential to enable ongoing provision of Tory Channel a safe and navigable waterway. |
| Havelock Channel and Pelorus Enhancement | - | \$100,000 | - | - | Projects seeks to address the ongoing challenge of ensuring navigation safety in Havelock Channel and associated frequent groundings of vessels in the havelock channel. |

Major Contracts

| Contract | \$ per annum | Finishes | Comment |
|---------------------------------------|--------------|----------|---|
| NIWA - – Wave Rider Buoy Tory Channel | \$63,000 | On-going | Provides real-time wave height data to assist in decision making for Channel closure |
| Ship Monitoring | \$48,000 | On-Going | Provides ability to monitor large ships automatically and directly, install virtual aids to navigation and broadcast useful information such as Weather Station data and Harbourmasters Warnings. |
| QCS Channel Currents and Tides | \$20,000 | On-Going | Modelling, data transport and display |
| AIS monitoring and Analysis | \$32,400 | On-Going | Analytical tool to monitor and aggregate specific large ship transits so as to identify noncompliance, safety concerns and ensure standards of good practice are upheld. |

Capital Expenditure Projects

| Harbours | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|------------------------|------------|------------|------------|------------|------------------|
| | \$000's | \$000's | \$000's | \$000's | |
| Sundry plant | 100 | - | 42 | 43 | |
| Navigational aids | 80 | 82 | 118 | 121 | |
| Boats | 70 | - | 74 | 86 | |
| Administration fleet | - | 26 | - | - | |
| Utilities | - | - | 44 | - | |
| Trucks | - | - | 190 | - | |
| Instrumentation | - | 115 | 527 | 76 | |
| Total additions | 250 | 223 | 995 | 326 | |

Activity: Regional Development

Operating costs of this Activity represents approximately 4.38% of total Activity expenditure.

Manager: Parking (Maighan Watson), Economic Development, Tourism, Research Centre (Neil Henry), Small Township (Heather Graham), Irrigation (Martin Fletcher)

What is this Activity About?

This Activity supports the regional economy to achieve long term economic growth for the benefit of the Marlborough community. It is about identifying where the direction of growth could be, how we could get there and what needs to be done. It is important to recognise that regional development is not just about supporting businesses, but also about ensuring people have the skills and knowledge to play their part in the development of Marlborough's economy and to benefit from the wealth created.

Local government makes long-term and strategic investment decisions that impact on the nature and structure of the local economy. It undertakes planning and manages regulatory functions, infrastructure and services that impact on business and investment decisions.

Council also directly provides some services for the benefit of the regional economy:

- Economic development, marketing and tourism.
- Marlborough Research Centre.
- Parking.
- Irrigation.
- The Small Townships Programme.

Economic Development

Marlborough District Council is the lead economic development agency for the region and works in partnership with other organisations in the region to promote and support the local economy.

Council's Economic Development Activity is based around six pillars of work:

1. Business Capability.
2. Innovation, R&D and Transformation.
3. Workforce and Talent Development.
4. Economic Leadership and Vision.
5. Investment and Attraction, including storytelling.
6. Foresight and Intelligence.

Council delivers the Economic Development Activity based around these pillars through a range of direct delivery, facilitation and procurement to deliver services.

Council developed and adopted the Marlborough Economic Wellbeing Strategy 2022-32 (MEWS) in September 2022. The vision of the MEWS is '*A thriving economy balanced with a flourishing environment and vibrant communities.*' The strategy is a document that guides the development of Marlborough economy and relies on partnership with the many organisations that participate in the economy. The strategy was developed alongside the Marlborough Regional Workforce Plan led by the Marlborough Regional Skills Leadership Group and in line with the Te Taihū Intergenerational Strategy that was developed with partners across the Top of the South Island.

The focus sectors identified in the MEWS are as follows:

- Māori Economy in Marlborough.
- Aquaculture – the blue economy.
- Aviation and Aerospace.
- Forestry and Wood Processing.

- Marlborough Screen and Creative Industries.
- Technology and Innovation.
- Wine Industry.

Marketing and Tourism

Destination marketing and management services are undertaken on Council's behalf by the Destination Marlborough Trust Incorporated. Destination Marlborough exists to grow and support a sustainable visitor economy that contributes to achieving a Smart and Connected economy for Marlborough.

Regional Events Strategy

Council has developed a Regional Events Strategy with the support of the events sector to identify opportunities for growing events in the region and increasing the commercial return to local businesses. A key focus of the role is to assist communication within the events sector, and to help promote the many events offered in the region to locals and visitors alike. The Follow ME* website is the primary tool alongside targeted promotional documents such as the Summer Events Guide and Marlborough Arts Month. Council has also established the Commercial Events Fund to assist with the development of existing and new events to grow economic and other benefits of hosting events in the region.

Marlborough Research Centre

This Activity is delivered by the Marlborough Research Centre Trust (MRC), and provides support for public good research, regional prosperity and environmental sustainability in support of Marlborough's primary industries. The MRC campus is shared with NMIT/Te Pūkenga and has recently expanded to incorporate the New Zealand Wine Centre.

Parking

A large number of businesses are located in or close to the main town centres of Blenheim and Picton. The ability for customers, staff and visitors to access these businesses is supported by the provision of convenient and affordable car parks. Council provides, operates and maintains more than 1,900 on and off-street car parks in Blenheim and Picton.

This provision of car parking in the Blenheim and Picton town centres is guided by parking strategies for each town, which were updated in 2020.

Irrigation

Sourcing water for irrigation is of critical importance to our primary industries, particularly in areas of water shortage such as south Marlborough. To meet that need, Council has developed an irrigation scheme for the Southern Valleys to the south of Renwick for horticultural, farming and rural residential properties which covers an area of approximately 4,500 hectares.

A proposed irrigation scheme for the Flaxbourne area, covering just over 1,200 hectares and with an estimated cost between \$10.5 million and \$16 million, is under consideration. It will provide similar benefits to the Southern Valleys Scheme and it will be paid for by the beneficiaries through a targeted rate. Council has agreed to support the development of this scheme subject to a number of conditions:

- securing sufficient water;
- satisfactory final design, estimates and funding;
- securing 100% commitment to fund the scheme from landowners and/or the Crown Irrigation Fund; and
- the actual cost of construction being within the funding secured.

In principle Council supports other community irrigation schemes if environmental effects can be managed and mitigated. For more details on Southern Valley's Irrigation Scheme, please see the 2021-31 Long Term Plan.

Small Townships Programme

In 2013 Council adopted the Growing Marlborough – A Strategy for the Future document which provides a strategic overview to guide Council's investment and development decisions through to 2031.

The consultation leading up to the adoption of this strategy identified that the regions smaller townships needed future investment to remain attractive and liveable.

In response to this Council included funding for the Small Township Programme in the 2015-2025 Long Term Plan upgrading townships.

This purpose of the Small Township Programme is to

- design liveable towns with an attractive central space;
- enable freedom of movement, connectivity and accessibility;
- strengthen a sense of place and unique identity; and
- enhance the use and enjoyment of, and pride in, outdoor public spaces.

Small Townships in collaboration with iwi, looks to the community as key stakeholders and aims to capture community's shared vision and priorities for their community.

The Small Townships Programme's work sees a highly collaborative model required with other departments within council, particularly, Parks and Open Spaces, Rivers and Marlborough Roads.

Emerging Issues and Expected Changes

Economic Development

The completion and adoption of the MEWS will refocus and guide the work programme for Economic Development Activity as described in the previous section.

Tourism

The COVID-19 pandemic had a severe impact on Marlborough's visitor economy. The opening of international borders in October 2022 has meant that visitor economy businesses are slowly regaining their previous visitor volumes. The Marlborough Destination Management Plan has recently been developed and will provide an additional focus for Destination Marlborough.

Parking

Recently Council has agreed to lease three separate off-street car parks, reducing MDC's parking supply but guaranteeing revenue. These were Boyce's all-day car park (Rangitane), Kinross Street leased car park (NZ Police) and Stadium all-day car park (Motorworld). With the shift of the new Marlborough Library Art Gallery to north-east Blenheim this may also put pressure on parking supply in High and Wynen off-street parking. Council will continue to monitor car park occupancy levels and review parking parameters to reduce congestion levels.

Payment methods for parking tariffs are changing nationwide, with parkers now expecting multiple payment options to be available. Also, there are newer meter models, enforcement software, electronic permitting and cashless/cardless payments. Our parking software supplier is currently going through a large global merger, so once this is complete we will have a fuller picture of all software options and recommend a way forward.

The use of private and fleet electric vehicles (EV's) are increasing in all centres across New Zealand. Supported by policies and monetary incentives from central government, Marlborough District Council is seeing an increase in EV Charging initiatives from privatised EV charging providers. Council can assist these initiatives by working with and connecting providers with local utility companies, and the provision of land for the purpose of installing EV charging infrastructure.

Irrigation

Council support for the Flaxbourne Irrigation Scheme is subject to a number of conditions including Government assistance, resource consents and endorsement by landowners. Council will continue to work with the community and the Government on these issues.

Levels of Service

Levels of Service 2023-24: Regional Development

Performance Targets (for the financial year)

| Level of Service | Indicator | Baseline | 2023-24 |
|---|--|-------------|---------|
| Provide an overall level of service that meets or exceeds residents' expectations. | Resident satisfaction with this service as measured by survey (10 = service delivered extremely well). | | |
| | Economic Development | 5.7 | ≥ 5.7 |
| | Tourism | 6.4 | ≥ 6.4 |
| | Parking | 6.0 | ≥ 6.5 |
| | Irrigation | 6.2 | ≥ 6.6 |
| Undertaking strategic interventions to achieve long term sustainable economic growth for Marlborough. | % funded projects achieved. | New measure | ≥ 80% |
| Manage Marlborough Research Centre contract to ensure service quality and value. | % of MDC funded projects achieved. | 80% | ≥ 80% |
| Effectively promote Marlborough as a visitor destination. | % of MDC funded projects from DM Annual Plan achieved. | New measure | ≥ 80% |
| Provide convenient and affordable car parks to support CBD businesses. | Occupancy rates: | | |
| | - On-street (Zone 1) | 65% | ≥ 65% |
| | - Off-street (Zone 2) (High, Queen + Clubs only) | 65% | ≥ 65% |
| | - Alfred Street car park building | 45% | ≥ 45% |
| Maintain the supply of irrigation water to support land based industries. | Number of events that cause a loss of supply during the season for more than 48 hours due to infrastructure breakdown. | 1 | ≤ 1 |

Operating Expenditure by Significant Type

| Marketing and Tourism | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|--------------|----------------|-------------------|---------------|--------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | \$000's |
| Grants - CPI | 648 | 634 | 63 | 697 | 724 | 746 |
| Levy Payment | 190 | 193 | 11 | 204 | 212 | 219 |
| Internal contracts & recharges | 151 | 160 | (1) | 159 | 156 | 169 |
| Grants - DM conventions | 120 | 119 | 10 | 128 | 132 | 135 |
| Grants - DM tagged (CPI) | 78 | 76 | 8 | 84 | 87 | 90 |
| Corporate Overhead | | | | | | |
| Allocations | 62 | 61 | 3 | 64 | 69 | 71 |
| Interest - Internal Loans | 39 | 35 | 9 | 44 | 39 | 34 |
| Promotions | 34 | 36 | (2) | 34 | 35 | 36 |
| Grants | 30 | - | - | - | - | - |
| Total operating costs | 1,353 | 1,314 | 101 | 1,414 | 1,456 | 1,500 |

| Research Centre | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|------------|------------|-----------|------------|------------|------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Grants - CPI | 284 | 278 | 28 | 306 | 318 | 327 |
| Internal contracts & recharges | 67 | 70 | (4) | 67 | 69 | 71 |
| Grants | 22 | 22 | - | 22 | 22 | 22 |
| Corporate Overhead | | | | | | |
| Allocations | 17 | 17 | 1 | 18 | 19 | 20 |
| Total operating costs | 390 | 387 | 25 | 412 | 428 | 440 |

| Economic Development | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|------------------------------|--------------|--------------|-----------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Personnel costs | 545 | 525 | 37 | 562 | 584 | 606 |
| Projects | 300 | - | 300 | 300 | 308 | 316 |
| Corporate Overhead | | | | | | |
| Allocations | 206 | 195 | 1 | 196 | 206 | 214 |
| External support | 23 | 167 | (164) | 3 | 3 | 3 |
| Grants-Commercial Events | 130 | 137 | (7) | 130 | 135 | 139 |
| Professional Fees | - | 102 | (102) | - | - | - |
| Printing & office supplies | 46 | 51 | (5) | 46 | 48 | 49 |
| Advertising | 46 | 52 | (7) | 46 | 47 | 48 |
| Travel and Accommodation | 11 | 21 | (1) | 21 | 21 | 22 |
| Contracts | 15 | 16 | (1) | 15 | 15 | 16 |
| Other Operating Cost | 23 | 53 | (35) | 18 | 18 | 19 |
| Total operating costs | 1,344 | 1,320 | 15 | 1,336 | 1,385 | 1,431 |

| Parking | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|--------------|--------------|------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Parking Collections | 636 | 636 | 52 | 688 | 753 | 753 |
| Infringement (non-Court) | 615 | 653 | (38) | 615 | 639 | 659 |
| Infringement (ex-Court) | 300 | 319 | 41 | 360 | 374 | 386 |
| Parking Leases | 301 | 322 | (10) | 312 | 335 | 365 |
| Legal Fees Recovered Revenue | 80 | 85 | 15 | 100 | 104 | 107 |
| Miscellaneous Revenue | 10 | 11 | (1) | 10 | 10 | 11 |
| Disbursement Recoveries | 3 | 3 | - | 3 | 3 | 3 |
| Total external revenue | 1,945 | 2,029 | 60 | 2,088 | 2,218 | 2,284 |
| Depreciation | 416 | 343 | 117 | 460 | 437 | 407 |
| Contracts | 280 | 289 | (31) | 257 | 268 | 277 |
| Repairs & maintenance | 297 | 264 | (7) | 256 | 266 | 277 |
| Interest - Internal Loans | 187 | 162 | 56 | 217 | 200 | 182 |
| Rates | 156 | 187 | (8) | 179 | 186 | 192 |
| Levy Payment | 90 | 31 | 129 | 160 | 166 | 171 |
| Legal | 70 | 74 | 46 | 120 | 125 | 129 |
| Corporate Overhead Allocations | 75 | 73 | 4 | 77 | 83 | 86 |
| Insurance | 39 | 40 | 13 | 53 | 55 | 57 |
| Internal contracts & recharges | 36 | 38 | (2) | 36 | 37 | 38 |
| Fees + Charges | 31 | 33 | 3 | 36 | 37 | 38 |
| Lease - Other | 60 | 64 | (32) | 32 | 33 | 34 |
| Departmental Management | | | | | | |
| Allocations | 29 | 29 | (1) | 27 | 28 | 29 |
| Power | 18 | 19 | 1 | 21 | 21 | 22 |
| Other Operating Cost | 51 | 71 | (29) | 42 | 44 | 45 |
| Total operating costs | 1,834 | 1,714 | 258 | 1,972 | 1,986 | 1,984 |

| Irrigation Schemes | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| Depreciation | 374 | 569 | (196) | 373 | 395 | 435 |
| Pump Stations - power | 300 | 446 | (146) | 300 | 374 | 450 |
| Interest - Internal Loans | 209 | 565 | (364) | 202 | 427 | 634 |
| Corporate Overhead Allocations | 99 | 97 | 4 | 101 | 110 | 113 |
| Insurance | 80 | 81 | 9 | 90 | 93 | 96 |
| Section Management | 73 | 65 | 3 | 69 | 75 | 78 |
| Reticulation - mains maintenance | 48 | 72 | (24) | 48 | 60 | 73 |
| General Expenses | 45 | 48 | (3) | 45 | 47 | 48 |
| Meter maintenance | 5 | 16 | 14 | 30 | 31 | 16 |
| Pump stations - electrical | 20 | 36 | (16) | 20 | 27 | 36 |
| Pump stations - mechanical | 20 | 36 | (16) | 20 | 27 | 36 |
| Other Operating Cost | 67 | 71 | (9) | 62 | 65 | 67 |
| Total operating costs | 1,342 | 2,101 | (742) | 1,359 | 1,730 | 2,083 |

The decrease in expenditure is as a result of the Flaxbourne Scheme not being as advanced as anticipated.

Grants

| Description | 2022/23 | Comment |
|-----------------------------------|------------------|-------------------------|
| Tourism Core Funding | \$613,182 | CPI adjusted every year |
| Fund to cover Tourism Charge Levy | \$187,000 | |
| Additional Support & Resource | \$42,282 | |
| Total | \$842,464 | |

Major Contracts

| Description | Per annum |
|---------------------|-------------------|
| Parking Enforcement | \$152,545 approx. |

Capital Expenditure Projects

| Regional Development | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|--------------------------------|--------------|--------------|--------------|------------|---|
| | \$000's | \$000's | \$000's | \$000's | |
| Water: Flaxbourne Irrigation | 1,000 | 9,701 | 3,212 | - | Benefits include the upgrading of meters to ensure parking infrastructure is technologically up to date and user-friendly. Other benefits include the cyclic car park reseal programme. |
| Water: Southern Valleys | 118 | 122 | 662 | 132 | |
| Parking: Blenheim | 86 | 100 | 127 | 117 | |
| Regional Development: Projects | - | - | - | 11 | |
| Total additions | 1,204 | 9,923 | 4,001 | 260 | |

Support Services

Manager: Dean Heiford

What is this Activity About?

The effective operation of Council requires efficient supply of buildings, vehicles and related services. Supply contracts and maintenance contracts are tendered on a regular basis to ensure Council is receiving the best price and service level possible. Asset maintenance is constant to ensure that buildings are fit for purpose.

This Activity involves:

- Providing services to Marlborough citizens via the Customer Service Centre (including the call centre) in Blenheim and the combined Customer Service Centre/Library in Picton. The CSC's aim to provide high quality, accurate information on all Council related services.
- Ensuring employees, councillors and visitors have a comfortable and safe environment to work and the right resources to enable them to carry out their role effectively.
- Ensuring best practice is used in maintaining and replacing MDC office assets, including its vehicle fleet.
- Providing Health and Safety, Fleet Management, Energy Management, Secretarial Services and Committee Support systems that are efficient and effective for the service levels required.
- Ensuring the health, safety & wellbeing of staff, that employment legislation is followed, that recruitment processes are robust and support MDC's strategic priorities, that staff/councillors are paid accurately and on time and PAYE is correctly accounted for, efficient onboarding and induction processes, user friendly HR policies and documentation, effective union relationships, solid development and performance management processes; and efficient reward and recognition processes..

Emerging Issues

The issues emerging within this Activity include the following:

- A tight labour market making it difficult to source appropriately qualified candidates.
- A competitive labour market driving high remuneration and benefits packages, which in turn impacts on council ability to attract and retain staff.
- All of Government (AOG) Supply Contracts.
- Increasing age related building maintenance costs.
- Volatility in insurance premiums and costs (increasing value/number of assets).
- Increasing costs of compliance with statutory/ regulatory requirements.
- Increasing cost of consumables (e.g., electricity).
- Maintenance and Replacement of vehicles and the potential move to EVs.

Revenue and Expenditure by Significant Type

| HUMAN RESOURCES | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---|--------------|--------------|------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Personnel costs | 1,279 | 1,111 | 281* | 1,392 | 1,436 | 1,480 |
| External support | 62 | 66 | (3) | 63 | 64 | 66 |
| Security | 55 | - | 55 | 55 | 57 | 58 |
| Health and Safety | 40 | 63 | (23) | 40 | 41 | 42 |
| Legal | 15 | 16 | 16 | 32 | 33 | 34 |
| Medical Expenses | 20 | - | 20 | 20 | 21 | 21 |
| Training - OSH | 20 | 21 | (1) | 20 | 21 | 21 |
| Training Conferences + Seminars | 10 | 9 | 1 | 10 | 9 | 9 |
| Other Operating Cost | 13 | 12 | 2 | 14 | 14 | 14 |
| Operating costs (recovered as overheads) | 1,452 | 1,297 | 348 | 1,645 | 1,694 | 1,745 |

*Employee insurance cost has gone up by \$130k over the years.

| OFFICE SERVICES | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---|--------------|--------------|------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Photocopying / Typing | 1 | 1 | - | 1 | 1 | 1 |
| Total external revenue | 1 | 1 | - | 1 | 1 | 1 |
| Personnel costs | 703 | 655 | 49 | 705 | 732 | 759 |
| Depreciation | 389 | 414 | 4 | 418 | 457 | 470 |
| Repairs & maintenance | 125 | 128 | 50 | 178 | 184 | 136 |
| Power | 100 | 105 | 30 | 135 | 139 | 142 |
| Photocopying - B/W(external) | 125 | 131 | (6) | 125 | 128 | 132 |
| Postage | 117 | 122 | (6) | 117 | 120 | 123 |
| Cleaning | 105 | 110 | (5) | 105 | 108 | 111 |
| Insurance | 83 | 83 | 20 | 103 | 106 | 109 |
| Printing & office supplies | 39 | 40 | (7) | 34 | 35 | 35 |
| Rates | 29 | 35 | (5) | 30 | 31 | 31 |
| Cafeteria | 18 | 19 | (1) | 18 | 18 | 19 |
| External support | 6 | 6 | 9 | 15 | 6 | 6 |
| Maintenance Vehicles | 12 | 13 | 2 | 15 | 15 | 16 |
| Internal contracts & recharges | (192) | (223) | 38 | (185) | (191) | (197) |
| Other Operating Cost | 87 | 63 | 19 | 82 | 80 | 83 |
| Operating costs (recovered as overheads) | 1,749 | 1,701 | 193 | 1,894 | 1,968 | 1,976 |

| CUSTOMER SERVICE CENTRES | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---|------------|------------|------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Personnel costs | 815 | 778 | 134 | 911 | 947 | 982 |
| Internal contracts & recharges | 110 | 122 | 28 | 150 | 155 | 159 |
| Telephone after-hours service | 20 | 21 | 4 | 25 | 26 | 26 |
| Other Operating Cost | 34 | 35 | (1) | 35 | 35 | 36 |
| Operating costs (recovered as overheads) | 979 | 956 | 165 | 1,121 | 1,163 | 1,203 |

Major Contracts

| For: | With: | \$ per annum | Finishes | Comment |
|---|----------------------------------|----------------------|---------------|--|
| Cleaning | OCS | \$164,000 | | Value will be adjusted to include new library building in 23/34, additional costs of \$97,000 |
| Electricity | Mercury (Time of Use Sites) | \$1.69 mil per annum | 31/03/2028 | Separate tender process sets price, based on least risk and longest price certainly \$ figure is the budget for all of Council and excludes network charges and street lighting, paid by Marlborough Roads and Waka Kotahi. The biggest consumers of electricity are sewerage and water with only \$90,000 for Council Offices; actual cost will depend on actual quantity used Approx 35% increase for TOU sites and 20% increase for non-TOU sites. |
| | Meridian (Non time of use sites) | \$1.14 mil per annum | 31/03/2026 | |
| Office Consumables | NXP Limited | | Ongoing | All of Government contract gives Council access to competitive prices The budget figure is not identified as it is spread over a large number of budget lines. |
| Fuel | Fleet Partners (Mobil) | \$191,500 | Ongoing | Separate tender process sets price via fleet management company, \$ figure is budget across Council |
| Air-conditioning upgrade 1994 Building (First and Ground Floor) | Martella | \$590,000 | November 2022 | Works begin February 2022 includes estimate for seismic ceiling works and project management expertise. |
| Air-conditioning upgrade 2005 Building | TBC | \$145,000 | June 2023 | |

Capital Expenditure Projects

| SUPPORT SERVICES | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Benefits Summary |
|-------------------------|----------------|----------------|----------------|----------------|--|
| | \$000's | \$000's | \$000's | \$000's | |
| Building Upgrades | 60 | 62 | 63 | 65 | Reception areas, plan room etc. |
| Office equipment | - | - | - | 43 | security system |
| Administration fleet | - | 175 | - | - | Replace town vehicles with electric or Hybrid |
| Total additions | 60 | 236 | 63 | 108 | |

IT, Data and Digital Services

Manager: Stacey Young

What is this Activity About?

Vision: "To inform, engage and transform with online services"

Values



Responsive



Collaborative



Engaging



Innovative



Value Driven

Strategic Goals

- Deliver accessible, reliable and relevant information to support business and stakeholder needs.
- Improve engagement and business alignment with key internal and community stakeholders to deliver better value.
- Define and implement a proactive customer focused Service Delivery Model.
- Deliver and maintain fit for purpose applications that are focussed on timely, secure and accurate information to meet business needs and support future opportunities.
- Deliver a robust, accessible scalable, and secure IT environment for Council's business needs.

Key Focus Areas

DIGITAL CONSUMER'S LAYER

1. Customers/citizens – how Council engages
2. Digital Ecosystems and communities – how Council interacts

FOUNDATIONAL

5. Data and information - how Council knows
6. IT Systems, infrastructure and business processes - how Council runs

TECH SMARTS – VALUE ADDED

3. Intelligence layer - how Council decides
4. Sensing and automation technologies - how Council senses/acquires data and automates processes to increase business efficiencies

For each key focus areas there is: a goal; objectives; strategies; critical success factors and measures.

Critical Success Factors



Executive buy-in and proactive support



Communication and change management



User experience design



Build for the future workforce



Marketing and promotion



Customer/citizen engagement and inclusion

Emerging Issues

- Ensuring Council services can operate remotely for staff and continued service delivery in events such as COVID-19. Ensuring Council's services are resilient to allow business and services to continue in the region.
- Local government reforms, i.e., Three Waters, and other central government reforms that impact on Council services. Ensuring that we can adapt to these changes effectively and ensure our customer service continues to provide the region with a high level of digital service delivery.
- Transition of Technology One systems to being cloud-based and a new version of CI Anywhere adds pressure on staff resource, maintaining the current environment and moving to the next environments.
- Content Manager, Council's document management system, will need to transition to a Software as a Service (SaaS) solution and will impact our operating costs in future years.
- Increasing expectations from the community to access data and information and navigate digitally through the website, and a growing demand for the use of Smart Maps and mobile services online. Ensuring all essential services are available online so if a COVID lockdown occurs, customers can conduct business as usual.
- Legislation changes that impact and require software systems changes, e.g., Resource Management Act reforms, resource consents, building consents, environmental monitoring (e.g., freshwater quality and quantity), climate change reforms.
- Increasing expectation for 24/7 services for customers. Support for online services costs for maintaining new online products with an increase to contract support costs.
- Security risks and cyber threats – to keep abreast of changes and to undertake independent audits to ensure Council has robust and secure infrastructure and online service environments.
- Shared Services – review opportunities that can reduce system purchase costs, licence fees, and broaden resilience by sharing staff resources to support major systems.
- Open government trend to make Council's data and information available to the public for reuse. Internationally there has been recent activity in the development of public information policies. In general, there is increasing international demand for governments to provide data and information in readily useable or reusable formats. This increases the contract and software costs to implement the functionality and maintain systems.
- Increasing staff opportunities in emerging trends in infrastructure, cloud software and data security and the opportunities they present to Council.
- Aligning with Government ICT Strategy with digital enablement and better public services.
- Training and development for staff so they are kept up to date with the latest technologies and make use of the efficiencies and opportunities that systems and technology investments present.
- Acquiring and retaining good staff – recruiting technical staff is difficult and often involves additional methods/incentives to attract people to Marlborough.
- Identity management – increased cyber risk and corresponding technical advancements means the technologies used to manage online identity are evolving and systems must keep pace.
- Addressing potential conflicts between major system development and innovation and viable alternatives to bespoke software, the latter which may have limitations.
- The need to facilitate broadband connectivity throughout the region to enable rural users to utilise Council's digital services and align with Government's priority goal to close the digital divide.
- Business automation through machine learning and artificial intelligence with potential disruption occurring to some roles.

Operating Expenditure by Significant Type

| INFORMATION SERVICES | 2022-23 | 2023-24 | | 2024-25 | 2025-26 |
|---|--------------|----------------|-------------------|---------------|--------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's |
| Personnel costs | 2,671 | 2,931 | (86) | 2,845 | 3,541 |
| Software | 1,524 | 1,180 | 1,044 | 2,224 | 2,081 |
| Contracts | 1,434 | 1,111 | 947 | 2,058 | 2,251 |
| Depreciation | 1,384 | 1,790 | (484) | 1,306 | 1,435 |
| External support | 215 | 252 | (12) | 240 | 253 |
| Training Conferences + Seminars | 51 | 84 | (31) | 54 | 55 |
| Travel and Accommodation | 45 | 68 | (26) | 42 | 44 |
| Repairs and Maintenance | 40 | 84 | (44) | 40 | 53 |
| Telephone Tolls Faxes and Pagers | 31 | 27 | 4 | 31 | 45 |
| Insurance | 18 | 39 | (19) | 20 | 21 |
| Digital Communications | 75 | 79 | (69) | 10 | 11 |
| Internal Contracts and Recharges | (115) | (121) | 6 | (114) | (121) |
| Other Operating Cost | 34 | 41 | (16) | 25 | 26 |
| Operating costs (recovered as overheads) | 7,406 | 7,494 | 713 | 8,207 | 9,431 |

Explanation of Expenditure Variations

General increases in software costs and contract fees continues to be increasing.

Future Technology One licence increases due to moving to SaaS as on-premise Technology One software will be no longer supported.

Continual cybersecurity costs are difficult to budget as the threats arise and need addressed.

The need to review of the Digital Business Strategies and Roadmaps.

Major Contracts

| Contract | \$ per annum | Comment |
|-------------------------------|--------------|--|
| Software Licensing | | |
| Microsoft Software Licensing | 183,576 | Annual Licensing |
| ESRI GIS Software | 57,090 | Annual Licensing |
| Technology One | 284,426 | Annual Licensing |
| Content EDRMS Software | 83,576 | Annual Licensing |
| Mulesoft Integration Software | 226,368 | Annual Licensing |
| Datascape | 140,782 | Annual Licensing |
| Adobe Acrobat | 94,885 | Annual Licensing |
| Azure Online Services | 67,136 | Annual Licensing |
| Crowdstrike | 206,460 | Annual Licensing |
| Support Contracts | | |
| Computer Concepts | 160,952 | Network, Backup and WAN Management |
| Computer Concepts | 127,530 | 24 x 7 Support Contract |
| Datacom Mulesoft Integration | 91,905 | Mulesoft Support |
| Media Suite | 128,920 | Resource Consent and various applications support and upgrades |
| DataSentinel | 260,142 | Managed SQL Support and Enterprise Architecture |

| LIMs | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|--------------------------------|------------|------------|-------------|------------|------------|------------|
| | \$000's | LTP | change | AP | \$000's | \$000's |
| | | \$000's | \$000's | \$000's | | |
| LIM Fees | 214 | 204 | 27 | 231 | 237 | 243 |
| Total external revenue | 214 | 204 | 27 | 231 | 237 | 243 |
| Personnel costs | 136 | 134 | 11 | 145 | 150 | 156 |
| Corporate Overhead | | | | | | |
| Allocations | 116 | 114 | (33) | 80 | 84 | 88 |
| Internal contracts & recharges | 11 | 11 | (6) | 6 | 6 | 6 |
| Other Operating Cost | 5 | 6 | (1) | 5 | 5 | 6 |
| Total operating costs | 268 | 265 | (29) | 236 | 246 | 255 |

Capital Expenditure

| INFORMATION SERVICES | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Impact of reducing/deferring |
|------------------------------|--------------|--------------|--------------|------------|--|
| | \$000's | \$000's | \$000's | \$000's | |
| Computer Systems | 150 | 360 | 369 | 162 | System becomes out of date and increase security risks. Technology systems need to create operational efficiency. |
| Computers, Laptops, Tablets | 225 | 231 | 237 | 243 | Computers, Laptops, Tablets, Phones not upgraded can increase the support overhead to keep running. |
| Infrastructure | 200 | 360 | 369 | 270 | Server and network infrastructure not upgraded can increase the support overhead to keep running. |
| Marine Smart Services | 395 | - | - | - | If reduced this means monitoring is manual making the data less accessible in real-time for staff and out customers. |
| Computer Systems | 200 | 103 | 105 | 108 | Digital development ensures our online services are provided to customers; if deferred this creates a barrier to doing business with Council and can become less efficient. |
| Carryover_2020 to 2021 | - | - | 738 | - | These carryovers are projects (Lidar, Smart Service Monitoring) that allow monitoring of more environmental sites. Delays can result in less data being captured for analysis and support for decision making. |
| Carryover etc., to 2023-24 + | 805 | 837 | - | - | These carryovers are projects (Lidar, Smart Service monitoring) that allow monitoring of more environmental sites. Delays can result in less data being captured for analysis and support for decision making. |
| Total additions | 1,975 | 1,891 | 1,819 | 784 | |

Manager: Martin Fletcher

What is this Activity About?

This Activity performs the following functions on behalf of Council:

- Preparation of the LTP every three years.
- Preparation of the Annual Plan in the intervening years between LTPs. Both the LTP and Annual Plan are initially prepared in draft form and approved by Council for consultation towards the end of March early April. The LTP Consultation Document is audited by Audit New Zealand on behalf of the Auditor General prior to release. While a draft LTP is not prepared and adopted by Council all the base information upon which the Consultation Document is prepared is still required and available on Council's website. A submissions and hearings process follows with the final LTP/Annual Plan approved by Council towards the end of June. The final LTP is also audited.
- Preparation of the Annual Report including the co-ordination of performance measurement reporting. The Annual Report is audited by Audit New Zealand.
- Service the Audit and Risk Sub-Committee, Director Port Marlborough NZ Ltd and advise Marlborough Regional Forestry.
- Rates collection – included in this function is the maintenance of the Rating Information Database which must be current and accurate for effective rates collection, including triennial District Valuations.
- Administration of the Rates Rebate Scheme on behalf of Government. Currently the maximum rebate available is \$700 and approximately 1,800 ratepayers per annum have received a rebate over recent years.
- Taxation compliance – currently the "Council Group" has exposures to GST, FBT, Withholding Tax and Income Tax.
- Management of Council's investments – currently Council has approximately \$12M invested in A- rated (or higher) stock and term deposits. The interest rates received on these investments are currently similar to the cost of debt, so will be held to maturity. These investments are primarily held to provide cover in the event of a major disaster.
- Obtaining and managing external debt on favourable terms to Council as total debt levels increase, including the financing up to \$110M for the Waitohi Picton Ferry Precinct Redevelopment and the preferred outcome of the Marlborough Sounds Future Access Study and Waka Kotahi's level of financial assistance.
- Prudently managing cash flows and obtaining the debt Council needs to finance a significant component of Council's capital expenditure programme and the MDC Holding Ltd group's needs. Currently Council has the ability to raise debt via the Local Government Funding Agency and a \$20M facility with Westpac.
- Management of Council's Home Insulation, Home Clean Heating and Solar Energy and Water Heating Schemes. These Schemes are fiscally neutral in the long term with the cost being repaid via a voluntary targeted rate over nine years. Working with MBIE and other Councils to simplify the compliance requirements on local authorities. Currently Council must meet the same requirements as a money lender, including getting police checks on elected members and senior staff.
- Paying invoices in a timely fashion. To improve supplier cash flow in these COVID times, payment frequency has been increased to weekly.
- Issuing invoices and undertaking debt collection in a timely and effective manner. The objective is to use in-house staff with referral to external debt collector as a means of last resort. In the main repayment agreements can be reached. This area has become increasingly challenging with the addition of the significant number of water monitoring and moorings fees. Rates, including water billing are less of an issue as ultimately they are a charge on land and can be recovered from either the mortgagee or remain a charge on the property. Court action will be taken for properties without mortgages.

- Monitoring the performance of subsidiaries – this function includes servicing the MDC Holdings Limited Board, including preparation of Statements of Intent, financial reporting, debt management and providing advice on the performance of Port Marlborough NZ Limited and Marlborough Airport Limited.
- The full accounting function for Marlborough Airport Ltd is now undertaken by Finance.
- Assets – this includes ensuring all Council’s assets are correctly identified, tracked and depreciated. Significant assets are revalued on an annual basis to ensure that any “flow on” effects to rates and charges are identified earlier rather than having large increments occurring on a less frequent basis.
- Financial reporting – this includes reporting to Council on a regular basis for the whole of Council’s activities and other reports. Finance also provides financial reports to the Assets & Services Committee.
- Providing management accounting, reporting, systems and advice which concentrates on improving management’s ability to make decisions.
- Ensure adequate internal controls are in place to protect Council’s assets, information is reliable and the risk of inappropriate expenditure and revenue loss are minimised.

Emerging Issues

The major challenges facing the Finance team over the near future include:

- Addressing the issues created by Audit NZ not being sufficiently resourced to complete their audit in an already extended time frame set by Statute.
- Moving the Finance System to the “Cloud” with half of the Finance Team being “Project Ambassadors.
- Historically there have been almost annual amendments to the Local Government Act which have placed increasing demands on Finance. With the current Government, this trend is more likely to accelerate in the future than slow. Responding and submitting as appropriate to future legislative changes will be a first step before subsequent implementation. Current bills are the Water Services Legislation Bill and the Water Services Economic Efficiency and Consumer Protection Bill.
- The “Three Waters” delivery review is already having a significant impact on Finance staff with the provision of information to the National Transition Unit. Of particular importance is the quantification of Three Waters debt which will be paid to Council over a potential five year period.
- Preparing the 2023-24 Annual Plan for Council’s consideration and adoption after identifying ways of reducing the financial impact on ratepayers.
- Flaxbourne Irrigation Scheme development.
- The retirement of one senior staff member and impending retirement of another from the small Finance team within the next 1-2 years and general recruiting challenges for vacancies.
- Membership of the Taituarā (SOLGM) Finance Management Reference Group.
- Supporting and increasing on-line payments and emailing of invoices.

Revenue and Operating Expenditure by Significant Type

| FINANCIAL SERVICES | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---|--------------|--------------|-------------|--------------|--------------|--------------|
| | | LTP | change | AP | | |
| | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |
| Sales | 31 | 46 | (14) | 32 | 33 | 34 |
| Refunds (other than rates) | 18 | 18 | 1 | 18 | 19 | 19 |
| Fees | 1 | - | 1 | 1 | 1 | 1 |
| Legal Fees Recovered Revenue | - | 10 | (10) | - | - | - |
| Total external revenue | 50 | 74 | (23) | 51 | 53 | 54 |
| Personnel costs | 1,592 | 1,584 | 73 | 1,657 | 1,721 | 1,785 |
| Valuation Roll Maintenance | 342 | 339 | 73 | 412 | 423 | 434 |
| Audit Fees | 160 | 166 | 1 | 167 | 172 | 176 |
| External support | 56 | 80 | (4) | 76 | 58 | 59 |
| Contracts | 66 | 41 | 30 | 72 | 47 | 48 |
| Postage | 67 | 51 | 16 | 67 | 69 | 71 |
| Valuations | 35 | 44 | (3) | 41 | 42 | 43 |
| Legal | 31 | 39 | (9) | 31 | 31 | 32 |
| Audit Expenses - not fees | 20 | 21 | (1) | 21 | 21 | 22 |
| Training Conferences + Seminars | 14 | 14 | 5 | 19 | 20 | 20 |
| Eftpos | 15 | 15 | - | 15 | 15 | 16 |
| Bank Charges | 14 | 15 | (1) | 14 | 14 | 15 |
| Budget Provision | 14 | 15 | (1) | 14 | 14 | 15 |
| Printing & office supplies | 13 | 12 | (1) | 12 | 12 | 12 |
| Debt Collection | 10 | 9 | 1 | 10 | 10 | 11 |
| Projects | 10 | 10 | - | 10 | 10 | 11 |
| Travel and Accommodation | 7 | 7 | 3 | 10 | 10 | 10 |
| Subscriptions | 9 | 8 | 2 | 10 | 10 | 10 |
| Other Operating Cost | 40 | 49 | - | 49 | 51 | 52 |
| Operating costs (recovered as overheads) | 2,463 | 2,443 | 209 | 2,653 | 2,697 | 2,787 |

General Counsel

Manager: Robert Foitzik

What is this Activity About?

The General Counsel oversees the legal team and is responsible for providing a range of legal services to the Council to enable compliance with Council's legal obligations, to support its organisational activity and projects, to anticipate, plan for and manage legal risk.

Services include:

- Provide expert, objective and strategic legal advice to the Chief Executive and senior management on all aspects of local authority functions, general legal matters, and relevant new legislation.
- Instruct external legal Counsel for claims or actions brought against it or by it as required.
- Maintain knowledge of instructions, proceedings and litigation risks, by developing a close working relationship with groups with responsibilities to brief external legal Counsel and provide legal advice on regulatory matters.
- Coordinate Council's Legislative Compliance Programme and Risk Management Framework and advise on actions necessary to achieve compliance in conjunction with subject matter experts to mitigate risk.
- Provide legal input for preparation and review of bylaws.
- Develop, direct and drive performance of the Legal team.
- Carry out the duties of Privacy Officer, provide legal advice and support regarding LGOIMA requests and carry out the duties of a Disclosure Officer under the Protected Disclosures Act 2022.
- Maintain and review Council's Contracts & Procurement Policy & processes.
- Provide advice to the Chief Financial Officer on legal options and approach for debt recoveries and rates matters.

Emerging Issues

The major challenges facing the legal team in 2023-2024:

- **Resourcing/ staffing:** The impending retirement or reduction in hours in 2023/24 of two senior staff requiring a strategic review of future staffing.
- **Legislative reform:** The Three Waters and RMA reforms if implemented as planned will have a significant impact on Council and likely result in increasing demand for general and specialist legal advice at additional costs. Costs will reduce over time through building of internal expertise.
- **Procurement:** a review of Council's processes and procedures is recommended to ensure future compliance in anticipation for upcoming reforms (sustainability and iwi engagement).

Operating Expenditure by Significant Type

| GENERAL COUNSEL | 2022-23 | 2023-24 | | | 2024-25 | 2025-26 |
|---|------------|----------------|-------------------|---------------|------------|------------|
| | \$000's | LTP \$000's | change \$000's | AP \$000's | \$000's | \$000's |
| Personnel costs | 414 | 556 | 8 | 564 | 586 | 608 |
| Legal | 75 | 10 | 50 | 60 | 62 | 63 |
| Subscriptions | - | - | 15 | 15 | 15 | 16 |
| Training Conferences + Seminars | - | - | 10 | 10 | 10 | 11 |
| Professional Fees | - | - | 9 | 9 | 9 | 9 |
| General Expenses | 20 | 21 | (20) | 1 | 1 | 1 |
| Operating costs (recovered as overheads) | 509 | 586 | 73 | 659 | 684 | 708 |