

Council Meeting

24 February 2022

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 2022-23 AP (to be adopted in June 2022) 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 2021. The information provided is abridged because of the significant amount of information contained in the relatively recently adopted 2021-31 Long Term Plan (LTP).

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

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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. 2021-22 (current year) budget figure as contained in the LTP and is included for comparison purposes only.
2. Budget for 2022-23 as contained in the LTP.
3. The change between what was budgeted for 2022-23 in the LTP and the current draft budget.
4. 2022-23 draft Annual Plan budget.
5. 2023-24 budget as per the draft Annual Plan Budget.
6. 2024-25 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 202-23 budget (column 1) and the 2022-23 budget (column 4), 2022-23 budget in LTP (column 2) and the 2022-23 current draft Annual Plan (column 4) 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

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Also attached are similar statements for Council support functions:

1. Support Services	80 - 82
2. IT and Digital Services	83 - 86
3. Corporate Finance	87 - 89
4. General Counsel	90 - 92

Activity: Democratic Process

Operating costs of this activity represent approximately 2.76% of total activity expenditure.

Manager: Mike Porter

What is this Activity About?

Refer to the 2021-31 LTP.

Emerging Issues and Expected Changes

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, Antenno and an e-newsletter. We will also enhance our use of video in the coming years.

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

Refer to the 2021-31 LTP.

Revenue and Expenditure by Significant Type

Democratic Process	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Refunds (other than rates)	-	72	(2)	70	-	-
Contributions - Miscellaneous	2	2	-	2	2	2
Total external revenue	2	73	(2)	72	2	2
Corporate Overhead						
Allocations	1,530	1,611	109	1,720	1,790	1,861
Councillors Salaries	714	732	28	760	779	798
Personnel costs	541	574	26	599	637	657
Contracts	70	195	(5)	190	56	74
Advertising	151	164	(4)	160	154	158
Section Management	111	102	23	125	114	120
Subscriptions	116	119	(3)	116	119	122
Audit Fees	-	-	-	-	123	-
Postage	1	41	(1)	40	-	1
General Expenses	31	35	(1)	34	33	33
IWI Liaison	30	31	(1)	30	31	32
Travel and Accommodation	28	29	(1)	28	29	29
Promotions	25	26	(1)	25	26	26
Allowances - Mileage	20	21	(1)	20	20	21
Catering	19	19	-	19	19	20
Functions - Mayoral	18	18	-	18	18	19
Legal	16	17	-	17	15	17
Licence Expenditure	15	15	-	15	15	16
Other Operating Cost	66	61	(2)	59	74	68
Total operating costs	3,503	3,809	166	3,974	4,053	4,070

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 Marlborough Express	Approximately \$160K per annum.

Capital Expenditure – N/A

Activity: Culture and Heritage

Operating costs of this activity represent approximately 0.95% of total activity expenditure.

Manager: Jodie Griffiths

What is this Activity About?

Refer to 2021-31 LTP.

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 practises 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.

Related to the above is how the longer term impact of COVID-19 will affect the sector. In 2021 Council provided additional funding by way of grants to assist the financial viability of the sector.

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

Refer to 2021-31 LTP.

Revenue and Operating Expenditure by Significant Type

Arts	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Non-Govt Capital grants & donations	-	1,000	-	1,000	-	-
Govt Capital grants & donations	1,925	-	-	-	-	-
Total external revenue	1,925	1,000	-	1,000	-	-
Grants	613	613	-	613	613	613
Section Management	77	77	3	80	82	84
Interest - Internal Loans	41	69	(13)	57	85	82
Corporate Overhead Allocations	37	39	3	41	43	45
Internal contracts & recharges	13	13	-	13	-	-
Repairs & maintenance	30	-	-	-	-	-
Depreciation	-	1	(1)	-	139	140
Total operating costs	811	811	(8)	803	961	964

Heritage	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Grants	469	458	15	473	473	473
Section Management	43	43	2	45	46	47
Corporate Overhead Allocations	21	22	1	23	24	25
Insurance	6	7	1	8	8	8
Depreciation	8	8	(2)	7	7	7
Rates	2	2	-	2	2	2
Repairs & maintenance	1	1	-	1	1	1
Total operating costs	551	541	17	558	561	563

Grants

Grants (in \$000)	21-22	22-23	23-24	24-25	Purpose
Millennium Art Gallery - CEO	51	51	51	51	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	30	30	30	30	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)	151	140	140	140	
TOTAL ACTIVITY	1,082	1,086	1,086	1,086	

Capital Expenditure Projects

Culture and Heritage	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Arts: Art Gallery Grants	2,531	-	-	-	Allows for the capital build with the gallery sourcing fit out funding.
Total additions	2,531	-	-	-	

Activity: Housing for Seniors

Operating costs of this activity represents approximately 1.32% of total activity expenditure.

Manager: Maighan Watson

What is this Activity About?

Refer to 2021-31 LTP.

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 fixed incomes of many tenants;
- the affordability of rents;
- an increase in demand for the current units;
- the increasing cost of building materials, impacting the feasibility of future development and expansion of current complexes.

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

Development

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 Senior Housing complex in Blenheim is scheduled to get underway mid-2022.

Levels of Service

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Housing for Seniors	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Property rentals	1,590	1,757	(28)	1,729	1,847	1,940
Disbursement Recoveries	28	30	(6)	24	26	28
Total external revenue	1,619	1,786	(33)	1,753	1,873	1,968
R&M Housing for Seniors	506	448	198	646	595	641
Depreciation	380	408	88	496	528	543
Rates	303	311	10	320	328	337
Insurance	121	124		124	127	130
Property Management charges	101	104	(3)	101	104	106
Contracts	82	92	1	92	98	100
Corporate Overhead Allocations	50	53	4	56	58	61
Departmental Management						
Allocations	20	21	-	21	22	23
Cleaning	7	7	3	10	11	12
Professional Fees	10	16	(6)	10	10	11
Other Operating Cost	25	56	(31)	25	22	22
Total operating costs	1,606	1,639	264	1,902	1,902	1,984

Explanation of Revenue and Expenditure Variations

Increase in R&M Housing for Seniors expenditure due to an urgent roof replacement project being brought forward one budget year to 2022/23, and a watermain upgrade being deferred to 2022/23 to align with upcoming George Street development project.

Major Projects

Description	2021/22	2022/23	2023/24	2024/25	Comments
R&M Painting	41,536	17,788	52,036	53,488	Asset Management Plan – Cladding re-paint
R&M Buildings	-	175,000	-	-	Asset Management Plan – Roof replacement
R&M Plumbing	-	59,000	-	-	Asset Management Plan – Water main replacement
R&M Electrical	23,200	25,200	33,166	36,757	Asset Management Plan – Stove replacements
Renovations	97,224	95,787	97,420	98,636	Asset Management Plan

Major Contracts

Description	2021/22	2022/23	2023/24	2024/25	Comments
Grounds	92,000	92,000	95,000	95,000	Grounds maintenance contract

Capital Expenditure Projects

Housing for Seniors	2022-23	2023-24	2024-25	2025-26	Benefits Summary
	\$000's	\$000's	\$000's	\$000's	
Permanent material buildings	180	-	189	-	Purchase of Bryant Place units
Other buildings + Structures	3,000	-	-	-	Development of 12 new Senior Housing units
Total additions	3,180	-	189	-	

Activity: Community Support

Operating costs of this activity represent approximately 2.06% of total activity expenditure.

Manager: Jodie Griffiths, Braden Prideaux and Chris Lake

What is this Activity About?

Refer to 2021-31 LTP.

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. The arrival of Former Refugees has been limited due to COVID-19 but is likely to increase in the future.

Events Management

The main challenges relate to the uncertainty of holding large scale community events since the pandemic has now become a permanent feature of the NZ landscape. Restrictions and requirements have changed significantly over the past eighteen months.

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.

Bus services

Both the Picton and Renwick bus services have been extended until June 2023, with the Renwick timetable being adjusted in 2021/22 to only operate on Tuesdays, Thursdays and Saturdays (off-peak hours only).

COVID-19 is continuing to effect patronage levels across all bus services in Blenheim, Picton and Renwick.

Increased marketing for the bus services has continued in 2021/22, including various letter drops of bus timetables to ensure the general public are informed about the services that are offered.

Levels of Service

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Community Support and Development	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Grants	572	552	-	552	552	522
Internal contracts & recharges	158	162	(4)	158	162	166
Grants - Youth	60	60	-	60	60	60
Personnel costs	64	66	(7)	59	61	63
Corporate Overhead Allocations	46	48	3	52	54	56
Contracts	50	51	(1)	50	51	52
Section Management	33	30	11	40	41	42
Grants for Waiver	30	31	(1)	30	31	32
Grants - Positive Ageing	15	15	-	15	15	15
Contributions	-	-	10	10	-	-
Departmental Management Allocations	1	1	-	1	1	1
Total operating costs	1,028	1,016	11	1,027	1,027	1,009

Events Management	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Contracts	192	197	(1)	196	200	205
Grants	10	10	-	10	10	10
Personnel costs	11	11	(1)	10	10	11
Corporate Overhead						
Allocations	8	8	1	9	9	10
Section Management	6	5	2	7	7	7
Total operating costs	226	232	-	232	237	243

Energy Efficiency	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Contributions - Lump Sum (Rating Powers)	150	154	19	173	177	182
Fees	4	4	3	7	7	7
Total external revenue	154	157	23	180	184	189
Energy Efficiency Services	740	740	(130)	610	610	610
Internal contracts & recharges	141	145	(8)	137	150	153
Total operating costs	881	885	(138)	747	760	763

	2021-22	2022-23			2023-24	2024-25
Passenger Transport		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Roading subsidies OPEX	257	262	(7)	255	210	234
Sponsorship	24	24	-	24	24	24
Sales	12	12	-	12	12	13
Roading subsidies CAPEX	11	12	-	11	12	12
Total external revenue	304	310	(7)	302	258	282
Contracts	180	185	5	190	195	199
Materials	125	128	2	130	133	142
Minor Improvements (Safety)	81	103	(3)	101	5	5
Subsidies	35	36	(1)	35	36	37
Corporate Overhead						
Allocations	28	30	2	32	33	34
Grants	24	-	-	-	-	24
Advertising	15	15	-	15	15	15
Repairs & maintenance	12	13	-	13	14	15
Depreciation	11	11	-	11	11	11
Other Operating Cost	14	14	1	15	14	15
Total operating costs	524	534	6	541	455	498

	2021-22	2022-23			2023-24	2024-25
Smart and Connected Communities		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Personnel costs	82	85	-	85	88	91
Professional Fees	40	41	(1)	40	41	42
Corporate Overhead						
Allocations	33	35	2	38	39	41
General Expenses	10	10	-	10	10	11
Total operating costs	166	171	1	172	178	184

	2021-22	2022-23			2023-24	2024-25
Community Safety		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Non-Govt Operating grants & donations	126	126	(10)	116	-	-
Total external revenue	126	126	(10)	116	-	-
Lease - Equipment	136	139	(3)	136	139	143
Contracts	60	62	(12)	50	-	-
Repairs & maintenance	20	21	(1)	20	20	21
Personnel costs	35	34	(17)	16	2	-
Corporate Overhead Allocations	5	5	1	6	6	6
Other Operating Cost	23	23	1	24	3	3
Total operating costs	279	284	(32)	252	170	173

Grants

Community Support Grants (\$000)	21/22	22/23	23/24	24/25	Purpose
Argosy Trust - Making Marlborough - the Immigrants' Story	16	-	-	-	One-off
Awatere Community Trust	8	8	8	8	Information office
Awatere Community Trust	8	8	8	8	Rent
Blenheim Community Patrol - vehicle costs	4	-	-	-	End at 21/22
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 Disable 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)	677	667	667	637	
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	711	677	677	671	

Note: the 2021/22 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	\$176,350	28 February 2027	Council has a nine year contract with Ritchies Transport Holdings Limited, which commenced on 1 March 2018.
Events Management - Festivals and Events Contract	\$192,000	30 June 2023	The community continues to benefit from key community events with free access for all such as summer concerts, Xmas Parade, New Years Eve concert. This was last reviewed in 2020 with a renewal for additional three years. A review of a new potential contract will take place during 2022.
Security – CCTV monitoring, lease and maintenance	\$160,000 approx p.a.	30 June 2022	Renewal of contract with Network Tasman Ltd to be considered by Council.

Capital Expenditure Projects

Community Support	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Passenger Transport	23	23	24	24	Funding to install further bus stops across the network each year.
Total additions	23	23	24	24	

Activity: Library Services

Operating costs of this activity represents approximately 2.33% of total activity expenditure.

Manager: Glenn Webster

What is this Activity About?

Refer to 2021-31 LTP.

Emerging Issues and Expected Changes

Library facilities

A new District Library and Art Gallery is currently being constructed at 2 High Street Blenheim, with an anticipated completion date of late 2022. This project will be funded from the Forest and Land Development Reserve, the sale of the current library building and a COVID-19 related Shovel Ready grant from the Government.

Service Level review

A Service Level review, currently underway, will ensure that staffing numbers are adequate to operate the larger District Library facility. Opening hours for the new facility will also be reviewed.

Levels of Service

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Library Services	2021-22	2022-23		2023-24		2024-25
	LTP	change	AP			
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Non-property rentals	50	51	(1)	50	51	52
Photocopying / Typing	16	16	-	16	16	17
Fines	14	14	-	14	14	15
Govt Capital grants & donations	5,775	-	-	-	-	-
Gain On Sale Of Fixed Assets	-	344	(344)	-	324	-
Other External Revenue	13	18	(7)	11	11	12
Total external revenue	5,868	445	(354)	91	417	95
Personnel costs	1,333	1,373	40	1,413	1,463	1,512
Corporate Overhead Allocations	675	711	48	759	790	821
Depreciation	398	422	83	504	2,557	2,597
Interest - Internal Loans	165	186	19	205	234	165
Contracts	106	109	-	109	117	122
Insurance	62	64	33	97	99	102
Cleaning	73	85	(1)	85	97	99
Power	47	48	(1)	47	55	57
Repairs & maintenance	35	36	(1)	35	57	37
National Library Charges	34	35	(1)	34	35	36
Software	19	19	(1)	19	19	21
Periodicals + Publications	14	15	-	15	15	16
Digital Communications	14	15	-	14	15	15
Newspapers	14	14	-	14	14	15
Other Operating Cost	13	13	(3)	10	83	13
Total operating costs	3,004	3,147	214	3,362	5,650	5,628

Capital Expenditure Projects

Library Services	2022-23	2023-24	2024-25	2025-26	Benefits Summary
	\$000's	\$000's	\$000's	\$000's	
Permanent material buildings	6,674	1,022	-	-	Construction of new facility
Office equipment	1,627	20	21	21	New Furniture / Fittings
Library books	406	286	299	313	New book stock
Computers	50	49	23	24	Computer replacement
Computer systems	-	102	-	-	
Library - non-books	31	32	33	35	
Total additions	8,787	1,512	377	394	

Activity: Emergency Management

Operating costs of this activity represent approximately 0.52% of total activity expenditure.

Manager: Brian Paton

What is this Activity About?

Refer to 2021-31 LTP.

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 which could come into effect by the end of 2022. 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, the Guidelines that it will spawn, and delivering on the 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 twelve months.

Levels of Service

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Emergency Management	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Property rentals	18	18	-	18	18	18
Hires	1	1	-	1	1	1
Total external revenue	19	19	-	19	19	19
Personnel costs	364	375	(10)	365	378	390
Corporate Overhead Allocations	118	125	8	133	139	144
Depreciation	45	43	2	44	45	44
Contributions	30	31	(1)	30	31	32
Telephone Tolls Faxes and Pagers	20	21	(1)	20	20	21
Equipment	17	17	-	17	17	18
Departmental Management						
Allocations	15	16	-	16	16	17
Printing & office supplies	11	11	-	11	11	12
Repairs & maintenance	11	11	-	11	11	11
Cleaning	10	10	-	10	10	11
Power	10	10	-	10	10	11
Insurance	8	8	-	9	9	9
Travel and Accommodation	9	9	-	8	9	9
Protective Clothing	8	8	-	8	8	9
Radio. Telephones	8	8	-	8	8	8
Other Operating Cost	48	50	(1)	49	50	53
Total operating costs	732	753	(4)	749	772	797

Capital Expenditure

Emergency Management	2022-23	2023-24	2024-25	2025-26	Benefits Summary
	\$000's	\$000's	\$000's	\$000's	
Office equipment	2	2	2	2	
Administration fleet	-	-	26	-	
Utilities	-	-	-	45	
Radio telephones	5	5	5	5	
Sundry plant	2	2	2	2	
Total additions	9	9	36	55	

Activity: Community Facilities

Operating costs of this activity represent approximately 10.11% of total activity expenditure.

Manager: Jane Tito

What is this Activity About?

Refer to 2021-31 LTP.

Emerging Issues and Expected Changes

There are some general issues and changes which may impact a number of 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 completed in June 2021 and management plans for Seddon Domain and Waikawa Bay Foreshore Reserve are being drafted. A review of the current management plans for the Wither Hills Farm Park and the Picton Foreshore Reserve will start during the life of the Long Term Plan.

The Council's Sports Facilities Strategic Plan was adopted in 2021 and has been developed to understand the current and future facility needs and aspirations of sporting codes in Marlborough and to provide Council with a framework to aid in the prioritisation of investment and support in sporting facilities. The Plan sets out recommended actions to be addressed, some of which have been reflected in the Long Term Plan 2021-31.

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 contracts has allowed the newly developed areas not previously managed within the contract to be included in the maintenance contract. This review has provided Council with a much more accurate assessment of overall costs in order to maintain our open spaces.

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.

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 may be costs associated with managing these impacts, and issues to resolve regarding how the public expects Council to respond 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 July 2021 storm event 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 implications for the flower portfolio. These incidents have budgetary implications with resources required to repair any damage and our security system.

Cemeteries

Master plans developed in 2017 are to be reviewed and updated to reflect future development, 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 will be developed as the overarching management document, to assist 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 is continuing 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 and Seymour Square are complete. A new toilet facility has also been placed at Grovetown Lagoon and at the Hodder River in the Awatere Valley.

Upgrades to existing facilities at Okiwi Bay, Collins Memorial Reserve (Koromiko), Taylor Dam, Rai Valley, Lake Elterwater and Carluke Domain Hall are underway. New facilities are proposed at the Renwick Dog Park and the Ferry Bridge Picnic Area near Spring Creek. In response to increased use of tracks and trails, new public conveniences are also being considered at Essons Valley and Wedge Point (both near Picton) and George Conroy Drive (Blenheim) as a consequence of further recreational development of the former Taylor Pass landfill. The construction of an effluent dump station at Carluke Domain is underway.

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*.

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 well-being 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 - 3500m), extension to Renwick Cycle Path (underway), Jackson Road cycle pathway (completed), Havelock Accessway: Kaituna Estuary Walk (completed - 664m) and Havelock Waterfall Track (completed).

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

Upgrades to district playgrounds that are planned or currently underway will also result in additional maintenance costs including: Complete developments include Rousehill Reserve, Hammond Reserve (Renwick), Clearwater Place Reserve, Havelock War Memorial Park modular pump track and Stadium 2000 3 x 3 basketball courts.

Development or improvement works are underway at Parklands Reserve, Picton Skate Park, Rata Place, Ballinger Park, George Young, Kowhai Reserve and Vorbach Reserve.

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

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Cemeteries	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Interment - Conventional	113	133	(1)	132	153	157
Plot Purchases - Conventional	73	85	1	86	100	102
Plot Purchases - Cremated	24	29	-	29	34	35
Interment - Cremation	17	19	-	19	23	23
Other External Revenue	18	19	(1)	19	20	21
Total external revenue	245	286	(1)	284	330	337
Contracts	226	232	7	239	245	250
Burials	76	78	(2)	76	77	79
Interest - Internal Loans	67	73	(9)	64	76	84
Repairs & maintenance	34	43	5	48	49	50
Personnel costs	35	37	1	38	40	41
Depreciation	35	38	(3)	36	40	44
Corporate Overhead Allocations	31	33	2	35	36	38
Section Management	29	29	3	32	33	34
Tree Maintenance	15	22	(1)	21	22	22
Departmental Management						
Allocations	13	13	-	13	14	14
Other Operating Cost	11	13	(5)	8	8	8
Total operating costs	571	611	(1)	610	640	664

Memorials	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Depreciation	33	34	13	47	49	51
Repairs & maintenance	47	41	(1)	40	31	52
Contracts	21	21	6	27	28	29
Power	15	15	-	15	15	15
Insurance	13	13	1	14	14	14
Personnel costs	9	9	1	10	10	10
Section Management	7	7	1	8	8	9
Corporate Overhead Allocations	8	8	1	9	9	10
Tree Maintenance	3	5	-	5	4	6
Departmental Management						
Allocations	3	3	-	3	4	4
Other Operating Cost	3	4	-	4	4	5
Total operating costs	162	163	19	182	177	205

Street berms, trees and plots	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Contracts	568	585	(28)	557	569	582
Repairs & maintenance	168	189	19	209	215	220
Personnel costs	32	34	1	35	36	37
Corporate Overhead Allocations	28	30	2	32	33	35
Section Management	27	27	2	29	30	31
Departmental Management						
Allocations	12	12	-	12	13	13
Tree Maintenance	8	-	9	9	9	9
Other Operating Cost	12	14	(2)	12	13	15
Total operating costs	855	891	3	894	918	942

Halls	2021-22	2022-23			2023-24	2024-25
		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	173	172	54	226	233	208
Insurance	72	74	2	75	77	79
Interest - Internal Loans	72	69	2	70	67	64
Contributions	45	46	(1)	45	46	47
Repairs & maintenance	41	42	-	42	119	43
Personnel costs	37	40	1	41	42	44
Section Management	31	31	3	34	35	36
Corporate Overhead Allocations	33	35	2	37	39	40
Grants	27	27	1	28	28	28
Contracts	14	16	-	15	16	16
Departmental Management						
Allocations	13	14	-	14	15	15
Other Operating Cost	5	5	-	5	5	5
Total operating costs	563	569	63	632	721	625

Public Toilets	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Contracts	562	577	52	629	653	668
Depreciation	173	193	10	203	218	229
Interest - Internal Loans	120	171	(7)	164	196	203
Repairs & maintenance	54	55	29	84	86	88
Personnel costs	57	60	2	62	64	66
Corporate Overhead Allocations	51	53	4	57	59	62
Section Management	48	48	4	52	54	55
Insurance	21	21	3	24	24	25
Departmental Management						
Allocations	20	21	1	22	22	23
Vandalism	15	15	3	18	18	19
Power	14	15	1	16	16	17
Rates	11	12	1	13	13	13
Other Operating Cost	40	41	(29)	13	13	13
Total operating costs	1,186	1,284	72	1,356	1,438	1,482

Reserves	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Reserve Fund Contributions - Cash	1,771	1,807	-	1,807	1,843	1,880
Development contributions	595	607	-	607	619	631
Property rentals	31	31	-	31	32	34
Disbursement Recoveries	13	13	-	13	13	13
Miscellaneous Revenue	10	10	-	10	10	10
Total external revenue	2,420	2,468	(1)	2,467	2,518	2,569
Contracts	2,451	2,524	(65)	2,460	2,522	2,589
Depreciation	1,290	1,352	(15)	1,337	1,411	1,451
Personnel costs	1,082	1,132	98	1,230	1,273	1,317
Repairs & maintenance	1,154	1,034	(16)	1,018	1,096	1,070
Grants	852	553	-	553	53	53
Corporate Overhead Allocations	449	473	32	505	526	546
Interest - Internal Loans	454	494	(21)	473	555	631
Section Management	422	423	37	460	475	492
Departmental Management						
Allocations	182	188	4	191	198	205
Insurance	129	132	-	132	135	139
Contributions	126	129	(3)	126	129	132
External support	170	112	(3)	110	89	71
Power	88	90	(2)	88	90	92
Materials	65	65	(2)	64	65	68
Plants seeds and Shrubs	52	53	(1)	52	53	54
Internal contracts & recharges	49	51	(1)	49	50	52
Tree Maintenance	20	26	17	42	39	44
Rates	35	36	1	38	39	40
Vandalism	21	22	(1)	21	22	22
Projects	20	21	(1)	20	20	21
Lease - Other	12	12	-	12	12	12
Fees + Charges	11	11	1	12	14	15
Other Operating Cost	62	64	(2)	62	71	73
Total operating costs	9,196	8,998	56	9,054	8,937	9,186

Swimming Pools	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Disbursement Recoveries	12	13	-	12	13	13
Total external revenue	12	13	-	12	13	13
Contracts	800	822	(22)	800	818	837
Depreciation	547	567	15	582	600	615
Contributions	116	120	12	131	134	138
Interest - Internal Loans	102	114	(2)	112	122	112
Personnel costs	53	57	2	58	60	62
Corporate Overhead Allocations	47	50	3	53	56	58
Section Management	45	45	4	49	50	52
Departmental Management						
Allocations	19	20	-	20	21	22
Training - OSH	14	14	-	14	14	14
Rates	12	13	-	13	13	14
Insurance	5	5	-	5	5	6
Total operating costs	1,760	1,826	12	1,838	1,894	1,928

Grants

Description	2021-22	2022-23	2023-24	2024-25
Other Halls	1,500	1,500	1,500	1,500
Havelock Hall	15,000	15,000	15,000	15,000
Linkwater Hall	10,719	10,528	10,528	10,528
Okiwi Bay Hall	210	210	210	210
Whale Trail	500,000	500,000	-	-
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
Total	879,009	579,818	79,818	79,818

Contributions

Description	2021-22	2022-23	2023-24	2024-25
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	13,255	13,255	13,255
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	309,536	309,536	309,536

Major Contracts

Contract	\$ per annum	Finishes	Comment
Blenheim Open Space Maintenance - Downer	\$1,220,000	31/10/2025	Excludes day works
Picton Cemeteries & Open Space Maintenance - Downer	\$484,140	30/06/2024	Excludes day works
Havelock & Sounds Open Space Services - Downer	\$191,670	31/10/2024	Excludes day works
Marlborough Cemeteries (Fairhall, Havelock, Omaka, Tuamarina) & Renwick Open Space Services - Downer	\$464,575	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	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Cemeteries: Awatere	10	5	10	5	new beams and structures
Cemeteries: Fairhall	25	194	26	16	New beams and natural burial spaces
Cemeteries: Flaxbourne	2	2	2	2	New beams and structures
Cemeteries: Havelock	60	10	5	5	New beams and restoration of graves
Cemeteries: Omaka	145	5	-	5	Restoration of graves, RSA area
Cemeteries: Picton	13	145	14	14	Restoration of graves
Cemeteries: Rai Valley	5	-	5	5	New shade structure and beams
Cemeteries: Tuamarina	5	148	5	11	New beams and burial spaces
Halls: Other (gp 3)	20	20	21	21	
Memorials: Other	8	8	8	9	
Memorials: Town Centre Clock	10	-	-	-	Automation
Memorials: Ward	-	36	-	-	

Public Conveniences: Awatere	5	-	3	5	New dryers and handbasins
Public Conveniences: Blenheim	496	59	13	21	Seymour Square upgrade
Public Conveniences: Canvastown	-	-	4	-	
Public Conveniences: Picton	190	36	5	8	New toilets on High Street
Public Conveniences: Rai Valley	-	-	3	3	
Public Conveniences: Renwick	450	-	-	-	
Public Conveniences: Rural	450	463	-	-	
Public Conveniences: Sounds	-	-	369	10	
Reserves (Group 10) Awatere Domains	300	266	59	107	
Reserves (Group 14) Picton&Koromiko	-	-	-	11	
Reserves (Group 14) Rural Reserves	-	-	-	80	
Reserves (Group 1a) Bln Neighbourhood	40	63	89	45	
Reserves (Group 5) Endeav. Prk	210	61	-	-	Gravel banding drainage to grounds
Reserves (Group 6)					
Lansdowne/A&P/Horton	1,811	2,249	2,092	-	New Sportshub users
Reserves (Group 7) Ath Park/Oliver Park	-	-	-	-	
Reserves (Group 8) Foreshores & Domains	25	133	26	-	
Reserves: (Group 12) Pollard&Seymour	122	307	-	-	
Reserves: (Group 8) Picton	115	264	-	-	
Reserves: Esplanade (Group 14)	50	51	52	54	
Reserves: Unspecified (Group 1a)	846	294	1,393	2,549	
Street Plots - Blenheim	10	10	10	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)	1,000	-	-	-	
Total additions	6,452	4,859	4,246	3,030	

Activity: Roads and Footpaths

Operating costs of this activity represent approximately 17.19% of total activity expenditure.

Manager: Alec McNeil

What is this Activity About?

Refer to 2021-31 LTP.

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 storm event.

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 facing a bow-wave of renewal need in asphalt surfacing and chip sealing. This will need to be addressed in order to 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

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Roading	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Roading subsidies CAPEX	5,169	4,940	870	5,809	5,399	6,075
Roading subsidies OPEX	4,522	4,666	21	4,686	4,809	4,919
Development contributions	807	828	-	828	849	871
Contributions - Vested Assets	624	644	(20)	624	638	655
Development impact levies	100	103	(3)	100	102	105
Contributions - Subdivisional Works	50	52	(2)	50	51	52
Contributions - Miscellaneous	40	41	(1)	40	-	-
Miscellaneous Revenue	28	29	(2)	27	27	28
Other External Revenue	8	9	1	9	9	10
Total external revenue	11,348	11,309	864	12,173	11,886	12,715
Repairs & maintenance	95	103	(3)	100	102	105
Materials	70	72	(2)	70	71	73
Contracts	36	37	(1)	36	37	38

Grants	30	30	-	30	30	30
Insurance	18	19	2	21	21	22
Fees + Charges	5	5	-	5	5	5
Power	5	5	-	5	5	5
Rates	2	2	1	3	3	3
Operating costs	260	273	(4)	269	275	281
Emergency reinstatement	2,000	2,063	(63)	2,000	2,046	2,099
Sealed pavement maintenance	1,345	1,388	(100)	1,288	1,462	1,500
Traffic services maintenance	1,102	1,137	-	1,137	1,198	1,229
Network and Asset Management	1,128	1,164	(141)	1,023	1,078	1,106
Environmental Maintenance	850	877	129	1,006	1,060	1,087
Unsealed pavement maintenance	640	660	-	660	695	714
Street cleaning	612	631	(19)	612	626	642
Routine Drainage Maintenance	500	516	-	516	543	558
Minor Events	500	516	(116)	400	409	420
Structure Maintenance	250	258	99	357	376	386
Operational Traffic Management	280	289	-	289	304	312
Concrete footpaths maintenance	168	173	(2)	172	179	184
Cyclepath maintenance	163	168	(3)	165	171	175
Road Safety Programmes	107	110	(26)	84	86	89
Sealed footpaths maintenance	54	56	-	56	59	60
Regional Land Transport Planning	52	54	(2)	52	53	55
Vehicle crossing maintenance	45	46	(1)	45	46	47
Level crossing warning devices	35	36	5	41	43	45
Asset Management Planning	30	31	(1)	30	61	31
Special projects maintenance	10	31	(1)	30	10	31
Signs maintenance	25	26	(1)	25	26	26
Road legalisation	15	15	-	15	15	16
Abandoned vehicles	10	10	-	10	10	10
Pedestrian utilities expense	10	10	-	10	10	10
Rural numbering	1	1	-	1	1	1
Kerb and channel maintenance	30	31	(31)	-	-	-
Infrastructure costs	9,962	10,298	(275)	10,023	10,568	10,834
Depreciation	11,195	11,882	477	12,359	12,970	13,508
Corporate Overhead Allocations	1,322	1,392	(87)	1,305	1,418	1,521
Interest - Internal Loans	443	559	34	594	686	754
Personnel costs	239	246	1	247	256	264
Departmental Management						
Allocations	171	177	-	177	183	189
Internal contracts & recharges	2	2	-	2	2	2
Section Management	(225)	(230)	14	(217)	(222)	(227)
Other operating costs	13,148	14,028	439	14,467	15,294	16,012
Total operating costs	23,370	24,599	160	24,759	26,137	27,126

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 Roding Asset Management Plan.

Capital Expenditure Projects

Roads and Footpaths	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Northwest periphery					
Additions: Pipelines	262	190	71	73	Infrastructure required to service subdivision & development in the NW zone
Additions: Sealed pavement	91	93	26	27	
Subtotal	353	283	97	100	
Roads and Streets					
Renewals: Sealed Road Resurfacing	4,558	5,675	4,564	4,680	Maintain Level of Service
Renewals: Pavement Rehabilitation	1,625	1,916	1,756	1,801	Maintain Level of Service
Renewals: Unsealed Road Metalling	1,570	2,063	1,697	1,740	Maintain Level of Service
Renewals: Minor Improvements	876	622	1,163	1,192	Maintain Level of Service
Renewals: Drainage	790	1,037	854	876	Maintain Level of Service
Additions: Vested assets - external	624	638	655	672	Improve Levels of Service
Renewals: Footpaths (sealed)	518	545	560	574	Maintain Level of Service
Renewals: Bridges	470	481	493	4,273	Maintain Level of Service
Renewals: Structures Component					
Replacement	400	421	432	443	Maintain Level of Service
Renewals: Traffic Services	315	332	341	349	Maintain Level of Service
Additions: Cycle Facilities	48	51	52	54	Improve Levels of Service
Additions: Bridges	-	-	-	-	
Subtotal	11,795	13,781	12,567	16,654	
CBD & Small Township Upgrades					
Additions: Paved/Cobbled areas	2,000	1,023	1,050	1,076	Improve Levels of Service
Additions: Footpaths (sealed)	960	-	-	-	Improve Levels of Service
Additions: Other buildings + Structures	375	384	394	404	Improve Levels of Service
Subtotal	3,335	1,406	1,443	1,480	
Roading Related works					
Additions: Cycle Facilities	583	534	443	131	Improve Levels of Service
Additions: Footpaths (concrete)	173	177	182	186	Improve Levels of Service
Additions: Sealed pavement	100	102	105	108	Improve Levels of Service
Additions: Kerb and channel	90	92	94	97	Improve Levels of Service
Renewals: Vehicle crossings	81	83	85	87	Maintain Level of Service
Additions: Signs	45	46	47	48	Improve Levels of Service
Additions: Streetlighting	40	41	42	43	Improve Levels of Service
Renewals: Street Furniture	40	41	42	43	Maintain Level of Service
Additions: Vehicle crossings	30	31	31	32	Improve Levels of Service
Additions: Street furniture	5	5	5	5	Improve Levels of Service
Subtotal	1,187	1,152	1,077	781	
Wharves					
Additions: Wharves.	107	109	112	115	Improve Levels of Service
Subtotal	107	109	112	115	
Roads: Subdivisional Works					
Additions: Sealed pavement	150	153	157	161	Improve Levels of Service
Subtotal	150	153	157	161	
Total	16,927	16,886	15,454	19,292	

Activity: Flood Protection and Control Works

Operating costs of this activity represents approximately 6.55% of total activity expenditure.

Manager: Geoff Dick

What is this Activity About?

Refer to 2021-31 LTP.

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, Redwood Street and Snowdens pond and additional pumping), Murphys Creek and Fultons Creek upgrades (Boyce Street stormwater diversion main, Parker Street stop banking), Blenheim west (Camerons Creek capacity and environmental issues). Budget provision has been included for new/upgraded pump stations and channel upgrades.

Maintaining the Wairau River Alignment

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.

Regular asset inspections have confirmed the need for continued investment in new works and regular maintenance of existing works to ensure a robust flood protection system is in place. Ongoing maintenance and upgrade work is required downstream to both the Diversion and Wairau river mouths. This includes permanent repair at Wratts Road following emergency work in December 2019.

A key project for this plan is six new and strengthened heavy rock groynes and up to 1.4km of stopbank realignment over the 3.5km reach from the Southern Valleys irrigation intake down to Upper Condors. The aim of this work is to maintain the river alignment and so ensure the security of the adjacent stopbank and irrigation intake infrastructure.

On 17 July 2021, Marlborough experienced a 5300m³ flood in the Wairau River, the largest since the 1983 flood. Although the stopbank system managed to hold the floods waters, significant flood damage occurred. The repair programme estimated at \$11.2M, is underway with stopbank repairs and Southern Valley Irrigation intakes repairs essentially complete. The remaining work of mostly edge repairs is estimated to take until June 2024 to complete. Scheduled work in the Wairau tributaries including clearing and minor realignment works is on track to be completed by June this year.

Stopbank upgrades

Ongoing stopbank upgrades are planned for the Taylor River through Blenheim, lower Opawa River and lower Wairau River. The stopbanks upgrades are to bring older sections of stopbank to current structural standards, to provide agreed flood capacity and through Blenheim where possible shift sections of stopbank from private property into the Taylor River reserve. Likely climate change impacts will be included in upgrade designs where appropriate.

Taylor Dam Upgrades to Meet New Dam Safety Regulations

The Taylor flood detention dam is about 55 years old and is generally in very good condition. However, a comprehensive safety review in 2013 identified a number of matters for Council to attend to including a minor capacity upgrade to the auxiliary spillway, installation of additional drainage and crest level monitoring points and resealing of the main outlet culvert joints. Immediate maintenance items have been completed and now investigation of the spillway upgrade options is nearing completion. These will be reported to Council in due course.

Similar refurbishment work is also required on the Gibson's Creek, Waihopai intake.

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 has been acquired to extend the life of the quarry for a further 40 plus years. Design of the new haul road extension in a very steep and tightly confined boundary is underway.

This is expected to be completed by the end of 2022. The Pukaka Quarry is self-funding and capital requirements for the extension are proposed to be serviced from operating revenue.

Waitohi triple culverts

Work is underway with KiwiRail and Port Marlborough (PMNZ) to look at the feasibility and cost of capacity upgrades to the culverts as part of the ferry terminal upgrade project. Such upgrades could potentially reduce the existing flood risk to the Dublin Street area of Picton in the medium term and delay effects of expected sea level rise.

Any upgrades would likely be by way of installing a fourth culvert based on current analysis.

No funding has been included in this plan as the funding amounts required from each party, PMNZ, KiwiRail and Council have yet to be finalised.

Levels of Service

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

River Leases	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Property rentals	3,056	3,151	61	3,212	3,241	3,267
Disbursement Recoveries	186	195	(20)	176	184	193
Total external revenue	3,243	3,347	41	3,388	3,425	3,461
Rates	189	189	(7)	181	181	181
Property Management charges	146	149	(4)	146	149	153
Corporate Overhead Allocations	10	11	1	11	12	12
Valuations	7	11	(2)	10	7	3
Legal	5	5	-	5	5	5
Departmental Management Allocations	1	1	()	1	1	1
Total operating costs	357	366	(12)	354	356	356

Rivers Outside Wairau Floodplain	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Greenscape contracts	85	88	(3)	85	87	89
Minor Works contracts	58	60	(2)	58	59	61
Personnel costs	29	30	1	31	32	33
Section Management	25	26	1	27	28	28
Interest - Internal Loans	18	17	()	17	15	13
Corporate Overhead Allocations	12	13	1	14	14	15
Contracts	10	10	()	10	10	10
Insurance	-	-	4	4	4	5
Departmental Management Allocations	2	2	()	2	2	2
Total operating costs	239	245	2	247	252	256

Wairau Floodplain Drainage	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Personnel costs	188	194	8	202	209	216
Repairs & maintenance	193	200	(7)	193	198	202
Depreciation	179	190	(14)	177	176	173
Section Management	161	169	6	175	180	186
Minor Works contracts	130	135	(5)	130	133	136
Interest - Internal Loans	79	162	(54)	108	191	250
Drain spraying contracts	106	110	(4)	106	109	111
Corporate Overhead Allocations	81	85	6	91	95	98
Power	72	75	(3)	72	74	75
Greenscape contracts	60	62	(2)	60	61	63
Insurance	-	-	47	47	48	50
External support	18	19	(1)	18	18	19
Contracts	16	17	(1)	16	16	17
Departmental Management Allocations	10	11	()	11	11	12
Total operating costs	1,293	1,427	(22)	1,405	1,519	1,608

Wairau Floodplain Rivers	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Insurance refunds and claims	-	-	1,983	1,983	2,030	-
Govt Capital grants & donations	1,728	660	(30)	630	-	-
Gravel Extraction	420	435	(15)	420	430	440
Sales	274	284	(10)	274	280	287
Total external revenue	2,422	1,378	1,928	3,307	2,740	727
Flood Damage	250	259	3,046	3,305	3,383	262
Minor Works contracts	1,414	1,464	(50)	1,414	1,458	1,491
Personnel costs	531	547	23	570	590	610
Section Management	455	477	17	494	509	525
Contracts	482	499	(17)	482	504	515
Greenscape contracts	355	368	(13)	355	363	372
Insurance	11	12	276	288	294	301
Corporate Overhead Allocations	229	241	16	257	268	278
Repairs & maintenance	119	123	(4)	119	122	125
Interest - Internal Loans	72	104	(15)	89	134	193
External support	88	91	(3)	88	90	92
Depreciation	48	50		50	53	54
Projects	40	41	(1)	40	41	42
Defence Force Adjustment	27	27	4	31	32	32
Departmental Management						
Allocations	30	31	()	31	32	33
Draughting / Survey	25	26	(1)	25	26	26
Chemicals	19	20	(1)	19	19	20
Internal contracts & recharges	(269)	(277)	8	(269)	(276)	(283)
Other Operating Cost	30	31	1	33	33	34
Total operating costs	3,955	4,134	3,285	7,419	7,674	4,722

Explanation of Revenue and Expenditure Variations

Major Contracts

Contract	\$ per annum	Finishes	Comment
Minor Works – Simcox Construction Ltd	\$1,200,000	October 2023	Contract extended by one year due to flood damage repair work underway.
Strategic Labour - Downer NZ Ltd	\$550,000	June 2022	Existing contract in its final renewal period
Grass Maintenance – Total Vegetation Control Ltd	\$100,000	July 2022	
Pukaka Quarry – Simcox Construction Ltd	\$500,000	June 2024	Tendering of contract planned once quarry extension complete and normal production underway..

Capital Expenditure Projects

Flood Protection and Control Works	2022-23	2023-24	2024-25	2025-26	Benefits Summary
	\$000's	\$000's	\$000's	\$000's	
Drains: Blenheim Minor Rivers	1,700	2,687	655	857	
Rivers WV: Wairau Tuamarina	1,150	1,228	1,623	1,125	
Rivers WV: Lower Wairau	800	1,024	209	54	
Rivers WV: Omaka River below Hawkesbury	400	-	105	107	
Rivers WV: Lower Opaoa	350	20	199	21	
Rivers WV: W/Hills Soil Conservation	310	41	42	43	
Rivers WV: Rivers Land Purchases	200	205	209	214	
Rivers - Quarries: Pukaka Quarry	150	77	79	54	
Drainage Pump Stations: Blenheim	100	-	52	214	
Rivers WV: Taylor above Burleigh	100	51	-	54	
Drains: Rural Zone A	76	-	42	43	
Rivers WV: Waihopai below SH 63 Bridge	50	-	-	54	
Rivers WV: Taylor below Burleigh	40	-	63	-	
Drainage Pump Stations: Rural	30	31	31	32	
Rivers ex WV: Pic/ Waikawa Minor Streams	20	20	21	21	
Rivers WV: Opaoa Loop	-	41	-	43	
Rivers WV: Riverlands and Witherhills St	-	20	-	107	
Rivers WV: Ruakanakana (Gibson) Creek	-	-	442	857	
Rivers WV: Opaoa above SH1	-	-	42	418	
Rivers WV: Wairau Diversion	-	-	-	429	
Rivers WV: Taylor Dam	-	-	-	-	
Total additions	5,476	5,446	3,814	4,748	

Activity: Sewerage

Operating costs of this activity represents approximately 9.14% of total activity expenditure.

Manager: Stephen Rooney

What is this Activity about?

Refer to 2021-31 LTP.

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

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Combined Sewerage	2021-22	2022-23			2023-24	2024-25
	\$000's	LTP	change	AP	\$000's	\$000's
		\$000's	\$000's	\$000's		
Development contributions	2,100	2,142	-	2,142	2,185	2,229
Trade Waste - Operating Charges	246	255	(9)	246	252	258
Contributions - Vested Assets	120	124	(4)	120	123	126
Trade Waste - Capital Charges	75	75	-	75	75	75
Connection charges	67	69	(2)	67	69	70
Govt Capital grants & donations	2,172	-	-	-	-	-
Total external revenue	4,780	2,665	(15)	2,650	2,703	2,757
Insurance	177	183	268	451	462	473
Rates	67	69	3	72	73	75
Fees + Charges	12	12	-	12	12	13
Trade Waste Sampling	9	9	-	9	9	9
Legal	3	3	-	3	3	3
Advertising	1	1	-	1	1	1
General Expenses	1	1	-	1	1	1
Operating costs	269	279	270	548	561	574
Treatment costs	379	474	(154)	320	512	622
Pump Stations - power	295	321	(11)	310	338	346
Reticulation - mains maintenance	234	242	(8)	234	239	245
Pump stations - other	211	218	(7)	211	219	229
Treatment - monitoring/testing	136	141	(5)	136	139	142
Treatment - Power	102	105	(4)	102	104	106
Treatment - Oxidation pond						
maintenance	64	79	(3)	76	78	116
Pump stations - buildings/civil	73	76	(3)	73	75	77
Reticulation - infiltration/leaks	70	72	(2)	70	72	105
Reticulation - connection						
maintenance	69	71	(2)	69	71	72
Pump stations - mechanical	69	71	(2)	69	71	72
Grinder Pumps - Electrical	52	54	(2)	52	53	54
Pump stations - electrical	36	45	(2)	44	45	46
Grinder Pumps - Mechanical	35	36	(1)	35	36	37
Reticulation - manholes maintenance	18	18	(1)	18	18	18
Pump stations - telemetry	12	12	-	12	12	12
Infrastructure costs	1,853	2,037	(208)	1,829	2,080	2,300
Depreciation	3,523	3,826	133	3,958	4,902	5,547
Interest - Internal Loans	1,306	1,259	213	1,472	1,852	2,581
Personnel costs	851	883	16	898	1,013	1,083
Corporate Overhead Allocations	744	783	(66)	717	785	847
Section Management	510	528	61	589	600	622
Works Depot costs	347	359	(44)	314	303	316
Planning and Development charges	144	147	(42)	105	108	106
Departmental Management						
Allocations	96	100	-	99	103	106
Internal contracts & recharges	72	74	-	74	76	78
Other operating costs	7,592	7,958	269	8,227	9,743	11,287
Total operating costs	9,714	10,274	332	10,605	12,385	14,161

Riverlands Sewerage	2021-22	2022-23			2023-24	2024-25
	\$000's	LTP \$000's	change \$000's	AP \$000's	\$000's	\$000's
Trade Waste - Operating Charges	1,804	1,905	(65)	1,840	1,921	2,005
Trade Waste - Capital Charges	900	1,200	-	1,200	1,600	1,600
Govt Capital grants & donations	91	-	-	-	-	-
Total external revenue	2,795	3,105	(65)	3,040	3,521	3,605
Insurance	36	37	6	43	44	45
Rates	1	1	-	1	1	1
Operating costs	37	38	6	44	45	46
Treatment - Power	720	745	(25)	720	737	754
Treatment costs	82	85	(3)	82	84	86
Treatment - monitoring/testing	67	69	(2)	67	68	70
Pump stations - mechanical	25	26	(1)	25	26	26
Pump Stations - power	17	18	(1)	17	17	18
Pump stations - other	14	14	-	14	14	14
Pump stations - electrical	10	10	-	10	10	10
Other Infrastructure Cost	14	14	-	14	14	15
Infrastructure costs	948	981	(33)	948	970	993
Interest - Internal Loans	325	354	102	456	454	430
Depreciation	386	435	14	449	488	503
Personnel costs	195	202	4	206	232	248
Corporate Overhead Allocations	170	179	12	191	199	207
Section Management	117	121	14	135	137	142
Works Depot costs	82	85	(10)	74	72	75
Planning and Development charges	33	34	(7)	27	28	27
Departmental Management						
Allocations	22	23	-	23	24	24
Internal contracts & recharges	5	6	-	5	6	6
Other operating costs	1,334	1,438	128	1,566	1,639	1,663
Total operating costs	2,319	2,458	100	2,558	2,654	2,701

Services Infrastructure Costs

Major Expenditure Type	\$ value	Impact on LOS of reducing/deferring
Pump Stations	\$799,000	This funds the operation and maintenance of pump stations including electrical, mechanical, buildings, telemetry and power charges
Reticulation maintenance	\$464,000	This funds the maintenance of pipelines including connections, manholes, and infiltration
Treatment	\$1,427,000	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 3	\$4,208,902 (GST excl)	31 March 2022	This will complete 5.2 km of 18 km pipe to be rehabilitated.

Capital Expenditure Projects

Sewerage	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Sewer: Blenheim					
Additions: Pump station	3,500	5,052	-	364	Meeting growth & alignment with new treatment plants
Renewals: Pipelines	1,126	1,009	1,003	1,026	Upgrading aging infrastructure
Additions: Treatment plant	922	1,587	1,623	22,509	Upgrades required to meet resource consents
Additions: Pipelines	430	4,495	-	91	Providing for residential and industrial growth
Additions: Engineering	188	259	158	843	
Renewals: Pump stations	138	141	145	148	Replacing aging infrastructure and providing for growth
Additions: Vested assets - external	120	123	126	129	
Additions: Connections	40	41	42	43	Allowing for residential and industrial growth
Additions: Telemetry field equipment	2	2	2	2	
Sub Total	6,466	12,708	3,098	25,155	
Sewer: Havelock					
Additions: Treatment plant	1,980	8,108	-	54	Upgrades required to meet resource consents & to meet growth
Additions: Pump station	660	861	-	-	Meeting growth & alignment with new treatment plants
Additions: Pipelines	497	1,428	-	-	Meeting growth & alignment with new treatment plants
Additions: Engineering	96	215	-	2	
Renewals: Pump stations	11	-	-	-	
Additions: Connections	5	5	5	5	Allowing for residential growth
Sub Total	3,249	10,617	6	61	
Sewer: Picton					
Renewals: Pipelines	1,500	3,071	-	-	Replacing aging infrastructure, meeting growth, reducing infiltration
Additions: Treatment plant	982	-	3,718	-	Meeting growth, improving treatment to enable wastewater reuse
Additions: Engineering	75	113	283	16	
Renewals: Pump stations	11	-	-	-	
Additions: Connections	10	10	10	11	Allowing for residential growth
Additions: Pipelines	5	5	1,529	439	Allowing for residential growth
Additions: Pump station		2,367	-	-	Allowing for residential growth &

				reduction of infiltration
Sub Total	2,583	5,567	5,540	466
Sewer: Renwick				
Additions: Pump station	150	-	-	- Installation of generator
Additions: Connections	5	5	5	5
Additions: Engineering	5			
Renewals: Pump stations	-	6	-	-
Sub Total	160	11	6	6
Sewer: Seddon				
Additions: Treatment plant	2,600	8,189	3,142	- Meeting resource consent requirements including irrigation to land
Additions: Engineering	78	171	169	
Additions: Connections	5	5	5	5
Sub Total	2,683	8,365	3,316	6
Sewer: Grovetown				
Additions: Pump station	21	-	22	- Allowing for residential growth
Additions: Engineering	1	-	1	-
Sub Total	22	-	23	-
Sewer: Riverlands Industrial				
Additions: Treatment plant	395	154	157	9,647 Allowing for industrial growth
Additions: Engineering	12	3	9	334
Renewals: Pump stations	-	-	12	-
Sub Total	407	157	178	9,981
Sewer: Spring Creek				
Additions: Connections	2	2	2	2
Additions: Telemetry field equipment		1	1	1
Additions: Engineering			5	
Additions: Treatment plant	-	-	84	-
Sub Total	3	3	91	3
Sewer: St Andrews				
Additions: Pipelines	-	921	-	163 Expansion of sewer network to prevent poor environmental impacts
Additions: Engineering	-	19	-	6
Sub Total	-	940	-	169
Total additions	15,572	38,367	12,258	35,845

Activity: Stormwater

Operating costs of this activity represents approximately 2.19% of total activity expenditure.

Manager: Stephen Rooney

What is this Activity About?

Refer to 2021-31 LTP.

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 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

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Blenheim Stormwater	2021-22	2022-23		2023-24	2024-25
	\$000's	LTP \$000's	change \$000's	AP \$000's	\$000's
Development contributions	846	863	-	863	880
Contributions - Vested Assets	200	207	(7)	200	205
Connection charges	40	41	(1)	40	41
Total external revenue	1,086	1,111	(8)	1,103	1,149
Insurance	-	-	136	136	139
Monitoring Expense	76	79	(3)	76	86
Rates	1	1	-	1	1
General Expenses	1	1	-	1	1
Security	2	-	-	-	-
Operating costs	80	81	133	214	227
Reticulation - mains maintenance	60	62	(2)	60	61
Reticulation - connection maintenance	18	19	(1)	18	18
Monitoring	15	16	(1)	15	15
Pump Stations - power	6	6	-	6	6
Reticulation - manholes maintenance	6	6	-	6	6
Reticulation - berm sump maintenance	5	5	-	5	5
Reticulation - open drains maintenance	5	5	-	5	5
Pump stations - other	2	2	-	2	2
Infrastructure costs	117	121	(4)	117	120
Depreciation	1,226	1,329	328	1,657	1,762
Personnel costs	110	114	2	116	131
Corporate Overhead Allocations	96	101	7	108	113
Section Management	66	68	8	76	78
Works Depot costs	46	48	(6)	42	41
Departmental Management Allocations	12	13	-	13	13
Internal contracts & recharges	9	10	-	9	10
Other operating costs	1,566	1,683	339	2,022	2,146
Total operating costs	1,764	1,885	468	2,353	2,493

Other Stormwater Schemes	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Development contributions	30	30	-	30	31	32
Connection charges	11	11	-	11	11	12
Total external revenue	41	42	-	41	42	43
Insurance	1	1	58	59	61	62
Rates	6	7	-	6	7	7
Monitoring Expense	3	3	-	3	3	3
Operating costs	10	10	58	69	70	72
Reticulation - mains maintenance	59	51	7	59	60	61
Reticulation - open drains maintenance	31	32	(1)	31	32	32
Pump stations - other	-	10	-	10	5	21
Pump Stations - power	4	4	-	4	4	4
Reticulation - manholes maintenance	4	4	-	4	4	4
Reticulation - connection maintenance	3	3	-	3	3	3
Pump stations - mechanical	2	2	-	2	2	2
Reticulation - berm sump maintenance	1	1	-	1	1	1
Infrastructure costs	103	108	5	113	111	129
Depreciation	536	563	(13)	550	568	583
Personnel costs	18	18	-	19	21	23
Corporate Overhead Allocations	16	16	1	17	18	19
Section Management	11	11	1	12	13	13
Interest - Internal Loans	6	5	7	12	17	15
Works Depot costs	4	4	(1)	4	3	4
Departmental Management Allocations	2	2	-	2	2	2
Other operating costs	592	620	(4)	616	643	659
Total operating costs	705	738	60	798	824	860

Services Infrastructure Costs

Major Expenditure Type	\$ value	Impact on LOS of reducing/deferring
Pump Stations	\$30,000	This funds the operation and maintenance of pump stations including electrical, mechanical, buildings, telemetry and power charges
Reticulation maintenance	\$175,000	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	2022-23	2023-24	2024-25	2025-26	Benefits Summary
	\$000's	\$000's	\$000's	\$000's	
Stormwater: Blenheim					
Renewals: Pipelines	1,200	-	1,571	-	Renewing aging infrastructure & increasing drainage capacity
Additions: Pipelines	1,100	3,169	838	536	Meeting residential growth
Additions: Vested assets - external	200	205	209	214	
Additions: Connections	40	41	42	43	Meeting residential growth
Additions: Pump station	-	-	105	-	Meeting residential growth
Additions: Drainage channels	-	-	-	-	
Sub Total	2,540	3,415	2,765	793	
Stormwater: Havelock					
Additions: Connections	1	1	1	1	Meeting residential growth
Sub Total	1	1	1	1	
Stormwater: Picton					
Renewals: Pipelines	359	9	9	10	Renewing aging infrastructure & increasing drainage capacity
Additions: Pipelines	150	51	52	21	Meeting residential growth
Additions: Connections	5	5	5	5	Meeting residential growth
Renewals: Pump stations	-	-	-	6	
Sub Total	514	66	67	42	
Stormwater: Renwick					
Renewals: Pipelines	10	10	10	11	Renewing aging infrastructure & increasing drainage capacity
Additions: Connections	3	3	3	3	Meeting residential growth
Sub Total	13	13	14	14	
Stormwater: Seddon					
Renewals: Pipelines	350	-	-	-	Renewing aging infrastructure & increasing drainage capacity
Sub Total	350	-	-	-	
Stormwater: Spring Creek					
Additions: Connections	2	2	2	2	
Sub Total	2	2	2	2	
Total additions	3,420	3,497	2,849	853	

Activity: Water Supply

Operating costs of this activity represents approximately 7.80% of total activity expenditure.

Manager: Stephen Rooney

What is this Activity About?

Refer to 2021-31 LTP.

Emerging Issues and Expected Changes

Compliance with the DWSNZ

Compliance with the 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 the DWSNZ have been delayed beyond the target dates in the Health Amendment Act (2007). 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 planned to be completed in 2022/23.

An upgrade of the Havelock water treatment plant is being designed with construction planned to be completed in 2023/24. 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 is being designed with construction 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 2023/24.

When these water treatment plant upgrades are complete all Council water supplies will be compliant with the Health ACT and DWSNZ.

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), 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 it is very likely residual disinfection of water networks will be required by Drinking water standards for NZ. Tamata Arowai has to released revised Drinking Water Standards for consultation during early in 2022.

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 2022.

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.

Traditionally many people in New Zealand have regarded water as an unlimited resource and for many it is a commodity purchased at such a low cost it is virtually free. The water supply for residents in all areas except Awatere, Wairau Valley, Renwick and Havelock is unmeasured and generally unrestricted. It is supplied at a pressure to meet every reasonable domestic need. It also provides a primary source of water in urban areas for firefighting.

Daily water consumption in Blenheim is around 600 litres per person per day as an average throughout the year, but on peak days during the summer consumption is more than double the average. Where supply is un-metered the demand is similar to Blenheim. The summer peak is almost entirely due to irrigation of domestic gardens and other leisure uses (this compares with the city of Melbourne for example, which has been actively encouraging water conservation and achieved a daily average domestic consumption in 2010–11 of 140 litres/person).

Many of the costs associated with water supply are 'fixed' and are incurred irrespective of the volumes pumped. A small proportion of operational costs such as power and chemicals are related to the volume of water pumped into the supply. However, savings can be achieved by delaying the need for major capital upgrades to meet increased demand for water. A particularly relevant example of this is the current position of the Havelock water supply. During periods of peak summer demand elevated levels of chloride can be detected in the supply bores, indicating the demand is outstripping the supply capacity of the bores. The nearest reliable source of water is in the Pelorus Valley. A pipeline from the new source would cost an estimated \$5.6M.

In the past the Council has adopted a 'passive' leak detection policy. Leaks were not actively identified, but service crews would respond to leaks reported by customers and those detected by the reticulation monitoring systems. More recently Council has also instigated an 'active' leakage programme in Renwick, Seddon, Picton, Wairau Valley and Havelock. Specialist contractors are employed to search for and locate leaks in underground pipes that are not obvious from the surface. These projects have helped to reduce the volume of unaccounted for water but are relatively costly because of the specialist equipment and skills required.

Considerable care is required to ensure active leak detection projects return good value for money. It is likely these techniques will be used more in future along with other demand management techniques such as pressure control, district leakage management, public education and voluntary restraint measures. Water demand management is a particularly important technique in areas where the water sources are limited in times of high demand.

Firefighting capacity in some industrial/commercial areas is lower than the capacity sought by the New Zealand Fire Service (NZFS). Council is requiring these codes to be met in new developments. However where the network exists and the cost to meet the Firefighting code is considered too expensive, upgrades to the reticulation have been programmed to meet 50% of the required flow rates from hydrants, this work is programmed over the next 10 years.

Levels of Service

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Combined Water	2021-22	2022-23			2023-24	2024-25
	\$000's	LTP	change	AP	\$000's	\$000's
		\$000's	\$000's	\$000's		
Development contributions	861	878	-	878	896	913
Contributions - Vested Assets	195	202	(7)	195	200	204
Connection charges	112	115	(4)	112	114	117
Backflow Prevention Charges	58	60	(2)	58	59	61
Govt Capital grants & donations	1,321	-	-	-	-	-
Total external revenue	2,546	1,256	(13)	1,243	1,269	1,295
Insurance	289	299	162	461	472	483
Grants for remission	45	47	(3)	44	45	46
Rates	33	34	-	33	34	35
Advertising	7	7	-	7	7	7
Telephone Tolls Faxes and Pagers	4	4	-	4	4	5
Security	3	3	-	3	3	3
General Expenses	1	1	-	1	1	1
Operating costs	382	395	158	553	566	579
Treatment costs	635	778	(27)	751	769	787
Reticulation - connection	486	503	(17)	486	497	509
maintenance	409	424	11	434	445	455
Reticulation - mains maintenance	382	395	(13)	382	391	400
Treatment - Power	325	336	(11)	325	333	340
Pump Stations - power	265	274	12	286	292	299
Reticulation - toby maintenance	136	140	(5)	136	139	142
Backflow prevention	115	119	(4)	115	117	120
Treatment - monitoring/testing	77	80	(3)	77	79	81
Reticulation - valves maintenance	43	58	(2)	56	58	59
Pump stations - other	37	38	9	47	49	50
Reticulation - hydrant maintenance	47	49	(2)	47	48	49
Pump stations - mechanical	31	47	(2)	45	46	47
Pump stations - electrical	28	29	(1)	28	42	50
Meter maintenance	16	16	(1)	16	16	16
Reticulation - infiltration/leaks	9	9	5	14	14	15
Meter reading	12	12	-	12	12	12
Pump stations - telemetry	8	9	-	8	9	9
Pump stations - buildings/civil						
Infrastructure costs	3,060	3,317	(52)	3,265	3,356	3,440
Depreciation	3,188	3,524	(430)	3,093	3,543	3,815
Interest - Internal Loans	755	746	79	825	850	990
Personnel costs	546	567	10	577	651	696
Corporate Overhead Allocations	478	503	(46)	457	502	542
Section Management	327	339	39	378	386	399
Works Depot costs	176	182	(23)	160	154	161
Planning and Development charges	92	95	(28)	67	69	68
Departmental Management						
Allocations	62	64	-	64	66	68
Internal contracts & recharges	54	55	4	59	60	62
Other operating costs	5,678	6,075	(395)	5,681	6,281	6,802
Total operating costs	9,120	9,787	(289)	9,499	10,203	10,821

Awatere Water	2021-22	2022-23	2023-24	2024-25
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		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	6	6	35	40	41	42
Grants for remission	14	15	2	16	16	17
Advertising	1	1	-	1	1	1
Rates	1	1	-	1	1	1
Operating costs	21	22	36	58	59	61
Reticulation - mains maintenance	95	103	(4)	100	102	105
Meter maintenance	50	52	(2)	50	51	52
Reticulation - connection maintenance	40	41	(1)	40	41	42
Reticulation - hydrant maintenance	7	7	23	30	7	7
Reticulation - valves maintenance	13	13	17	30	13	13
Treatment costs	30	31	(1)	30	31	102
Treatment - monitoring/testing	21	21	(1)	20	21	21
Backflow prevention	20	21	(1)	20	20	21
Meter reading	12	12	-	12	12	13
Pump Stations - power	11	12	-	11	12	12
Pump stations - other	10	10	-	10	10	10
Pump stations - buildings/civil	7	7	-	7	7	7
Pump stations - mechanical	5	5	-	5	5	5
Reticulation - toby maintenance	5	5	-	5	5	5
Pump stations - telemetry	4	4	-	4	4	4
Pump stations - electrical	3	3	-	3	3	3
Infrastructure costs	333	350	28	378	346	424
Depreciation	458	478	(14)	464	489	527
Personnel costs	17	18	-	18	20	22
Corporate Overhead Allocations	15	16	1	17	17	18
Section Management	10	11	1	12	12	13
Internal contracts & recharges	4	4	-	5	5	5
Interest - Internal Loans	3	3	-	3	18	34
Planning and Development charges	3	3	(1)	2	2	2
Departmental Management Allocations	2	2	-	2	2	2
Other operating costs	512	534	(12)	523	566	623
Total operating costs	866	906	53	958	971	1,107

	2021-22	2022-23			2023-24	2024-25
Riverlands Water		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Sales	31	32	(1)	31	31	32
Backflow Prevention Charges	2	2	-	2	2	2
Total external revenue	33	34	(1)	33	33	34
Insurance	36	37	5	42	43	44
Rates	4	4	-	4	4	4
External support	-	-	-	-	20	21
Operating costs	40	41	5	46	67	69

Treatment costs	-	149	(79)	70	147	151
Pump Stations - power	40	41	(1)	40	41	42
Treatment - monitoring/testing	26	27	(1)	26	27	27
Backflow prevention	15	16	(1)	15	15	16
Reticulation - connection						
maintenance	7	7	-	7	7	7
Reticulation - toby maintenance	7	7	-	7	7	7
Reticulation - mains maintenance	5	5	-	5	5	5
Meter maintenance	5	5	-	5	5	5
Meter reading	4	4	-	4	4	4
Pump stations - buildings/civil	4	4	-	4	4	4
Pump stations - electrical	4	4	-	4	4	4
Pump stations - mechanical	4	4	-	4	4	4
Pump stations - telemetry	2	2	-	2	2	2
Reticulation - valves maintenance	1	1	-	1	1	1
Reticulation - hydrant maintenance	1	1	-	1	1	1
Infrastructure costs	124	278	(83)	194	275	281
Interest - Internal Loans	135	392	(100)	292	625	774
Depreciation	177	271	(49)	222	422	474
Internal contracts & recharges	8	8	1	10	10	10
Other Cost	13	14	-	14	15	15
Other operating costs	333	686	(147)	538	1,072	1,274
Total operating costs	497	1,005	(226)	778	1,414	1,624

Services Infrastructure Costs

Major Expenditure Type	\$ value	Impact on LOS of reducing/deferring
Pump Stations	\$599,000	This funds the operation and maintenance of pump stations including electrical, mechanical, buildings, telemetry and power charges
Reticulation maintenance	\$1,572,000	This funds the maintenance of pipelines including backflow prevention connections, hydrants, meter maintenance & reading, valves, and leak detection
Treatment	\$1,394,000	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	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Water: Blenheim					
Renewals: Pipelines	836	788	1,105	-	Renewal of aging infrastructure including asbestos cement pipe
Additions: Pipelines	486	256	5,660	5,407	Meeting residential growth and pipelines for additional treatment capacity
Additions: Treatment plant	260	5,528	-	-	Chlorination
Additions: Vested assets - external	195	200	204	209	
Additions: Water Meters	100	102	105	107	
Additions: Connections	75	77	79	80	
Additions: Pump station	65	653	-	-	Booster pump station upgrade to meet growth
Additions: Engineering	60	159	386	201	
Additions: Reservoir	-	194	-	-	
Renewals: Pump stations	-	28	23	-	
Sub Total	2,078	7,985	7,562	6,005	
Water: Havelock					
Additions: Treatment plant	5,324	2,795	-	-	Treatment to meet the requirements of the Drinking water standards
Additions: Engineering	159	62	-	5	
Additions: Connections	3	3	3	3	
Renewals: Pipelines	2	2	2	2	
Additions: Telemetry field equipment	-	-	-	-	
Additions: Pipelines	-	184	-	129	Pipelines associated with the new treatment plant
Renewals: Pump stations	-	11	-	-	Renewal's upgrade
Sub Total	5,489	3,059	6	139	
Water: Picton					
Additions: Treatment plant	3,800	4,217	-	-	Additional bores to provide resilience if existing bores were to fail
Additions: Pipelines	600	-	1,784	-	Renewal of pipeline from Speeds Rd to the Elevation
Additions: Engineering	141	93	199	4	
Renewals: Pipelines	35	36	37	38	Network renewals including replacing asbestos cement pipe
Renewals: Connections	28	28	29	30	Renewal of aging connections
Additions: Connections	15	15	16	16	
Additions: Water Meters	-	123	2,006	-	Universal water metering
Additions: Pump station	-	51	-	-	
Additions: Reservoir	-	-	126	-	Additional capacity to meet growth and add resilience
Renewals: Pump stations	-	-	-	35	
Sub Total	4,618	4,564	4,195	123	
Water: Renwick					
Additions: Treatment plant	4,400	-	-	-	Treatment to meet the requirements of the Drinking water standards
Additions: Engineering	132	45	119	-	
Additions: Connections	10	10	10	11	
Additions: Pipelines	3	3	3	3	Replacement of asbestos cement pipelines
Renewals: Pipelines	-	2,150	2,199	-	
Sub Total	4,545	2,208	2,332	14	
Water: Awatere					

Renewals: Pipelines	-	147	258	-	Renewal of aging infrastructure
Renewals: Pump stations	-	77	-	-	Renewal of aging infrastructure
Additions: Engineering	-	5	14	-	
Sub Total	-	229	272	-	
Water: Awatere Rural (POE)					
Additions: Reservoir	1,270	491	178	488	Replacing the Lions Back reservoir tanks & to add resilience in subsequent years
Additions: Engineering	18	45	39	17	
Additions: Treatment plant	15	1,535	-	-	Point of Entry treatment for Rural households to meet the requirements of the Drinking water standards
Renewals: Pump stations	10	-	17	-	
Additions: Connections	6	7	7	7	
Renewals: Pipelines	-	397	524	-	Replacement of asbestos cement pipelines
Additions: Pipelines	-	213	-	-	Upgrades to meet growth and improve levels of service
Sub Total	1,320	2,689	765	512	
Water: Seddon					
Additions: Pipelines	328	-	-	-	
Additions: Treatment plant	190	-	-	-	Treatment upgrade to reduce water loss during filter backwashing
Additions: Engineering	15				
Additions: Connections	3	4	4	4	
Sub Total	537	4	4	4	
Water: Riverlands					
Additions: Treatment plant	5,762	5,898	-	-	Treatment to meet the requirements of the Drinking water standards
Additions: Pipelines	2,613	2,675	-	-	New pipelines from new treatment plant to industrial estates
Additions: Engineering	254	176			
Renewals: Pipelines	1	1	1	1	
Sub Total	8,630	8,750	1	1	
Water: Wairau Valley					
Additions: Treatment plant	842	-	-	-	Treatment to meet the requirements of the Drinking water standards
Additions: Pump station	107	-	-	-	Upgrade to pump station to pump to new treatment plant and providing resilience.
Additions: Engineering	28	-	-	14	
Additions: Pipelines	-	-	-	413	Providing water to south side of SH63
Sub Total	978	-	-	427	
Total additions	28,194	29,487	15,137	7,225	

Activity: Solid Waste Management

Operating costs of this activity represent approximately 11.17% of total activity expenditure.

Manager: Alec McNeil

What is this Activity About?

Refer to 2021-31 LTP.

Emerging Issues and Expected Changes

Waste Management and Minimisation Plan

As the territorial authority for the Marlborough District, the 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.

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 \$10 to \$20 per tonne (GST exclusive). From July 2022 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

Landfill Class	1-Jul-21	1-Jul-22	1-Jul-23	1-Jul-24
Controlled fill (class 4)			\$10	\$10

For the 2022/23 period the anticipated levy income for Council is in the region of \$330k to \$500k. 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

Refer to 2021-31 LTP.

Revenue and Operating Expenditure by Significant Type

Landfills	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Dump Fees	6,100	6,316	1,886	8,202	9,765	10,691
Non-property rentals	152	159	(5)	153	170	180
Property rentals	27	27	-	27	28	28
Disbursement Recoveries	12	12	-	12	12	13
Total external revenue	6,291	6,514	1,880	8,394	9,975	10,912
Levy Payment	610	620	1,387	2,007	3,485	4,351
Contracts	1,600	1,657	(57)	1,600	1,638	1,676
Landfill ETS obligation	501	518	765	1,284	1,314	1,344
Depreciation	520	2,174	273	2,447	2,515	2,378
Corporate Overhead Allocations	256	270	18	288	300	312
Personnel costs	293	304	5	310	349	373
Section Management	176	182	21	203	207	214
External support	159	164	16	180	184	189
Professional Fees	105	109	(4)	105	107	110
Interest - Internal Loans	103	90	(2)	88	76	64
Repairs & maintenance	74	46	19	65	65	138
Insurance	44	45	-	45	46	47
Laboratory Charges	47	49	(5)	44	45	46
Planning and Development charges	48	49	(10)	39	41	40
Departmental Management						
Allocations	33	34	-	34	35	37
Materials	20	21	(1)	20	20	21
Rates	16	16	-	17	17	17
Other Operating Cost	40	41	(10)	31	34	33
Total operating costs	4,645	6,391	2,416	8,807	10,478	11,389

Refuse Collections	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Sales	180	186	74	260	286	312
Miscellaneous Revenue	2	2	-	2	2	2
Total external revenue	182	188	74	262	287	314
Contracts	948	982	75	1,057	1,082	1,107
Fees + Charges	300	311	86	397	447	500
Refuse Bags	142	147	(5)	142	145	149
Personnel costs	93	97	2	98	111	118
Corporate Overhead Allocations	81	86	6	91	95	99
Section Management	56	58	7	64	66	68
Internal contracts & recharges	15	16	-	15	16	16
Departmental Management						
Allocations	11	11	-	11	11	12
Other Operating Cost	22	22	(1)	22	41	60
Total operating costs	1,668	1,728	170	1,898	2,014	2,129

Transfer Stations	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Dump Fees	1,957	2,027	(334)	1,693	1,870	2,054
Sales	25	26	(1)	25	26	26
Total external revenue	1,983	2,053	(334)	1,718	1,896	2,081
Contracts	2,252	2,332	332	2,664	2,841	3,023
Personnel costs	136	141	3	143	162	173
Corporate Overhead Allocations	119	125	8	133	139	144
Depreciation	113	120	(3)	117	117	118
Section Management	81	84	10	94	96	99
Interest - Internal Loans	88	89	-	89	84	79
Repairs & maintenance	52	53	(2)	52	53	54
Power	20	21	-	22	22	23
Freight and Courier	21	22	(1)	21	21	22
Departmental Management						
Allocations	15	16	-	16	16	17
Insurance	15	16	-	16	16	16
Other Operating Cost	25	26	(5)	21	21	22
Total operating costs	2,936	3,045	342	3,387	3,589	3,791

Waste Minimisation	2021-22	2022-23			2023-24	2024-25
	\$000's	LTP \$000's	change \$000's	AP \$000's	\$000's	\$000's
Govt Operating grants & donations	-	-	495	495	825	990
Non-Govt Operating grants & donations	175	175	(175)	-	-	-
Sales	296	306	(10)	296	303	310
Dump Fees	66	68	-	68	71	74
Other External Revenue	6	6	-	6	6	6
Total external revenue	543	556	310	865	1,205	1,381
Contracts	965	999	127	1,126	1,155	1,184
Projects	10	10	272	282	517	684
Depreciation	177	169	(25)	143	144	145
Freight and Courier	85	88	14	102	104	107
Personnel costs	61	64	1	65	73	78
Corporate Overhead Allocations	54	56	4	60	63	65
Interest - Internal Loans	51	51	(4)	47	42	35
Section Management	37	38	4	42	43	45
Repairs & maintenance	37	38	3	42	43	44
General Expenses	29	30	(1)	29	30	30
Power	13	14	3	17	17	17
Insurance	12	12	-	12	12	13
Other Operating Cost	73	75	(45)	30	31	31
Total operating costs	1,603	1,645	353	1,998	2,273	2,479

Explanation of Revenue and Expenditure Variations

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

Major Contracts

Contract	\$ per annum	Finishes	Comment
Landfill Operations Contract	\$1,585,968	30/06/2022	New contract 2021-039 commences 1 July 2022
Waste Management and Minimisation Contract	\$4,000,000	30/6/2024	Tender process has now commenced and is due for completion by June 2023
Hazardous Waste Contract	\$260,000	30/6/2023	New contract issued in 2020
Greenwaste Acceptance Facility Operations Contract	\$500,000	30/6/2024	Tender process has now commenced and is due for completion by June 2023
Refuse Bag Supply Contract	\$150,000	30/6/2024	New contract 2021-005 awarded in 2021

Services Infrastructure Costs

Major Expenditure Type	Current Contract \$Values	Opportunities for \$ reduction and associated Impact/Consequence/Risks on LOS
Refuse Collection (Inc Recycling)		
Contracts	\$1,057,000	Nil - Kerbside collection service to Blenheim and Picton
Fees and charges	\$397,000	Nil - Landfill fees for bag disposal
Refuse bag purchases	\$142,000	Nil - Refuse bags for supply to Blenheim and Picton

		households under contract
Transfer Stations		
Contracts	\$2,664,000	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	\$2,007,000	Nil - Waste levy to Central Government (increased from \$10 to \$30 per tonne from 1 July 2022)
ETS Payment	\$1,284,000	Nil - Carbon credit payment to Central Government based on \$37.75 / tonne carbon unit (purchased)
Lab and Monitoring Expenses	\$44,000	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	\$77,463	Nil - Coin skips service at Rai Valley, Portage, Ohingaroa and the Grove inc unit rental x 4
Hazardous Waste	\$274,731	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	\$824,673	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 \$400k per annum).
Rubbish Removal	\$73,087	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	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Waste Landfill: Regional	2,656	3,709	1,654	499	Maintains airspace availability
Recycling Collection: Urban	-	188	-	-	Recycling crate
Total additions	2,656	3,897	1,654	499	renewals/upgrades program

Activity: Environmental Policy

Operating costs of this activity represents approximately 1.44% of total activity expenditure.

Manager: Pere Hawes

What is this Activity About?

Refer to 2021-31 LTP.

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), it is expected that resolution of appeals will be a focus for the Environmental Policy Group for the next three years.

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 current operative framework consisting of the Marlborough Regional Policy Statement, 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 in order to get the PMEP to an operative status as soon as possible and remove this complexity. However, the process and timeframe for resolving appeals is determined by the Environment Court and not Council. This makes it difficult to determine a timeframe for making the PMEP operative.

Environment Court mediation for the appeals commenced in March 2021 and topics in Group 1 appeals (Section 6 - Matters of national importance) was completed in December 2021. Mediation on Group 2 topics commences in 2022.

Progress with the resolution of appeals is regularly reported to the Planning, Finance and Community Committee Meeting.

Aquaculture Provisions

The Council notified Variation 1: Marine Farming and 1A (Finfish Farming) in December 2020. The First Schedule process is expected to be completed in 2022: Hearings on the variations were held in 2021 and the appointed hearings panel is currently deliberating on the evidence presented. The notification completes the provisions of the PMEP.

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.

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.

There are currently five national policy statements and six national environmental standards. In most cases these were given effect to or implemented through the review of the resource management framework. However, two national policy statements were gazetted post the notification of the PMEP, the National Policy Statement Urban Development 2020 and the National Policy Statement for Freshwater Management 2020.

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 PMEP.

The National Policy Statement for Freshwater Management 2020 sets out new direction for the way regional councils and unitary authorities should manage freshwater and the activities that can adversely affect water. A specific work programme will be necessary to give effect to the National Policy Statement for Freshwater Management 2020 and notify a variation to the PMEP, as required, by December 2024. An external audit found that the current PMEP provides a good platform to give effect to the new direction. However, there is a substantial body of work to establish a community vision with respect to freshwater and to implement Te Mana o te Wai. Work has commenced on the latter with specific engagement with Te Tau Ihu iwi on giving effect to Te Mana o te Wai in a Top of the South context. A proposed work programme will be reported to the Planning, Finance and Community Committee by the end of 2022.

A new National Policy Statement for Indigenous Biodiversity covering terrestrial matters is expected to be gazetted in 2022. This is likely to have implications for Council's current management of indigenous biodiversity, including the Significant Natural Areas programme.

Central Government legislated for national planning standards in 2017. The first tranche of national planning standards came into effect in May 2018 and dictate the form and structure of all RMA planning documents. Council is required to implement the planning standards for structure, form and digital accessibility within 10 years of the national planning standards coming into effect (i.e., May 2028). Council will be required to restructure and reformat the PMEP at some point in the future.

Finally, the Government has an ongoing programme of reform of the RMA. It is expected that legislation to replace the RMA will be introduced to Parliament in 2022. It is inevitable that the replacement legislation will have implications for the Environmental Policy Activity. One specific proposal that Council has previously opposed at Select Committee is that the three Top of the South councils prepare a combined plan. It is currently not confirmed whether this proposal will carry through to the legislation.

Levels of Service

Refer to 2021-31 LTP.

Operating Expenditure by Significant Type

Environmental Policy	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Personnel costs	848	783	196*	979	922	940
External support	390	404	(14)	390	399	408
Corporate Overhead Allocations	306	313	31	344	358	372
Legal	150	155	(5)	150	154	157
Contracts	100	104	(4)	100	102	105
Departmental Management						
Allocations	81	83	(5)	79	81	84
Other Operating Cost	26	27	(1)	26	26	28
Total operating costs	1,900	1,869	199	2,068	2,043	2,094

Explanation of Significant operating expenditure variations

*The increase represents the transfer of personnel to this Activity to assist with the PMEP and respond to Government initiatives.

Activity: Environmental Science and Monitoring

Operating costs of this activity represents approximately 5.76% of total activity expenditure.

Manager: Alan Johnson

What is this Activity About?

Refer to 2021-31 LTP.

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.

In addition 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 increase 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 based 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

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

Agriculture spray drift and the effects on air quality in the District are little known. A monitoring programme to

address cumulative effects will be a necessary step to better understanding these complex issues.

Land Management & 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 consequences of climate variability will need to be better understood, including establishing measures and coordinated responses across Council.

Levels of Service

Refer to 2021-31 LTP.

Revenue and Operating Expenditure by Significant Type

Environmental Science & Monitoring	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Govt Operating grants & donations	-	-	2,207	2,207	1,707	982
Non-Govt Operating grants & donations	561	456	(456)	-	-	-
Contributions - Miscellaneous	-	-	50	50	51	52
Other External Revenue	5	5	10	15	16	16
Total external revenue	566	461	1,811	2,272	1,774	1,050
Personnel costs	2,116	2,304	137	2,442	2,527	2,611
Contracts	125	173	1,481	1,655	1,467	731
Corporate Overhead Allocations	900	944	67	1,011	1,053	1,094
Depreciation	620	671	-	672	703	734
External support	683	661	(17)	644	457	468
Laboratory Charges	309	297	(10)	287	294	301
Fencing	195	131	139	270	184	173
Departmental Management Allocations	237	245	(14)	231	239	248
Monitoring Expense	98	273	(45)	228	361	369
Pest and Weed Control	140	176	(6)	170	194	199
Plants seeds and Shrubs	228	202	(68)	135	35	36
Contributions	105	109	(4)	105	107	110
Projects	75	104	(4)	100	102	105
Grants	90	90	-	90	90	90
Section Management	57	60	(2)	59	63	67
Repairs & maintenance	41	42	(1)	41	41	42
Digital Data	23	24	(1)	23	24	24
Greenscape contracts	20	21	(1)	20	20	21
Other Operating Cost	114	118	(8)	110	112	117
Total operating costs	6,175	6,646	1,644	8,290	8,075	7,540

Major Contracts

Contract	\$ per annum	Comment
Laboratory Services	\$297,000 (ESM activities only)	Hill Laboratories provide professional chemical and biological analysis services for Council.

Major Projects

Description	2021/22	2022/23	2023/24	Comment
Ground water resource monitoring and aquifer investigations	\$120,000	\$120,000	\$120,000	Routine SoE Monitoring & Investigations, for Wairau Aquifer
Fresh water quality monitoring	\$130,000	\$130,000	\$130,000	SoE & Recreational bathing water monitoring
Biodiversity Monitoring & Survey	\$75,000	\$85,000	\$85,000	SoE monitoring and surveys
Biodiversity (SNA) Assistance programme	\$140,000	\$140,000	\$170,000	SNA assistance programme (pests and weed control and fencing)
Marlborough Landscape Group	\$20,000	\$20,000	\$20,000	Group facilitation and projects
Environmental Grants	\$90,000	\$90,000	\$90,000	Contestable community fund
Catchment care/Hill Country Erosion programme	\$500,000	\$448,000	\$214,000	Projects consisting of riparian planting/fencing and surveys (Mfe and MPI partial funded)
Native Nursery Development- (Nga Awa funded)		\$301,543	\$180,879	Te Hoiere Restoration Project
Predator Control (Nga Awa funded)		\$417,045	\$417,045	Te Hoiere Restoration Project
Nursery contracts		\$61,116	\$61,116	Te Hoiere Restoration Project (Plant supply)
Catchment condition surveys		\$120,000	\$40,000	Te Hoiere Restoration Project (includes Dung Beetle mitigation)
Long Term restoration project		\$754,840	\$734,034	Te Hoiere Restoration Project (includes fencing, weed control support and project management)
Land Resources and soil mapping	\$100,000	\$95,000	\$95,000	Soil monitoring & Investigations
Contaminated soil	\$40,000	\$15,000	\$15,000	HAIL review
Air quality monitoring	\$50,000	\$50,000	\$50,000	Pm10 monitoring and spray drift trials

Capital Expenditure Projects

Environmental Science and Monitoring	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Intangibles data/software	125	256	262	268	Additional sensors for freshwater monitoring network
Utilities	-	-	-	222	
Instrumentation	59	-	-	-	
Telemetry field equipment	150	154	157	161	
Total additions	334	409	419	651	

Activity: Resource Consents

Operating costs of this activity represents approximately 2.13% of total activity expenditure.

Manager: Anna Eatherley

What is this Activity About?

Refer to 2021-31 LTP.

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 work flow, 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

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Resource Consents	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Landuse Applications	400	420	(10)	410	420	441
Coastal Applications	299	328	(8)	320	328	347
Subdivision Applications	250	256	(6)	250	256	273
Consents	200	205	(5)	200	205	210
Water Applications	173	178	(4)	173	178	182
Discharge Applications	150	154	(4)	150	154	126
Marine Farming Applications	130	103	(3)	100	102	105
Certificates	4	4	-	4	4	4
Total external revenue	1,606	1,648	(40)	1,607	1,647	1,688
Personnel costs	1,673	1,723	(24)	1,699	1,759	1,818
Corporate Overhead Allocations	758	798	(50)	748	813	871
Depreciation	214	214	44	258	258	258
Legal	235	241	(21)	220	241	247
Departmental Management						
Allocations	110	114	(3)	111	115	119
Internal contracts & recharges	(80)	(82)	41	(41)	(42)	(43)
Internal allocation	(177)	(184)	(4)	(188)	(195)	(202)
Allowances - Meeting Attendance	80	82	(2)	80	82	84
Commissioners	80	82	(2)	80	82	84
External support	25	26	(1)	25	26	26
Other Operating Cost	75	78	2	80	80	83
Total operating costs	2,993	3,092	(20)	3,071	3,217	3,345

Capital Expenditure Projects

Resource Consents	2022-23	2023-24	2024-25	2025-26	Benefits Summary
	\$000's	\$000's	\$000's	\$000's	
Utilities	-	-	-	44	
Instrumentation	3	-	-	-	
Total additions	3	-	-	44	

Activity: Environmental Protection

Operating costs of this activity represent approximately 1.40% of total activity expenditure.

Manager: Jamie Clark

What is this Activity About?

Refer to 2021-31 LTP.

Emerging Issues and Expected Changes

Resource Consent Numbers

A significant challenge facing the section is the sheer 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.

As noted previously in this Group Activity, Council is increasing its investment in funding for environmental protection, staffing resource has increased in the monitoring area to allow for increased monitoring of effects on the environment and ensure compliance with relevant permitted activities and consent conditions.

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 new Freshwater regulations 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 programme by diverting staff from other activities into enforcement proceedings.

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. 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. Where court action is required this prolongs the time and resources needed to finalize action. Prioritising resources is a continual issue for the team to achieve efficient and effective monitoring while meeting customer expectations and achieving environmental outcomes.

National Direction

Legislative change or the introduction of 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

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Environmental Protection	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Water Permits	320	338	2	340	338	347
Monitoring charges	180	185	65	250	256	263
Moorings	165	169	(4)	165	169	173
Monitoring - staff costs charged	50	123	(23)	100	154	210
Other External Revenue	9	10	-	9	10	10
Total external revenue	724	825	40	864	927	1,002
Personnel costs	962	1,062	39	1,101	1,140	1,178
Corporate Overhead Allocations	432	454	31	485	505	525
Legal	180	185	(5)	180	184	189
Internal allocation	81	84	2	85	89	92
Departmental Management						
Allocations	63	65	(2)	63	65	68
External support	30	31	(1)	30	31	32
Training Conferences + Seminars	9	12	-	12	12	13
Travel and Accommodation	7	10	-	10	10	11
Other Operating Cost	43	45	2	48	49	51
Total operating costs	1,807	1,948	66	2,014	2,085	2,157

Capital Expenditure Projects

Environmental Protection	2022-23	2023-24	2024-25	2025-26	Benefits Summary
	\$000's	\$000's	\$000's	\$000's	
Utilities	-	-	-	46	Allows for staff to attend to incidents and carry out monitoring. With increase of staffing levels will need to ensure that there are sufficient vehicle resources available for site visits and attendance at incidents.
Total additions	-	-	-	46	

Activity: Biosecurity

Operating costs of this activity represents 5.30% of total activity expenditure.

Manager: Alan Johnson

What is this Activity About?

Refer to 2021-31 LTP.

Emerging Issues and Expected Changes

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

An emerging 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 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 issue emerging with growth of wilding conifer management initiatives is significant resource pressure on Council to fulfil its role of regional 'fund holder', facilitator and (in some cases) the contract principal for operational implementation.

Levels of Service

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Biosecurity	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Miscellaneous Revenue	4,650 ¹	5,825	(124)	5,702 ²	761 ³	13
Fees	3	3	-	3	3	3
Total external revenue	4,653	5,828	(124)	5,705	764	16
Contracts	5,237	6,432	(229)	6,203	1,285	627
Personnel costs	518	533	104	637	660	588
Corporate Overhead Allocations	277	291	20	311	324	336

¹ Note \$4,638,308 of revenue and equivalent operating costs relates to the delivery of the National Wilding Conifer Control Programme

² Note \$5,614,560 of revenue and equivalent operating costs relates to the delivery of the National Wilding Conifer Control Programme

³ Note \$656,666 of revenue and equivalent operating costs relates to the delivery of the National Wilding Conifer Control Programme

Contributions	108	112	(4)	108	111	113
Projects	83	86	(3)	83	85	87
Departmental Management						
Allocations	73	75	(4)	71	74	76
Grants	60	60	-	60	60	60
Depreciation	20	18	4	22	21	21
Aerial Hire	18	19	(1)	18	18	19
Section Management	17	18	(1)	18	19	20
Internal contracts & recharges	15	16	-	15	16	16
Maintenance Vehicles	12	12	-	12	12	8
Other Operating Cost	61	63	10	73	75	76
Total operating costs	6,499	7,737	(105)	7,632	2,760	2,047

Explanation of Revenue and Expenditure Variations

Major Contracts

Description	2021/22	2022/23	2023/24	2024/25
National Wilding Conifer Programme delivery (numerous)	4,862,907	5,614,560	656,666	-
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	36,000	36,000	36,000	36,000
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	5,485,907	6,237,560	1,279,666	623,000

Capital Expenditure projects

Biosecurity	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Utilities	-	-	-	182	Replacement of 4WD vehicles to support operations
Total additions	-	-	-	182	

Activity: Building Control

Operating costs of this activity represents approximately 3.07% of total activity expenditure.

Manager: Brendon Robertson

What is this Activity About?

Refer to 2021-31 LTP.

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 2020 and the next audit round will occur May 2022.

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 providers. This training comes with a cost and allowance has been made for this in the current budgets.

Levels of Service

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Building Control	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Consents - Building	3,101	3,179	58	3,237	3,317	3,400
Compliance schedules	35	36	(1)	35	36	37
Building Exemptions	20	21	(1)	20	20	21
Miscellaneous Revenue	20	21	(1)	20	20	21
Inspections	15	15	-	15	15	16
Commissions	14	14	-	14	14	15
Other External Revenue	22	23	(3)	20	20	21
Total external revenue	3,227	3,308	53	3,361	3,444	3,530
Personnel costs	2,203	2,269	26	2,295	2,375	2,456
Corporate Overhead Allocations	1,070	1,127	(104)	1,023	1,124	1,214
Contracts	280	287	(7)	280	287	294
Departmental Management						
Allocations	156	161	(5)	156	162	168
Internal allocation	81	84	2	85	89	92
External support	50	51	(1)	50	51	53
Training Conferences + Seminars	70	72	(22)	50	51	53
Legal	45	46	(1)	45	46	47
Depreciation	28	28	4	32	32	31
Travel - inspections	24	25	(1)	24	25	25
Settlements	20	21	(1)	20	20	21
Travel and Accommodation	12	12	8	20	20	21
Maintenance Vehicles	16	16	-	16	16	14
Telephone Tolls Faxes and Pagers	13	13	2	15	15	16
Fuel + Oil	14	14	-	14	14	15
Advertising Interviews + Relocations	10	10	-	10	10	11
Other Operating Cost	40	14	2	16	45	20
Total operating costs	4,130	4,250	(99)	4,151	4,384	4,548

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	2022-23	2023-24	2024-25	2025-26	Benefits Summary
	\$000's	\$000's	\$000's	\$000's	
Administration fleet	-	-	25	-	
Utilities	-	-	-	265	
Total additions	-	-	25	265	

Activity: Environmental Health

Operating costs of this activity represent approximately 0.52% of total activity expenditure.

Manager: Jamie Clark

What is this Activity About?

Refer to 2021-31 LTP.

Emerging Issues and Expected Changes

Industry Education

Continuing education services are required for businesses to ensure they are aware of the requirements of legislation.

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

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Environmental Health	2021-22	2022-23		2023-24	2024-25
		LTP	change	AP	
	\$000's	\$000's	\$000's	\$000's	\$000's
Liquor Licences	280	287	(7)	280	287
Food control plans - Verification	60	62	(2)	60	61
Food control plans - Registration	30	36	(1)	35	36
Other Licences	16	16	-	16	16
Other External Revenue	7	7	1	8	7
Total external revenue	392	408	(9)	398	407
Personnel costs	328	338	15	352	365
Corporate Overhead Allocations	150	157	11	168	175
Internal contracts & recharges	85	87	(2)	85	87
Contracts	62	64	4	68	72
Departmental Management					
Allocations	22	23	(1)	22	23
Internal allocation	10	10	-	10	11
Other Operating Cost	41	44	(1)	43	46
Total operating costs	697	722	26	749	804

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	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Administration fleet	-	-	26	-	A vehicle is required for the team to be able to carry out inspections on registered businesses and undertake any assessment of complaints. Ongoing upgrading of equipment and instrumentation is required to ensure the team can carry out their required activities.
Instrumentation	3	4	4	4	
Total additions	3	4	30	4	

Activity: Animal Control

Operating costs of this activity represents approximately 0.60% of total activity expenditure.

Manager: Jamie Clark

What is this Activity About?

Refer to 2021-31 LTP.

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 Foxs 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

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Dog Control	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Dog Registration	555	564	1	565	589	612
Infringement (ex Court)	20	21	(1)	20	20	21
Impounding	10	10	-	10	10	11
Other External Revenue	11	11	-	11	11	12
Total external revenue	596	606	-	606	631	656
Contracts	512	525	5	530	543	557
Corporate Overhead Allocations	59	62	4	66	69	71
Personnel costs	56	58	(1)	57	59	61
Legal	25	26	4	30	26	26
General Expenses	15	15	2	17	15	16
Advertising	12	12	-	12	12	13
Departmental Management	9	9	-	9	9	9

Allocations						
Other Operating Cost	51	52	4	56	56	58
Total operating costs	738	759	18	777	789	810

	2021-22	2022-23		2023-24	2024-25
Other Animal Control		LTP	change	AP	
	\$000's	\$000's	\$000's	\$000's	\$000's
Contributions - Miscellaneous	67	69	11	80	82
Miscellaneous Revenue	4	4	(4)	-	-
Total external revenue	71	73	7	80	84
Contracts	85	87	(2)	85	87
Corporate Overhead Allocations	4	4	-	5	5
Departmental Management					
Allocations	1	1	-	1	1
Total operating costs	90	92	(2)	90	95

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 1.40% of all the activity expenditure

Manager: Luke Grogan

What is this Activity About?

Refer to 2021-31 LTP.

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.

Marine Farm Lighting

The introduction of the Marlborough Environment Plan creates opportunities to rationalise the marine farm lighting requirements in the Coastal Marine Area so as 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 late 2022. Changes to the bylaw will take into account existing and expected risk in the harbour, the new Marlborough Environment Plan and the need for enhanced risk management of Tory Channel. A mooring management bylaw will also likely be proposed.

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 access 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, tide and current modelling, high density bathymetry and automated vessel wake and speed monitoring.

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 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.

The Nautical and Coastal Science Team

The Harbours Activity and the Coastal Science Activity have merged to form a Nautical and Coastal Science team. Details as to the Levels of Service for the of the Coastal Science are shown below.

Formation of a Nautical and Coastal Science Team creates efficiencies in the delivery of both the Coastal Science and Harbours functions existing by enabling maritime resources and personnel to be shared and utilised in a manner that increases output across both Activities. This reflects the fact that these two activities have a clear shared objective to understand, manage and influence human activity in the maritime space.

The Nautical and Coastal Science Team will be dedicated to the pursuit of optimal integrated management practices within the Marlborough coastal marine area (CMA) and ensure Council is well positioned to meet future changes in the coastal space. Specific challenges include;

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 QCS 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

Refer to 2021-31 LTP.

Revenue and Expenditure by Significant Type

Harbours	2021-22	2022-23		2023-24	2024-25
		LTP	change	AP	
	\$000's	\$000's	\$000's	\$000's	\$000's
Navigation Levies	460	472	(12)	460	471
Miscellaneous Revenue	122	125	(3)	122	125
Other External Revenue	8	8	-	8	8
Total external revenue	590	605	(15)	590	605
Personnel costs	568	585	44	629	651
Depreciation	304	316	27	343	362
Corporate Overhead Allocations	226	230	23	253	264
Contracts	169	173	(4)	169	173
Insurance	127	130	30	160	164
General Expenses	35	26	51	77	26
Repairs & maintenance	61	62	3	66	62
Departmental Management					
Allocations	59	61	(3)	58	60
External support	50	51	(1)	50	51
Rent	30	31	18	49	31
Fuel + Oil	48	49	(1)	47	49
Interest - Internal Loans	28	31	(4)	27	29
Telephone Tolls Faxes and Pagers	22	23	(2)	21	22
Projects	94	96	(77)	19	96
Legal	15	15	-	15	15
Other Operating Cost	53	54	(2)	52	54

Total operating costs	1,888	1,934	101	2,035	2,109	2,159
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Major Projects

Description	2021/22	2022/23	2023/24	2024/25	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.
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	\$110,800	Routine SoE Monitoring & Investigations
Ship Wake effects	-	\$30,000	\$0,000	\$30,000	Biennial monitoring.
Ecologically Significant Marine Sites	-	\$60,000	\$60,000	\$60,000	SoE monitoring and surveys
Estuaries	-	\$60,000	\$60,000	\$60,000	SNA assistance programme (pests and weed control and fencing)

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.
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Capital Expenditure Projects

Harbours	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Administration fleet	-	-	26	-	
Utilities	-	-	-	45	
Navigational aids	80	82	84	121	Upgrade and enhancement to ensure fit for purpose AtoNs
Sundry plant	-	102	-	43	Ensure reliable plant and machinery
Boats	70	72	-	76	Enables routine engine replacement
Instrumentation	112	-	118	539	Reduce mobilization costs through remote sensing.
Total additions	262	256	228	824	

Activity: Regional Development

Operating costs of this activity represents approximately 4.29% of total activity expenditure.

Manager: Parking (Jamie Lyall), Economic Development (Neil Henry), Tourism, Research Centre (Dean Heiford), Irrigation (Southern Valleys) (Stephen Rooney)

What is this Activity About?

Refer to 2021-31 LTP.

Emerging Issues and Expected Changes

Economic Development

Whilst the main response to the economic impact of the COVID-19 pandemic on the Marlborough economy – TEAM – has been completed, the ongoing impact is being monitored with Council leading any required response. The most significant ongoing impact is being felt by the tourism industry due to the continued lack of international visitors.

The economic wellbeing strategy development process has been completed and its implementation is already underway.

Tourism

The COVID-19 pandemic has had a severe impact on Marlborough's visitor economy. The closing of international borders in March 2020 has meant that visitor economy businesses are reliant on domestic travellers solely until borders reopen. Destination Marlborough has reoriented its activity to support domestic visitation and support industry through Covid level changes. With funding and direction from MBIE the organisation has widened its focus to include destination management and product capability

Marlborough Research Centre

This Activity is delivered by the Marlborough Research Centre Trust (MRC) and provides funding and in kind support for public good and industry initiated research. The objectives of MRC are to advance regional prosperity and environmental sustainability through collaboration, innovation and strong industry alliances.

Recent funding from the Government's Kānoa Fund to develop Te Pokapu Waina o Aotearoa - the New Zealand Wine Centre at the Budge Street campus will set up Marlborough as the recognised National Centre for grape and wine research in New Zealand. The Research Winery and the proposed Experimental Future Vineyard at the Centre will be unique and attract international recognition and collaboration. The Centre will become a focal point for environmental research and new technologies for the wine sector and other primary production sectors.

Irrigation

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

Parking

Council provides over 1,800 public car parks throughout the region. These car park types include time restricted, on-street and off-street parking. Data for these car parks shows increasing inner CBD occupancy levels of off-street car parks, particularly the Wynen Street all-day car park. Council will continue to monitor occupancy levels and review parking parameters to reduce any congestion levels.

Payment methods for parking tariffs are changing nationwide, with parkers now expecting multiple payment options to be available. Method of payment is moving from cash or coin to a cashless society, including credit cards, PayWave, mobile apps, QR codes and online e-permits. Council is committed to ensuring Marlborough's parking payment services continue to be modern and efficient for its users.

Levels of Service

Refer to 2021-31 LTP.

Operating Expenditure by Significant Type

Marketing and Tourism	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Grants - CPI	613	623	3	627	653	679
Levy Payment	187	190	(2)	188	196	204
Internal contracts & recharges	151	156	(4)	151	155	159
Grants - DM conventions	113	116	-	116	118	121
Grants - DM tagged (CPI)	74	75	-	76	79	82
Corporate Overhead Allocations	56	59	4	63	66	68
Interest - Internal Loans	43	39	-	39	35	31
Promotions	34	35	(1)	34	35	36
Total operating costs	1,272	1,293	-	1,294	1,337	1,380

Research Centre	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Grants - CPI	269	273	1	275	286	298
Internal contracts & recharges	67	69	(2)	67	68	70
Grants	22	22	-	22	22	22
Corporate Overhead Allocations	16	16	1	17	18	19
Total operating costs	373	380	1	381	395	409

Economic Development	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Govt Operating grants & donations	100	-	-	-	-	-
Total external revenue	100	-	-	-	-	-
Personnel costs	475	518	17	535	554	572
Projects	100	-	300	300	307	315
Corporate Overhead Allocations	186	191	18	209	217	226
Grants-Commercial Events	125	134	(4)	130	133	136
Grants	150	-	-	-	-	-
Professional Fees	98	100	(100)	-	-	-
Printing & office supplies	18	50	(4)	46	47	48
Advertising	50	51	(5)	46	47	48
External support	259	184	(164)	20	-	-
Contracts	15	15	-	15	15	16
Other Operating Cost	73	73	(40)	33	41	42
Total operating costs	1,549	1,315	18	1,333	1,362	1,403

Parking	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Parking Collections	636	636	-	636	636	698
Infringement (non Court)	615	634	(19)	615	629	593
Parking Leases	303	313	(12)	301	308	345
Infringement (ex Court)	300	310	(10)	300	307	262
Legal Fees Recovered Revenue	80	83	(3)	80	82	84
Miscellaneous Revenue	10	10	-	10	10	10
Disbursement Recoveries	3	3	-	3	3	3
Total external revenue	1,947	1,988	(44)	1,945	1,975	1,996
Depreciation	412	373	43	416	385	362
Repairs & maintenance	248	256	41	297	260	267
Contracts	272	280	-	280	287	294
Interest - Internal Loans	188	175	12	187	173	158
Rates	176	181	(25)	156	166	170
Levy Payment	30	30	60	90	94	98
Corporate Overhead Allocations	66	70	5	75	78	81
Legal	70	72	(2)	70	72	73
Lease - Other	60	62	(2)	60	61	63
Insurance	38	39	-	39	40	41
Internal contracts & recharges	36	37	(1)	36	37	38
Fees + Charges	31	32	(1)	31	32	32
Departmental Management						
Allocations	27	28	1	28	29	30
Power	18	19	(1)	18	18	19
Cleaning	20	21	(6)	15	15	16
Security	12	12	-	13	13	13
Other operating cost	35	36	(13)	23	24	24
Total operating costs	1,738	1,723	110	1,834	1,783	1,780

Irrigation Schemes	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Connection charges	15	-	-	-	-	-
Contributions - For Capex	50	-	-	-	-	-
Total external revenue	65	-	-	-	-	-
Depreciation	358	531	(157)	374	530	541
Pump Stations - power	300	373	(73)	300	369	440
Interest - Internal Loans	291	471	(261)	209	403	554
Corporate Overhead Allocations	89	94	6	100	104	108
Insurance	76	78	2	80	123	126
Section Management	61	63	3	67	73	77
Reticulation - mains maintenance	48	60	(12)	48	59	71
General Expenses	45	47	(2)	45	46	47
Pump stations - electrical	20	27	(7)	20	27	35
Pump stations - mechanical	20	27	(7)	20	27	35
Reticulation - connection						
maintenance	18	19	(1)	18	18	19
Pump stations - buildings/civil	15	16	(1)	15	15	16
Works Depot costs	16	17	(2)	15	14	15
Other Operating Cost	22	23	(2)	21	32	33
Total operating costs	1,379	1,845	(512)	1,333	1,840	2,116

Grants

Description	2021/22	Comment
Tourism Core Funding	\$613,182	CPI adjusted every year
Fund to cover Tourism Charge Levy	\$187,000	
Only Marlborough Funding	\$34,000	
Additional Support &Resource	\$42,282	
Total	\$876,468	

Major Contracts

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

Capital Expenditure Projects

Regional Development	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Water: Flaxbourne Irrigation	4,000	9,571	-	-	Providing irrigation and economic growth
Water: Southern Valleys	991	16	17	17	
Parking: Blenheim	98	88	101	127	Car park resurfacing and sundry plant upgrades as required
Total additions	5,089	9,675	117	144	

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.
- Ensuring the health, safety and wellbeing of staff, that employment legislation is followed, recruitment processes are robust and support MDC's strategic priorities, staff / councillors get paid accurately and on time, and PAYE is correctly accounted for.
- Providing Health and Safety, Fleet Management, Energy Management, Secretarial Services and Committee Support systems that are efficient and effective for the service levels required.

Emerging Issues

The issues emerging within this Activity include the following:

- All of Government (AOG) Supply Contracts.
- Increasing vehicle and 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).
- Supply chain issues and increase in costs as a result of the pandemics.
- Replacement of vehicles and the potential move to EVs.

Revenue and Expenditure by Significant Type

HUMAN RESOURCES	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Personnel costs	1,055	1,111	97	1,208	1,156	1,189
External support	62	66	(3)	62	64	66
Security	-	-	55	55	56	58
Health and Safety	60	63	(23)	40	41	42
Training - OSH	20	21	(1)	20	20	21
Medical Expenses	-	-	20	20	20	21
Legal	15	16	(1)	15	15	16
Training Conferences + Seminars	10	9	1	10	9	9
Other Operating Cost	11	12	1	13	14	14
Operating costs (recovered as overheads)	1,234	1,297	147	1,444	1,396	1,435

Explanation of Revenue and Expenditure Variations

OFFICE SERVICES	2021-22	2022-23			2023-24	2024-25
		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	618	655	35	690	715	739
Depreciation	393	414	(25)	389	407	427
Photocopying - B/W(external)	125	131	(6)	125	128	131
Repairs & maintenance	134	128	(3)	125	125	154
Postage	117	122	(6)	117	119	122
Cleaning	103	110	(5)	105	108	110
Power	100	105	(5)	100	102	105
Insurance	79	83	-	83	85	87
Printing & office supplies	39	40	(2)	39	40	41
Security	15	10	25	35	10	11
Rates	33	35	(6)	29	30	30
Cafeteria	18	19	(1)	18	18	19
Maintenance Vehicles	12	13	(1)	12	12	13
Health and Safety	7	7	1	8	7	7
Training Conferences + Seminars	8	8	-	8	8	8
Internal contracts & recharges	(212)	(223)	31	(192)	(197)	(202)
Other operating cost	40	44	(2)	42	45	55
Operating costs (recovered as overheads)	1,628	1,701	34	1,736	1,767	1,850

Major Contracts

For:	With:	\$ per annum	Finishes	Comment
Cleaning	OCS	\$164,000	31/08/2021	Value will be adjusted to include new library building in 23/34, additional costs of \$97,000
Electricity	Genesis/Meridian	\$3.3M	31/03/2023	Separate tender process sets price, \$ figure is the budget for all of Council (excluding street lighting paid by Marlborough Roads). The biggest consumers of electricity are sewerage and water with only \$90,000 for Council Offices; actual cost will depend on actual quantity used
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	\$130,000	June 2023	

Capital Expenditure Projects

SUPPORT SERVICES	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Air-conditioning	203	-	-	-	
KMR213 replacement	-	-	47	-	
KLC104 replacement	-	-	26	-	
KLC105 replacement	-	-	26	-	
KLC106 replacement	-	-	26	-	
KLC107 replacement	-	-	26	-	
Base budget	30	61	63	65	building upgrades (reception areas, plan room)
Base budget	35	-	-	-	security system
KLC109 replacement	-	-	26	-	
Carryover	56	-	-	-	
Total additions	324	61	242	65	

IT 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 which are focussed on timely, secure and accurate information to meet business needs and support future opportunities.
- Deliver a robust, accessible, and scalable secure IT environment for Council 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, 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.

- Increasing expectations from the community to access 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 Covid lockdown occurs, customers can conduct business as usual.
- Legislation changes that impact to system 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 mean 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	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Personnel costs	2,574	2,931	(307)	2,625	2,804	3,140
Software	1,100	1,180	344	1,524	1,664	1,706
Depreciation	1,612	1,790	(406)	1,384	1,564	1,667
Contracts	920	1,111	322	1,434	1,469	1,506
External support	240	252	(37)	215	246	252
Training Conferences + Seminars	81	84	(34)	51	82	85
Digital Communications	75	79	(4)	75	77	79
Travel and Accommodation	65	68	(23)	45	67	68
Repairs & maintenance	80	84	(44)	40	41	42
Telephone Tolls Faxes and Pagers	26	27	4	31	31	32
Insurance	38	39	(21)	18	19	19
Internal contracts & recharges	(115)	(121)	6	(115)	(117)	(120)
Other Operating Cost	39	41	(7)	34	34	35
Operating costs (recovered as overheads)	6,735	7,494	529	8,023	8,453	8,830

Explanation of Expenditure Variations

General increases in software costs and contract fees.

New software implemented to strengthen our cyber security with Crowdstrike software.

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

Major Contracts

Contract	\$ per annum	Comment
Software Licensing		
Microsoft Software Licensing	158,000	Annual Licensing
ESRI GIS Software	54,590	Annual Licensing
Technology One	282,000	Annual Licensing
Content EDRMS Software	82,000	Annual Licensing
Mulesoft Integration Software	210,000	Annual Licensing
Datascape	120,000	Annual Licensing
Crowdstrike	120,000	Annual Licensing
Support Contracts		
Computer Concepts	148,000	Network and WAN Management
Computer Concepts	120,000	24 x 7 Support Contract
Datacom Mulesoft Integration	66,000	Mulesoft Support
DataSentinal	72,000	Managed SQL Support

PIMs&LIMs	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
LIM Fees	194	199	14	214	219	224
Total external revenue	194	199	14	214	219	224
Personnel costs	126	130	4	134	138	143
Corporate Overhead Allocations	104	110	7	117	122	127
Internal contracts & recharges	11	11	-	11	11	11
Other Operating Cost	6	6	(1)	5	5	6
Total operating costs	247	257	10	267	277	287

Capital Expenditure

INFORMATION SERVICES	2022-23 \$000's	2023-24 \$000's	2024-25 \$000's	2025-26 \$000's	Benefits Summary
Computer systems	150	359	263	270	Technology One Upgrade to cloud on premise will be no longer supported Maintaining current infrastructure requirements laptop, desktops Network, servers keeping technology current Ensuring systems are all current and up to date to ensure security is at the forefront.
Computers, Laptops, Tablets	225	231	236	243	
Infrastructure	100	410	263	270	
Computer Systems	-	512	263	270	
Carryovers	-	717	-	-	Compliance System, Website upgrade, Datascape upgrade, Monitoring system improve business process. Automated monitoring AWS datalake and digital development to ensure
Marine Smart Services	-	405	-	-	
Computer Systems	-	205	105	108	
Total additions	485	2,838	1,130	1,161	

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 Sub-Committee 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 \$655 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 than 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.
- 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.
- 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 now 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:

- 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.
- The "Three Waters" delivery review could have a significant impact on Council, the implications of which need to be fully understood.
- Preparing the 2022-23 Annual Plan for Council's consideration and adoption after identifying ways of reducing the financial impact on ratepayers.
- Preparing the Chief Executive's Pre-Election Report, prior to the next election.
- Obtaining and managing external debt on favourable terms to Council as total debt levels increase, including possibly financing up to \$110M for the Waitohi Picton Ferry Precinct Redevelopment.
- Flaxbourne Irrigation Scheme development.
- The impending retirement of a senior member of the small Finance team within the next three years and general recruiting challenges for vacancies.
- Membership of the Taituarā (SOLGM) Finance Management Reference Group.
- Changing use of digital systems, e.g. moving the Finance system to the Cloud, supporting on-line payment and emailing of invoices.

Revenue and Operating Expenditure by Significant Type

FINANCIAL SERVICES	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Sales	31	46	(15)	31	32	33
Refunds (other than rates)	18	18	1	18	19	19
Fees	-	-	-	1	1	1
Legal Fees Recovered						
Revenue	-	10	(10)	-	-	-
Total external revenue	49	74	(24)	50	51	53
Personnel costs	1,493	1,584	(22)	1,562	1,617	1,672
Valuation Roll Maintenance	323	339	3	342	331	339
Audit Fees	149	166	(6)	160	164	168
Postage	48	51	16	67	84	70
Contracts	39	41	24	66	41	69
External support	56	80	(24)	56	78	59
Valuations	42	44	(9)	35	35	47
Legal	38	39	(9)	31	31	32
Audit Expenses - not fees	21	21	(1)	20	21	22
Eftpos	14	15	-	15	15	16
Training Conferences + Seminars	13	14	-	14	14	12
Bank Charges	14	15	(1)	14	14	15
Budget Provision	14	15	(1)	14	14	15
Printing & office supplies	12	12	1	13	14	14
Debt Collection	8	9	1	10	10	11
Projects	10	10	-	10	10	11
Subscriptions	7	8	1	9	9	9
Other Operating Cost	41	56	(9)	47	57	59
Operating costs (recovered as overheads)	2,293	2,443	(10)	2,434	2,509	2,585

Capital Expenditure

FINANCIAL SERVICES	2021-22	2022-23			2023-24	2024-25	Benefits Summary
		LTP	change	AP			
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	
T1 and other finance system upgrades	50	52	(2)	50	51	53	To keep systems up to date.
Total additions	50	52	(2)	50	51	53	

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 the Council's legal obligations, to support its organisational activity and projects, to anticipate, plan for and manage legal risk.

The General Counsel is a trusted advisor to the Chief Executive and Executive Leadership Team, providing strategic legal advice and practical guidance to support the activities of the Council.

Detailed functions:

- and existing statutes and regulations.
- Set internal governance policies and internal processes and manage the impact of external factors. 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.
- Provide and coordinate corporate legal services:
 - Provide legal advice to the Chief Executive, the Executive Leadership Team ("ELT") and other Council officers as required
 - Support and provide training to Council officers to understand and manage the legal issues arising in their areas of responsibility.
 - Draft and/or review contracts and other documents to be signed on behalf of the Council with a view to promoting the interests of the Council and managing risk, and to ensure that the contract or document is complete and in the correct form for execution.
 - Act as Solicitor or instruct external legal Counsel for the Council 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. Including the Consents and Compliance, and Environmental Policy Group, and Practice Integration and Advocacy Manager.
 - Maintain an adequate and up to date legal resource library for the Council's purposes.
 - Review proposed legislation and manage the preparation of Council submissions in conjunction with the subject matter expert.
 - Advise on the actions necessary for the Council to achieve compliance with new legislation in conjunction with subject matter experts and mitigate risk.
 - Provide legal input into the Council's process for preparation and review of bylaws (including liaison with external legal counsel where applicable).
- Manage and oversee Council's external legal counsel providers:
 - Set the Legal division policy and approach for briefing external legal providers and monitor any service level arrangements and reporting.
 - Work proactively to identify areas where the Council can work more effectively, both in relation to legal services and legal risk management.
 - Monitor the budget and cost allocation for external legal fees, including periodic reviews of the cost effectiveness and appropriateness of external briefing.
- Keep the Chief Executive and ELT updated of the progress of legal matters briefed externally.
- Develop, direct and drive performance of the Legal team:
 - Develop and maintain an effective Legal Team Charter and Model and operate the Legal

division in accordance with the Legal Team Charter and Model.

- Develop and maintain a legal education and training programme for Council officers.
 - Prepare a training programme for Legal division personnel, including as required to comply with the New Zealand Law Society Continuing Professional Development (CPD) rules.
 - Prepare a budget for the Legal division.
 - Develop and review a Performance Plan for the Legal Team in accordance with the Performance Management System
 - Participate in ELT meetings.
- Inform the Chief Executive as soon as practicable of potentially significant or publicly controversial matters affecting the Legal division or the Council
 - Oversee decision making processes which could result in claims or actions brought against Council including court proceedings:
 - Provide legal advice to the Chief Executive and/or relevant ELT members on the options for, and viability of, any proposed court proceedings.
 - Support the Enforcement and Prosecution Committee by providing advice on legal issues, litigation risk and legal strategy.
 - Brief external legal counsel and manage the action internally for the Council as client, when required.
 - Keep abreast of any external legal instructions of Regulatory matters by Regulatory staff
 - Maintain knowledge of Council operations, legal actions and liabilities.
 - Coordinate the Council's Legislative Compliance Programme
 - Operate and keep up to date the Council's Legislative Compliance Programme.
 - Implement new legal compliance programmes as appropriate.
 - Utilise the SOLGM Legal Compliance guidance.
 - Provide advice to the Audit and Risk Committee
 - Report to the Chief Executive annually in relation to legislative compliance.
 - Anticipate issues, estimate risks strategically and identify proactive solutions.
 - Report on legal risks to the Council as part of the Risk Management Framework.
 - Advise the Chief Executive and Audit and Risk Committee on appropriate levels of insurance.
 - Ensure that at all times Council has appropriate insurance in place.
 - Manage insurance claims on behalf of Council and ensure duty of disclosure is properly discharged.
 - Provide advice on insurance matters to all managers and staff.
 - Regularly report to the Audit and Risk Committee on appropriate matters.
 - Draft documents that minimize risks and optimise legal rights for Council.
 - Carry out the duties of Privacy Officer for the Council.
 - Advise the Chief Executive, ELT and other Council personnel on the application of the Privacy Act 1993 ("Privacy Act") and ensure the Council's practices comply with privacy requirements.
 - Make the decision to release or withhold the information that is the subject of a Privacy Act request (in accordance with the Chief Executive's delegation to the General Counsel).
 - Provide training as required to Council personnel on privacy principles and requirements.
 - Provide legal advice and support regarding LGOIMA.

- Provide legal advice to Council Officers handling Local Government Official Information and Meetings Act 1987 ("LGOIMA") requests at the first instance.
- Monitor the LGOIMA requests and completion of these requests within legislative timeframes
- Where required, make the decision to release or withhold the information that is the subject of a LGOIMA request (in accordance with the Chief Executive's delegation to the General Counsel).
- Provide advice and training to the ELT and other Council employees and officers to support the Council to understand its disclosure and other obligations under LGOIMA.
- Carry out the duties of a Disclosure Officer under the Protected Disclosures Act 2000
- Procurement: Maintain Council's Contracts & Procurement Policy & processes
 - Maintain and enhance Council's procurement and contract management processes.
 - Provide advice on contractual matters to all staff.
- Conflict of Interest
 - Maintain Council's Conflict of Interest Policy.
 - Provide Conflict of Interest training to new and existing employees as required.
 - Provide advice to ELT on conflict-of-interest issues
- Provide advice to the Chief Financial Officer on the legal options and approach for debt recoveries.
 - Brief external legal counsel on debt recovery actions and manage the action internally for the Council as client.

Emerging Issues

The major challenges facing the legal team in 2022-23:

- **Resourcing:** the only solicitor of the team is on permanent/ ongoing secondment to the Environmental Policy Group. She has expressed preference to stay there till retirement. Any resulting capacity issues are currently managed through briefing external counsel, which are only partly met through recovery from the business divisions. A possible interim solution (prior to the inevitable, but not urgent permanent recruitment) could be a secondment from a top or mid-tier law firm. This could be done virtually to save costs.
- **Legislative reform:** Three Waters and Local Government will have a significant impact on Council, which will result in increasing demand for general and specialist legal advice. Given the limited resources in-house, such advice will have to be obtained externally at additional cost.
- **Staffing:** the impending retirement of two key senior members of the small legal team within the next three years. Although this is not an issue for the next financial year, succession and budget planning has to commence soon due to the complexity of responsibilities and duties for both roles.
- **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	2021-22	2022-23			2023-24	2024-25
		LTP	change	AP		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Personnel costs	429	556	(150)	407	521	538
Legal	10	10	65	75	77	79
General Expenses	20	21	(1)	20	20	21
Operating costs (recovered as overheads)	459	586	(85)	502	618	638