

2023-24

He Uiuinga Mahere ā-Tau Annual Plan Consultation



**Have
your
say**

Ngā kōrero nā te koromatua

Message from the Mayor



This year's proposed budget maintains current levels of service and continues a significant capital expenditure programme focused on Marlborough's core infrastructure needs, primarily roading, sewerage and water treatment.

A small number of new expenditure items have been supported by councillors, leaving an overall proposed rates increase of 7.8% for the year beginning 1 July 2023.


This is a very unusual year - like every council, we are facing much higher than normal levels of inflation, with the Consumer Price Index expected to peak at over 7% this year. Supply chain issues are driving up costs and affecting many parts of the economy, including local government.

New Government requirements on councils and the increasing cost of servicing debt are also major factors.

The two biggest drivers of Council's rates increases are the Local Government Cost Index (LGCI) and capital expenditure. The LGCI includes the cost of bitumen and water pipes - in other words the main goods and services that councils purchase. This year's LGCI is running at 5.9%.

We've worked hard to address this inflationary challenge and bring down what would have been a much bigger rates increase - well above 10% - without cutting public services.

Hence we have reviewed our user pays fees and reduced expenditure where possible. Fees including resource consenting, environmental health and building control are proposed to be increased.



“We’ve worked hard to address this inflationary challenge and bring down what would have been a much bigger rates increase - well above 10% - without cutting public services.”

By increasing fees we are reducing the impact on ratepayers by just over \$1 million - I believe that is a fairer way of spreading costs.

New revenue sources have also been identified and we’ve made good use of our Infrastructure Upgrade, Depreciation and Covid-19 Rates Relief reserves. Funding from reserves means that an activity or project can be undertaken without a corresponding rates increase.

I’m very aware of the cost of living pressures on households and recognise that 7.8% is a relatively high rates increase.

It’s not something that any Mayor wants to propose but our budgets are under significant inflationary and interest cost pressure - and it’s the same for every council in the country.

However, I’m very pleased to say that we have been able to maintain levels of service across our amazing community facilities and services with no reduction or cuts. Pages 8 and 9 of this consultation document give a flavour of the work and projects the Council is delivering in this financial year.

I encourage you to make a submission and let us know what you think. Please email annualplan@marlborough.govt.nz by 5.00 pm on Monday 8 May.

**Ki te kāpuia e kore e whati
We succeed together**



**Nadine Taylor
Mayor of Marlborough**

Te Kaunihera ā - rohe Marlborough District Council - a unitary authority

Did you know Marlborough District Council is a unitary authority - one of only six in New Zealand. Put simply, this means we perform the role of a regional council and territorial authority (city or district council). Every three months ratepayers receive a rates bill for the services council provides. On average this bill is approximately \$900 - or just under \$70 per week.

For this, Council provides a range of services from roads and reserves to rubbish and recycling; footpaths and street trees to swimming pools, sports parks and playgrounds; from drinking water, stormwater and wastewater to emergency management and flood protection; from libraries and public toilets to biosecurity and building control; and from environmental science to planning and consenting - it is fair to say the services and facilities Council provides benefit our region and everyone in our community.



Projects for the year ahead

A small number of new initiatives adopted by Council in its Annual Plan Budget 2023-24 are set out below.

The majority of these items are proposed to be funded from Reserves as opposed to rates.

- \$26.8M for new sewerage treatment plants, pump stations, pipelines and other renewals in Blenheim, Havelock, Picton, Renwick, Seddon, Grovetown, Spring Creek and the Riverlands industrial area.
- \$15.7M for roads, footpaths, wharves and cycle ways including the development of the Renwick Cycle Trail and streetscape improvements in Blenheim and Picton.
- \$7.2M for drinking water improvements including new treatment plants in Blenheim, Picton, Renwick and Havelock; and a new reservoir in Picton.
- \$5.8M for parks and reserves upgrades and renewals, including playgrounds, track improvements, street trees and the development of a new Taylor Pass reserve and Blenheim dog park.
- \$4.7M for flood protection and control work across the district, including the Town Branch Drain upgrade and options for flood protection for Renwick's Lower Terrace.
- \$3.0M for the new senior housing development in George Street, Blenheim.
- \$1.7M over four years for upgrades and improvements to community facilities and playgrounds in Blenheim, Renwick, Seddon, Ward, Wairau Valley and Havelock. The rating impact will be \$21,440 in 2023-24.
- \$975K over three years for additional costs to provide catchment care services to implement the National Policy Statement for Freshwater and the Marlborough Environment Plan from 2025-26.

- \$200K over two years to carry out a technical review of the Wairau River Rating Scheme and consult on potential scheme changes.
- \$70K to improve recruitment and health and safety management processes through digital solutions.
- \$39.5K to support a review and update of the 2018 Marlborough Civil Defence Emergency Management Plan to meet legislative requirements and ensure Marlborough has a fit-for-purpose plan in place to manage future potential natural disasters.
- \$29.4K to make the Picton to Blenheim return bus service permanent.

This budget does not include any funding for the further restoration of roading access in the Marlborough Sounds following the 2021 and 2022 storm damage, other than the already committed funding for which 95% financial assistance was provided by Waka Kotahi (NZ Transport Agency).


The Marlborough Sounds Future Access Study and Waka Kotahi funding assistance will inform future funding decisions which are likely to require public consultation.



Activities with the greatest impact on the proposed increase in rates and charges

Some of this year's rates increase comes from the flow-on effects of previous years' decisions (particularly if expenditure was previously funded from reserves for one year but is fully rate funded this year) and investment in infrastructure-intensive activities such as sewerage, water and community facilities.

These projects now incur a full year's charge for depreciation, interest on loans and, for some, increased operating costs.

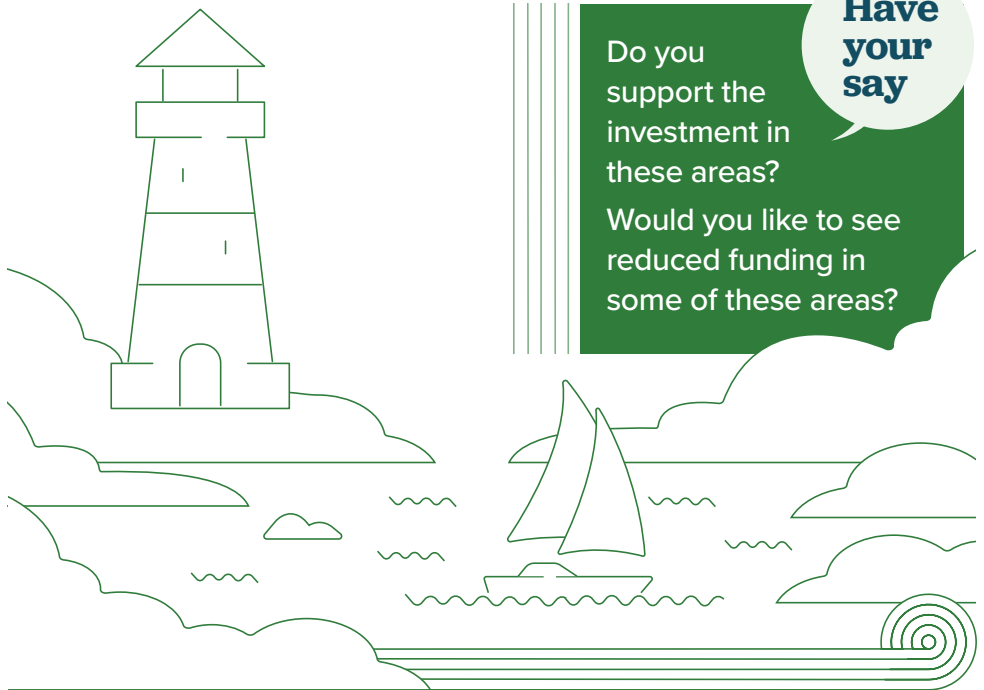


The proposed rates rise for 2023–24 is
7.8% or \$5.40 per week per average
rateable property.

- General roading and footpaths \$1.52M - mainly from increased depreciation costs (used to fund Council's share of renewals) due to an increase in revaluation of the assets.
- Library \$1.26M - from operating and depreciation costs due to a larger library building and extended community programmes.
- Community facilities \$952K - due to the combined impact of small increases across many of Council's reserves and public toilets and an increase in operating costs for the Lansdowne Sports Hub.
- Sewerage \$655K - from increased depreciation costs due to an increase in the assets and their values in prior years.
- Water supply \$556K - from increased depreciation costs due to an increase in the assets and their values in prior years.
- Solid waste management \$398K - from an increase in the Waste Disposal Levy from \$30 to \$50 per tonne imposed by Government. This is expected to increase again to \$60 per tonne in 2024.
- Flood protection \$379K - from increased operating costs and repair costs from recent flood events.
- Democratic process \$369K - from budgeted audit costs and fees for next year's Long Term Plan, councillor and staff funding.



- Stormwater \$360K - from increased depreciation costs due to an increase in the assets and their values in prior years.
- Building control \$317K - from increased operating costs. The proposed building control fee increases (outlined on page 13) will largely offset this.
- Environmental management \$311K - additional resources are required to keep pace with the Government's legislative changes and the community's demand for good quality environmental data and monitoring.
- Riverlands Water Supply \$182K - additional costs due to the new Riverlands Water Treatment Plant, including treatment costs.





**Have
your
say**

**He aha ngā kaupapa
hira ki ā koe?**

What matters to you?

The online form is the quickest and
easiest way to make a submission.
Simply go to **marlborough.govt.nz**
and follow the online prompts.

How much our activities cost per household per day on average



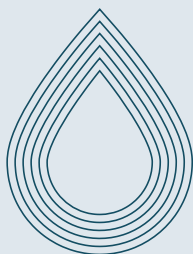
\$1.³⁶

Roads and Footpaths



\$1.⁰⁶

Water supply



\$0.²⁹ Stormwater/
drainage

\$0.⁸⁶ Sewerage

\$0.⁵² Flood protection
& control works

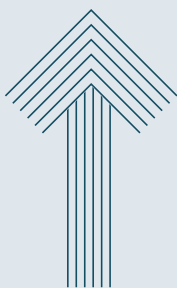
\$1.02

Environmental
Management



\$0.42

Regional
Development



\$0.37

Solid Waste
Management



\$1.20

Community
Support



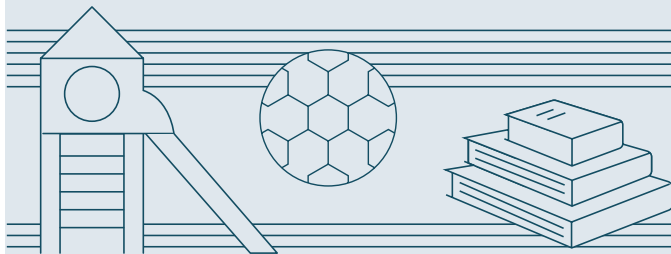
\$0.46

Regulatory



\$1.27

Community
Facilities



Fees and charges review and rates savings

Council has reviewed its user pays fees including resource consent processing and monitoring, environmental health monitoring, building control, LIMs and solid and trade waste.

Council has longstanding policies in place which outline how much of these activities relate to the public good and should therefore be rates funded, compared to the private benefit which should be funded by users.


The current ratios range from 60% user pays to 100% user pays. The following fee increases maintain these ratios.

The related benefit for rates is that it reduces the impact on ratepayers in 2023-24 by just over \$1 million.

To read more about the proposed fee or charge increase for each activity, go to Council's website marlborough.govt.nz

Activity	Proposed increase	Supporting information
Resource consent fees	13.5%	go to supporting document
Monitoring fees - resource consents and permitted activities	13.5%	go to supporting document
Environmental health fees (Food and Health Act premises)	15 - 20%	go to supporting document
Building control fees	14.1%	go to supporting document
LIM fees	20%	go to supporting document
Service connection fees review	13%	go to supporting document
Solid waste	Various	go to supporting document
Trade waste	Various	go to supporting document

Note: Separate consultation on the Trade Waste fee review will also be undertaken directly with each user.



Do you have any comment on the proposed fee/charges increase?

Have your say

Do you believe Council should maintain the current balance between rates and user pays?

How to find out more about your rates

There's a wealth of information on the Council website about how the rates for your property are calculated.

Actual rates and charges are calculated based on the property's land value, which of the six Geographic Rating Areas the property is located in, and whether the property type is Residential/Rural or Commercial/Industrial.

There are also targeted rates and charges where a service is only provided to a particular area, for example water, sewerage rubbish collection and Wairau River flood protection.

Go to: marlborough.govt.nz/services/rates and click on *How to use the Rates Comparison Model*.

The instructions on that page will take you to the *Rating Information Smart Map* where you can see your current year's rates and the proposed rates for the new financial year beginning 1 July 2023. Simply enter your property address in the white search box at the top left of the page.

If you click on *View Rates Comparison Model*, you will find a detailed breakdown of rating information for your property.

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How to submit

Online form

The online form is the quickest and easiest way to make a submission. Simply go to marlborough.govt.nz and follow the online prompts. Please indicate in your submission if you'd like to speak directly to your Mayor and Councillors at a public hearing.

Hard copy

A hard copy of the submission form can be printed from our website, or collected from Council's Blenheim or Picton offices, or Marlborough District Libraries. All hardcopies must be returned before close of business on 8 May.

Email

Please send your submission to annualplan@marlborough.govt.nz

Timeline

6 April	Public consultation opens
6 April to 8 May	Submission period
8 May	Consultation closes at 5.00 pm
6 to 8 June	Submission hearings
12 June	Council considers submissions
29 June	Council adopts final plan and sets rates
1 July	New rates effective