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**MARLBOROUGH  
DISTRICT COUNCIL**



Only Marlborough

1 June 2021

Record No: 21111336  
File Ref: D050-001-02  
Ask For: Mike Porter

## **Notice of Council Meeting – Tuesday, 8 June 2021**

Notice of the Council Meeting to be held in the Council Chambers, 15 Seymour Street, Blenheim on Tuesday, 8 June 2021 to commence at 9.00 am.

### **BUSINESS**

As per Order Paper attached.

**MARK WHEELER  
CHIEF EXECUTIVE**





**Order Paper for the  
COUNCIL MEETING**  
to be held in the Council Chambers, 15 Seymour Street, Blenheim  
on TUESDAY, 8 JUNE 2021 commencing at 9.00 am

**Open Meeting**

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## Marlborough District Council

**Order Paper for the  
COUNCIL MEETING**  
to be held in the Council Chambers, 15 Seymour Street, Blenheim  
on TUESDAY, 8 JUNE 2021 commencing at 9.00 am

### 1. Karakia

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Tēnā koutou, tēnā koutou, tēnā koutou katoa  
E te Atua tō mātou Kai-hanga,  
ka tiāho te maramatanga me te ora, i āu kupu kōrero,  
ka tīmata āu mahi, ka mau te tika me te aroha;  
meatia kia ū tonu ki a mātou  
tōu aroha i roto i tēnei huihuinga.  
Whakakī a matou whakaaro ā mātou mahi katoa,  
e tōu Wairua Tapu.  
Āmine.

(God our Creator,  
when you speak there is light and life,  
when you act there is justice and love;  
grant that your love may be present in our meeting.  
So that what we say and what we do may be filled with your Holy Spirit.  
Amen.)

### 2. Apologies

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### 3. Declaration of Interests

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Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

## 4. Outcome of Consultation Summary

(The Mayor) (Report prepared by M Fletcher)

F230-L21-09-03

### Purpose of report

1. The purpose of this report is to provide Councillors with a summary of the submissions made on the proposals contained in Council's 2021-31 Long Term Plan Consultation Document.

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## RECOMMENDATIONS

### That Council

1. Note that submitters are generally in favour of directions proposed by Council in its Consultation Document.
2. Agree to upgrading the Redwood Street/Town Branch Stormwater system and purchasing new weighbridges for waste management.
3. Agree to:
  - Continue current economic development activities and increase spending by \$100,000 per annum to foster growth in the technology, food and screen sectors;
  - Increase the printing of the Spring and Autumn events guides and distribute nationally at a cost of \$30,000 per annum;
  - Commission at a cost of \$20,000, an economic evaluation of Garden Marlborough to better understand its benefits;
  - Allocate \$1.05 million over three years from Reserves to the Marlborough Events Centre for deferred maintenance and fixed operating costs; and
  - Allocate \$30,000 per annum to assist the operation of the Blenheim Business Association from Blenheim Commercial and Industrial rates.
4. Agree to allocate:
  - \$1.2 million over the next three years, including \$197,000 for 2021-2022 to fulfil Council's obligations under the National Policy Statement for Freshwater Management 2020; and
  - \$1.2 million over the next six years to process remaining environmental data to realise the benefits from seabed mapping.
5. Approve the funding and projects contained in the "Investing in the Community" section of the 2021-31 Long Term Plan Consultation Document (pages 14-16 inclusive).
6. Agree to:
  - Create a Covid-19 Rates Relief Reserve to smooth rates increases over the first three years of this LTP;
  - Using surplus or unallocated funding from the Infrastructure Upgrade Reserve to fund this Reserve; and
  - Closing this Reserve upon it achieving a positive balance.
7. Agree to continue identifying and investigating options to improve the provision of housing in Marlborough.
8. Agree to continue its investment in Senior Housing as outlined in the 2021-31 Long Term Plan Consultation Document (page 25).
9. Adopt the Development Contributions Policy as proposed, subject to possible slight modification following Council's consideration of Submission 2486 – Tony Hawke.
10. Adopt the 2021-51 Infrastructure Strategy.
11. Adopt the 2021-51 Financial Strategy.

## Background

2. The proposals put to ratepayers in the Consultation Document represented the culmination of:
  - Previous Annual and Long Term Plan consultations which has led to the current direction taken by Council;
  - The work of the LTP Working Group;
  - Budgeting and funding work by staff;
  - Agreement by Council to include the individual items and their proposed funding in the Consultation Document.
3. The Consultation Document posed a series of questions which will be commented on in turn and lead to the series of recommendations above.

## Results of Consultation

4. Council received 130 submissions. This number compares to the 193, 118, and 305 received over the past three years. Of the 130 submissions 86 indicated that they wish to speak which compares to the 60, 86 and 138 over the previous three years. For the majority of the questions asked, ratepayers have submitted in favour of Council's proposals (see Attachment 4.1 for the graph).
5. A number of the submitters have also taken the opportunity of making suggestions on areas outside the questions posed. On the graph, these are shown in the dark blue columns outside the large columns relating to the questions in the Consultation Document. These submissions have been commented on individually by staff where appropriate.

## Analysis of Question Responses

### *Question 1 Investing in Infrastructure*

6. Do you support Council's plan to undertake these two investments?

Submission	Yes	Partial support or opposition	No	NA
127	30	7	2	88

Of those submitters that expressed an opinion the majority of comments are either supportive or partially supportive of Council's proposal to invest in these two projects.

### *Question 2 Investing in the Economy*

7. Do you support Council increasing its investments in our economy and regional events?

Submission	Yes	Partial support or opposition	No	NA
128	26	18	5	79

Of those submitters that expressed an opinion a majority of comments are either supportive or partially supportive of Council's proposals for investing in the economy. Of that those that have expressed a negative opinion, their concerns can be summarised as follows:

- a. Not a Council role, businesses should support themselves, related to this was a lack of support for BBA funding;
- b. Do not support the printing of the Events Guide for wider circulation;
- c. Do not support the economic evaluation of Garden Marlborough.

### *Question 3 Investing in the Environment*

8. Do you support Council increasing its investments in protecting our environment?

Submission	Yes	Partial support or opposition	No	NA
129	44	8	1	76

Of those submitters that expressed an opinion the majority of comments are either supportive or partially supportive of Council's proposals to invest in Environment.

**Question 4 Investing in our Community**

9. Do you support Council's plan to increase investment in our community?

Submission	Yes	Partial support or opposition	No	NA
129	42	9	5	72

Of those submitters that expressed an opinion the majority of comments are either supportive or partially supportive of Council's proposals to invest in the Community.

**Question 5 Rates**

10. Do you support Council's plan to create the COVID-19 Rates Relief Reserve and smooth rates increases over the first three years of the 2021-2031 LTP?

Submission	Yes	Partial support or opposition	No	NA
129	30	8	3	88

Of those submitters that expressed an opinion the majority of comments are either supportive or partially supportive of Council's proposals to invest in Environment.

**Question 6A Housing**

11. Do you support Council expanding its core role in housing matters?

Submission	Yes	Partial support or opposition	No	NA
128	34	5	7	82

Of those submitters that expressed an opinion the majority of comments are either supportive or partially supportive of Council's proposals to expanding its role in housing matters. Those that were less supportive didn't believe it was Council's role which should be zoning and the provision of infrastructure.

**Question 6B**

12. Do you recommend any other Council-funded work on the housing issue?

Submission	Yes	Partial support or opposition	No	NA
128	18	3	14	93

Of those submitters that expressed an opinion, the majority of comments are either supportive or partially supportive of Council's proposals. Of those that answered "no", 11 didn't provide a comment.

**Question 6C**

13. Senior Housing Development on George Street  
Do you support Council investment of this nature in Senior Housing?

Submission	Yes	Partial support or opposition	No	NA
129	27	8	9	85

Of those submitters that expressed an opinion the majority of comments are either supportive or partially supportive of Council's George Street proposal. The biggest single issue related to the inclusion of lifts which Council has already addressed.



**Question 7**

14. Paying for growth – Development Contributions Policy

The Council proposes to adopt the draft Development Contributions Policy, which includes a number of changes to the current approach.

Do you support Option 1?

Submission	Yes	Partial support or opposition	No	NA
129	22	8	7	92

Of those submitters that expressed an opinion the majority of comments are either supportive or partially supportive of Council’s proposed Development Contributions Policy. The comments relating to those that did not support the propose Policy were quite diverse, ranging from not understanding why ratepayers should be paying to reducing DCs to make houses more affordable. There was also a suggesting wording improvement.

**Question 8 Parking**

15. Do you support Option 1, for the Council to continue one-hour free parking, with the shortfall funded by an indicative 50% increase in parking fees and an average rating impact of \$9.33 per rateable property for 2021-2022?

Submission	Yes	Partial support or opposition	No	NA
129	24	7	14	84

Of those submitters that expressed an opinion the majority of comments are either supportive or partially supportive of Council’s parking proposal. Again, the comments are quite diverse, ranging from encouraging the use of motor vehicles, user pays to the increase penalising workers.

**Question 9 Infrastructure Strategy**

16. Do you support the proposed Strategy?

Submission	Yes	Partial support or opposition	No	NA
128	21	9	4	94

Of those submitters that expressed an opinion the majority of comments are either supportive or partially supportive of Council’s proposed Infrastructure Strategy. The “no” and “partial” comments were very diverse.

**Question 10 Draft Financial Strategy**

17. Do you support the Council proposal to adopt the draft Financial Strategy 2021-2031 including:

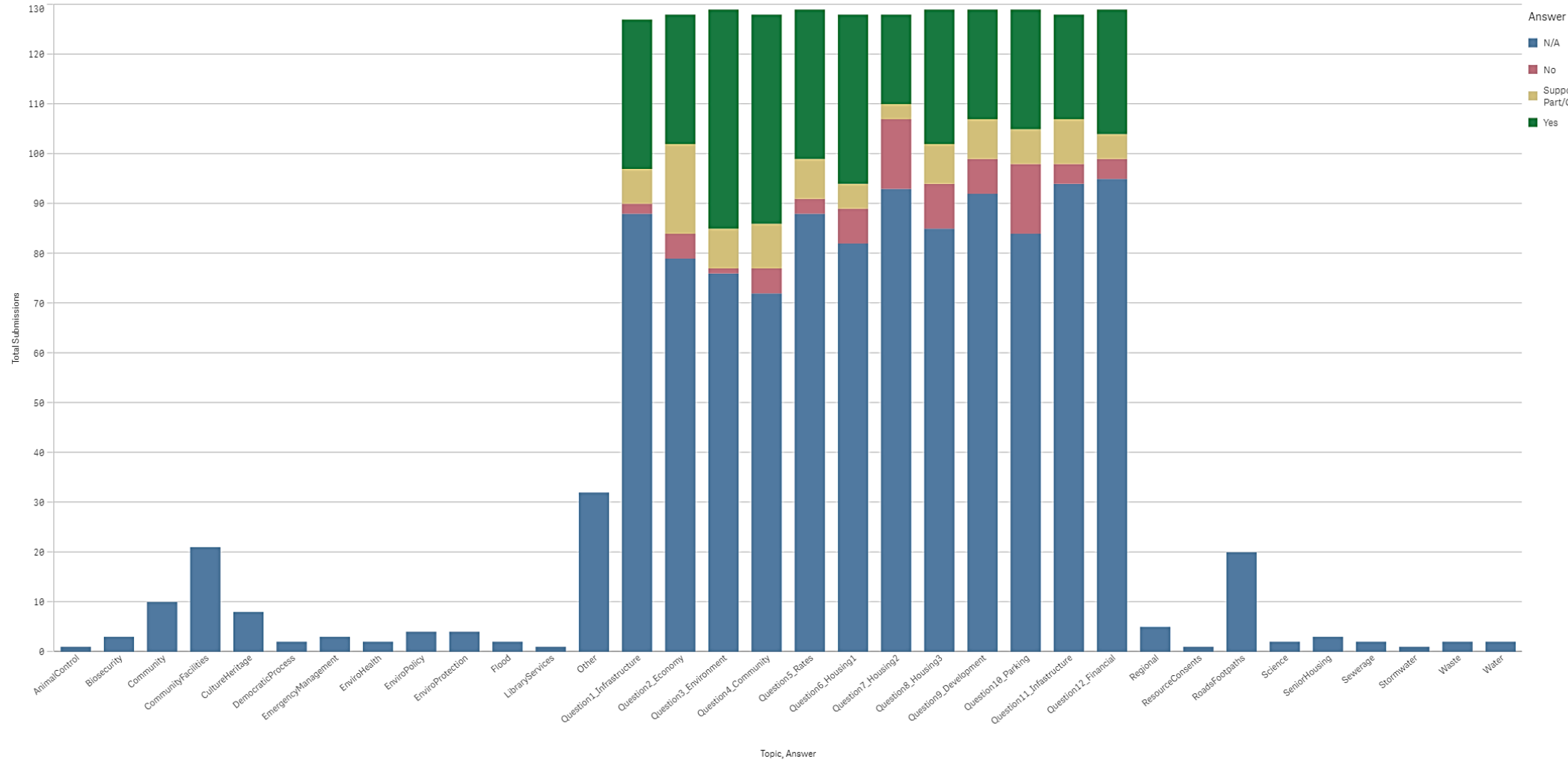
- Setting a rates cap at the movement of the Local Government Cost Index plus 3%;
- Increasing the debt cap from \$140 million to \$230 million of net debt to take account of inflation;
- Establishing a Covid-19 Rates Relief Reserve and using funding from that Reserve to reduce general rates; and charges for a period of three years as discussed in the “Rates” section of the document.
- Implementing the funding hierarchy outlined in the draft Financial Strategy.

Submission	Yes	Partial support or opposition	No	NA
129	25	5	4	95

Of those submitters that expressed an opinion the majority of comments are either supportive or partially supportive of Council’s proposed Financial Strategy. Other submitters comments included that COVID is not a Council problem, revised means of calculating the Rates Cap and that the Debt Cap should be lifted to take advantage of low-cost financing.

Author	Martin Fletcher, Chief Financial Officer
Authoriser	Mark Wheeler, Chief Executive

Submissions by Topic



## 5. Rates Assistance for Low Income Households

(Clr Arbuckle) (Report prepared by M Fletcher)

F230-L21-09-03

### Purpose of report

1. To:
  - i) review whether or not assistance should be provided to low income households to pay their rates; and
  - ii) if “yes” to propose a mechanism and funding source for implementing “ 1.i) ” above.

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## RECOMMENDATIONS

### That Council

12. agree to either:
  - (a) decline to provide further rates assistance to low income households; or
  - (b) agree to providing a rates remission of x% of the household’s current year’s Rates Rebate as further assistance to low income households in meeting their rates obligations for three years, noting:
    - (i) that only households that receive Government’s Rates Rebate will be eligible for this additional assistance; and
    - (ii) that by adopting 1(b)(i) above Council has adopted the same eligibility criteria as Government.
13. agree that should any additional assistance be agreed, it is funded from the COVID-19 Rates Relief Reserve.
14. note that any extension of this assistance past the proposed three year term would most probably be Rates funded.

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## Background/Context

2. At Council’s 25 February 2021 Budget Meeting, Clr Arbuckle asked if there was any way in which further rates relief could be provided to low income households over and above the relief provided from the COVID-19 Rate Relief Reserve. The additional relief would apply for the same three year period as the COVID-19 Rates Relief proposal.
3. Addressing this question is a two-step process:
  - i) Decide whether or not to provide additional assistance to low income ratepayers over and above the \$12.8M already provided; and
  - ii) If the answer to the above decision is “yes”, then how to implement this decision.

### *Provide additional assistance?*

4. The following provides arguments both for and against providing additional assistance.

### *Arguments against providing assistance*

5. Council has already budgeted \$12.8M for Rates Relief over the next three years.
6. Any additional assistance will have to be funded by either a further rates increase or a further allocation from Reserves. The balance of Forestry and Land Development Reserve is already forecast to reduce to \$2.3M by 2031 with the possibility of further reductions in this amount depending on the other decisions made at the 8 June 2021 Council Meeting.

7. The alternative is to make a further allocation from the COVID-19 Rates Relief Reserve which would further extend the time taken to repay this Loan and put further pressure on Council's Debt Cap.
8. Providing additional assistance now will result in an even bigger rates increase for those ratepayers that receive the possible additional assistance when it ceases. However, this could be addressed by having decreasing levels of assistance over each of the next three years. This is similar to the transitional arrangements Council has made for other rating changes, e.g. Picton Vicinity. Councillors should also note that if it is decided to extend this assistance past three years that it should probably be rates funded as:
  - i) The impact of COVID-19 should be hopefully be finished by then, removing the original justification for establishing the COVID Rates Relief proposal; and
  - ii) The assistance would be ongoing and no longer meet the criteria for Reserve funding.
9. Government is already providing rates relief to low income households via the Rates Rebate Scheme and that it is Government's responsibility to provide any further assistance to low income households.

#### *Arguments for providing assistance*

10. The Marlborough Community is made up of the full cross section of society and those in a better financial position should provide further assistance to those in a less fortunate position.
11. If, especially in COVID-19 times, Council adopts the proposed implementation it would raise awareness of and provide further financial incentive for ratepayers to apply for rates rebates.

#### *Implementation*

12. If the final decision is "no" there is no implementation.
13. If the final decision is "yes" the Council must decide the eligibility criteria and the amount of assistance.
14. For ease of implementation the following is proposed:
  - i) As there is already a scheme in place providing rates assistance, i.e. the Government Rates Rebate Scheme, that this scheme should form the foundation for any Council Scheme. The reasons for this are:
    - a. Eligibility criteria has already been set;
    - b. Council's administration costs would be minimised as only those receiving the Government's Rates Rebate would be eligible; and
    - c. The Government Rates Rebate Scheme is based on the amount of rates, household income and the number of dependents. As income increases the level of assistance decreases. Conversely, as the rates payable and the number of dependents increase so does financial assistance. The table below identifies the level of assistance at different rates and income values.

**Rates rebate income eligibility table for households with no dependants. Estimate only.**

Household Income	Level of Rates												Rates Rebate
	\$1,200	\$1,400	\$1,600	\$1,800	\$2,000	\$2,200	\$2,400	\$2,600	\$2,800	\$3,000	\$3,200	\$3,500	
\$24,000	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$25,000	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$26,000	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$27,000	\$587.33	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$28,000	\$462.33	\$595.67	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$29,000	\$337.33	\$470.67	\$604.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$30,000	\$212.33	\$345.67	\$479.00	\$612.33	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$31,000	-	\$220.67	\$354.00	\$487.33	\$620.67	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$32,000	-	-	\$229.00	\$362.33	\$495.67	\$629.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$33,000	-	-	-	\$237.33	\$370.67	\$504.00	\$637.33	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$34,000	-	-	-	-	\$245.67	\$379.00	\$512.33	\$645.67	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$35,000	-	-	-	-	-	\$254.00	\$387.33	\$520.67	\$654.00	\$655.00	\$655.00	\$655.00	\$655.00
\$36,000	-	-	-	-	-	-	\$262.33	\$395.67	\$529.00	\$655.00	\$655.00	\$655.00	\$655.00
\$37,000	-	-	-	-	-	-	-	\$270.67	\$404.00	\$537.33	\$655.00	\$655.00	\$655.00
\$38,000	-	-	-	-	-	-	-	-	\$279.00	\$412.33	\$545.67	\$655.00	\$655.00
\$39,000	-	-	-	-	-	-	-	-	-	\$287.33	\$420.67	\$620.67	\$620.67
\$40,000	-	-	-	-	-	-	-	-	-	-	\$295.67	\$495.67	\$495.67
\$41,000	-	-	-	-	-	-	-	-	-	-	-	\$370.67	\$370.67
\$42,000	-	-	-	-	-	-	-	-	-	-	-	-	\$245.67
\$43,000	-	-	-	-	-	-	-	-	-	-	-	-	\$120.67
\$44,000	-	-	-	-	-	-	-	-	-	-	-	-	\$0.00
\$45,000	-	-	-	-	-	-	-	-	-	-	-	-	\$0.00

If Council decides to establish its own Scheme, it must determine all of these elements from scratch, which would most likely require separate consultation.

- ii) The next decision is how much assistance should be provided to each household. Initially it was suggested that a \$200 lump sum be provided. While on the face of it that appears a simple solution, it has the potential to create cut off issues. By way of illustration, if the cut off is set at \$29,999, the household earning \$29,999 would get \$200 and yet the household earning \$30,000 would get \$0. The indicative cost of this option would be \$331,800 per annum or \$995,400 for three years.
- iii) The alternative proposal is that the ratepayer receives a percentage of their current year's Government Rates Rebate. By way of example, if a ratepayer received the maximum rates rebate, \$655 and Council approved 30% as additional assistance, the amount provided would be \$196.50. **NB**, the rebate received by some ratepayers can be small and it is proposed that a minimum of \$10 be applied.
- iv) The advantages of this second option are:
  - a. It reduces cut off issues as the Rates Rebate Scheme provides for a gradual phasing out of the Rebate as identified in previous table; and
  - b. It better matches the benefit with need.

**Financial Implications**

15. To the end of April this year 1,579 Rate Rebates had been processed at a value of \$670,467.07, an average of \$429.61. If it is assumed that another 100 rebates are approved by 30 June 2021, based on a simple extrapolation, it would take the value to \$732,928.57 for the Government scheme. As a result the assistance would cost:

Percentage	Annual Cost \$	Three Years Cost \$
10%	71,293	213,879
20%	142,586	427,758
30%	213,879	641,637
40%	285,171	855,513
50%	356,464	1,069,392

It is for Council to decide the appropriate level of assistance.

Author	Martin Fletcher, Chief Financial Officer
Authoriser	Mark Wheeler, Chief Executive

<b>Summary of decision-making considerations</b>			
<b>Fit with purpose of local government</b>			
The proposal is consistent with s101(3)(b) of the Local Government Act 2002:			
<i>“101(3) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,— “</i>			
<i>101(3)(b) the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.”</i>			
<b>Fit with Council policies and strategies</b>			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	✓	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	<input type="checkbox"/>	✓	<input type="checkbox"/>
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	✓
Social well-being	✓	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	<input type="checkbox"/>	<input type="checkbox"/>	✓
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	✓
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	✓
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	✓
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	✓
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	✓
<b>Nature of the decision to be made</b>			
The options do not involve a significant decision in relation to land or a body of water.			
<b>Financial considerations</b>			
The budget for this proposal will be decided as part on Council's deliberations on the 2021-31 LTP.			
<b>Significance</b>			
As proposed, the decision is considered of low significance under Council's Significance and Engagement Policy.			
<b>Engagement</b>			
No engagement is proposed.			
<b>Risks: Legal / Health &amp; Safety etc</b>			
There are no known significant risks or legal implications.			
<b>Climate Change Implications</b>			
There are no known climate change implications to this decision.			

## **6. Deliberation on Submissions on the 2021-31 Long Term Plan Consultation Document**

(Please refer to and bring all submissions already circulated)

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(The Mayor)

F230-L21-09-03

### **Purpose of report**

1. To enable Members to deliberate on the submissions made on the 2021-31 Long Term Plan Consultation Document.

### **Executive Summary**

2. The submissions were made available to Council for the hearings to be conducted on 1, 2 and 3 June 2021.
3. Members should note that this meeting is the final opportunity to alter budgets for the 2021-31 Long Term Plan, due to the legislative requirements for striking rates and the publication of the Final 2021-31 Long Term Plan document.

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### **RECOMMENDATION**

**That the 2021-31 Long Term Plan be amended as appropriate to incorporate the decisions made by Council on submissions, and that the revised budgets and resultant rates and charges be adopted for inclusion in the 2021-31 Long Term Plan.**

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