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**MARLBOROUGH
DISTRICT COUNCIL**



24 February 2023

Record No: 2341339
File Ref: D050-001-02
Ask For: Mike Porter

Notice of Council Meeting – Thursday, 2 March 2023

Notice of the Council Meeting to be held in the Council Chambers 15 Seymour Street, Blenheim on Thursday, 2 March 2023 to commence at 9.00 am.

BUSINESS

As per Order Paper attached.

**MARK WHEELER
CHIEF EXECUTIVE**



**Order Paper for the
COUNCIL MEETING
to be held in the Council Chambers, 15 Seymour Street, Blenheim
on THURSDAY, 2 MARCH 2023 commencing at 9.00 am**

Open Meeting

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Marlborough District Council

**Order Paper for the
COUNCIL MEETING**
to be held in the Council Chambers, 15 Seymour Street, Blenheim
on THURSDAY, 2 MARCH 2023 commencing at 9.00 am

1. Karakia

Tēnā koutou, tēnā koutou, tēnā koutou katoa

E te Atua tō mātou Kai-hanga,

ka tiāho te māramatanga me te ora, i āu kupu kōrero,

ka tīmata āu mahi, ka mau te tika me te aroha;

meatia kia ū tonu ki a mātou

tōu aroha i roto i tēnei huihuinga.

Whakakī a matou whakaaro ā mātou mahi katoa,

e tōu Wairua Tapu.

Āmine.

God our Creator,

when you speak there is light and life,

when you act there is justice and love;

grant that your love may be present in our meeting.

So that what we say and what we do may be filled with your Holy Spirit.

Amen.

2. Apologies

3. Declaration of Interests

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

4. Annual Budgets 2023-24

- 4.1. Budget Summary
- 4.2. Water and Sewerage Capital Budgets
- 4.3. Road and Footpaths Budget
- 4.4. Capital Expenditure Schedule
- 4.5. Reserve Balances
- 4.6. Infrastructure Upgrade Reserve
- 4.7. Forecast Financial Statements
- 4.8. Council Activities (also refer to the separate attachment)
- 4.9. Levels of Service Increases E-Recruitment System
- 4.10. Levels of Service Increases Digital Health and Safety Management System (HSMS)
- 4.11. Levels of Service Increases Travel-Time Allowance
- 4.12. Levels of Service Increases CDEM Group Plan
- 4.13. Levels of Service Increases Wairau River Rating Review
- 4.14. Levels of Service Increases Picton and Renwick Trial Bus Service Review
- 4.15. Levels of Service Increases Community Facilities: Playgrounds and Sports Parks Funding
- 4.16. Levels of Service Increases Art Gallery Funding
- 4.17. Levels of Service Increases Essential Fresh Water Building Capability and Capacity for Catchment Management
- 4.18. Levels of Service Increases Fixed Term Increase in Building Control Staff
- 4.19. Annual Review of Resource Consent Fees – Resource Management Act 1991
- 4.20. Proposed Environmental Health Fees 2023/2024
- 4.21. Revision of Building Control Fees 2023-2024
- 4.22. Annual Review Resource Consent & Permitted Activity Monitoring Fees & Charges - Resource Management Act 1991
- 4.23. Proposed Amendments to Land Information Memorandum Fees as per Section 44A of the Local Government Official Information and Meetings Act 1987
- 4.24. Service Connection Fee Review
- 1. Introduction of Additional Items**
- 4.25. Waste Fees and Charges**

PUBLIC EXCLUDED

- 3. Trade Waste Charges Review 2022

4.1. Budget Summary

(Report prepared by M Fletcher)

F230-A23-03

Purpose of report

1. To provide Council with an overview of the budgets proposed for inclusion in Council's 2023-24 Annual Plan (AP).

Executive Summary

2. To maintain current levels of service, the "raw" rates increase for 2023-24 would be 10.87%. However, rates savings of approximately 1.9%, which have yet to be processed through the financial and rating system, have been identified, yielding a net figure of just under 9.0%. This is a 3.3% increase on the 5.7% rates increase forecast in the Long Term Plan (LTP) for 2023-24. For consistency throughout the remainder of this paper and other budget papers, the system figure of 10.48% has been used.
3. However, the 2023-24 rates increase forecast in LTP was determined in a totally different economic environment. When preparing the 2021-31 LTP the forecast CPI increase was 1.2% for 2022, 1.4% for 2023 and 1.8% for 2024. This compares with the current and forecast CPI increases 7.3%, 6.4% and 3.5% for the same periods.
4. The proposed budgets maintain a continuation of existing levels of service and a capital expenditure programme that mainly focuses on core infrastructure.
5. To reduce the impact on rates, fees have been reviewed, expenditure has been reviewed with a view to reduce where possible, new revenue source identified, extensive use has been made of the Infrastructure Upgrade and Depreciation Reserves and a \$4.5M allocation from the COVID-19 Rates Relief Reserve.
6. The majority of the increase is driven by:
 - the cost pressures facing local government as reflected in the Local Government Cost Index (LGCI);
 - Council's capital expenditure programme and consequential increased maintenance, management, depreciation and cost of increased debt;
 - increasing Government requirements; and
 - additional personnel costs.
7. When considering the reasonableness of the proposed rates increase, it must be recognised that Marlborough is a Unitary Council, with the combined functions of both a Regional Council and Territorial Local Authority. The rate increases proposed by the majority of Regional Councils are significantly higher than what has been proposed, with Environment Canterbury signalling a 20%+ rates increase for the third year in a row. The lowest Regional Council rates increase identified at the time of writing the paper is Waikato Regional Council at 6.1%, up from the 1.6% projected in their LTP.
8. Net debt levels are forecast to be within the \$230M net debt cap set by Council between 2027-28 and 2031-32 where the cap is exceeded by a maximum of \$23M (including Flaxbourne Irrigation) in 2029-30 should the Three Waters reforms not proceed. Should the Three Waters reforms proceed, there will be no exceedances.
9. Indicatively should Council agree with the recommendations contained elsewhere in this agenda, the rates increase for 2023-24 will be less than 8.0%. An update will be provided at the conclusion of the meeting.

RECOMMENDATION

That Council receive the information contained in this Budget Summary Paper and adopt it as supporting information to the 2023-24 Annual Plan.

Background and Environmental Commentary

10. For each of the two years between Long Term Plans Council is required to prepare an Annual Plan.
11. 2023-24 is the second year since Council adopted its 10 year 2021-31 LTP and the first for this Council. As part of the preparation of the LTP, The previous Council undertook a significant review of its operations and policies. Council's review included:
 - the levels of service for all its activities;
 - Rating and Revenue Policies including the method of rating, rating areas and its Revenue and Financing Policy;
 - Treasury, debt and investment policies; and
 - key assumptions including legislative impact, inflation, interest rates, NZTA subsidy level, population growth and the economic lives of Council assets. The interest rates assumption has been further reviewed as part of the preparation of this AP and Council has decided to increase the interest rate assumption to 5%, which is consistent with NZ wide increase in interest rates.
12. This year's AP has been prepared in an environment that is similar to that which existed when the LTP was prepared, i.e. the Council and the community are facing:
 - the continuing impacts of COVID-19 both on Marlborough and the rest of the world. Much of Marlborough's economy is trade and tourism related and therefore reliant on how the rest of the world deals with the impacts of the COVID-19 epidemic. Much of the Marlborough economy has withstood the economic impacts of COVID-19 well, certainly much better than some of the pessimistic forecasts being made by many commentators 24 months ago. The exception has been tourism. However, there are signs of a recovery in this sector with the opening of NZ's borders and the return of passenger numbers at Marlborough Airport to pre-COVID levels.
 - increasing impacts of Government Regulation and National Policy Statements (NPSs). The Taumata Arowai – Water Services Regulator Act was passed in July 2020 and the National Policy Statement (NPS) on Freshwater Management 2020 was also issued in the same year;
 - further NPSs being in the pipeline, there is also the review of the Resource Management Act 1991 and how the Three Waters will be delivered in the future. As a result of the uncertainty surrounding these developments and reviews, it has been assumed that the status quo will remain for the purposes of preparing this AP. They will be better addressed in the 2024-34 LTP when greater certainty exists. In the interim, Council must keep abreast of any developments and be prepared to provide input/comment;
 - higher levels of population growth are currently being experienced compared to the position of 5-10 years ago. Higher levels of growth increase the demand for additional Council infrastructure. While much of the growth component is paid for via Development Contributions in the long term, Council must fund the costs upfront; and
 - increasing requests from the community for either increased levels of service or increased financial support.

In addition:

- higher than normal levels of inflation are currently experienced, with forecast CPI increases expected to peak at just over 7%, before returning to more normal levels, noting that recovery from Cyclone Gabriel could delay this; and
- supply chain, i.e. the availability of certain materials and the availability of skilled personnel remains a real issue.

Both of these issues are having flow on impacts on prices/costs if they can be secured at all. The above comments are reinforced by the following extracts.

The Treasury 14 December 2022 Half Year Economic and Fiscal Update

“Executive Summary

The global and Aotearoa New Zealand economies are facing multiple challenges that are expected to lead to slower growth in the period ahead.

For Aotearoa New Zealand, this comes after overall economic activity was relatively robust over 2021/22, continuing the recovery from the COVID-19 pandemic. Both economic and fiscal indicators

point to this robustness continuing in the first half of the 2022/23 fiscal year. We now expect real gross domestic product (GDP) to expand 1.8% across the six months to end-December 2022. Activity is being supported by strong employment and wage growth, high levels of investment and the rebound in international visitor spending.

Increasingly, however, ongoing demand growth has come up against supply constraints both foreign and domestic. One area this was evident is the labour market. Although real GDP growth fell short of the forecast in the *Budget Economic and Fiscal Update 2022 (Budget Update)*, demand for labour has been strong. This, combined with the marked fall in labour supply growth experienced over recent years, has seen the unemployment rate at or around historical lows since late 2021, and nominal wage growth has picked up sharply as a result.

Decades-high consumers price index (CPI) inflation, rapid growth in nominal wages and to some extent, the increase in the current account deficit, are indicators the economy is operating above capacity. These imbalances and especially their unwinding are costly for current and future wellbeing. The distribution of these costs will be uneven across firms, households and regions.

We forecast the economic cycle to be nearing a turning point, with a number of the forces shaping economic outturns having intensified over the past six months, with negative implications. Chief among these are the rise and persistence of domestic and global inflation pressures that have seen sharply higher interest rates and large exchange rate realignments; ongoing, albeit abating, supply chain challenges; adverse spill-overs from the Russian invasion of Ukraine; deteriorating global growth; falling house prices; and low consumer and business confidence.

Global growth in 2023 is likely to be the lowest since the early 1990s excepting the global pandemic and global financial crisis. Many economies are expected to contract for at least two quarters by the end of 2023. Growth in China continues to be impacted by its zero COVID-19 policy approach (**this has now changed**). The global outlook is highly uncertain and will be dependent on the effectiveness of central banks' monetary policy tightening and the absence of further negative geopolitical shocks. Even weaker global growth would likely see a faster abatement of global inflation pressures, lower export prices and reduced demand for Aotearoa New Zealand exports.

... which, along with strong demand has seen inflation surge ...

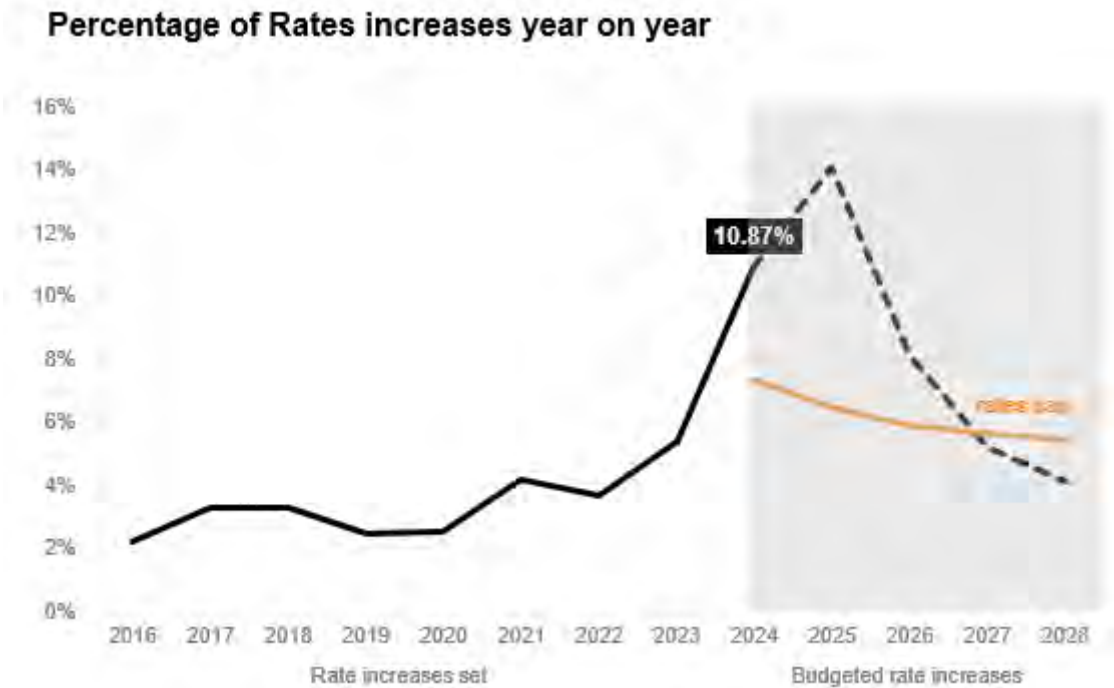
Also from the **Reserve Bank's November Monetary Policy Statement**

"Global consumer price inflation is broad based and remains heightened. Food and energy prices, and persistent core inflation, have combined to create very high headline inflation in many countries. Central banks are tightening monetary conditions in an effort to slow spending and reduce inflation pressure. The ongoing slowdown in global growth will affect New Zealand through both financial and trade channels, and impact on people's confidence due to uncertainty. In New Zealand, household spending remains resilient, especially considering the rise in debt servicing costs, the fall in house prices, and low levels of consumer confidence. Employment levels are high, and income growth and household savings are supporting spending. The rebound in tourism is also supporting domestic demand. The productive capacity of the economy is being constrained by broad-based labour shortages, and wage pressures are evident. Aggregate demand continues to outstrip New Zealand's capacity to supply goods and services, with a range of indicators continuing to signify broad-based inflation pressure.

Budget Approach

13. The budgets contained in each of the Activity Statements (Agenda item 4.8) have been prepared on the basis of maintaining existing LoS and the direction approved in the LTP.
14. Even though this is not an LTP year, Council has still prepared its budgets for each year of the next 10 years. These budgets include adjustments made for:
 - movements in the Local Government Cost Index;
 - known movements in contract prices (e.g. insurance and the retendering of contracts including the Roding Network Operations contract);
 - the impact of previous council investment and funding decisions, e.g. Freshwater NPS and the new/upgraded water and sewerage schemes that have occurred and are continuing to occur through much of the district; and

- the allocations made from the newly established COVID-19 Rates Relief Reserve which were made on the adoption of the LTP.
- Where additional or increased LoS are proposed, a separate paper has been prepared as part of this meeting agenda.
 - The forecast percentage increases in total rates and charges for the next 5 years are shown in the graph below.



NB. The 10.87% is before the reductions referred to in paragraph 2 above.

- The main reasons for exceeding the 'Rates Cap' are the significant lift in Capital Expenditure especially in the Three Waters, inflation, Government and community expectations for improved levels of service and the removal of the COVID-19 Rates Relief Subsidy.

Prime Drivers for Rates Increases

- Commenting on projected rates increases, traditionally the three biggest drivers are the Local Government Cost Index (LGCI), capital expenditure and personnel costs. This continues to be the case.
- The **LGCI** is forecast each year by BERL and used by the majority of Local Authorities to forecast likely inflation movements. The forecast for 2023-24 is 2.4 (Table 1.1 below).
- This index forecasts the increase in Local Authority costs assuming no changes in the level and quantum of service delivered. The index attempts to forecast the price movements for items such as pipes, bitumen, diesel, etc as compared to the CPI which measures increases in household costs such as food, housing and clothing.

Table 1.1

Annual average % change, June Year	2022 Actual	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
CPI*	7.3	6.4	3.5	2.5	2.0	2.0
Hourly wages (annual % change)*	6.4	6.8	6.1	4.7	4.0	3.8

Annual average % change, June Year	2022 Actual	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
LGCI	7.6	5.9	4.3	3.4	2.9	2.7

*Source: Treasury 2022 Half Year Economic and Fiscal Update – 14 December 2022

21. NB, when the 2022-23 Annual Plan was prepared, the forecast was for a much lower increase (see below), so there is a “catch-up” to reflect the actual inflation movements that have occurred.

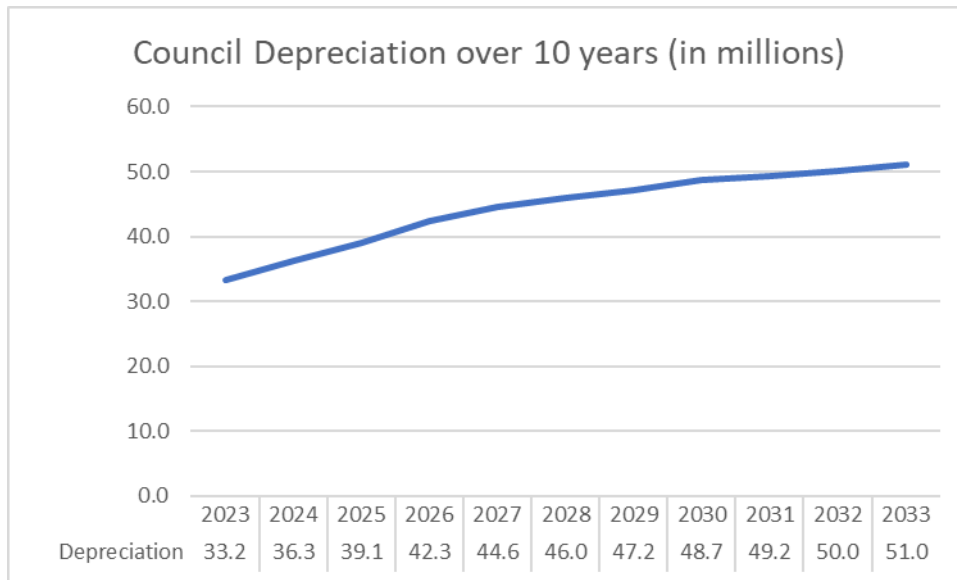
	2021 Actual	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast
LGCI	1.4	2.8	2.4	2.3	2.4	2.6

22. While current CPI increases are high, both the RBNZ and Treasury in their Monetary Policy Statement and Economic and Fiscal Update are predicting increases to gradually move towards the mid-point of the Reserve Bank of New Zealand’s (Reserve Bank’s) inflation target range of 1% to 3%, albeit with significant risks attaching to the forecast.
23. One of the other main drivers is financing **Capital Expenditure**. Over the past five years actual Capital Expenditure has ranged from \$36.2M in 2020 (COVID) to \$76.1M before flood damage expenditure in 2022 with an average of \$58.2M. The projection for 2022-23 is just over \$75M. Please note that individual project budgets total a significantly higher figure, being a culmination of the budgets for work not completed in the year ended 30 June 2023 and new projects budgeted for 2023-24. Capital project timing in project delivery terms as compared to financing terms can vary for many reasons including:
- finalising community consultation;
 - obtaining land access;
 - obtaining resource consents;
 - the availability of external professional expertise; and
 - receiving an acceptable contract price and contractor availability.

Based on these factors, historical experience at Marlborough and other councils, adopting a more conservative approach of forecasting just over \$75M for 2023-24 is reasonable.

24. A similar conservative approach has been adopted for 2023-24, where a total budget of \$76.3M is recommended, including \$1.0M for the Flaxbourne Irrigation Scheme.
25. Over this same 2018 to 2022 inclusive timeframe the value of property, plant and equipment has increased to \$1,970M from \$1,686M, a 16.8% increase. By 30 June 2024, this is forecast to further increase to \$2,250M.

Associated with the above increases in the value of Property Plant and Equipment and other assets, over the same timeframe depreciation has increased to \$29.4M from \$23.2M, a 26.7% increase. By June 2024 depreciation is forecast to further increase to \$35.6M.



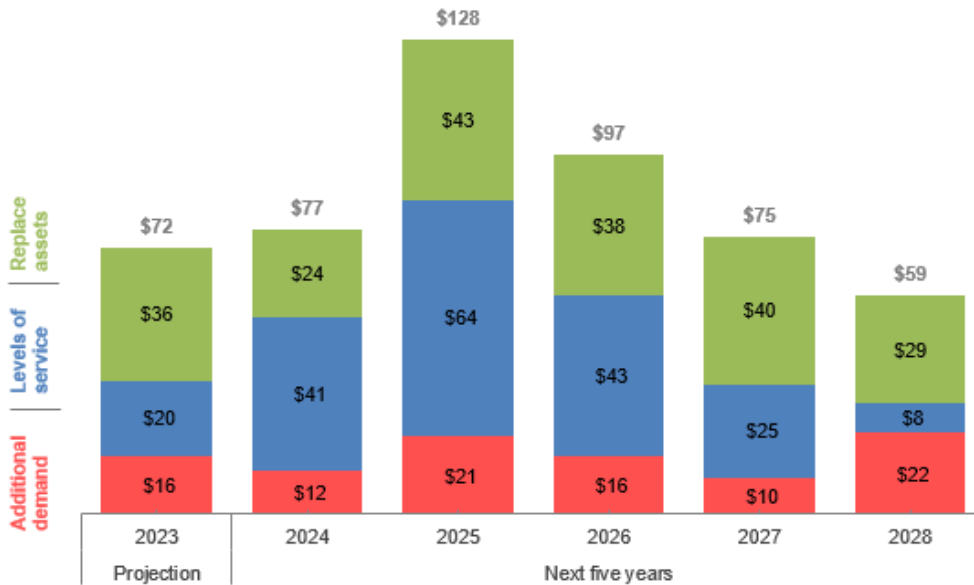
26. The increase for 2024 reflects the increased levels of Capex forecast for 2023 and budgeted for 2024.
27. From a rating perspective, fortunately not all depreciation is funded. As can be seen from the following table, approximately 25% of total depreciation is not funded in 2024 the unfunded portion of depreciation is \$8.1M, with approximately \$6.0M of this relating to Roothing which is 50% funded by the subsidy from Waka Kotahi.

	Total Depreciation \$000	Unfunded Depreciation \$000	Funded Depreciation \$000	Increase in Funded Depreciation \$000
2021-22 Actual Depreciation	29,239	7,608	21,631	
2022-23 Budgeted AP Depreciation	31,516	8,068	23,446	1,815
2023-24 Budgeted AP Depreciation	35,660	9,451	26,209	2,763

28. The table also identifies the contribution made by increased depreciation to the rates increase, being the increase in funded depreciation of \$2.763M (\$26.209M-\$23.446M).
29. To assist in the financing of the increased capital expenditure programme and reduce the need for rates funded debt, maximum use of Depreciation Reserves and the Infrastructure Upgrade Reserve (items 4.5 and 4.6) has been made.
30. The other points to note in regard to Capital Expenditure are:
- the full cost of interest and depreciation apply from the year after construction is completed and that new assets generate ongoing operations and maintenance expenditure; and
 - the Local Government Act requires Council to separately report under the following headings for Capital Expenditure. Capital Expenditure to:
 - improve Level of Service
 - meet additional demand for an activity (Growth); and
 - replace existing assets (Renewal).
31. For the purpose of calculating the amount under each heading, the Act permits the total amount value of a project to be included under the heading that reflects the primary purpose of the expenditure, e.g. if 55% of a project is to address a level of service issue, then the total value is included in the Level of Service category.

32. It is worth noting that one of the tests used by Audit, is whether renewals expenditure is close to the level of depreciation. In 2024 renewals expenditure is \$23.6M and the forecast depreciation for that year is \$35.6M, which is broadly in balance. Audit have been concerned that councils have not been keeping up with their renewals and spending significantly less on renewals than the value of depreciation. This is not the case in Marlborough.

Capital Expenditure by Category (in millions)



33. Please note, as this is only an Annual Plan, the timing of projects in 2024-25 has yet to be reviewed and brought into line with Council’s financial strategy. Also, the value of 3 Waters is included, which under current legislative settings will be transferred to the new Entity C on 1 July 2024. We continue to budget for these projects to ensure that they continue to be identified as we approach 1 July 2024.
34. Allowing for the inaccuracy that is inherent in this allocation process, it would be reasonable to expect that in broad terms:
- a) increases in level of service to be funded by current and future generations, which is typically achieved through the use of debt funding with debt servicing costs being met by rates;
 - b) increases in demand (growth) to be funded by Development Contributions; and
 - c) replacement of existing assets (renewal) to be funded from Depreciation Reserves.
35. As approximately \$41M of 2024 Capex relates to improving level of service. Applying the assumed 5.0% interest rate assumption and a low 1% depreciation rate generates a funding demand of just over \$1.8M, i.e., just over a 20% of the total rates increase. In addition, previous Councils have decided not to recover the full cost of growth driven Capital Expenditure from Development Contributions to encourage growth, which will have a further impact on rates.
36. Offsetting in part the impact of additional Capital Expenditure on rates has been the Government Grants for the Library/Art Gallery (\$11M), River Protection (\$3M) and the Three Waters Projects (\$12.5M).

Personnel Costs

37. Council relies on having good quality staff to deliver its services. To recruit and retain good staff Council must remain competitive in the broader market. To do otherwise would result in increased staff turnover, with a corresponding drop in productivity and additional cost. Studies have shown that it costs up to six months’ salary in recruitment, training and lost productivity should a staff member resign.

Anecdotal evidence suggests that Council's across New Zealand are under increasing pressure to attract and retain good quality staff. An earlier survey conducted 6-12 months ago amongst councils identified staff turnovers in the range of 15-33%. The survey also identified that:

- a) staff turnover is increasing;
- b) councils are often having to go back to the market multiple times to get the right person; and
- c) recruitment and retention have been made more difficult with central government and related organisations paying metropolitan salaries while allowing people to stay and work where they currently live where more often than not, the cost of living is less.

38. In Marlborough's case our turnover is not overly high, but it is increasing. In the 12 months ending 30 June 2021 it was around 7.5%. In the 12 months ending 31 January 2023 it was 10.2%.

39. Taking the above into account and the inflation driven wage expectations identified earlier, an increased budget provision has been made to permit Council to remain competitive in the market during 2023-24.

Combined Impact of LGCI, Capex and Personnel

40. With the LGCI forecast to increase by 5.9% and the indicative impact on rates from Capex and revaluations (funded depreciation and interest) being 8.7% and Personnel being 1.5%. These three factors explain a significant portion of the total rates increase.

Government Requirements

41. There is also a fourth significant driver, Government requirements. The exact dollar value of the additional costs resulting from increasing Government requirements are difficult to quantify as collectively they impact the whole of Council, including for example, the NZ Drinking Water Standards, Traffic Management requirements, National Environmental and Policy Statements, even down to specifying the level of training required by Building Control Officers. There is no indication that the pace of Government reforms and resulting additional costs will slow.

Please see **attached** (as **Attachment 4.1.1**) a schedule dated 27 Jan 2022 prepared by the Department of Internal Affairs (DIA) of central government reforms impacting on local government. Your attention is drawn to the "Other reforms and reviews impacting on Local Government" section and that references to National Policy and Environment Standards has been omitted. DIA stopped preparing this schedule. Also **attached** (as **Attachment 4.1.2**) is a Schedule prepared by **Taituarā** dated 9 December 2022 showing the number of initiatives out for consultation.

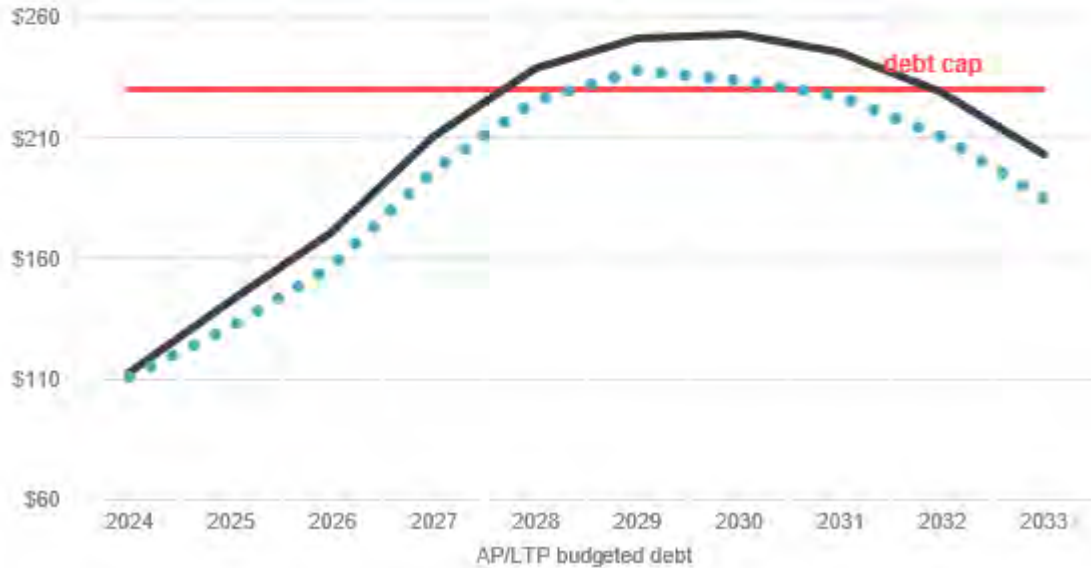
Debt

42. The other aspect Council should be aware of is how the proposed budget impacts upon projected debt. The following table identifies Council's:

- a) 2023-24 projection of net debt (ie. Net of cash and investments);
- b) 2023-24 projection of net debt without Flaxbourne;
- c) The \$230M Council determined net debt cap.

Council debt, net of investments and cash - including and excluding Flaxbourne irrigation

Council's 2021-31 self imposed **debt cap** is exceeded from 2028 to 2032, this is mainly due to the level of capital expenditure.



43. As a result of the increased Capital Expenditure budget contained in the 2021-31 LTP, the 2022-23 AP and this AP, net debt is projected to increase and peak (including 3 Waters related debt) at \$253M in 2030. This amount is above Council's self-determined \$230M net debt cap that was set as part of the 2021-31 LTP.
44. Despite exceeding the net debt cap, Council's debt still remains well inside the LGFA's debt covenants and it holds a AA long term credit rating:

Financial Covenants	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Net debt / total revenue <250%	72%	84%	94%	112%	122%	127%	124%	117%	107%	93%
Net interest / total revenue <20%	3%	4%	4%	5%	6%	6%	6%	6%	6%	5%
Net interest annual rates income <30%	5%	6%	7%	8%	9%	9%	9%	9%	9%	8%
Liquidity > 110%	126%	121%	118%	115%	113%	112%	112%	113%	114%	115%

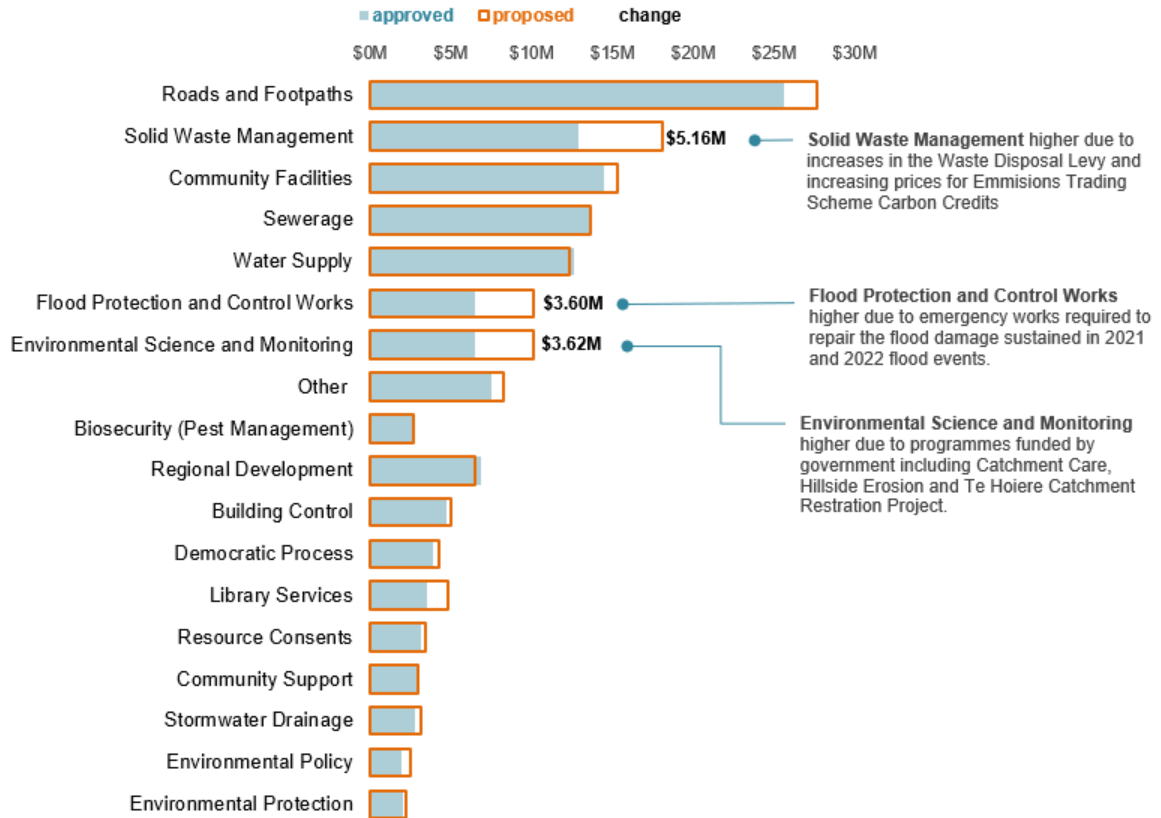
45. However, should the reforms of Three Waters delivery signalled by the current Government continue, then net debt will remain well within the debt cap as the majority of Council's forecast debt relates to Three Waters assets.

Proposed Council Operating Expenditure

46. The following graph shows the proposed 2023-24 Operating Expenditure levels for each activity and the amounts approved in the 2021-31 LTP for 2023-24.
47. As can be seen the vast majority of expenditure is targeted towards providing good quality infrastructure and local public services.

48. In the 2021-31 Long Term Plan Council budgeted \$134.1M of operating expenditure for 2023-24. The 2023-24 Annual Plan is now proposing \$152.8M. The 18.7M change is mainly reflected in the Solid Waste, Flood Protection and Control Works and Environmental Science and Monitoring activities. The main variances are explained below.

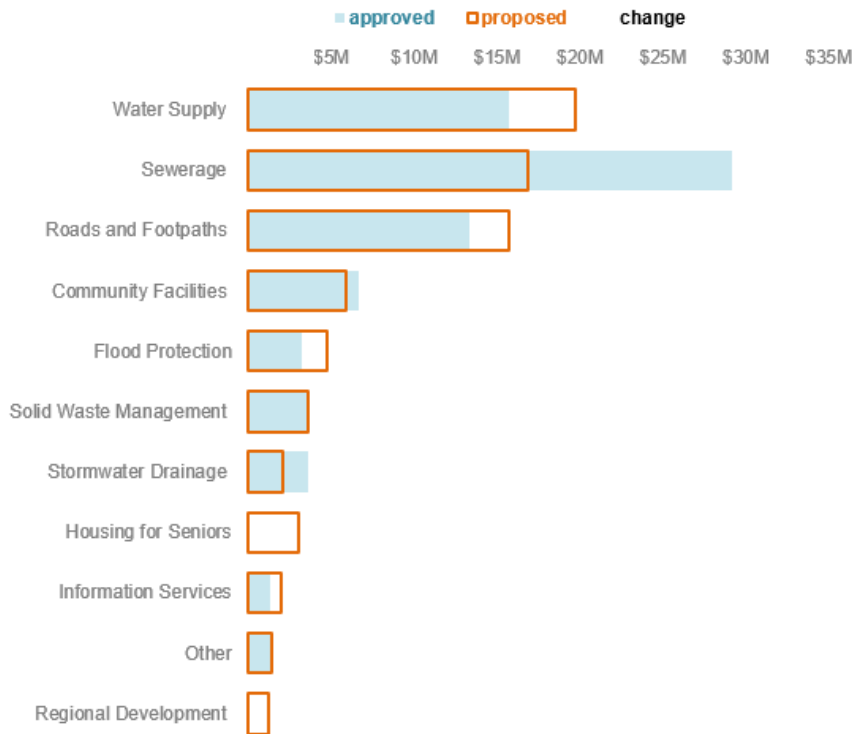
2023-24 **proposed operating expenditure** against **previous LTP budget**



Proposed Council Capital Expenditure

48. The following graph shows the proposed 2023-24 Capital Expenditure levels for each activity and the amounts approved in the 2021-31 LTP for 2022-23.
49. Again, the vast majority of expenditure relates to core infrastructure and public services. Separate agenda items (refer items 4.2 to 4.4) provide more detail on the proposed Capital Expenditure programme.
50. In the 2021-31 Long Term Plan Council budgeted \$78.1M of capital expenditure for 2023-24. In this AP we are now proposing \$76.3M of capital for 2023-24. The main changes are in Water Supply, Sewerage, Roads, Stormwater and Housing for Seniors. The main reasons for these are the timing of projects.

2023-24 proposed capital expenditure against previous LTP budget



Commenting on the Proposed 2023-2024 Increase in Rates and Charges

51. The table below identifies the activities that have the greatest impact on the proposed increase in rates and charges and in summary the reasons why. It should also be noted that some of the increase results from the flow on effects of previous years’ decisions, particularly if last year expenditure was funded from reserves for one year and this year are fully rate funded and investment in infrastructure intensive activities such as Sewerage, Water and Community Facilities. These projects are now incurring a full year’s charge for depreciation, interest on loans and, for some, increased operating costs. Conversely, if budgeted Capital Expenditure has been deferred or delayed, then the corresponding depreciation and interest will not come to charge.

General Roading and Footpaths	1,519,771	The main increase is in depreciation costs due to an increase in revaluation of the assets.
Library	1,284,182	Increased operating and depreciation costs due to a larger library building.
Community Facilities	1,023,457	The main increase is due to additional costs for the District’s reserves and public conveniences. This includes an increase in operating costs for the Lansdowne sports hub.
Water Supply	806,123	The main increase is in depreciation costs due to an increase in assets and their values in prior years.
Building control	699,062	The budget for Fees & charges has decreased by 5%, while the personnel & operating costs have increased due to inflation. A separate paper proposing increased fee levels is contained in this agenda and will largely offset this increase.

Sewerage	655,388	The main increase is in depreciation costs due to increase in assets in prior years.
Flood protection	449,256	Increased operating cost in insurance, electricity and minor works.
Environmental Management	426,400	Additional resources are required for environmental review to keep pace with government (National policy and environmental statements) and the community demand for quality environmental data and monitoring to position Council well for the future.
Solid Waste Management	389,452	Waste disposal levy increasing from \$30 per tonne to \$50 per tonne. It is expected that this will increase to \$60 per tonne next year.
Resource Consents	371,523	Increased costs in personnel and corporate expenses, but no increases in fees shown in this budget. A separate paper proposing increased fee levels is contained in this agenda and will largely offset this increase.
Democratic Process	367,937	As there is an LTP next year the audit fees costs are budgeted, offsetting the reduced election costs that featured in the 2022-23 budget. The increase in councillor fees are also in this category.
Storm water	360,453	The main increase is in depreciation costs due to increase in asset values in prior years.
Culture Heritage	205,023	Increase in depreciation costs for the art gallery portion of the new library/art gallery building.
Harbours	200,724	Major expense being depreciation for the 3 tide stations computer project. An indicated increase in Navigation levies will largely offset this increase.
Targeted Rates and Charges:		
Riverlands Water Supply	181,818	Additional costs due to the Riverlands new water treatment plant including treatment costs.
Total	9,359,515	

Additional Expenditure Requests

52. A number of new initiatives with supporting papers are contained elsewhere in this Agenda. The table below shows the indicative impact on Rates should Council agree to proceed with the proposed initiatives. Similar to previous years, Chris Lake will have her Rates Forecasting Model at the 2 March meeting to provide Councillors with an indicative rates movement at the conclusion of the meeting. NB, the indicative rates movement at the time will include the financial impact of any related staff positions, depreciation and debt servicing costs.

Levels of Service Increases	Total \$	Indicative Rates Impact 2023-24	Comments
People and Capability initiatives	70,000	\$70,000	As this expenditure is on-going it should be Rates funded.

Travel-Time allowance	8,000	\$8,000	As this expenditure is on-going it should be Rates funded.
CDEM Group Plan Review	39,500	-	As this is only for one year, it is suggested that this be funded from the Forestry and Land Development Reserve.
River Rating Review	200,000	-	As this is only for a two-year period, it is suggested that this be funded from the Forestry and Land Development Reserve.
Bus Service Review	29,400	\$29,400	As the continuation of the Picton bus would be permanent, this should be rates funded.
Community Facilities: Playgrounds and Sports Parks Funding	1,705,160	\$21,440	Majority of items from Landsub with the balance being debt funded via rates.
Funding of New Art Gallery	1,000,000	(\$80,000)	Rates saving
Essential Fresh Water Building Capability and Capacity for Catchment Management	975,000	-	For future rates from 2025-2026
Fixed Term Increase in Building Control Staff	500,000	-	As this is only for a two-year period, it is suggested that this be funded from the Forestry and Land Development Reserve.
Fee Reviews – Rates Savings			
Resource Consent Fees		(\$276,690)	
Health Fees		(\$19,100)	
Building Control Fees		(\$438,860)	
Resource Consent & Permitted Activity Monitoring Fees & Charges		(\$222,270)	
LIMS Fees		(\$24,800)	
Service Connection Fee Review		(\$30,680)	
Net Impact on Rates		(\$963,560)	Rates Saving

Reserve Funds

53. The forecast balances (\$M) of Council's Discretionary Reserves are shown in the table below. Further detail on the allocations already approved from these Reserves are shown in Items 4.5 and 4.6. In summary Council's Reserves position is slightly better (\$5M) than that presented to Council at the 2022 Budget Meeting.

Discretionary Reserves	2023-24 \$M	2024-25 \$M	2025-26 \$M	2026-27 \$M	2027-28 \$M	2028-29 \$M	2029-30 \$M	2030-31 \$M	2031-32 \$M	2032-33 \$M
Forestry and Land Development	5.51	4.01	3.07	2.82	2.58	2.35	2.12	2.65	3.29	3.95
Infrastructure Upgrade	15.87	16.07	14.36	11.69	8.93	6.28	3.81	1.50	(0.57)	(2.52)
Emergency Events	2.04	0.94	2.08	3.83	4.44	5.11	5.43	5.42	5.46	7.28
Total	23.42	21.02	19.51	18.34	15.95	13.74	11.37	9.57	8.18	8.71

Attachments

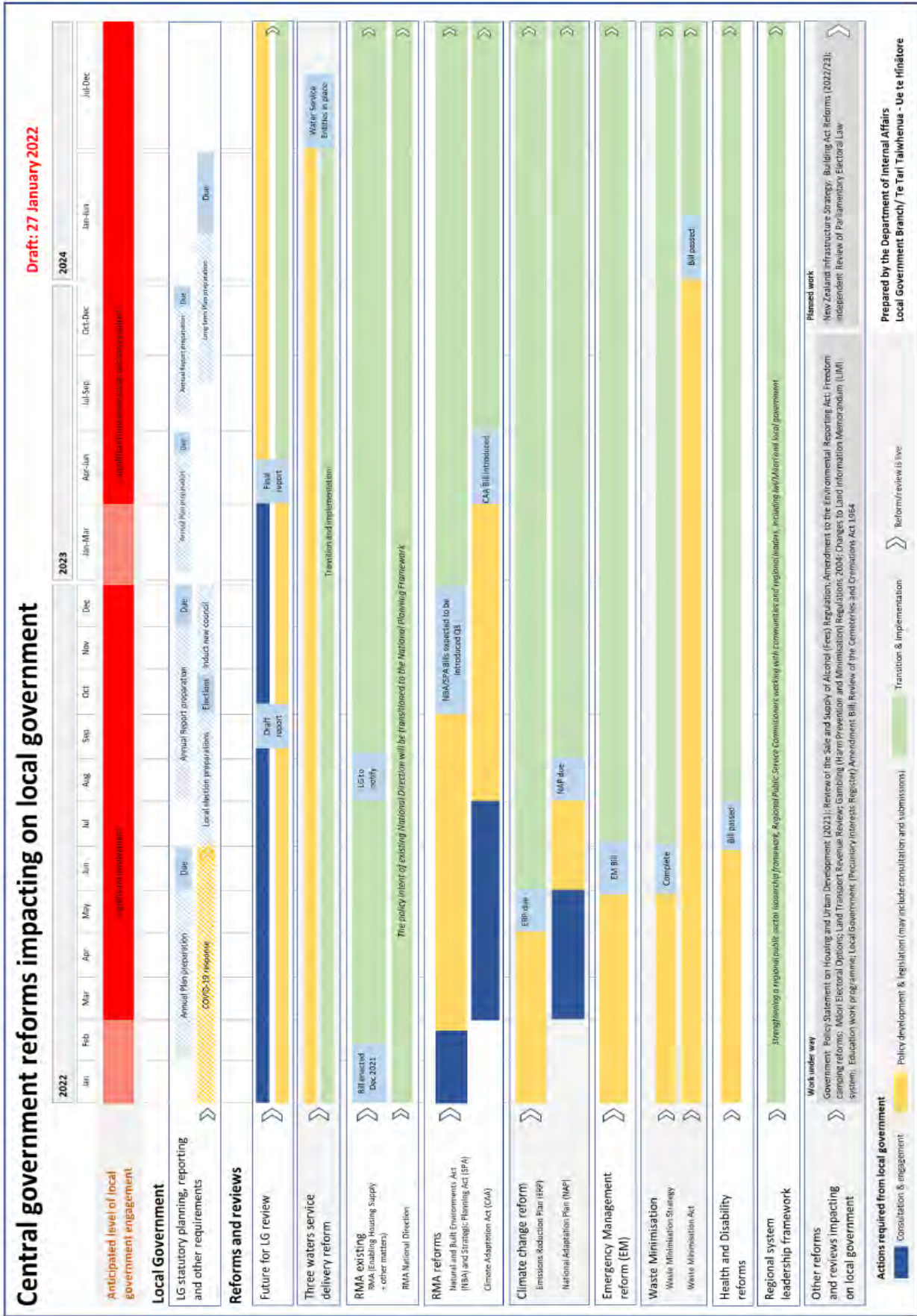
Attachment 4.1.1 – Central Government Reforms Impacting on Local Government – 27 January 2022

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Attachment 4.1.2 – Taituarā schedule entitled “Open for Submissions as at 9 December 2022”

Page 18

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



Attachment 4.1.2

Open for Submissions as at 9 December 2022 (last report provided by Taituarā)		
Everything beneath the buff-coloured line is upcoming and the information is speculative.		
Name of initiative	Agency engaging	Description
Consultation on reducing the emissions impact of fluorinated gasses	MFE	Fluorinated gases (F-gases) contribute significantly to global warming. This is because they are potent greenhouse gases, with global warming potential hundreds or thousands of times greater than carbon dioxide. MFE seeking feedback on proposed measures to reduce the environmental impact of fluorinated gases (F-gases). This includes a regulated product stewardship scheme for refrigerants and prohibiting the import and sale of pre-charged equipment when alternatives are available.
Business Payment Practices Bill	Economic Development Science and Innovation Committee	This bill would introduce a regime that aims to bring transparency to business-to-business payment terms and practices in New Zealand. Local authorities are included.
Class 4 licensing proposals under development – added 28 November	DIA	has put out initial engagement to strengthen regulation of class 4 operators. The proposals will affect DIA regulators only, however, the changes would have implications for improving community well-being
Local Government Official Information Act Amendment Bill – added 26 November	Governance and Admin Select Committee	Bill makes changes to law governing disclosure of information about natural hazards on LIMS
Natural and Built Environment Bill – added 15 November	Environment Select Committee	First of two Bills giving effect to RMA reform. This focuses the setting of environmental limits, environmental and land use planning, and the governance of those activities.
Spatial Planning Bill – added 15 November	Environment Select Committee	Second of two Bills giving effect to RMA reforms. This one focuses on regional spatial strategies and the governance of these activities
Sale and Supply of Alcohol (Community Participation) Amendment Bill (NEW – added 7 December)	TBC	This bill aims to improve communities' ability to influence alcohol regulation in their area by making targeted changes to the alcohol licensing process provided for in the Sale and Supply of Alcohol Act 2012. (This is the Bill that would remove appeal rights on provisional LAPs)
Water Services Entities legislation Bill (NEW – Added 8 December)	TBC	Second of two Bills giving effect to water reform. Bill will cover powers, funding and pricing, links to land use planning, and amendments to LGA (including LTP 2024).

Water Services Economic Efficiency and Consumer Protection Bill (NEW – Added 8 December)	TBC	Gives effect to Government decisions to introduce economic and consumer protection regulation for the three waters services,
Regulation of Methamphetamine Contamination in Rental Housing (NEW – Added 9 December)	HUD	It is currently unclear what to do when residential rental premises are found to contain methamphetamine residue. Specifically, it is not clear at what level residue becomes a problem which should be addressed. This is confusing for stakeholders, and has led to disproportionate responses to low levels of methamphetamine residue.
		Regulations are needed to provide certainty around what to do when residential rental premises are contaminated with methamphetamine.
Future for Local Government draft report	Future for Local Government panel	Draft report including recommendations from the panel.
Business Payment Practice Regulations	MBIE	This regime will improve information and transparency around business-to-business payment practices by requiring large firms (those with turnover of \$33 million a year) to publicly disclose information on their payment practices, including payment times. This includes local authorities.
National Environment Plan on PFAS	MFE (joint with NZ and Aust EPA)	The Heads of EPAs of Australia and New Zealand (HEPA) have released the draft per- and poly-fluoroalkyl substances National Environmental Management Plan (PFAS NEMP) version 3.0 for public consultation. We're advised that this potentially affects any entity that deals with water, wastewater, stormwater, biosolids, composting and landfills.
Upcoming		
Housing Infrastructure (GST-sharing) Bill	TBC	This Bill would introduce a GST-sharing scheme to fund housing infrastructure. Effectively councils would receive 15 percent of the value of building work put in place in their local authority in the preceding year.
Sale and Supply of Alcohol (Cellar Door Tasting) Amendment Bill	TBC	This Bill allows winery cellar doors to charge visitors for the samples of their own wine and adds an off-licence category for wineries holding an on-licence.
Civil Defence and Emergency Management Amendment Bill	Governance Admin Select Committee	Gives effect to whatever of the Trifecta Review survives the 'consultation' and policy development process. NEMA officials have said this is the formal consultation.

Land Transport Management Amendment Bill (not sure of title)	Transport and Infrastructure Select Committee	Legislation to give effect to changes to the Passenger Transport Operating Model.
Royal Commission into Covid-19 response (NEW – added 5 December)	Royal Commission	The overall lessons learned from the pandemic response including the economic response.
Building Amendment Bill (NEW – added 7 December)	TBC	Bill will introduce energy ratings for buildings and waste minimisation plans to support Aotearoa New Zealand's climate change goals. (Hat tip: Mark from Hamilton)
Climate Adaptation Bill	Presumably, Environment	Will introduce the legal framework for managed retreat and other climate response matters.

4.2. Water and Sewerage Capital Budgets

(Report prepared by S Donaldson/R Coningham)

F230-A23-03

Purpose of report

1. To provide an overview of Water and Sewerage projects and capital budgets¹ over the 2023-33 period.

RECOMMENDATION

That the water and sewerage budget and programme for the 2023-33 period be received and the information be adopted as supporting information.

Water

Awatere - Rural

2. \$1.5M is budgeted in 2024-25 for point of entry treatment for rural households not served by the Seddon water treatment plant.
3. The Lions Back tanks were going to be replaced by a single steel or stainless-steel reservoir, however the price received exceeded the estimate and budget. All available options are now being scoped in an effort to find a suitable and affordable solution. There is \$1,270,000 budgeted in 2023-24.
4. A reservoir is planned for the Dashwood (north side of the Awatere River) and there is budget provision of \$170,000 in 2027-28 and \$455,000 in 2028-29. Winery redevelopments in this area have queried whether additional capacity could be added to the reservoir for their requirements. Any increase reservoir size for this would need to be funded by the winery developments.
5. Computer hydraulic modelling has been used to assess the performance of the reticulation. Pipelines that require upgrading to increase their capacity have been identified. Upgrades are prioritised and programmed.
6. There is a budget of \$940,523 for water mains over the period 2023-30.

Seddon

7. \$328,000 is budgeted in 2024-25 for water pipeline upgrades to service currently undeveloped urban zoned land in Seddon. The timing for the work will depend on when the land is developed.
8. In 2023/24 there is \$190,000 budgeted to reduce backwash volumes and reduce the discharge to the sewage treatment plant. It is important now that the sewage treatment plant is to be changed to land disposal, that the volume discharged to the ponds is reduced.
9. Seddon water treatment plant was constructed with a single reservoir with provision of a prepared site and pipework for an additional reservoir of the same capacity. High summer demand has occurred on days when the temperature is high, and it is proposed to construct the second reservoir in 2023-24 with a budget of \$1,270,000.

¹ All capital budgets in this paper exclude overheads and inflation.

Blenheim

Reticulation Upgrades

10. Computer hydraulic modelling has been used to assess the reticulation. Pipelines that require upgrading to increase their capacity have been identified and budget has been made for \$4.31M over the period 2023-31. The first upgrade, in 2023-24, is replacement of the water main in McLauchlan St.

Pump Stations and Reservoirs

11. In 2024-26 there is budget of \$285,000 for the supply and installation of a standby generator for the secondary Blenheim water treatment plant. \$190,000 is budgeted in 2025-26 for upgrades to reservoirs. There is budget of \$2,320,000 in 2026-28 for replacement of the Wither Road booster pump station.

Chlorination

12. It is expected that chlorination will be required for all water supplies in NZ unless a significant investment is made to upgrade the reticulation. There is \$5,220,000 budgeted for chlorination and some other treatment improvements of the Blenheim supply over the period 2023-25.

New Wells and Treatment

13. New wells to the north of Blenheim are proposed to increase the resilience and capacity of the supply.
14. \$400,000 is budgeted for new wells and investigations in the period 2023-25. Pipelines for the new wells are budgeted in 2024-27 for \$10M. A budget of \$10M is allocated to a distribution pump station and treatment plant in 2026-27.

Universal Metering

15. Budget of \$10,725,000 is provided for universal metering in 2028-30.

Havelock

Water Treatment

16. There is \$8,145,000 in 2023-25 for a water treatment plant with supply pipeline for Havelock which will ensure the supply complies with the Drinking Water Standards for New Zealand (DWSNZ).

Reticulation Upgrades

17. There is budget of \$180,000 in 2023-24, \$120,000 in 2025-26 and \$150,000 in 2031-32 for reticulation upgrades.

New Source

18. Havelock's existing water source is a shallow aquifer near the Kaituna River. The groundwater has been affected by saltwater intrusion in dry summers, in particular in 2015 when restrictions on water use had to be imposed.
19. Reports have been received on the issue of salinity and potential alternative water sources. A new source in the high yielding Pelorus River catchment will be a significant cost, primarily because of the distance from the town to an abstraction point that is reliable and free from the risk of saltwater intrusion. There is budget provision of \$12,545,000 in 2032-33 for supplying Havelock from the Pelorus.
20. A new well has been drilled at Readers Road by the Kaituna River, 1750 metres further inland from the existing wells. This well has been shown to produce a good supply of water with less risk of saline intrusion. Resource consent has been granted to use this well.

Picton

Speeds Road Additional Wells and Treatment and Pipeline

21. New wells have been drilled to improve resilience and it is proposed to bring these into service with a filtration stage. Drilling and testing additional wells across the valley has highlighted considerable variation in water quality which needs to be planned for. There is budget of \$8,120,000 in 2024-26.

Universal Metering

22. Only commercial and industrial connections in Picton are currently metered. It is planned to investigate metering all connections and there is budget of \$120,000 in 2023-24 and \$1,915,000 in 2024-25.
23. Metering has been shown to reduce consumption. Picton is at the limit of its existing two sources and a third source would be a substantial cost, in the order of \$13.0M. Demand management using metering and using reclaimed water for non-potable uses is considered a better option than a third source. Treatment of sewage treatment plant effluent for reuse is discussed in paragraph 69 below.

Treatment for pH Control

24. Treatment for improved pH control is proposed and there is budget of \$780,000 in 2023-24.

Pressure Management Zone

25. A pressure management zone is proposed for the lower parts of Waikawa. The zone will reduce usage and leakage. Budget is provided of \$503,303 in 2024-25. The Waikawa Pressure Management Zone is subject to resolving some difficulties maintaining sufficient pressure to several elevated properties.

Essons Valley Raw Water Pipeline

26. There are two existing pipelines from Barnes Dam to Essons Valley water treatment plant, one cast iron, the other steel. The steel pipeline was installed for the supply of water to the Picton freezing works and has had to be taken out of service due to the increasing rate of failure. There is budget of \$1,200,000 in 2025-26 to re-line the cast iron pipeline.

Essons Water Treatment Plant Upgrade

27. The Essons Valley water treatment plant complies with the Drinking Water Standards, but there is an aesthetic issue with taste and odour. A significant upgrade would be required to resolve this which is not budgeted for at present. There is budget provision of \$160,000 for replacement of the filter media in 2024-25.

Barnes Dam

28. Consultants are currently assessing the structural integrity of the dam. Budget provision has been made for \$280,000 in 2023-25.

Reservoirs

29. There is budget of \$180,000 in 2023-25 to replace a set of plastic tanks.

New Source

30. There is a budget of \$13,300,000 in 2031-32 for a new source including pipelines and treatment. The new source could be put back several years depending on how successful the proposed demand management is (Refer to paragraph 23).
31. The preferred location of a third source is the Wairau Aquifer; however, it may be difficult to obtain a resource consent. There is a possibility that highly treated effluent from the Blenheim Sewage Treatment Plant could in future be used for irrigation that replaced consented groundwater abstraction and thereby free up groundwater for Picton. Refer to paragraph 46.

Renwick

Water Treatment and Condens Bend Road Bores

32. There is budget of \$4,952,000 in 2023-24 for the completion of construction of a new water treatment plant and connection to the bores in Condens Bend Road.

Reticulation Upgrades

33. Groundwater used to supply Renwick is of low alkalinity, and because of that the water corrodes the asbestos cement (AC) reticulation piping. As a result, a replacement programme has been budgeted.
34. There is \$2.1M budgeted for renewals in 2023-24 and the same again in 2024-25.

Riverlands

35. If the current wells supplying water to Riverlands were to be retained, relatively involved treatment would be required to reduce the concentration of manganese and to meet the Drinking Water Standards. The preferred option is an alternative source within the same freshwater management unit that is low in manganese. Low manganese simplifies treatment significantly.
36. New wells have been drilled further inland close to Blenheim. The pump testing of the two new wells shows they are suitable for supplying Riverlands and a filter trial is to be conducted to determine the type of treatment required.
37. Budget is provided for upgrading of \$17,030,000 in 2023-25 to bring the new wells in to operation with treatment meeting the drinking water standards.

Wairau Valley

38. Properties on the south-east side of the highway are using groundwater which is elevated in arsenic and allowance has been made in the budget for connecting these properties subject to consultation. The supply would be limited to household usage. Budget is provided in 2025-26 of \$385,000.

Sewerage

Blenheim

Sewage Treatment Plant – Industrial Upgrade (Riverlands)

39. Grape vine plantings continue to expand and increasing wine production at Riverlands is forecast.
40. There is a budget in 2026-27 of \$3M for sludge management. This will take industrial sludge out of the ponds system and thereby reduce future pond desludging requirements.
41. Capital upgrade costs are recovered from users by tradewaste charges.

Sewage Treatment Plant – Domestic Upgrades

42. There is a budget of \$2,235,000 in 2028-29 for the construction of a large high flow buffer pond as part of the strategy to reduce overflows from the sewer network.
43. \$4,200,000 is budgeted in 2023-25 to desludge Domestic Pond 2.

Sewage Treatment Plant – Domestic and Industrial - Resource Consent Upgrading

44. The sewage treatment plant will require upgrading for the next resource consent. The details of the upgrade will not be known until options are reviewed, consultation completed, Council approval is given and a resource consent granted. Assumptions have been made for budgeting, however the range in potential costs is large.

45. Industrial and domestic discharges share the cost. The following budgets are included:

	2023-25 per annum	2025-26	2026-27	2027-30
Domestic	\$350,000	\$21,000,000	\$175,000	\$125,000
Industrial - Riverlands	\$150,000	\$9,000,000	\$150,000	\$150,000

46. The \$30M budgeted for treatment in 2025-26 is an allowance for an upgrade for the next resource consent. It assumes a high standard of treatment so that the effluent can be safely used for irrigation and other non-potable uses.
47. In 2026-28 there is \$10M budgeted for reticulation to distribute the highly treated effluent to end users.

Purkiss Street Reticulation and Pump Station

48. There is \$3,050,000 budgeted in 2023-24 for upgrading of the Purkiss Street north pump station and pipelines.

Reticulation – Sewer Relining

49. The Kaikoura Earthquake on 14 November 2016 caused damage to a significant portion of Blenheim's earthenware sewer mains. The sewers are being relined where practicable.
50. There is sewer renewal budget of \$985,600 in 2023-24 and \$957,440 per year for the four years, 2024-28.

Main Terminal Pump Station – Alabama Road (MOPS)

51. This station pumps all of the sewage from Blenheim, Woodbourne, Renwick and Marlborough Ridge through a 5.1km long pipeline to the Blenheim sewage treatment plant. The station is built in an area that is susceptible to liquefaction. Consideration was given to ground improvement and strengthening but that proved impractical. A new station will provide improved seismic and hydraulic performance.
52. \$250,000 is budgeted in 2022-23 for investigations and design. \$3,000,000 is budgeted in 2023-24 and \$11,000,000 in 2024-25 for construction.
53. Relining of the original MOPS to treatment plant pipeline is budgeted in 2023-25 for \$3,450,000. This is part of the plan to provide for growth and limit overflows.

Battys Road South Pump Station

54. If the population of Blenheim keeps growing, an additional large pump station will be needed in Battys Road. Council has already purchased the land and an interim small pump station is on the site.
55. There is budget of \$6,690,000 in 2027-28 but the timing is very much dependent on growth.
56. Budget has been provided in 2027-29 for \$6,830,000 for high flow storage as part of the strategy to reduce sewage overflows.

Other Works

57. \$1.3M is budgeted in 2023-24 for sewage pump station upgrades and reticulation.
58. Provision is made for sewerage in Burleigh in 2025-27 with a budget of \$2,464,000.
59. There are several other smaller pump and pipeline upgrades budgeted in the ten-year period.
60. There is \$300,000 budgeted in 2025-26 and 2029-30 for increasing resilience at smaller sewage pump stations.

Havelock

61. A new sewage treatment plant is planned for Havelock. The new treatment plant will significantly improve effluent quality.
62. A detailed geotechnical study identified significant issues with the land around the existing ponds which means the site is unsuitable for further development. Consideration will be given to retaining the ponds for a wetland to give some additional treatment and act as a buffer between the treated effluent from the new sewage treatment plant and the Kaituna River.
63. The budget over 2023-25 for the new treatment plant at a new site and the construction of a new terminal pump station is \$13,052,000.
64. Budget of \$6,025,000 is provided in 2029-31 for a land treatment system. This system would be an add on to the new sewage treatment plant.

Picton

Trunk Sewer

65. There is budget in 2024-25 of \$2,312,000 for an overflow storage tank.

Reticulation – Sewer Replacements

66. \$3,410,000 is budgeted over 2024-26 for sewers in Picton and Waikawa.

Reticulation – Sewer Relining

67. Earthenware sewers are in poor condition. The sewer renewals budget for Picton was brought forward and the relining work is expected to be completed by the end of the 2022-23 financial year.

Treatment

68. New blowers and other upgrading work has a budget of \$417,000 in 2023-24
69. A reclaimed water treatment plant is budgeted in 2024-25 for \$7,700,000 and there is \$2,000,000 in the following year for tanks and pipeline. This system will treat effluent from the Picton Sewage Treatment Plant to a high standard for non-potable uses. This will take pressure off the water supply which is extended during summer.
70. In 2026-27 there is \$6,700,000 budgeted for a second aeration basin. The timing of this project will depend on growth.

Renwick

71. There is budget of \$150,000 in 2024-25 for a standby generator and in 2026-27 there is \$1,600,000 for a high flow storage tank which will allow Renwick to grow beyond the current boundaries. Timing will depend on population growth.

Seddon

72. The Seddon sewage treatment plant requires major upgrading. The ultimate aim is to eliminate the discharge to Starborough Creek. A significant volume of winter storage and large area of land is required for land treatment.
73. The preferred option for the initial upgrade includes storage, high level treatment, irrigation of the golf course and other sites adjacent to the highway.
74. Budgets have been provided for the upgrade as follows:

Year	2022-23	2023-24	2024-25
Budget	\$250,000	\$3,550,000	10,650,000

Spring Creek

75. A budget of \$80,000 is provided in 2024-25 for aerators on the existing ponds.

St Andrews

76. Part of St Andrews is now served by a grinder pump system. There is budget of \$900,000 in 2023-24, \$900,000 in 2025-26 and \$152,000 in 2027-28 to complete the scheme.

77. A report by Pattle Delamore Partners in 2008 into the on-site septic tank systems at St Andrews concluded that a community scheme was required to avoid an unacceptable public health risk. The report used the proposed protocol by Auckland Health Care Services which assesses the environmental conditions and management practices to determine whether a community requires sewer reticulation in order to prevent possible risks to public health from existing septic systems.

Author	Stuart Donaldson, Planning & Development Engineer
Authoriser	Richard Coningham, Manager Assets & Services and Martin Fletcher, Chief Financial Officer

4.3. Road and Footpaths Budget

(Report prepared by S Murrin)

F230-A23-03, R800-006-002-02

Purpose of report

1. Roothing is Councils single biggest item of expenditure at 17.2% of total expenditure. This paper will give an overview of that expenditure.

RECOMMENDATION

That the report be received.

Background

2. Roothing expenditure is broken down into three categories, Maintenance, Renewals and Capital expenditure (improvements).
3. Expenditure is split into subsidised and unsubsidised. Subsidised expenditure attracts a subsidy from Waka Kotahi. Currently subsidy for Council's standard rooting programme is set at 51%.

Maintenance

4. The Waka Kotahi Subsidised Rooting Programme is funded in a 3 year block and is known as the 2021-24 National Land Transport Programme (NLTP). The 2023-24 year is the last year of the current NLTP.
5. Some Councillors may recall that early in 2021 following Levels of Service workshops, MDC submitted a bid to the NLTP for a sum of \$53.6m for the 3 year Council Subsidised Rooting Programme. However, Council was advised by Waka Kotahi back in May 2021 that their NLTP was only likely to be funded at \$43.6m. Therefore a \$10m cut to the programme.
6. At the time Marlborough Roads made adjustments to the programme to fit the reduced budget. The effect of the reduced programme was that over time the Network would deteriorate further, and Levels of Service would decline.
7. Waka Kotahi received a considerable amount of feedback from Councils that the reduced budgets were not sufficient to maintain the Nation's Rooting network. In October 2021 Waka Kotahi confirmed that MDC's Subsidised Rooting Programme would be increased and, funded to a level of \$51.6m. It was confirmed by the committee at the November meeting that the Rooting programme be increased from \$43.6m to \$51.6m as Council had already budgeted for a programme of \$53.6m.
8. Council budgets have been adjusted to align with Waka Kotahi funding. This means the entire programme will receive Funding Assistance Rate (FAR) of 51%.
9. The following paragraph shows the significant items of budgeted maintenance expenditure for the 2023-24 financial year. Expenditure for subsequent years is similar with only inflation adjustments budgeted.
10. Subsidised Maintenance
 - a) Sealed pavement maintenance - \$1,428,901
 - b) Unsealed pavement maintenance - \$679,923
 - c) Environmental maintenance - \$1,035,821
 - d) Network services maintenance - \$1,171,029

- e) Footpath maintenance - \$182,729
 - f) Network and Asset Management - \$1,253,456
 - g) Emergency Reinstatement - \$2,000,000
 - h) Minor Events - \$400,000
 - i) Routine Drainage Maintenance - \$531,190
11. The total subsidised maintenance programme is \$9,643,883 for this year.
12. Major items of unsubsidised maintenance are:
- a) Street cleaning - \$611,578
 - b) Jetties - \$60,000

Renewals

13. The significant subsidised renewals budgeted for 2022-23 are listed below. Again, only inflation adjustments are budgeted for subsequent years.
- a) Unsealed road metalling - \$1,616,737
 - b) Sealed road resurfacing - \$4,348,017
 - c) Sealed pavement rehabilitation - \$1,672,916
 - d) Structural Component Replacements - \$411,986
 - e) Drainage renewals - \$813,762
 - f) Footpath renewals - \$533,086
14. The total subsidised renewal programme for the year is \$9,771,038
15. The main unsubsidised renewals are:
- a) Jetty replacements - \$107,000
 - b) Seal extensions - \$100,000

Capital improvements

16. The only major capital improvements proposed in the long term plan are bridge replacements. There is a total of \$7.64m budgeted over 2 years 2025-27 for the High Street Bridge and a further \$7.4m is budgeted in 2027-28 for the Wither Road West Bridge, across the Taylor River. The Blenheim Integrated Transport Study referred to in paragraph 24 will evaluate whether Wither Road West is the most suitable place for an additional crossing of the Taylor River or somewhere else.
17. Subsidised capital improvements are generally funded under the 'Low Cost, Low Risk' (LCLR) work category. This work category permits the funding of projects up to a total of \$2m without the need to go through the Waka Kotahi Business Case process.
18. In the past this work category was known as Minor Safety projects and the focus was on road safety improvements. The majority of the recent Battys/New Renwick Road Roundabout was funded from this work category. The remaining funding came from Development Levies.
19. Now with the re-defining of the work category a range of projects are funded from this activity, which includes Walking and Cycling projects. Unfortunately, none of Council's proposed Walking and Cycling Projects received Waka Kotahi subsidy.
20. The LCLR budget is also a three-year programme to align with the 2021-24 NLTP.
21. The proposed budget for the current three-year programme is \$1,669,525

22. Significant project budgets over the period are:
- a) Road to Zero – Speed Management Plan and Implementation- \$480,000
 - b) Alfred St – Raised Pedestrian Crossing and Safety Improvements - \$100,000
 - c) Outer Sounds Roads delineation improvements - \$180,000
 - d) Various Seal Widening Projects - \$600,000
 - e) Alfred/Seymour Intersection Improvements - \$310,000
23. Also funded within the roading budgets are small townships at \$625,000 per year and the Blenheim Northwest zone at \$276,981.

Risks not Currently Budgeted

24. The Blenheim Integrated Transport Study is currently underway. It is very likely this process will identify improvements required across the network. These improvements would need to be budgeted in future years.
25. The Elmslie Bay (Te Aumiti/French Pass) jetty is coming to the end of its life. The recommendation from WSP is that the current land span is in reasonable condition and only requires moderate maintenance, however the Hammer head needs to be replaced. Marlborough Roads are still considering options for this and will need to be budgeted in the future.
26. Additionally, the Te Aumiti/French Pass launching ramp has also come to the end of its life. The majority of its use is recreational, but it is critical infrastructure for the barge service to Rangitoto ke ti Tonga/D’Urville Island. Marlborough Roads are currently receiving pricing for this.
27. Peoples’ expectations for improved Levels of Service, particularly on our Low Volume Access Roads are increasing. Pressure is coming from some communities to review these Levels of Service.
28. Other than the \$2,000,000 budgeted for Emergency Reinstatement, there is no further allocation for Council share of the reinstatement works from the 2021 and 2022 storm events.
29. Inflation is causing substantial cost increases. The contractual cost adjustments on the NOC contract are currently running at around \$100,000 per month. This needs to be found from existing budgets. With predictions that inflation is going to carry on at current rates for the foreseeable future it will put more pressure on budgets.

Current Budget Situation

30. For the first of the three years of the NLTP, the 2021-22 year roading expenditure was around \$3.5m below budget. The under expenditure was moved forward and added to the 2022-23 programme. The 2022-23 budget is currently tracking to again be around \$3.5m underspent. The main reason for this is resources have been engaged in storm recovery.
31. The proposal is to again move this under expenditure forward to the 2023-24 programme. Inflation will likely cost around \$1.5m with the rest being put into LOS improvements particularly in the drainage programme.

Author	Steve Murrin, Marlborough Roads Manager
Authoriser	Richard Coningham, Manager Assets & Services

4.4. Capital Expenditure Schedule

(Report prepared by F Zhang/M Fletcher)

F230-A23-03

Purpose of report

1. To present a summary of the proposed Capital Expenditure Programme for 2023-24 Annual Plan (as attached).

Executive Summary

2. The majority of the larger items are either commented on in items 4.2 and 4.3 of this agenda. The figures in the schedule (refer **Attachment 4.4.1**) will differ from those contained in the above items, due to the budget adjustments made to broadly align with the funding envelope agreed in the Long Term Plan.

RECOMMENDATION

That the information be received and adopted as supporting information.

Attachment

Attachment 4.4.1 – Council Activities

Page 32

Author	Florence Zhang, Assistant Systems Accountant
Authoriser	Martin Fletcher, Chief Financial Officer

Attachment 4.4.1

Inflated Capital Expenditure (\$000's)		2022-23											
2023-24 Working Version	Budget	Projection	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	10 year total
Democratic Process	-	-	-	-	60	-	-	-	-	-	-	69	129
Democratic Process	-	-	-	-	60	-	-	-	-	-	-	69	129
Arts	2,531	1,801	-	-	-	-	-	-	-	-	-	-	-
Culture and Heritage	2,531	1,801	-	-	-	-	-	-	-	-	-	-	-
Housing for Seniors	3,180	1,824	3,000	185	-	195	-	204	-	212	-	220	4,015
Housing for Seniors	3,180	1,824	3,000	185	-	195	-	204	-	212	-	220	4,015
Community Safety	-	30	-	-	-	-	-	-	-	-	-	-	-
Passenger Transport	23	-	23	23	24	24	25	25	26	26	27	27	251
Community Support	23	30	23	23	24	24	25	25	26	26	27	27	251
Library Services	7,187	7,711	479	373	391	408	424	469	455	468	480	604	4,552
Library Services	7,187	7,711	479	373	391	408	424	469	455	468	480	604	4,552
Emergency Management	9	9	9	59	54	10	10	10	10	40	11	91	303
Emergency Management	9	9	9	59	54	10	10	10	10	40	11	91	303
People Total	12,930	11,375	3,510	640	528	637	459	708	491	746	518	1,011	9,250
Cemeteries	265	219	498	68	469	146	67	85	79	88	71	84	1,656
Memorials	18	33	43	8	9	461	9	9	9	9	9	10	577
Street berms, trees and plots	38	38	38	40	41	42	43	44	44	45	45	46	428
Halls	20	20	20	21	21	22	22	23	23	23	24	24	223
Public Toilets	1,591	1,300	1,175	1,140	2,227	251	56	62	63	51	65	93	5,184
Reserves	3,988	3,425	3,923	4,048	2,137	3,494	6,260	3,365	2,197	1,909	1,980	2,569	31,882
Swimming Pools	1,000	30	200	-	-	-	-	1,133	-	-	-	-	1,333
Community Facilities	6,921	5,065	5,898	5,325	4,905	4,415	6,457	4,721	2,416	2,126	2,194	2,825	41,282
Community Facilities Total	6,921	5,065	5,898	5,325	4,905	4,415	6,457	4,721	2,416	2,126	2,194	2,825	41,282
Roading	17,177	26,432	15,758	18,677	19,483	20,033	23,304	16,384	16,638	16,854	17,032	17,171	181,334
Roads and Footpaths	17,177	26,432	15,758	18,677	19,483	20,033	23,304	16,384	16,638	16,854	17,032	17,171	181,334
The Provision of Roads and Footpaths Total	17,177	26,432	15,758	18,677	19,483	20,033	23,304	16,384	16,638	16,854	17,032	17,171	181,334
Rivers Outside Wairau Floodplain	20	-	73	21	21	22	23	23	24	24	25	25	282
Wairau Floodplain Drainage	1,906	1,515	2,390	2,718	664	442	1,066	35	322	37	336	38	8,048
Wairau Floodplain Rivers	3,240	2,526	2,310	4,671	2,987	2,163	1,406	2,234	1,739	1,914	1,171	1,171	21,768
Flood Protection and Control Works	5,166	4,041	4,773	7,410	3,672	2,627	2,495	2,292	2,085	1,975	1,533	1,235	30,097
Flood Protection and Control Works Total	5,166	4,041	4,773	7,410	3,672	2,627	2,495	2,292	2,085	1,975	1,533	1,235	30,097
Combined Sewerage	10,165	5,185	16,678	50,002	28,755	19,655	19,995	23,894	2,778	7,179	451	499	169,887
Riverlands Sewerage	407	1,145	154	170	9,927	3,614	185	197	195	-	-	-	14,442
Sewerage	10,572	6,330	16,832	50,172	38,682	23,269	20,179	24,091	2,973	7,179	451	499	184,328
Sewerage Total	10,572	6,330	16,832	50,172	38,682	23,269	20,179	24,091	2,973	7,179	451	499	184,328
Blenheim Stormwater	2,540	540	1,986	1,287	4,004	1,976	7,758	6,738	882	902	922	942	27,396
Other Stormwater Schemes	880	492	80	965	59	55	57	58	60	61	62	64	1,521
Stormwater Drainage	3,420	1,032	2,066	2,252	4,064	2,031	7,814	6,796	941	963	984	1,006	28,917
Stormwater Drainage Total	3,420	1,032	2,066	2,252	4,064	2,031	7,814	6,796	941	963	984	1,006	28,917
Awatere Water	200	211	2,278	2,398	7	894	217	606	439	9	9	9	6,867
Combined Water	7,364	8,939	8,735	23,558	22,206	24,561	3,772	1,131	14,225	1,152	26,577	18,246	144,164
Riverlands Water	8,630	1,262	8,737	8,999	1	1	1	1	1	1	1	1	17,746
Water Supply	16,194	10,412	19,750	34,954	22,215	25,456	3,991	1,739	14,665	1,163	26,588	18,257	168,778
Water Supply Total	16,194	10,412	19,750	34,954	22,215	25,456	3,991	1,739	14,665	1,163	26,588	18,257	168,778
Landfills	2,656	3,090	3,642	581	496	1,218	123	473	3,132	3,469	240	198	13,574
Transfer Stations	-	368	-	-	-	-	-	-	-	-	-	-	-
Waste Minimisation	-	40	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Management	2,656	3,498	3,642	581	496	1,218	123	473	3,132	3,469	240	198	13,574
Solid Waste Management Total	2,656	3,498	3,642	581	496	1,218	123	473	3,132	3,469	240	198	13,574
Environmental Science & Monitoring	334	334	452	415	650	442	214	235	179	246	187	454	3,474
Environmental Science and Monitoring	334	334	452	415	650	442	214	235	179	246	187	454	3,474
Environmental Protection	-	-	-	-	45	-	-	-	-	-	-	53	98
Environmental Protection	-	-	-	-	45	-	-	-	-	-	-	53	98
Resource Consents	3	3	-	-	43	-	-	-	-	-	-	50	93

Inflated Capital Expenditure (\$000's)

2022-23

2023-24 Working Version

	Budget	Projection	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	10 year total
Resource Consents	3	3	-	-	43	-	-	-	-	-	-	50	93
Environmental Management Total	337	337	452	415	738	442	214	235	179	246	187	557	3,665
Building Control	-	-	-	25	259	-	-	-	-	28	-	301	613
Building Control	-	-	-	25	259	-	-	-	-	28	-	301	613
Environmental Health	3	3	3	29	4	4	4	4	4	4	4	4	65
Environmental Health	3	3	3	29	4	4	4	4	4	4	4	4	65
Biosecurity	-	-	-	-	182	-	-	104	-	-	-	216	503
Biosecurity	-	-	-	-	182	-	-	104	-	-	-	216	503
Harbours	262	807	250	223	995	326	666	251	349	208	279	335	3,883
Harbours	262	807	250	223	995	326	666	251	349	208	279	335	3,883
Regulatory Total	265	810	253	277	1,440	330	670	359	353	241	283	857	5,063
Economic Development	-	-	-	-	-	11	-	-	-	-	-	-	11
Irrigation Schemes	4,991	145	1,118	9,823	3,874	132	142	151	149	165	154	162	15,870
Parking	98	473	86	100	127	117	119	136	124	125	141	128	1,201
Regional Development	5,089	618	1,204	9,923	4,001	260	261	287	273	290	294	290	17,082
Regional Development Total	5,089	618	1,204	9,923	4,001	260	261	287	273	290	294	290	17,082
Corporate Management	50	-	-	-	-	-	-	-	-	-	-	-	-
Information Services	1,075	1,345	1,975	1,891	1,819	784	802	820	837	854	870	887	11,538
Office Services	324	324	60	236	63	108	66	68	69	347	72	73	1,164
Regional Development	-	64	-	-	-	-	-	-	-	-	-	-	-
Assets + Services Management	-	101	-	-	926	52	42	-	52	-	-	1,099	2,171
Plant Operations	272	289	164	292	159	258	503	482	463	151	148	259	2,879
Grand Total	82,448	72,074	76,338	133,044	103,192	81,920	67,382	59,456	45,568	36,605	51,394	46,224	701,123

4.5. Reserve Balances

(Report prepared by C Lake/M Fletcher)

F230-A23-03

Purpose of report

1. The purpose of this agenda item is to outline the forecast balances for Council's significant Reserves.

RECOMMENDATION

1. That Council receive and adopt this paper as supporting information.
2. That Council surrender the allocation of \$293,533 from the Forest and Land Development Reserve for the Marlborough Heritage Trust fire protection plan.

Background/Context

2. Emergency Events Reserve

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
2.04	0.94	2.08	3.83	4.44	5.11	5.43	5.42	5.46	7.28

This Reserve has been built up and set aside, as part of the damage repair funding plan following a major disaster event. It is also commonly used to fund damage repairs for lesser, but still significant events such as expensive roading, flood damage and earthquake damage repairs. This fund was used for additional expenditure due to COVID-19 and the July 2021 and August 2022 floods.

The two funding sources for this Reserve are primarily General Revenues, and river leases.

The results of consultation of the 2018/28 LTP indicated a preferred balance of between \$10-15M in 2028.

At the 6 August 2020 LTP Working Group it was agreed to increase the emergency events reserve in out years where the increase does not breach the rates cap.

The budget provides for:

- **Projection for 2022-23**
 - \$0.98M annually for Council's share (net of NZTA subsidy) of roading flood damage
 - \$0.085M being the balance of \$0.1M of additional funding for Regional Development TEAM funding
 - \$1.32M flood damage to rivers in July 2021 – 50% of the balance of costs after insurance claim income
 - \$0.654M for Combined Sewer
- **2023-24**
 - \$1.6M for the balance for the Combined Sewer
 - \$1.32M flood damage to rivers in July 2021 – 50% of the balance of costs after insurance claim income
- **Annually over ten years**
 - \$0.98M annually (plus LGCI) for Council's share (net of NZTA subsidy) of roading flood damage
 - \$0.36M annually (plus LGCI) for rivers flood damage

Councillors should note the forecast balance of this Reserve excludes the impact of any unforeseen drawdowns and the value of the remaining Kaikoura earthquake claim proceeds because of their high level of uncertainty.

3. Forestry and Land Development Reserve

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
5.51	4.01	3.07	2.82	2.58	2.35	2.12	2.65	3.29	3.95

The significant revenue sources are:

- Distribution from Marlborough Regional Forestry which is dependent on harvesting targets being achieved and current log prices being maintained. Harvesting has ceased in 2020-21 with budgeted income starting again in 2030-31.

The current Council determined criteria is that this Reserve can be used for one-off projects, to enable Rates to be smoothed, or where the revenue is uncertain.

The budget provides for:

Projection 2022-23

- \$1.14M for The Whale Trail and the completion of the Link pathway
- \$0.83M for the new Blenheim Library /Art gallery
- \$0.32M Marlborough Events Centre fitout and fixed costs
- \$0.29M Marlborough Heritage Trust Fire protection plan*
- \$0.29M Equestrian Park, balance of stage 2
- \$0.57M for various projects previously approved by Council
- \$0.96M Picton Innovative streets
- \$0.10M increase in Marlborough Heritage Trust funding
- \$0.25M for the Flaxbourne hall building construction, museum fitout etc
- \$0.10M for Picton Dawn Chorus traps and equipment for council land

*due to the full review of heritage delivery being undertaken as part of the 2024 LTP, it is proposed that this be surrendered.

2023-24

- \$0.26M Marlborough Events Centre fixed costs
- \$0.13M for various projects previously approved by Council

Future years

- \$1.95M Maritime smart monitoring in 2024-25 & 2025-26
- \$0.77M funding for Awatere rural water supply budgeted to be completed in 2024-25
- \$0.37M for various projects previously approved by Council

Annually over ten years

- \$0.22M per annum for the Council's central computer systems.

4. Infrastructure Upgrade Reserve

See item 4.6 for further information on this Reserve.

5. Wairau Rivers Operating Reserve

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
(1.89)	(2.26)	(2.26)	(1.90)	(1.56)	(0.97)	(0.58)	0.06	0.45	0.98

This Reserve is primarily used to assist with maintaining Council's rivers and flood protection system and for land purchases for river protection works.

The significant revenue sources are:

- River Leases
- Gravel Extraction

The Reserve will be used for greenscape contracts, rock & gabion protection, drainage channels, road maintenance and to maintain the stopbanks on the lower Wairau.

This Reserve went into deficit in 2020-21 and will remain so until returning to a surplus in 2030-31. This is to continue to ensure the activity has sufficient Reserves to meet the development of river control assets and to meet any unplanned expenditure. This Reserve is credited/debited with interest.

6. Land Sub Reserve

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
7.21	7.95	8.67	8.10	8.20	7.70	8.56	9.49	10.47	11.48

The details in this section will not agree with the Land Subdivision paper later in the agenda. This is due to this section including future revenue and agreed outyear expenditure allocations.

The funding sources for this Reserve are the Reserves and Community Facilities Development Contributions - \$2.46M in 2023-24 with an average of \$2.72M over the next nine years. The Local Government Act 2002 requires these funds to finance growth driven capital expenditure.

The budget provides for:

- **Allocations**
 - Minor allocations for various parks and reserves
 - \$1.05M Taylor pass landfill development as a community recreation area.
 - \$0.28M Resurface netball courts – Lansdowne Park in 2028-29
 - \$0.22M Upgrade to Picton Tracks
 - Unspecified allocation averaging \$2.0M over the 10 years.

7. Depreciation Reserves

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
1.73	(6.02)	4.11	15.23	17.89	24.78	39.52	51.51	70.40	87.51

These amounts represent the depreciation funded to Reserves from each activity of Council net of any transfers funded from the Reserve (*eg; funding of capital or debt repayment*). Depreciation Reserves have built up as a result of activities funding their Depreciation Reserves without major capital expenditure being planned within the 10 year Plan. This occurs when assets are new and won't have to be upgraded or renewed for some time. The Infrastructure Strategy identifies that renewals will become an increasingly important issue over time. The Depreciation Reserves for water and sewerage have been used as part of funding the current capital expenditure in those activities with significant funding required in the 2023-24, 2024-25 and 2025-26 years resulting in Depreciation Reserves going into deficit. These Reserves are built up over the following years.

A previous Audit New Zealand Long Term Plan Management Report included the following comment, "the key for the District Council is that in fully funding its operating costs including depreciation, its funding is at a level that is sufficient for long term sustainable funding of asset renewals. This is essential for maintaining levels of service in the long term. Over the 10 years of the LTP, expenditure on renewals (\$133.00M is at a substantially lower level than depreciation (\$221.00M)..... at a future point the situation will reverse and renewals will exceed depreciation."

8. Covid-19 Rates Relief Reserve

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
(12.80)	(12.80)	(12.80)	(12.80)	(12.80)	(12.80)	(12.80)	(12.80)	(12.80)	(12.80)

This reserve was established to mitigate some of the effects of Covid-19.

The funding source will be surpluses of the Infrastructure Upgrade Reserve resulting from the currently legislated Three Waters delivery reforms.

Author	Chris Lake, Financial Services Manager
Authoriser	Martin Fletcher, Chief Financial Officer

4.6. Infrastructure Upgrade Reserve

(Report prepared by C Lake/M Fletcher)

F230-A23-03

Purpose of report

- To provide the Council with an update on the Infrastructure Upgrade Reserve.

RECOMMENDATION

That Council receive and adopt this paper as supporting information.

Background/Context

2023-24 \$M	2024-25 \$M	2025-26 \$M	2026-27 \$M	2027-28 \$M	2028-29 \$M	2029-30 \$M	2030-31 \$M	2031-32 \$M	2032-33 \$M
15.87	16.07	14.36	11.69	8.93	6.28	3.81	1.50	(0.57)	(2.52)

- By way of comparison for the 2021-31 LTP the 2030-31 balance was forecast to be \$8.50M.
- This Reserve was originally established to assist funding (up to 50%) of essential infrastructural assets (e.g. Combined Sewerage schemes (including Grovetown), Picton water, now part of Combined Water schemes, and the Aquatic Centre). Infrastructural assets are defined in the Long Term Plan as fixed assets that are not generally regarded as tradable and which provide a continuing service to the community – such as Reserves and parks, toilets, memorials, roads, bridges and wharves, water and sewerage schemes.
- The Reserve has the following income streams:
 - MDC Holdings Limited dividend (full value) - \$3.45M for the first year then an average of \$4.96M for the next 9 years.
 - Property lease income - \$2.57M to \$4.10M per annum based on projections supplied by APL.
- The property lease income is derived from three leases at Conders Bend with varying review frequencies (five or six years) and differing bases for calculation, consistent with the Long Term Plan.
- This Reserve and its associated income streams have been set up to service debt.
- Further allocations may not be possible from this Reserve as after 10 years we are budgeting this Reserve to be in deficit. This would not change to a positive figure for a number of years.
- For Council's information, previous Council decisions have provided the following guidance as to the use of Infrastructure Upgrade Reserve:
 - that it is applied to essential infrastructure;
 - that it assists funding new assets (to a maximum of 50%) after taking account of subsidies provided by Central Government; and
 - that it assists significant capital upgrades required to increase the targeted level of service supplied to the community (to a maximum of 50%) after taking account of other subsidies supplied by Central Government.

9. Below is a table of all items that have been approved to be funded by the Infrastructure Upgrade reserve. The borrowed column shows the funds that have already been borrowed from this fund, while the other column shows the amounts approved, that have not yet been taken up.

Project	Borrowed	Allocated but not yet borrowed
Lansdowne Park	\$2.51M	-
Blenheim Library	\$3.16M	\$3.12M
Picton Library	\$1.82M	-
Aquatic Centre	\$4.00M	-
Combined Water: Blenheim	\$0.20M	\$21.05M
Combined Water: Havelock	\$0.62M	\$11.06M
Combined Water: Picton	\$3.41M	\$19.05M
Combined Water: Renwick	\$3.05M	\$5.35M
Combined Water: Seddon		\$0.34M
Combined Water Wairau Valley	\$0.06M	\$1.13M
Awatere Water	-	\$1.14M
Combined Sewer: Blenheim	\$14.92M	\$21.6M
Combined Sewer: Havelock	\$0.07M	\$5.29M
Combined Sewer: Picton	\$13.34M	\$10.65M
Combined Sewer: Renwick	-	\$0.96M
Combined Sewer: Seddon	\$0.25M	\$6.93M
Combined Sewer: Spring Creek	\$0.63M	\$0.04M
Grovetown Sewer	\$0.51M	-
St Andrews Sewer	\$0.11M	\$0.48M
General Roding	\$0.74M	\$1.63M

Author	Chris Lake, Financial Services Manager
Authoriser	Martin Fletcher, Chief Financial Officer

4.7. Forecast Financial Statements

(Report prepared by T Dever/M Fletcher)

F230-A23-03

Purpose of report

1. To present to Council forecast Financial Statements reflecting the income, expenditure and funding decisions in the 2023-24 Draft Annual Plan.

Executive Summary

2. This report includes the following forecasts:
 - Statement of Comprehensive Revenue and Expense;
 - Statement of Changes in Net Assets / Equity;
 - Statement of Financial Position;
 - Statement of Cash Flows; and
 - the accompanying Financial Statement Notes.
3. The data presented covers the annual plan year plus nine further years and is for Marlborough District Council including the Marlborough Regional Forestry (MRF) Joint Operation. Capital expenditure has been smoothed in year one but has not been for years two through ten.
4. All budgets are adjusted for projected price increases using the recommended indices supplied by BERL.

RECOMMENDATION

That the information presented be received as supporting documentation.

Forecast Statement of Comprehensive Revenue and Expense

5. This Statement is commonly called an Income Statement or Statement of Financial Performance. It shows all of Council's revenue and operating expenditure and the resulting surplus. Capital expenditure, loan repayments or transfers to/from reserves are not included in calculating the surplus.
6. The surplus, while correct in accounting terms, considers all inflows as revenue. However, some of this revenue is either non-cash or specifically targeted and cannot be used to fund operating expenditure. Specifically this revenue can be:
 - non-cash eg; vested assets and Forestry revaluation gains;
 - tied to a Reserve eg; rivers lease revenue and subsidiary's dividend revenue is used to fund the Infrastructure Upgrade Reserve which in turn is used to fund infrastructure capital expenditure;
 - dedicated to funding capital expenditure eg; Waka Kotahi, Government grants and Development Contributions; and
 - levied specifically for the repayment of debt, eg; water and sewerage loan rates.
7. "Other revenue" includes fees and charges, rental revenues, vested assets, MDC Holdings Ltd dividends, amongst others.

Statement of Financial Position

8. This statement is commonly called a Balance Sheet. It summarises all Council's assets and liabilities, including external debt. The total amount of external debt is shown as "Borrowings".
9. Council's net debt can be determined by deducting from this cash and cash equivalents, the advance to MDC Holdings Ltd and the \$12M investments Council has determined to carry for emergency events.
10. Council's net debt is provided below this Statement. For more information on the components that make up Council's net debt refer to the "Budget Summary" item.
11. The emergency events investments are included in the current portion of "Other financial asset".
12. The amounts forecast to be on-lent to MDC Holdings Limited are included under the non-current portion of "Other financial assets – Other" and also under non-current "Borrowings".

Statement of Cash Flows

13. The forecast Statement of Cash Flows shows the forecast cash generated and used for each year.

Attachment

Attachment 4.7.1 – Council Activities

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Author	Tessa Dever, Financial Accountant
Authoriser	Martin Fletcher, Chief Financial Officer

Attachment 4.7.1

Forecast Statement of Comprehensive Revenue and Expense

for the year ending 30 June:

	Notes	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Revenue:													
Rates, excluding targeted water rates	2	76,296	81,071	85,209	96,721	104,761	110,206	113,910	118,783	123,107	125,550	128,503	131,882
Targeted rates for metered water supply	2	3,802	4,311	4,248	5,009	5,317	5,167	5,437	5,505	5,570	5,635	5,697	5,752
Subsidies and grants	4	63,721	10,197	15,656	17,246	15,110	15,313	17,154	13,638	13,852	14,019	14,140	14,268
Interest revenue	3	3,033	5,725	4,641	6,476	9,144	9,016	8,815	8,544	8,198	7,876	7,481	7,037
Development and financial contributions	4	7,321	7,478	7,469	7,626	7,785	7,946	8,111	8,278	8,448	8,621	8,706	8,793
Other revenue	4	47,306	38,411	45,410	44,894	46,192	48,100	50,021	52,667	54,606	58,638	60,092	61,671
Gains	4	1,020	1,434	2,574	1,140	1,205	1,273	1,357	982	776	204	9	551
Total revenue	1	202,499	148,627	165,207	179,112	189,514	197,021	204,805	208,397	214,557	220,543	224,628	229,954
Expenditure by function:													
People													
Democratic Process		3,963	3,866	4,261	4,337	4,659	4,743	4,787	5,113	5,188	5,235	5,584	5,668
Culture and Heritage		1,497	1,414	1,542	1,552	1,572	1,573	1,578	1,584	1,590	1,596	1,601	1,607
Housing for Seniors		1,902	1,675	1,911	2,131	2,180	2,192	2,130	2,221	2,160	2,334	2,513	2,443
Community Support		2,991	2,949	2,928	2,898	2,934	2,972	3,022	3,028	3,050	3,106	3,106	3,131
Library Services		3,280	3,521	4,791	4,707	4,823	4,977	5,059	5,174	5,329	5,434	5,582	5,760
Emergency Management		825	772	948	993	1,024	1,059	1,084	1,117	1,152	1,188	1,220	1,263
Community Facilities		15,038	14,447	15,317	15,961	16,584	16,899	17,317	17,676	17,906	18,164	18,231	18,425
Roads and Footpaths		73,918	25,630	27,672	29,141	30,331	31,513	32,424	33,240	33,994	34,650	35,127	35,571
Flood Protection and Control Works		9,487	6,470	10,068	7,510	7,989	8,317	8,547	8,789	9,022	9,274	9,485	9,674
Sewerage		12,519	13,665	13,606	16,145	19,789	22,896	24,000	24,790	25,788	26,006	26,099	26,114
Stormwater Drainage		2,774	2,742	3,141	3,367	3,507	3,615	3,818	4,528	4,759	4,846	4,945	5,020
Water Supply		11,164	12,649	12,285	14,069	16,243	17,976	19,061	19,112	19,554	19,848	20,782	22,247
Solid Waste Management		15,669	12,921	18,079	19,996	20,477	20,687	21,178	21,684	22,174	22,651	23,153	23,505
Environmental Management													
Environmental Policy		2,404	1,907	2,484	2,417	2,315	2,398	2,363	2,441	2,519	2,599	2,681	2,766
Environmental Science and Monitoring		8,563	6,481	10,098	11,304	7,413	7,392	7,764	7,761	8,029	7,930	8,152	8,327
Resource Consents		3,090	3,179	3,461	3,588	3,713	3,872	3,990	4,038	4,160	4,227	4,254	4,395
Environmental Protection		2,038	2,007	2,167	2,275	2,358	2,444	2,503	2,572	2,644	2,714	2,789	2,869
Regulatory													
Biosecurity		7,550	2,675	2,681	2,021	2,106	2,176	2,237	2,302	2,374	2,442	2,512	2,591
Building Control		4,443	4,671	4,973	5,112	5,361	5,537	5,739	5,894	6,129	6,303	6,549	6,774
Environmental Health		756	745	784	825	853	882	903	926	951	971	996	1,023
Animal Control		869	872	881	911	936	962	984	1,005	1,024	1,045	1,066	1,088
Harbours		2,015	1,995	2,208	2,285	2,275	2,277	2,366	2,443	2,514	2,585	2,609	2,672
Regional Development		6,262	6,837	6,493	6,984	7,437	7,860	7,812	7,941	8,213	8,453	8,604	8,745
		193,017	134,090	152,779	160,529	166,859	175,219	180,666	185,379	190,223	193,601	197,640	201,678
less internal interest eliminated	3	(145)	3,641	1,172	2,705	3,232	2,644	3,649	3,494	3,238	3,397	2,905	894
Total expenditure by function	3	192,872	137,731	153,951	163,234	170,091	177,863	184,315	188,873	193,461	196,998	200,545	202,572
Non-activity expenditure:													
Other expenditure	5	4,406	5,636	6,127	5,622	5,534	5,634	5,715	5,805	5,887	5,915	5,969	6,015
Marlborough Regional Forestry	5	738	1,209	748	594	593	592	591	590	590	589	804	804
Total non-activity expenditure	5	5,144	6,845	6,875	6,216	6,127	6,226	6,306	6,395	6,477	6,504	6,773	6,819
Total expenditure	5	198,016	144,576	160,826	169,450	176,218	184,089	190,621	195,268	199,938	203,502	207,318	209,391
Surplus		4,483	4,051	4,381	9,662	13,296	12,932	14,184	13,129	14,619	17,041	17,310	20,563

Forecast Statement of Other Comprehensive Revenue and Expense

for the year ending 30 June:

	Notes	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Surplus for the year		4,483	4,051	4,381	9,662	13,296	12,932	14,184	13,129	14,619	17,041	17,310	20,563
Other comprehensive revenue:													
Gain on property revaluations	8	38,676	54,584	89,266	73,143	68,786	67,619	64,908	63,522	60,949	59,164	58,280	56,321
Total other comprehensive revenue and expense		38,676	54,584	89,266	73,143	68,786	67,619	64,908	63,522	60,949	59,164	58,280	56,321
Total comprehensive revenue and expense		43,159	58,635	93,647	82,805	82,082	80,551	79,092	76,651	75,568	76,205	75,590	76,884

Forecast Statement of Changes in Net Assets / Equity

for the year ending 30 June:

	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Balance at 1 July	1,843,091	1,847,879	2,069,817	2,163,464	2,246,269	2,328,351	2,408,902	2,487,994	2,564,645	2,640,213	2,716,418	2,792,008
Total comprehensive revenue and expense for the year	43,159	58,635	93,647	82,805	82,082	80,551	79,092	76,651	75,568	76,205	75,590	76,884
Balance at 30 June	1,886,250	1,906,514	2,163,464	2,246,269	2,328,351	2,408,902	2,487,994	2,564,645	2,640,213	2,716,418	2,792,008	2,868,892

Forecast Statement of Financial Position

as at 30 June:	Notes	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Assets:													
Non-current assets:													
Property, plant and equipment	8	1,958,789	2,013,583	2,239,724	2,351,251	2,459,647	2,579,180	2,685,977	2,774,480	2,851,533	2,921,228	2,981,279	3,033,231
Intangible assets	8	15,017	11,371	13,134	13,308	13,411	12,848	12,175	11,736	11,305	10,884	10,469	10,060
Forestry assets		19,063	26,090	17,777	18,917	20,122	21,395	22,742	23,707	24,483	24,632	24,417	24,202
Other financial assets	7												
- Investments in subsidiaries		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
- Other		90,382	193,925	91,446	136,491	194,288	188,423	182,147	174,840	165,740	157,640	148,540	139,140
Investment property	11	10,950	10,750	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500
Total non-current assets		2,100,201	2,261,719	2,379,581	2,537,467	2,704,968	2,819,346	2,920,541	3,002,263	3,070,561	3,131,884	3,182,205	3,224,133
Current assets:													
Cash and cash equivalents		185	110	651	732	645	664	674	662	676	681	672	631
Debtors and other receivables	6	14,957	13,670	15,241	15,765	16,220	16,648	17,048	17,420	17,765	18,082	18,399	18,689
Other financial assets	7	12,492	14,299	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620
Inventory		344	329	328	339	349	358	367	375	382	389	396	402
Total current assets		27,978	28,408	28,840	29,456	29,834	30,290	30,709	31,077	31,443	31,772	32,087	32,342
Total assets		2,128,179	2,290,127	2,408,421	2,566,923	2,734,802	2,849,636	2,951,250	3,033,340	3,102,004	3,163,656	3,214,292	3,256,475
Liabilities:													
Non-current liabilities:													
Borrowings	10	207,155	352,120	213,175	287,722	372,519	405,853	427,477	432,070	424,370	409,071	383,371	347,970
Provisions		7,877	9,715	1,449	1,556	1,650	1,748	1,850	1,956	2,066	2,180	2,294	2,417
Employee entitlements		256	303	266	275	283	290	297	303	309	315	321	326
Total non-current liabilities		215,288	362,138	214,890	289,553	374,452	407,891	429,624	434,329	426,745	411,566	385,986	350,713
Current liabilities:													
Creditors and other payables	9	24,243	19,248	27,514	28,460	29,282	30,054	30,776	31,448	32,070	32,643	33,216	33,739
Employee entitlements		2,398	2,227	2,553	2,641	2,717	2,789	2,856	2,918	2,976	3,029	3,082	3,131
Total current liabilities		26,641	21,475	30,067	31,101	31,999	32,843	33,632	34,366	35,046	35,672	36,298	36,870
Total liabilities		241,929	383,613	244,957	320,654	406,451	440,734	463,256	468,695	461,791	447,238	422,284	387,583
Net assets		1,886,250	1,906,514	2,163,464	2,246,269	2,328,351	2,408,902	2,487,994	2,564,645	2,640,213	2,716,418	2,792,008	2,868,892
Equity													
Accumulated funds		705,011	724,189	763,926	780,557	784,387	785,500	798,630	803,689	795,642	797,460	790,696	786,436
Asset revaluation reserves		1,144,682	1,161,251	1,372,006	1,445,149	1,513,935	1,581,554	1,646,462	1,709,984	1,770,933	1,830,097	1,888,377	1,944,698
Other reserves	13	36,557	21,074	27,532	20,563	30,029	41,848	42,902	50,972	73,638	88,861	112,935	137,758
Total equity		1,886,250	1,906,514	2,163,464	2,246,269	2,328,351	2,408,902	2,487,994	2,564,645	2,640,213	2,716,418	2,792,008	2,868,892

Forecast Statement of Cash Flows

as at 30 June:	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Cash flows from operating activities:												
Receipts from rates revenue	80,097	85,381	89,457	101,730	110,078	115,373	119,347	124,288	128,677	131,184	134,200	137,634
Receipts from other revenue*	111,875	51,750	61,314	64,000	63,219	65,211	68,751	67,869	69,863	74,074	75,591	77,390
Interest received	3,033	5,725	4,641	6,476	9,144	9,016	8,815	8,544	8,198	7,876	7,481	7,037
Payments to suppliers and employees*	(159,417)	(98,238)	(113,721)	(116,372)	(116,418)	(120,530)	(123,707)	(127,074)	(130,314)	(133,530)	(136,966)	(139,935)
Interest paid	(5,947)	(10,572)	(9,045)	(12,822)	(16,525)	(18,068)	(20,039)	(20,155)	(20,113)	(19,995)	(19,365)	(17,547)
Net cash flow from operating activities	29,641	34,046	32,646	43,012	49,498	51,002	53,167	53,472	56,311	59,609	60,941	64,579
Cash flows from investing activities:												
Receipts from sale of property, plant and equipment	-	22	3,500	-	-	-	13	15	-	99	15	552
Movement in investments	(18,367)	(50,352)	(18,540)	(45,047)	(57,795)	5,864	6,277	7,308	9,103	8,096	9,101	9,399
Dividends received	3,012	2,788	3,466	4,063	4,195	4,464	4,849	5,029	5,359	5,522	5,646	5,646
Purchase of property, plant and equipment	(71,082)	(69,357)	(69,272)	(76,494)	(80,781)	(94,646)	(85,920)	(70,428)	(63,059)	(58,021)	(50,012)	(44,817)
Net cash flow from investing activities	(86,437)	(116,899)	(80,846)	(117,478)	(134,381)	(84,318)	(74,781)	(58,076)	(48,597)	(44,304)	(35,250)	(29,220)
Cash flows from financing activities:												
Movement in borrowings**	53,370	82,854	48,746	74,547	84,796	33,335	21,624	4,592	(7,700)	(15,300)	(25,700)	(35,400)
Net cash flow from financing activities	53,370	82,854	48,746	74,547	84,796	33,335	21,624	4,592	(7,700)	(15,300)	(25,700)	(35,400)
Net increase / (decrease)	(3,426)	1	546	81	(87)	19	10	(12)	14	5	(9)	(41)
Cash, cash equivalents and bank overdrafts:												
At the beginning of the year	3,611	109	105	651	732	645	664	674	662	676	681	672
At the end of the year	185	110	651	732	645	664	674	662	676	681	672	631

Financial Statement Notes

1. Summary cost of services

for the year ending 30 June:

	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Revenue:												
People	14,860	14,004	17,480	16,163	16,826	17,254	17,557	18,172	18,591	18,980	19,682	20,221
Community Facilities	15,610	16,248	16,722	17,524	18,327	18,760	19,307	19,809	20,099	20,445	20,623	20,885
The Provision of Roads and Footpaths	71,902	25,003	26,920	28,544	31,568	32,751	35,384	32,466	33,218	33,870	34,400	34,884
Flood Protection and Control Works	11,971	9,862	12,341	11,188	11,810	12,667	13,327	13,695	14,030	14,342	14,965	15,662
Sewerage	14,410	16,238	15,545	17,629	20,383	21,929	22,959	23,975	25,205	25,675	25,985	26,220
Stormwater Drainage	3,924	3,919	4,303	4,557	4,723	4,859	5,143	6,024	6,382	6,512	6,632	6,732
Water Supply	12,085	13,204	13,091	14,631	16,420	17,754	18,666	18,793	19,185	19,428	20,149	21,265
Solid Waste Management	15,857	12,921	17,979	19,774	20,401	21,023	21,580	22,125	22,640	23,158	23,662	24,172
Environmental Management	15,621	13,423	18,061	19,435	15,718	16,025	16,540	16,733	17,272	17,392	17,798	18,373
Regulatory	15,584	10,836	11,561	11,208	11,600	11,922	12,331	12,684	13,124	13,478	13,841	14,413
Regional Development	6,519	6,859	6,812	7,087	7,544	7,444	6,965	7,915	8,250	8,676	8,778	8,899
Total activity revenue	198,343	142,517	160,812	167,740	175,320	182,388	189,758	192,391	197,994	201,956	206,514	211,727
Plus other income (including Forestry)	9,272	11,674	11,267	20,425	26,358	28,861	30,169	31,779	32,739	35,114	34,652	34,960
Internal Interest - Loans	(6,136)	(6,976)	(7,949)	(10,193)	(13,370)	(15,501)	(16,468)	(16,739)	(16,953)	(16,677)	(16,539)	(16,733)
Forestry revaluation gains	1,020	1,412	1,078	1,140	1,205	1,273	1,347	965	776	149	-	-
Total revenue	202,499	148,627	165,207	179,112	189,514	197,021	204,805	208,397	214,557	220,543	224,628	229,954
Expenditure:												
People	14,458	14,198	16,383	16,616	17,192	17,517	17,659	18,236	18,468	18,892	19,604	19,872
Community Facilities	15,038	14,447	15,317	15,961	16,584	16,899	17,317	17,676	17,906	18,164	18,231	18,425
The Provision of Roads and Footpaths	73,918	25,630	27,672	29,141	30,331	31,513	32,424	33,240	33,994	34,650	35,127	35,571
Flood Protection and Control Works	9,487	6,470	10,068	7,510	7,969	8,317	8,547	8,789	9,022	9,274	9,485	9,674
Sewerage	12,519	13,665	13,606	16,145	19,789	22,896	24,000	24,790	25,788	26,006	26,099	26,114
Stormwater Drainage	2,774	2,742	3,141	3,367	3,507	3,615	3,818	4,528	4,759	4,846	4,945	5,020
Water Supply	11,164	12,649	12,285	14,069	16,243	17,976	19,061	19,112	19,554	19,848	20,782	22,247
Solid Waste Management	15,669	12,921	18,079	19,996	20,477	20,687	21,178	21,684	22,174	22,651	23,153	23,505
Environmental Management	16,095	13,573	18,210	19,585	15,799	16,106	16,620	16,812	17,351	17,470	17,876	18,357
Regulatory	15,633	10,958	11,526	11,155	11,531	11,834	12,229	12,571	12,993	13,346	13,733	14,147
Regional Development	6,262	6,837	6,493	6,984	7,437	7,860	7,812	7,941	8,213	8,453	8,604	8,745
Total activity expenditure	193,017	134,090	152,779	160,529	166,859	175,219	180,666	185,379	190,223	193,601	197,640	201,678
Plus other expenditure (including Forestry)	11,135	17,462	15,996	19,115	22,729	24,371	26,424	26,627	26,668	26,578	26,217	24,446
Interest - Internal Loans	(6,136)	(6,976)	(7,949)	(10,193)	(13,370)	(15,501)	(16,468)	(16,739)	(16,953)	(16,677)	(16,539)	(16,733)
Total operating expenditure	198,016	144,576	160,826	169,450	176,218	184,089	190,621	195,268	199,938	203,502	207,318	209,391

2. Rates revenue

for the year ending 30 June:

	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
People	9,881	10,295	11,799	12,712	13,207	13,588	13,861	14,285	14,653	14,883	15,370	15,800
Community Facilities	11,089	11,854	12,136	13,792	14,529	14,908	15,397	15,843	16,082	16,368	16,494	16,702
The Provision of Roads and Footpaths	11,313	11,938	12,755	14,636	15,343	16,072	16,643	17,195	17,700	18,163	18,524	18,854
Flood Protection and Control Works	5,232	5,716	5,684	6,472	7,035	7,408	7,654	7,943	8,215	8,406	8,599	8,728
Sewerage	8,719	9,925	9,375	11,290	13,881	15,259	16,124	17,020	18,133	18,486	18,729	18,898
Stormwater Drainage	2,403	2,428	2,751	3,183	3,323	3,431	3,682	4,502	4,824	4,926	5,039	5,133
Water Supply	10,787	11,864	11,775	13,282	15,041	16,342	17,224	17,319	17,680	17,893	18,603	19,707
Solid Waste Management	3,308	3,158	3,686	4,708	4,889	5,066	5,212	5,360	5,485	5,619	5,762	5,911
Environmental Management	9,282	9,447	10,211	11,394	11,927	12,362	12,903	13,048	13,520	13,586	13,929	14,346
Regulatory	3,912	4,259	4,941	5,563	5,814	5,997	6,266	6,490	6,794	7,008	7,249	7,545
Regional Development	4,170	4,495	4,341	4,694	5,086	4,937	4,380	5,280	5,589	5,846	5,900	6,006
Total activity rates	80,096	85,380	89,454	101,727	110,075	115,370	119,344	124,285	128,675	131,183	134,197	137,631
Non-activity rates	3	2	3	3	3	3	3	3	3	3	3	3
Total gross rates revenue	80,098	85,382	89,457	101,730	110,078	115,373	119,347	124,288	128,677	131,185	134,200	137,634
less rates remissions	(514)	(681)	(540)	(542)	(543)	(544)	(546)	(547)	(548)	(549)	(550)	(551)
Rates revenue net of remissions	79,584	84,701	88,916	101,188	109,535	114,828	118,801	123,741	128,129	130,637	133,650	137,083

3. Finance revenue and finance costs

for the year ending 30 June:

	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Finance revenue - interest revenue:												
Term deposits and investments	3,033	5,725	4,641	6,476	9,144	9,016	8,815	8,544	8,198	7,876	7,481	7,037
Total finance revenue	3,033	5,725	4,641	6,476	9,144	9,016	8,815	8,544	8,198	7,876	7,481	7,037
Finance costs - interest expense:												
Total activity related interest expense	6,136	6,976	7,949	10,193	13,370	15,501	16,468	16,739	16,953	16,677	16,539	16,733
(less) plus net external interest	(145)	3,641	1,172	2,705	3,232	2,644	3,649	3,494	3,238	3,397	2,905	894
Total finance costs	5,991	10,617	9,121	12,898	16,601	18,144	20,118	20,233	20,190	20,074	19,444	17,627
Bank charges on borrowings	44	45	76	76	77	77	78	78	78	79	79	80
Net finance costs	2,914	4,847	4,404	6,346	7,381	9,051	11,225	11,611	11,914	12,120	11,885	10,511

4. Other revenue including gains

for the year ending 30 June:

	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Other revenue:												
User charges	25,562	23,994	28,203	30,018	30,882	32,236	33,453	34,283	35,009	35,993	37,141	38,411
Regulatory revenues	5,732	5,624	5,634	5,388	5,521	5,655	5,789	5,912	6,041	6,166	6,292	6,419
Infringements and fines	970	1,030	1,030	1,068	1,102	1,133	1,158	1,181	1,199	1,215	1,228	1,239
Vested assets	1,139	1,210	1,139	1,183	1,220	1,256	1,287	1,316	1,341	1,365	1,387	1,407
Rental income from investment properties	734	782	742	628	563	609	626	674	692	744	762	819
Marlborough Regional Forestry distribution	-	-	-	-	-	-	-	1,210	1,850	3,619	4,133	4,133
Other revenue	13,170	5,771	8,663	6,609	6,903	7,211	7,708	8,091	8,474	9,536	9,149	9,243
Total other revenue	47,306	38,411	45,410	44,894	46,192	48,100	50,021	52,667	54,606	58,638	60,092	61,671
Subsidies and grants:												
NZTA roading subsidy	57,238	9,847	10,736	11,426	13,685	14,087	16,128	12,611	12,825	12,992	13,113	13,241
Other donations and grants	6,483	349	4,920	5,819	1,425	1,226	1,026	1,026	1,026	1,027	1,027	1,027
Total subsidies and grants	63,721	10,196	15,656	17,246	15,110	15,313	17,154	13,638	13,852	14,019	14,140	14,268
Development and financial contributions:												
Development contributions	5,364	5,476	5,476	5,590	5,706	5,825	5,947	6,071	6,197	6,327	6,368	6,410
Development impact levies	100	106	100	104	107	110	113	115	117	118	119	120
Other contributions	50	53	50	52	54	55	56	57	58	59	60	60
Land subdivision revenues	1,807	1,843	1,843	1,880	1,918	1,956	1,995	2,035	2,076	2,117	2,159	2,203
Total development and financial contributor	7,321	7,478	7,469	7,626	7,785	7,946	8,111	8,278	8,448	8,621	8,706	8,793
Gains												
Gain on sale of fixed assets	-	22	1,496	-	-	-	10	17	-	55	9	551
Forestry revaluation gain	1,020	1,412	1,078	1,140	1,205	1,273	1,347	965	776	149	-	-
Total gains	1,020	1,434	2,574	1,140	1,205	1,273	1,357	982	776	204	9	551

5. Expenditure

for the year ending 30 June:

	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Other non-activity expenditure:												
Non-activity expenditure in the Statement of Comprehensive Revenue and Expense is made of:												
Insurance	1,068	1,832	1,358	1,396	1,433	1,469	1,505	1,537	1,570	1,601	1,632	1,664
Property costs	1,836	1,736	2,257	2,034	1,919	1,964	1,947	1,952	1,944	1,952	1,973	1,943
Rate remissions as note 2	514	681	540	542	543	544	546	547	548	549	550	551
Other (including Forestry)	1,726	2,596	2,721	2,244	2,232	2,249	2,309	2,359	2,415	2,401	2,617	2,662
Total non-activity expenditure	5,144	6,845	6,875	6,216	6,127	6,226	6,306	6,395	6,477	6,504	6,773	6,819
Expenditure disclosures:												
Expense includes the following amounts which are required to be disclosed separately:												
Fees to principal Auditor:												
Audit fees for the Annual Report	160	166	167	172	176	181	185	189	193	197	200	204
Audit fees for the LTP	-	126	120	-	-	130	-	-	139	-	-	147
Finance costs as note 3	5,989	10,617	9,121	12,898	16,602	18,145	20,117	20,233	20,191	20,074	19,444	17,627
Depreciation	31,453	34,661	35,660	38,191	41,385	43,716	45,315	46,760	48,300	48,814	49,617	50,592
Amortisation	482	528	688	923	903	839	673	439	431	421	415	409
Personnel costs	30,515	30,219	33,576	35,047	35,826	37,276	38,615	39,984	41,391	42,823	44,288	45,787
Grants and donations	4,588	3,548	3,779	3,821	3,837	3,878	3,942	3,966	4,003	4,075	4,091	4,140
Insurance premiums	3,520	3,248	4,460	4,613	4,746	4,879	5,006	5,120	5,232	5,344	5,447	5,552
Councillors remuneration	760	749	760	781	801	822	841	859	877	895	912	930
Operating leases payments	183	172	180	174	167	171	175	178	181	184	187	190
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-
Investment properties direct operating expenses	70	49	291	70	70	74	79	84	88	94	99	103
Other operating expenses	119,558	59,284	71,276	72,166	71,113	73,388	75,083	76,867	78,322	79,992	81,812	82,907
Marlborough Regional Forestry	738	1,209	748	594	593	592	591	590	590	589	804	804
Total expenditure disclosures	198,016	144,576	160,826	169,450	176,218	184,089	190,621	195,268	199,938	203,502	207,318	209,391

6. Debtors and other receivables

as at 30 June:

	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Non-exchange receivables:												
Rates receivables	1,206	1,314	1,291	1,335	1,374	1,410	1,444	1,475	1,505	1,532	1,558	1,583
Other	318	663	296	306	315	323	331	338	345	351	357	363
GST (net)	1,663	1,279	2,358	2,439	2,509	2,575	2,637	2,695	2,748	2,797	2,846	2,891
Total non-exchange receivables	3,188	3,256	3,944	4,080	4,198	4,308	4,412	4,508	4,597	4,680	4,762	4,837
Exchange receivables:												
Trade receivables	6,163	4,819	4,086	4,226	4,348	4,463	4,570	4,670	4,762	4,847	4,932	5,010
Other	4,284	3,032	6,143	6,354	6,538	6,710	6,871	7,021	7,160	7,287	7,415	7,533
Prepayments	1,348	2,575	1,100	1,138	1,170	1,201	1,230	1,257	1,282	1,305	1,328	1,349
Total exchange receivables	11,795	10,426	11,328	11,718	12,056	12,374	12,671	12,948	13,204	13,439	13,675	13,891
Less provision for impairment	(25)	(12)	(31)	(32)	(33)	(34)	(35)	(36)	(36)	(37)	(38)	(38)
Total debtors and other receivables	14,957	13,670	15,241	15,765	16,220	16,648	17,048	17,420	17,765	18,082	18,399	18,689

7. Other financial assets

as at 30 June:	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Current portion:												
Term deposits and bonds with maturities of 4-12 months	12,492	14,299	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620
Total current portion	12,492	14,299	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620
Non-current portion:												
Term deposits and bonds and community loans with maturities 12 months plus	250	266	418	418	419	419	419	420	420	420	420	420
Community loans	6	2	2	-	-	-	-	-	-	-	-	-
Loan to joint venture Marlborough Regional Forestry	956	6,373	1,416	2,213	3,009	3,894	4,868	5,310	5,310	5,310	5,310	5,310
Loan to subsidiary MDC Holdings Ltd	87,572	185,830	87,148	131,398	188,398	181,648	174,398	166,648	157,548	149,448	140,348	130,948
Unlisted shares in subsidiaries	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
NZ Local Govt. Insurance Corp. and LGFA shares	1,597	1,453	2,461	2,461	2,461	2,461	2,461	2,461	2,461	2,461	2,461	2,461
Other shares	1	1	1	1	1	1	1	1	1	1	1	1
Total non-current portion	96,382	199,925	97,446	142,491	200,288	194,423	188,147	180,840	171,740	163,640	154,540	145,140
Total other financial assets	108,874	214,224	110,066	155,110	212,908	207,043	200,766	193,460	184,360	176,260	167,160	157,760

8. Property, plant and equipment and Intangible assets

as at 30 June:	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2,033
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Capital additions by activity:												
Opening value	1,892,862	1,934,990	2,129,549	2,252,858	2,364,560	2,473,059	2,592,029	2,698,153	2,786,217	2,862,840	2,932,113	2,991,749
Democratic Process	-	-	-	-	60	-	-	-	-	-	-	69
Culture and Heritage	2,531	-	-	-	-	-	-	-	-	-	-	-
Housing for Seniors	3,180	-	3,000	185	-	195	-	204	-	212	-	220
Community Support	23	24	23	23	24	24	25	25	26	26	27	27
Library Services	7,187	399	479	373	391	408	424	469	455	468	480	604
Emergency Management	9	9	9	59	54	10	10	10	10	40	11	91
People	12,930	432	3,510	640	528	637	459	708	491	746	518	1,011
Community Facilities	6,921	6,657	5,898	5,325	4,905	4,415	6,457	4,721	2,416	2,126	2,194	2,825
Roads and Footpaths	17,177	13,296	15,757	18,676	19,482	20,032	23,303	16,383	16,636	16,853	17,031	17,168
Flood protection and control works	5,166	3,239	4,773	7,410	3,672	2,627	2,495	2,292	2,085	1,975	1,533	1,235
Sewerage	10,572	29,146	16,832	50,172	38,682	23,269	20,179	24,091	2,973	7,179	451	499
Stormwater Drainage	3,420	3,628	2,066	2,252	4,064	2,031	7,814	6,796	941	963	984	1,006
Water Supply	16,194	15,709	19,750	34,954	22,215	25,456	3,991	1,739	14,665	1,163	26,588	18,257
Solid Waste Management	2,656	3,520	3,642	581	496	1,218	123	473	3,132	3,469	240	198
Environmental Science and Monitoring	334	425	452	415	650	442	214	235	179	246	187	454
Environmental Policy and Protection	-	-	-	-	45	-	-	-	-	-	-	53
Resource Consents	3	-	-	-	43	-	-	-	-	-	-	50
Environmental Management	337	425	452	415	738	442	214	235	179	246	187	557
Building Control	-	-	-	25	259	-	-	-	-	28	-	301
Environmental Health	3	4	3	29	4	4	4	4	4	4	4	4
Biosecurity	-	-	-	-	182	-	-	104	-	-	-	216
Harbours	262	262	250	223	995	326	666	251	349	208	279	335
Regulatory	265	266	253	277	1,440	330	670	359	353	241	283	857
Regional Development	5,089	108	1,204	9,923	4,001	260	261	287	273	290	294	290
Land Development	-	-	-	-	-	-	-	-	-	-	-	-
Information Services	1,075	1,337	1,975	1,891	1,819	784	802	820	837	854	870	887
Corporate services and asset management	50	52	-	-	926	52	42	-	52	-	-	1,099
Plant Operations	272	185	164	292	159	258	503	482	463	151	148	259
Office Services	324	105	60	236	63	108	66	68	69	347	72	73
Total capital expenditure	82,448	78,105	76,337	133,043	103,192	81,919	67,381	59,454	45,566	36,604	51,393	46,222
Disposal	-	(1)	(2,004)	-	-	-	(3)	2	-	(44)	(6)	(1)
(Less)/plus carryovers movement	(8,245)	(7,536)	(3,943)	(55,372)	(21,191)	13,986	19,825	12,283	18,836	22,784	-	-
Depreciation	(31,453)	(34,660)	(35,660)	(38,191)	(41,385)	(43,716)	(45,315)	(46,760)	(48,300)	(48,814)	(49,617)	(50,592)
Amortisation	(482)	(528)	(688)	(923)	(903)	(839)	(673)	(439)	(431)	(421)	(415)	(409)
Revaluation	38,676	54,584	89,266	73,143	68,786	67,619	64,908	63,522	60,949	59,164	58,280	56,321
Closing value	1,973,806	2,024,954	2,252,857	2,364,559	2,473,058	2,592,028	2,698,152	2,786,216	2,862,838	2,932,112	2,991,748	3,043,291

9. Creditors and other payables

as at 30 June:	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Trade payables	9,931	9,102	14,825	15,334	15,777	16,193	16,582	16,944	17,279	17,588	17,897	18,178
Accrued expenses	6,224	1,922	3,477	3,596	3,700	3,798	3,889	3,974	4,053	4,125	4,197	4,263
Income in advance	3,223	3,196	3,840	3,972	4,087	4,195	4,296	4,389	4,476	4,556	4,636	4,709
Deposit	943	1,046	1,313	1,358	1,397	1,434	1,468	1,501	1,530	1,558	1,585	1,610
Agency account	157	121	134	138	142	146	149	153	156	159	161	164
Trust funds	88	242	69	71	73	75	77	79	80	82	83	85
Related party payables	3,677	3,619	3,857	3,990	4,105	4,213	4,314	4,408	4,496	4,576	4,656	4,730
Total creditors and other payables	24,243	19,248	27,514	28,460	29,282	30,054	30,776	31,448	32,070	32,643	33,216	33,739

10. Borrowings

as at 30 June:	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2,033
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
People	8,191	6,412	6,232	5,954	5,663	5,356	5,034	4,696	4,341	3,968	3,575	3,163
Community Facilities	24,204	27,328	25,587	27,577	28,922	28,171	30,032	29,367	27,606	25,591	23,698	22,459
The Provision of Roads and Footpaths	19,411	16,730	20,798	22,595	24,030	25,405	26,144	26,792	27,336	27,771	28,094	28,343
Flood Protection and Control Works	6,672	11,375	8,166	14,142	16,588	17,820	18,743	19,964	20,624	21,335	21,268	20,964
Sewerage	47,309	46,409	46,268	87,879	118,546	133,260	135,741	140,763	133,417	127,105	118,898	110,691
Stormwater Drainage	445	65	398	350	315	297	3,858	9,521	9,209	8,880	8,535	8,172
Water Supply	31,121	39,082	32,167	48,246	65,967	85,216	83,189	78,901	86,979	82,726	103,108	114,357
Solid Waste Management	5,189	4,767	4,838	4,295	3,780	3,260	2,750	2,363	2,085	1,818	1,555	1,278
Environmental Management	314	294	295	276	256	235	212	189	164	138	111	82
Regulatory	687	739	1,125	1,174	1,410	1,474	1,366	1,253	1,302	1,193	1,106	1,108
Regional Development	13,513	20,318	9,169	17,451	19,110	17,931	17,177	16,391	21,401	20,633	20,174	19,834
Commercial Property	9,231	8,609	8,634	8,008	7,350	6,659	5,932	5,169	4,367	3,525	2,640	1,710
Plant Operations	515	475	476	436	393	348	301	252	200	145	88	28
Marlborough Regional Forestry	956	6,373	1,416	2,213	3,009	3,894	4,868	5,310	5,310	5,310	5,310	5,310
MDC Holdings Ltd financing	88,240	186,390	88,240	132,490	189,490	182,740	175,490	167,740	158,640	150,540	141,440	132,040
Total loans	255,998	375,366	253,811	373,085	484,829	512,066	510,837	508,671	502,981	480,678	479,600	469,539
less internal loans	(48,844)	(23,246)	(40,635)	(85,363)	(112,310)	(106,213)	(83,360)	(76,600)	(78,611)	(71,607)	(96,229)	(121,569)
Total borrowings (external loans)	207,155	352,120	213,175	287,722	372,519	405,853	427,477	432,070	424,370	409,071	383,371	347,970

11. Investment property

	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2,033
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Balance at 1 July	10,950	10,750	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500
Balance at 30 June	10,950	10,750	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500

12. Exchange and non-exchange revenue

for the year ending 30 June:	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Non-exchange revenue:												
General rates and charges	76,296	81,071	85,209	96,720	104,761	110,206	113,911	118,784	123,107	125,550	128,504	131,882
Donations, subsidies and grants	63,721	10,197	15,656	17,246	15,110	15,313	17,154	13,638	13,852	14,019	14,140	14,268
Fees and charges	22,371	20,106	23,742	24,907	25,675	26,406	27,118	27,778	28,388	29,191	29,806	30,387
Other revenue	23,423	17,471	20,589	16,840	17,385	17,813	18,330	18,434	18,547	19,142	18,616	19,427
Total non-exchange revenue	185,810	128,845	145,195	155,712	162,931	169,738	176,513	178,633	183,894	187,902	191,066	195,964
Exchange revenue:												
Metered water	3,801	4,311	4,248	5,010	5,317	5,167	5,436	5,505	5,570	5,634	5,696	5,752
Rentals and leases	6,843	6,959	7,656	7,854	7,930	8,636	9,192	9,480	9,688	9,989	10,609	11,422
Marlborough Regional Forestry distribution	-	-	-	-	-	-	-	1,210	1,850	3,619	4,133	4,133
Interest and dividends	6,045	8,512	8,107	10,539	13,339	13,480	13,664	13,573	13,557	13,398	13,127	12,683
Total exchange revenue	16,689	19,782	20,011	23,402	26,585	27,282	28,292	29,767	30,665	32,640	33,565	33,990
Total revenue	202,500	148,627	165,206	179,114	189,516	197,020	204,805	208,400	214,559	220,543	224,631	229,954

13. Other reserves

as at 30 June:	2023 (AP)	2024 (LTP)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s

13.1 Reserve funds - Council wide**Emergency Events Reserve**

Purpose: Council's Emergency Events Reserve, which is part of Council's risk management strategy, exists to:

- protect Council's infrastructural assets;
- make a provision for restoration of Council's roading network in the event of extraordinary flood damage; and
- provide for the restoration of Council's Wairau floodplain river protection assets;

Activities to which it relates: Infrastructural Assets including the roading network and rivers.

Opening balance	6,888	1,349	6,284	2,037	945	2,081	3,825	4,442	5,110	5,430	5,418	5,457
Transfer to reserve	494	361	386	485	2,705	3,363	2,277	2,368	2,055	1,755	1,835	3,649
Transfer from reserve	(3,382)	(3,092)	(3,021)	(1,577)	(1,568)	(1,619)	(1,661)	(1,700)	(1,735)	(1,767)	(1,796)	(1,824)
Capex transfer from reserve	(1,126)	-	(1,612)	-	-	-	-	-	-	-	-	-
Closing balance	2,874	(1,382)	2,037	945	2,081	3,825	4,442	5,110	5,430	5,418	5,457	7,283

COVID-19 Rates Relief Reserve

Purpose: The reserve was created in 2021-31 to provide rates relief for the period of three years as part of Council's COVID-19 recovery strategy.

Activities to which it relates: Any Activity rated by Council.

Opening balance	(4,000)	(8,300)	(8,300)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)
Transfer to reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve	(4,300)	(4,500)	(4,500)	-	-	-	-	-	-	-	-	-
Capex transfer from reserve	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	(8,300)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)

Forestry and Land Development Reserve

Purpose: Receives revenue from Marlborough Regional Forestry and from the sale of non-activity assets for funding any projects approved by Council.

Activities to which it relates: Any Activity approved by Council.

Opening balance	11,711	4,281	6,130	5,514	4,012	3,066	2,824	2,579	2,348	2,124	2,649	3,293
Transfer to reserve			-	-	2	7	13	20	26	787	895	904
Transfer from reserve	(1,498)	(500)	(396)	(109)	(28)	(29)	(39)	(30)	(31)	(42)	(32)	(32)
Capex transfer from reserve	(4,525)	(1,392)	(220)	(1,393)	(920)	(220)	(220)	(220)	(220)	(220)	(220)	(220)
Closing balance	5,688	2,389	5,514	4,012	3,066	2,824	2,579	2,348	2,124	2,649	3,293	3,945

Infrastructure Upgrade Reserve

Purpose: To be used for essential infrastructure; to assist funding of new assets (up to a maximum of 50%), and to assist the funding of significant capital upgrades which will increase the targeted level of service supplied to the community.

Activities to which it relates: Infrastructure such as Water and Sewerage etc, and other Activities as determined by Council from time to time.

Opening balance	13,544	14,333	14,795	15,872	16,066	14,362	11,693	8,931	6,279	3,814	1,504	(575)
Transfer to reserve	5,117	4,893	6,025	6,622	6,754	7,439	8,138	8,318	8,648	8,811	9,289	9,736
Transfer from reserve	(3,966)	(4,292)	(4,948)	(6,427)	(8,457)	(10,108)	(10,901)	(10,970)	(11,113)	(11,121)	(11,368)	(11,680)
Capex transfer from reserve	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	14,695	14,934	15,872	16,066	14,362	11,693	8,931	6,279	3,814	1,504	(575)	(2,518)

Land Subdivision Reserve

Purpose: To provide for Development Contributions and their utilisation in accordance with the provisions of the Local Government Act 2002.

Activities to which it relates: Community Facilities including Reserves, Halls, Swimming Pools.

Opening balance	3,045	2,077	5,579	7,210	7,949	8,670	8,103	8,203	7,695	8,556	9,494	10,467
Transfer to reserve	2,414	2,462	2,462	2,511	2,562	2,613	2,665	2,718	2,773	2,828	2,885	2,942
Transfer from reserve	-	-	-	-	-	-	-	-	-	-	-	-
Capex transfer from reserve	(1,310)	(1,653)	(831)	(1,773)	(1,841)	(3,179)	(2,565)	(3,227)	(1,912)	(1,890)	(1,912)	(1,931)
Closing balance	4,149	2,886	7,210	7,949	8,670	8,103	8,203	7,695	8,556	9,494	10,467	11,478

Port Marlborough NZ Ltd Special Dividend Reserve

Purpose: Defined amounts to be available to the Blenheim Vicinity, Picton Vicinity and General Rural geographic rating areas, or the interest on any unspent balance to be used to subsidise General rates in those areas.

Activities to which it relates: Various.

Opening balance	3,932	4,132	3,704	3,504	3,504	3,504	3,504	3,504	3,504	3,504	3,504	3,504
Transfer to reserve	141	173	185	185	185	185	185	185	185	185	185	185
Transfer from reserve	(141)	(173)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)
Capex transfer from reserve	(200)	-	(200)	-	-	-	-	-	-	-	-	-
Closing balance	3,732	4,132	3,504	3,504	3,504	3,504	3,504	3,504	3,504	3,504	3,504	3,504

Wairau Rivers Reserve

Purpose: Accumulates each year-end surplus or deficit from the Wairau Valley River Works rates.

Activities to which it relates: Rivers and Land Drainage on the Wairau Plain.

Opening balance	(1,201)	(3,366)	(911)	(1,892)	(2,264)	(2,263)	(1,905)	(1,558)	(969)	(582)	55	448
Transfer to reserve	1,157	1,201	1,118	1,127	1,148	1,160	1,205	1,253	1,276	1,260	1,252	1,260
Transfer from reserve	(494)	(584)	(489)	(538)	(558)	(558)	(541)	(524)	(495)	(476)	(448)	(447)
Capex transfer from reserve	(1,373)	(265)	(1,610)	(961)	(589)	(243)	(318)	(140)	(393)	(146)	(411)	(280)
Closing balance	(1,912)	(3,015)	(1,892)	(2,264)	(2,263)	(1,905)	(1,558)	(969)	(582)	55	448	981

13.2 Reserve funds - Activity specific

These reserves are "owned" by a specific activity or individual scheme etc and exist for the following purposes:

General Reserve: to accumulate targeted rates or other revenue for use in subsequent years.

Depreciation Reserve: to accumulate rates levied to fund depreciation expense, may be used to fund capital expenditure or repayment of debt raised to fund capital expenditure.

Landfill Aftercare Reserve: to accumulate "dump fees" charged from the operation of the landfill (or of a stage) required to fund its closure and management once it is fully utilised.

Development Contribution Reserve: to accumulate development and financial contributions to fund qualifying capital expenditure.

Landfill aftercare reserve

Opening balance	2,222	684	2,885	2,988	3,095	3,189	3,286	3,388	3,494	3,604	3,718	3,837
Transfer to reserve	111	45	103	107	94	98	102	106	110	114	119	123
Transfer from reserve	-	-	-	-	-	-	-	-	-	-	-	-
Capex transfer from reserve	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	2,333	728	2,988	3,095	3,189	3,286	3,388	3,494	3,604	3,718	3,837	3,960

Development Contribution reserves

Opening balance	(5,806)	1,284	(6,363)	(5,023)	(3,199)	(3,482)	(1,674)	(1,823)	521	2,334	4,827	9,198
Transfer to reserve	1,837	3,190	1,876	1,920	1,965	2,010	2,056	2,555	2,149	2,711	4,591	4,576
Transfer from reserve	-	-	-	-	(409)	-	-	-	-	-	-	-
Capex transfer from reserve	(548)	(2,366)	(536)	(96)	(1,839)	(202)	(2,204)	(211)	(336)	(217)	(220)	(221)
Closing balance	(4,517)	2,108	(5,023)	(3,199)	(3,482)	(1,674)	(1,823)	521	2,334	4,827	9,198	13,553

Operational (General and Depreciation) reserves

Opening balance	7,898	730	8,765	(2,306)	(10,314)	(1,071)	8,944	10,643	17,432	38,520	51,208	71,037
Transfer to reserve	28,947	31,592	31,985	34,421	37,653	39,970	41,269	42,189	49,679	44,134	44,958	46,313
Transfer from reserve	(9,127)	(9,866)	(10,218)	(11,002)	(12,672)	(14,972)	(15,735)	(15,388)	(15,461)	(15,139)	(15,237)	(15,873)
Capex transfer from reserve	(25,011)	(36,622)	(32,839)	(31,426)	(15,738)	(14,983)	(23,835)	(20,011)	(13,130)	(16,307)	(9,892)	(11,958)
Closing balance	2,708	(14,165)	(2,306)	(10,314)	(1,071)	8,944	10,643	17,432	38,520	51,208	71,037	89,518

Road Funding reserves												
Opening balance	606	3,037	-	-	-	-	-	-	-	-	-	-
Transfer to reserve	139	1,721	139	144	148	152	156	158	161	163	165	166
Transfer from reserve	-	(95)	-	-	-	-	-	-	-	-	-	-
Capex transfer from reserve	(441)	(147)	(139)	(144)	(148)	(152)	(156)	(158)	(161)	(163)	(165)	(166)
Closing balance	303	4,516	-	-	-	-	-	-	-	-	-	-
MRF biological assets reserve												
Opening Balance	12,695	19,330	11,351	12,429	13,569	14,774	16,047	17,394	18,359	19,135	19,284	19,069
Transfer to reserve	1,020	1,412	1,078	1,140	1,205	1,273	1,347	965	776	149	(215)	(215)
Transfer from reserve	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	13,715	20,742	12,429	13,569	14,774	16,047	17,394	18,359	19,135	19,284	19,069	18,854
Total movements												
Opening balance	51,534	39,571	43,919	27,532	20,563	30,029	41,848	42,902	50,972	73,638	88,861	112,935
Transfer to reserve	43,381	47,049	45,356	48,662	54,419	58,270	59,413	60,835	67,838	62,898	65,960	69,642
Transfer from reserve	(23,823)	(23,101)	(23,757)	(19,839)	(23,878)	(27,471)	(29,062)	(28,798)	(29,020)	(28,730)	(29,067)	(30,041)
Capex transfer from reserve	(34,534)	(42,444)	(37,986)	(35,792)	(21,075)	(18,979)	(29,297)	(23,967)	(16,151)	(18,944)	(12,820)	(14,777)
Other reserves closing balance as shown in Equity	36,557	21,074	27,532	20,563	30,029	41,848	42,902	50,972	73,638	88,861	112,935	137,758

4.8. Council Activities

(also refer to the separate attachment)

(Report prepared by M Fletcher)

F230-A23-03

Purpose of report

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

RECOMMENDATIONS

That Council:

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

Attachment

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

Author	All Departmental Managers
Authoriser	Martin Fletcher, Chief Financial Officer

4.9. Levels of Service Increases E-Recruitment System

(Report prepared by E Williams/D Heiford)

C500-005-019-H02

Purpose of report

1. The purpose of this report is to request approval to procure an e-recruitment system to support and streamline Council's recruitment processes.

Executive Summary

2. Council's current recruiting process is labour-intensive, manual, and at times can be unstructured. These inefficiencies can lead to an increase in time to hire and result in administrative errors being made.
3. The People & Capability (P&C) Strategy 2022-2024 has identified streamlining Council's recruitment processes as a top to priority to better support the organisations goals and improve our "new employee" experience.
4. The P&C team would like to procure an e-recruitment system, to build on the efficiencies and effectiveness that such a system brings, in order to improve on how recruitment is managed at Council.

RECOMMENDATION

That Council procures an e-recruitment system and supporting technology for recruitment and vacancy management.

Overview

5. The P&C team currently makes use of a traditional recruitment system that relies on spreadsheets and various application platforms, none of which speak to each other. This is labour-intensive and places considerable strain on the P&C team's efficiency and performance.
6. Online recruitment has become a major component in the process of attracting and securing suitable candidates in a tight labour market. E-recruitment systems provide a means to manage, automate, track and analyse candidates and job data from online sources (e.g. Council's online application platform and Seek).
7. The P&C team would like to implement an e-recruitment system for Council to simplify and streamline the processes involved with recruitment management.
8. It is envisaged that an e-recruitment system will reduce the time to hire, automate low value administrative tasks, provide better visibility/tracking of progress made for recruitment processes, build a database of potential employees in a tight labour market, and improve on Council's branding and the "new employee" experience.

Background

9. The P&C Team is responsible for the delivery of all recruitment services for Council. These services vary from role to role and are affected by:
 - The needs of the respective hiring manager.
 - The type of role being advertised (some roles take longer to find a suitable candidate due to the scarcity of skills in New Zealand).
10. In 2022, 55 roles went through a recruitment process at Council.

11. Council currently uses a combination of paper-based forms, spreadsheets, and whiteboards to create, manage and report on recruitment across the organisation. Applications are managed via outlook folders.
12. The current method in which recruitment is managed at Council inadvertently results in administrative errors occurring, especially when recruitment spreadsheets are not updated regularly.

Current Recruitment Challenges and Risks

13. Higher hiring costs:
 - Apart from visible costs involved in recruitment (such as the cost to placing adverts on recruitment platforms), the labour costs involved in completing a recruitment process may be deemed as excessive.
 - Each recruitment platform (Seek, LG Jobs, Newspapers) requires a separate process to load an advert onto the respective platform. This is time consuming when the same advert is required to be placed across all of these various platforms.
14. Extended time-to-hire:
 - Recruitment processes at Council are “manual” in nature. This has a direct impact on the time-to-hire period.
 - Extended time-to-hire periods can result in Council’s services being delayed or neglected due to vacancy within the organisation.
15. Lack of transparency:
 - Recruitment spreadsheets need to be actively updated by those involved in the recruitment function to ensure that progress made is able to be tracked and monitored.
 - Managers are dependent on the P&C team to provide updates regarding the progress made in recruitment for their roles.
 - Reporting on the progress made to fill a particular vacancy requires searching through spreadsheets and manually calculating the days a role has been vacant. This is a time-consuming process.
16. Lack of integration:
 - A problem with traditional recruitment processes is their lack of integration. The P&C team are required to input the same data multiple times into different systems during the various stages of recruitment.
 - This can create data inaccuracies which then results in the need to make use of additional resources to make the corrections.
17. Negative candidate experience
 - Lengthy application processes and inaccuracies in data management (e.g. errors in employment letters) can lead to a negative “new employee” experience.
 - In the current labour market, ensuring that Council’s employment brand is deemed as professional and attractive is critical to secure the best candidates.

Advantages of an E-Recruitment System

18. Reduced time-to-hire:
 - Manual entering of data into e-recruitment systems is only required once. The transfer of data through the various stages of recruitment is automated and is therefore more time and cost efficient.
 - Publishing an advert on various recruitment platforms is only required to be done once from the e-recruitment system.

19. Reduced recruitment costs:

- Automated systems allow recruitment processes to be streamlined, and therefore require less labour resources to manage these respective processes.
- Due to other streamlining functions e-recruitment systems provide (such as pre-formatted advert templates and ticking of boxes to select the correct advert details) minimal input and time is required from the staff member setting up the advert.
- Automation of recruitment processes also decreases the chances of administration errors occurring, and therefore resources aren't wasted by the need to make corrections.

20. Filtration tools:

- E-recruitment systems have filtration tools to help hiring managers to find the ideal candidates with competencies that match the job description. Therefore, the filtration tools provided by e-recruitment systems speed up the process of sorting the candidates according to experience, education, competencies, and many more criteria.

21. Candidate Self-service

- Candidates can manage their personal information when making application for a role. This best ensures that the data entered is accurate. The information is entered once and will follow through to the end of the recruitment process for the role.
- All candidate information can be retained to create a talent pool for future recruitment campaigns.

22. Integration of information into other systems

- E-recruitment systems allow for seamless integration of information into other HR related systems (such as Payroll, onboarding systems, or record management systems).

23. Improved branding

- E-recruitment platforms are designed to best ensure that the user-organisation's branding exceeds the needs of a demanding labour market.
- Reduced processing times, and minimal administrative errors, during a recruitment process improves the "new employee" experience.

Cost Benefits

24. The following table compares time spent managing an average recruitment process manually, to the time spent using an e-recruitment system:

Activity	Manual Process (time spent in minutes)	E-recruitment system (time spent in minutes)	Relevant feature of e-recruitment system
P&C team writes advert and places on various recruitment platforms (e.g. Seek and Trade Me)	120	10	Cloning function and pre-formatted templates
All applications received in Vacancy inbox, checked, printed, and sent to hiring manager	120	0	All applications automatically loaded onto the platform
Hiring manager conducts shortlisting process	180	30	Rating and ranking function
Line manager reviews applications of shortlisted candidates	60	10	Line manager has real-time access to applications
Hiring manager advises P&C of shortlist and interviews are scheduled (average 4 candidates)	40	5	Pre-formatted invitations only requiring a tick next to applicant's name
Interviews conducted	300	300	

Activity	Manual Process (time spent in minutes)	E-recruitment system (time spent in minutes)	Relevant feature of e- recruitment system
Reference Checks	40	30	Smart forms
Unsuccessful candidates notified	30	5	Bulk email
Total time	890	390	

25. It is not possible to equate this into a dollar figure (each role will have different hiring managers) but it is evident that there is a significant reduction in time spent when making use of an e-recruitment system.

Budget Requirements

26. Table below outlines the estimated investment required to support the recommendations annually and the total investment to implement the system which can include the need for project support, business analyst, change management, system administrator and a quality assurance process.

Item	Cost
Investment to implement e-recruitment system	\$7,000
Estimated investment required to support the recommendations annually	\$23,000
TOTAL	\$30,000

Next steps

27. Increased budget to provide for implementation and continued licencing to be included in the 2023/24 Annual Plan.
28. Liaison with IT in regard to project plan.
29. Request for proposal / tender process.
30. System implementation and user training.

Author	Earle Williams, People & Capability Senior Advisor
Authoriser	Dean Heiford, Manager Economic, Community and Support Services

4.10. Levels of Service Increases

Digital Health and Safety Management System (HSMS)

(Report prepared by A Merwood/D Heiford)

C500-005-019-H02

Purpose of report

1. The purpose of this document is to request approval to introduce a Digital Health and Safety Management System (HSMS) to support Council by digitising our Health and Safety Management processes.

Executive Summary

2. The system is requested as part of a programme of work that will support our Health, Safety and Wellbeing Strategy (2022–2024).
 3. A review to understand the current health and safety challenges and risks faced by Council including the advantages and cost benefits of a digital HSMS.
 4. The financial impacts outlined are proposed to take effect from the first quarter of the 2023/2024 financial year.
-

RECOMMENDATIONS

1. **That Council approve the request to implement a digital HSMS.**
 2. **That Council approve the budget increases for the 2023/24 budget to implement and maintain the digital HSMS.**
-

Overview

5. Council has a moral and legal obligation to ensure its staff gets home safe every day. This primary duty of care² is to ensure so far as is reasonably practicable, that the health and safety of staff and other people are not put at risk by its work.
6. In 2021 there were over 220,000 work related injury claims made in New Zealand. Of these 39,000 were considered serious and a total of 54 people lost their lives in work related injuries.³ These are sobering statistics and show that we must do our bit to reverse these trends.
7. What can't be measured cannot be improved upon. Without accurate information on our current and past Health and Safety performance we cannot hope to keep people safe. A key component is giving our staff access to be able to record and be aware of any Health and Safety issues they are facing – having the ability to see and log information easily and quickly from anywhere.
8. Furthermore, providing our management teams with immediate and easy access to Health and Safety performance. Teams must be able to have access to performance metrics that are not hidden on a spreadsheet. With this in place we can drive down injury rates, keep our staff happy, reduce time off work, reduce costs associated with injuries and help with retaining staff.
9. A digital HSMS is a tool for managing safety, health, risks, and accidents to create better and safety working conditions. It keeps data on incident reporting, training, investigations, and other information related to workplace safety and health. Moreover, it should include necessary policies, procedures, accountabilities, and compliance to meet Council's regulatory obligations while maintaining a safe work environment.

² <https://www.worksafe.govt.nz/managing-health-and-safety/getting-started/introduction-hswa-special-guide/#lf-doc-22882>

³ <https://data.worksafe.govt.nz/>
<https://www.stats.govt.nz/information-releases/injury-statistics-work-related-claims-2021/>

10. The implementation of a digital HSMS is intended to enable Council to continue providing a safe and healthy workplace while working to prevent work-related injury and ill health while improving its overall health and safety performance.

Background

11. Council currently uses a combination of paper-based forms, spreadsheets, and intranet forms to create, manage and report on our Health, Safety and Wellbeing across the organisation. Audits and reporting exercises are labour intensive, reactive and time consuming.
12. Council is not able to respond in real time to events as they happen. Often the Health, Safety & Wellbeing Team is only notified up to a day or two after events have occurred.
13. There is a continuous risk of intellectual property being lost when staff leave, or productivity lost as teams work through reporting processes.

Current Health and Safety Challenges and Risks

14. Engagement:
 - Usability & engagement: Current paper forms and spreadsheets mean staff have inconsistent experiences when logging incidents which results in some incidents being unreported.
 - Mobility: Staff are often out in the field or somewhere without coverage when an incident occurs and can forget to log it or log it days later. Current online forms cannot be accessed remotely.
 - Culture Issues: Paper based forms may not be ready to hand, meaning incidents may be unreported.
15. Compliance:
 - Audits, Compliance & Risk: Audits are identifying compliance and process breakdowns. Audits are also manual and time-consuming.
 - Strategic Issues & Changing Legislation: Responding to changing market conditions, tracking new legislation, and keeping up with Health, Safety & Wellbeing requirements.
 - Documentation Concerns: Some documentation is out of date or not in a central place to be viewed or used by all teams easily.
16. Reporting:
 - Lack of real time insights: reports require multiple staff hours to compile information from various sources manually - it is time consuming and sometimes incomplete.
 - Reporting & Governance Issues: Reporting for the Senior Leadership Team and Councillors is prepared manually in excel with multiple data sources.
17. Reducing Risk
 - Improving visibility & preventative actions: There is a relatively low number of incidents, near misses & hazards being reported, which likely indicates under reporting as opposed to this being a positive measure. It is challenging to proactively manage Health & Safety with a lack of data.

Advantages of a Digital HSMS

18. An effective and well-designed digital HSMS should improve Council's overall health and safety performance and provide:
 - Preventative and proactive risk management
 - Help reduce risk of accidents or incidents
 - Easy access to tools, resources etc from anywhere anytime

- Improved reporting culture
 - Establish incident and investigation management process
 - Improved and streamlined auditing and training management
 - Helps meet governance and compliance requirements including reporting
 - Improve efficiency and saves money (refer Cost Benefits)
 - Improve employee safety and wellbeing
 - Improves productivity and boosts staff trust and confidence in Council
19. Enhanced reporting and access to real time data means managers and the Executive Leadership Team are able to make proactive, informed decisions to keep our people safe in a timely manner. Having visibility across the organisation about what is occurring daily (not monthly or quarterly in arrears) means the right preventative measures can be put in place.

Cost Benefits

20. Health and safety is often viewed as an expense rather than an investment as it is considered to be a cost of just doing business – something we have to do to maintain compliance.
21. Various studies have shown that every dollar invested in injury prevention, returns between two and six dollars. These returns stem from:
- Decreased lost time from worker injuries and incidents, reducing expenses related to medical care etc.
 - Compliance with regulations and laws which can impact on the organisation financially. Avoiding fees and fines from regulatory agencies.
 - Operational efficiency increases and supports long-term sustainability with less injuries and time off work.
 - Improvement in employee wellbeing and creates a positive reputation as a safety-focused organisation.

Statistics, Claims and Offences

22. The full impact of poor safety on people is immeasurable. The impacts of accidents and incidents can run far beyond an employee visiting the hospital or taking a few days off work.
23. In 2021 a total of 223,300 work related injury claims were made to Accident Compensation Corporation (ACC).
24. There were 39,000 work-related injury claims involving entitlement payments (ie, more serious claims) in 2021; this was an increase of 1,100 since 2020. Entitlement claims include additional payments such as death benefits, loss of earning payments, lump sums, and rehabilitation payments.
25. The incidence rate of all injury claims was 90 claims per 1,000 full-time equivalent employees (FTEs). Those claims involving entitlement payments was 16 claims per 1000 FTEs for 2021.
26. The cost of work injuries per worker are estimated at \$1,100 and the cost per death was \$1,190,000. These figures include estimates of wage losses, medical expenses, administrative expenses, and employer costs, but exclude property damage costs except to motor vehicles.⁴

⁴ <https://www.stats.govt.nz/information-releases/injury-statistics-work-related-claims-2021/>

27. WorkSafe NZ sets out offences and penalties⁵ under the Health and Safety at Work Act 2015 (HSWA). In addition, infringement notices can be issued by a regulator for specified offences. The table below outlines the maximum penalties for health and safety duty offences.

OFFENCE	INDIVIDUAL WHO IS NOT A PCBU OR OFFICER (EG A WORKER OR OTHER PERSON AT A WORKPLACE)	OFFICER OF A PCBU OR AN INDIVIDUAL WHO IS A PCBU (EG SELF-EMPLOYED)	ANYONE ELSE (EG AN ORGANISATION THAT IS A PCBU)
Section 47 (reckless conduct in respect of duty that exposes an individual to a risk of serious injury, serious illness or death)	Five years in prison or \$300,000 fine, or both	Five years in prison or \$600,000 fine, or both	\$3 million fine
Section 48 (failure to comply with a duty that exposes an individual to a risk of serious injury, serious illness or death)	\$150,000 fine	\$300,000 fine	\$1.5 million fine
Section 49 (failure to comply with a duty)	\$50,000 fine	\$100,000 fine	\$500,000 fine

Direct and Indirect Costs

28. The cost to the organisation when an incident or accident occurs can be measured through direct and indirect costs.
29. Direct costs are those that have a direct impact on the organisation and can include worker compensation payments, medical expenses, liability damages, litigation expenses, property loss as well as the sum of the indirect costs.
30. Indirect costs are harder to measure and often overlooked yet can have a far greater impact on the organisation. These can include delays to project schedules, administrative time, damage to equipment or facilities, investigation, and implementation of corrective actions. There may be costs of benefits required to be paid to injured workers (or if a fatality, their family). Loss of skilled workers, negative publicity, and inability to attract human resources and therefore overpaying employees to attract the right people.
31. Studies have shown that the direct to indirect cost ratio is \$1 to \$2.12

Budget Requirements

32. Table below outlines the estimated investment required to support the recommendations annually and the total investment to implement the system which can include the need for project support, business analyst, change management, system administrator and a quality assurance process.

Item	Cost
Investment to implement HSMS	\$10,000
Estimated investment required to support the recommendations annually	\$30,000
TOTAL	\$40,000

Next steps

33. Increased budget to provide for implementation and continued licencing to be included in the 2023/24 Annual Plan.

⁵ <https://www.worksafe.govt.nz/assets/dmsassets/zero/812WKS-6-HSWA-offences-and-penalties.pdf>

34. Liaison with IT in regard to project plan.
35. Consult with staff exploring roles, operating procedures, organisational needs and requirements of the system.
36. Request for proposal / tender process.
37. Develop a systematic implementation approach to ensure smooth integration with the system, including staff training.

Author	Anthea Merwood, Health, Safety and Wellbeing Senior Advisor
Authoriser	Dean Heiford, Manager Economic, Community and Support Services

4.11. Levels of Service Increases Travel-Time Allowance

(Report prepared by M Porter/D Heiford)

D050-003-05

Purpose of report

1. To report back to Council on the cost of the implementation of the Travel-Time Allowance for Councillors.

Executive Summary

2. Any reimbursement of the Travel-Time Allowance would be outside of current budget levels and would require an increase in rates.
 3. It is estimated that a budget in the vicinity of \$8,000 would be required for this allowance.
-

RECOMMENDATION

No recommendation pending discussion be Council.

Background/Context

4. At the Council meeting on 15 December 2022, Council discussed the Elected Members' Allowances and Reimbursement Policy and adopted a Policy with the proviso:
That staff prepare a paper on the Travel-Time Allowance for the Council Meeting (budget meeting) on 2 March 2023.
5. Council indicated that they wished to have a better understanding of the cost implications of this allowance, if it was adopted.

Travel-Time Allowance

6. The Remuneration Authority states that members (but not the Mayor) are entitled to claim an allowance (\$40 per hour) for time travelled within New Zealand on local authority business, provided Council agrees to adopt a travel-time allowance policy; the journey is by the quickest form of transport reasonable in the circumstances; the travel time exceeds one hour; and the travel time does not exceed nine hours (including the first hour which is not covered) within a 24 hour period.
7. The allowance is available each day for any business on behalf of Council or between the member's residence and the District Administration Building.
8. This allowance is not available for overseas travel.
9. Council has never adopted this allowance. If Council did adopt this, it would be up to the member to claim.

Comment

10. Staff have attempted to quantify how much could be claimed on a yearly basis, as any reimbursement for Travel-Time would be outside of current budget levels and would require an increase in rates.
 11. Based on "normal" travel to and from the office (in perfect conditions, but subject to weather, road works etc), only two Councillors would qualify for this allowance to attend meetings at the Council Office (over 1 hour return travel). One Councillor travels just over 2 hours return to get to the office from home, with the other around 1 hour 40 minutes.
 12. Other Councillors may qualify depending on what other travel is required on any particular day, but would not in "normal" circumstances.
-

13. Councillors potentially can attend 45 Council, Standing Committee or Council Briefings a year.
14. There are also a number of Sub-Committees, Working Groups, Forums etc that attendance is required at. This is estimated at 25 to 30 meetings.
15. There will be other times that Councillors claim the travel-time allowance.

Costing

16. It is estimated that a budget in the vicinity of \$8,000 would be required for this allowance.
17. Staff will only be able to refine the costings after a period of the travel-time allowance being claimed.

Author	Mike Porter, Democratic Services Manager
Authoriser	Dean Heiford, Manager Economic, Community and Support Services

4.12. Levels of Service Increases

CDEM Group Plan

(Report prepared by B Paton/R Coningham)

E210-001-04

Purpose of report

1. To gain funding from Council to review and rewrite the Marlborough Civil Defence Emergency Management Plan (Group Plan).

Executive Summary

2. The current Group Plan was written in 2016 and had minor changes made to it in 2018 to reflect the changes to the CDEM Act regarding the way recovery was managed.
3. Group Plans have a 5 year operational period.
4. Under Section 56 of the CDEM Act Groups 'must review' their Group Plan if it is more than 5 years old.
5. A full review is a significant amount of work, including extensive community consultation and hazard identification. This is currently beyond the Group Office's capacity.
6. A quote has been received to carry out a full review by a contractor (Toa Consulting) specialising in CDEM planning.

RECOMMENDATION

That Council fund a contractor to carry out a full review and rewrite of the Marlborough CDEM Group Plan to the value of \$39,500 plus gst.

Background/Context

7. A copy of the current Group Plan can be found on the Council website at:
<https://www.marlborough.govt.nz/civil-defence-emergency-management/about-us/cdem-plans-and-publications/cdem-group-plan-2018-2023>
8. A Group Plan is the guiding document for the Group Office, emergency services and key stakeholders and sets out the goals and objectives for the five year period and beyond.
9. The current Group Plan is no longer fit for purpose and is unable to be used by the Group Office or key stakeholders (e.g. Te Whatu Ora, MDC, Iwi, FENZ, Red Cross, Ambulance and Police) for planning purposes.
10. The strategic goals and objectives create the framework for planning improvements and developing annual business plans.
11. A key part of the review will be to reassess the District's risk profile with a view to reducing Marlborough's vulnerability to those hazards.
12. Even since 2018 there has been a shift in the likelihood and consequences of hazards such as weather events due to climate change and the likelihood of an Alpine Fault rupture increasing significantly.
13. Once the significant hazards are identified the Group Plan will outline how they will be managed under Reduction, Readiness, Response and Recovery programmes
14. The Group Plan will also include the Group's management, governance, resilience and outline how its performance will be monitored and evaluated.

15. The development of the Group Plan involves a public submissions process which will be done far more extensively than in 2018.
16. Toa Consulting are currently doing a Marlborough community resilience gap analysis funded through the National Emergency Management Agency (NEMA) administered Resilience Fund and are therefore the preferred supplier.
17. The resilience gap analysis project will look at the vulnerabilities of communities to hazards and will form a foundation upon which the Group Plan can be reviewed.

Assessment/Analysis

18. Given the impacts of emergencies in Marlborough since the old plan was written it is expected that there will be significant public and other stakeholder interest in the development of this new Group Plan.
19. Iwi consultation will be a key component in the development of the Plan and it is hoped that it will be entwined with the Te Taihiti Emergency Management Strategy to empower a true partnership model of emergency management delivery.
20. The NEMA must assess the Group Plan against the new Emergency Management legislation which is expected to be passed this calendar year. From there it will be submitted to the Minister for Emergency Management for approval.
21. Toa Consulting are already developing Group Plans for other Groups and it is expected that the process will be well-practised by the time the Marlborough work is begun.
22. The Group Office does not have the professional planning expertise to carry out this work, however staff will still be involved, particularly where their local knowledge is required.

Option One (Recommended Option)

23. That Council agrees to fund a contractor to carry out a full review and rewrite of the Marlborough CDEM Group Plan to the value of \$39,500 plus gst.

Advantages

24. The legislative requirement to review the plan will be met.
25. A professional planner will complete the required work in a short period of time and to a standard that will meet the NEMA Director's Guideline requirements – remembering that NEMA and the Minister must approve the final plan.
26. A fixed price contract can be entered into from July 2023 with a contractor who has done many of these plan reviews to NEMA's standards in the past.
27. Toa Consulting are currently completing a community resilience project in Marlborough and the plan review can build on this foundation.
28. A contractor will free up the Marlborough Group Office to continue developing response plans, improving community resilience and supporting the August storm recovery work.
29. Much less requirement for Council teams such as secretarial services, community engagement and communications teams to be involved in the work, particularly in the community consultation stage.
30. The work will be completed on time regardless of whether the Group Office has to respond to new emergencies in the next 12 months.

Disadvantages

31. A significant one-off expense to Council at a difficult financial period.

Option Two

32. The Group Office picks up the responsibility for reviewing and rewriting the plan.

Advantages

33. The legislative requirement to review the plan may be met.

Disadvantages

- 34. Legislative timeframes are unlikely to be met if the Group Office has to respond to, and manage recovery from, an emergency.
- 35. Lack of professional planning resource could result in the plan not meeting stakeholder, community and NEMA expectations and therefore final Ministerial approval.
- 36. Current planned workstreams such as developing response plans, improving community resilience and supporting the August storm recovery work beyond July 2023 will need to be put on hold or substantially reduced.
- 37. Increased workload for Council's secretarial services, community engagement and publishing teams.

Option Three

38. Delay the review of the Group Plan.

Advantages

- 39. No requirement to fund a review.
- 40. Group Office can focus on other core business.

Disadvantages

- 41. The legislative requirements to review the Group Plan will not be met.
- 42. The current plan will be out of date and will not longer be useable to guide business planning development for the Group Office and also for all agencies involved in reduction, readiness, response and recovery.
- 43. The level of service expected of Emergency Management will inevitably reduce, potentially resulting in more serious consequences from emergencies in the future.

Author	Brian Paton, Marlborough Emergency Management Group Manager
Authoriser	Richard Coningham, Assets & Services Manager

Summary of decision-making considerations			
Fit with purpose of local government			
The Civil Defence Emergency Management Act 2016 states under:			
Section 12 (1) (a) <i>Every regional council must establish a Civil Defence Emergency Management Group for the purposes of this Act as a joint standing committee.</i>			
Section 48 <i>Every Civil Defence Emergency Management Group must prepare and approve a civil defence emergency management group plan.</i>			
Section 56 (1) <i>If a civil defence emergency management group plan has been operative for 5 years or more and it is more than 5 years since the plan has been reviewed, the Civil Defence Emergency Management Group concerned must review the plan.</i>			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	Yes	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	Yes	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	Yes	<input type="checkbox"/>	<input type="checkbox"/>
Social well-being	Yes	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	Yes	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	Yes	<input type="checkbox"/>	<input type="checkbox"/>
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	N/A
3 Waters	Yes	<input type="checkbox"/>	<input type="checkbox"/>
Land transport	Yes	<input type="checkbox"/>	<input type="checkbox"/>
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	N/A
This proposal contributes to the current Long-Term Plan where it states under Emergency Management (page 58) that Council will have an operative Group Plan that describes: <ul style="list-style-type: none"> • The emergency management policies and procedures in place to manage hazards and risks • Arrangements for declaring a state of emergency in the district • Arrangements for cooperation and coordination between Groups and Lifeline Utilities to ensure lifelines (e.g. Marlborough Roads, Port Marlborough, electricity, three-waters) are repaired as soon as possible • Marlborough's risk profile which describes the hazards, likelihood, consequences, and total risk rating which must be managed by the Group. 			
Nature of the decision to be made			
The options do not involve a significant decision in relation to land or a body of water.			
Financial considerations			
The funding request of \$39,500 will cover all the costs associated with the work and it is not expected that the group office will need to contribute anything from its operating budget.			
Significance			
The decision has been assessed as of high significance under Council's Significance and Engagement Policy (CM ref 16106088)			

Summary of decision-making considerations

Engagement

The review has also been discussed with our Iwi CEG rep as there is no hint of partnership in the current plan despite the involvement that Iwi have had in emergencies since 2016. The expectation is that the new plan will be developed as a partnership document. There is also a legislative requirement for the plan to be publicly consulted during the review stage and when a final draft has been completed. NEMA will provide support and advice throughout the process and if satisfied will advise the Minister of Emergency Management that the final document can be signed off as complying with the CDEM Act.

Risks: Legal / Health & Safety etc

There is a statutory requirement for the plan to be reviewed by the end of June 2024.

Climate Change Implications

The review of the plan will look to identify climate change hazards within the Marlborough District and would investigate options to manage those and reduce their consequences through reduction and readiness programmes.

4.13. Levels of Service Increases

Wairau River Rating Review

(Report prepared by A White/R Coningham)

R700-002-01

Purpose of Report

1. To request approval to complete a technical review of the Wairau River Rating Scheme and conduct public consultation on potential changes to the Scheme.

Executive Summary

2. The Wairau River Rating Scheme in general has been in place since 1960. The first review of the rating for this scheme was carried out in 1994, and it is now time to review the rating scheme again to look at including other areas in the rating scheme and the level of service provided currently for those areas.

RECOMMENDATION

That Council approves the allocation of \$200,000 from the Forestry and Land Development Reserve to complete the technical review of the Wairau River Rating Scheme and conduct public consultation on potential changes to the Wairau River Rating Scheme.

Background/Context

3. The Wairau River Rating Scheme in general has been in place since 1960. The first review of the rating for this scheme was carried out in 1994, and it is now time to review the rating scheme again to look at including other areas in the rating scheme and the level of service provided currently for those areas.
4. With Climate Change Marlborough is expected to experience more frequent intense rain events meaning a wider focus on the rivers and drainage network for the Wairau River Rating Scheme is required.
5. A number of areas within the Wairau Plains post the July 2021 and August 2022 flood events have approached Council wanting to see a higher level of service on flood protection and drainage work carried out in their area.
6. Area's such as Wairau Valley Township have experienced higher levels of flooding in recent years than when the scheme was reviewed in 1994 meaning a level of service review for these areas is required to factor in the maintenance of assets such as the Andersons Floodway which has previously not been maintained under the current rating scheme.
7. The Cloudy Bay Industrial Park is another example of an area of Blenheim that did not exist when the last river rating review took place in 1994 meaning a review of the classification of the river rating for this type of area is also required.
8. With the growth in population and development occurring in Blenheim in particular, consideration also needs to be given for potential extensions in the current residential zoned areas beyond current boundaries.
9. Council Rivers section has also received requests for increased levels of service in areas outside of the Wairau River Rating Scheme, such as Okiwi Bay and the Flaxbourne area as examples. These areas are not a part of the Wairau River Scheme and as such would require their own review and a targeted rating system to be put in place to cover the costs of increased flood protection and drainage management by Council in those areas.

10. The review of the Wairau River Rating Scheme is a two-part process:
- 10.1 Part one of the process requires a technical review of the rating scheme itself, including:
- i) which areas are included;
 - ii) what rating level should be attached to each area; and
 - iii) how backlog maintenance should be funded for any new areas.
- Refer to the attached (as **Attachment 4.13.1**) for an example of the current Wairau River rating scheme areas.
- 10.2 Once the technical review is completed, the river rating document would be presented to Council for approval to go to public consultation.
- 10.3 Public consultation could involve several months of public meetings to provide further information to the public on proposed changes to river rating levels before a hearings process, deliberation and Council decision.
- 10.4 Funding from the Forestry and Land Development Reserve as compared to rates, is recommended because it is planned to be completed in a short two-year period.

Option One (Recommended Option) – That Council approves the allocation of \$200,000 from the Forestry and Land Development Reserve to complete the technical review of the Wairau River Rating Scheme and conduct public consultation on potential changes to the Wairau River Rating Scheme

Advantages

- 11. Will provide greater clarity to the wider community of what services are provided by their respective river rating.
- 12. Will set levels of service moving forward in the Wairau River Scheme area.
- 13. Will provide appropriate funding levels moving forward for the rated areas.

Disadvantages

- 14. Will incur an additional \$200,000 of unbudgeted costs to complete this work.

Option Two – Status Quo

Advantages

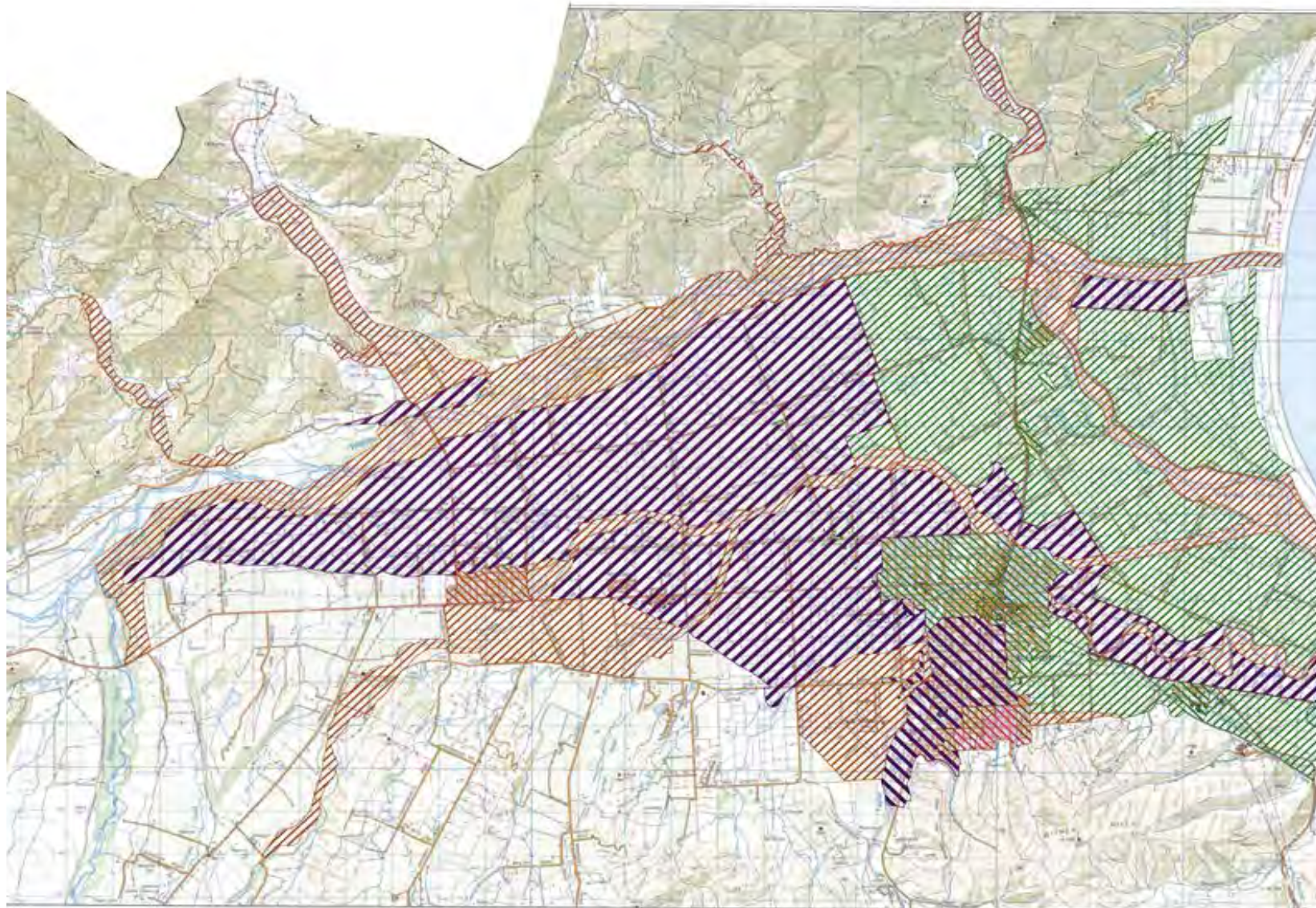
- 15. Will not incur an additional \$200,000 of unbudgeted costs to complete this work.

Disadvantages

- 16. Will not provide greater clarity to the wider community of what services are provided by their respective river rating.
- 17. Will not set levels of service moving forward in the Wairau River Scheme area.
- 18. Will not provide appropriate funding levels moving forward for the rated areas.

Author	Andy White, Rivers and Drainage Engineering Manager
Authoriser	Richard Coningham, Manager Assets and Services

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables democratic local decision-making and action by, and on behalf of communities and relates to providing a public service and it is considered good-quality and cost effective.			
Fit with Council policies and strategies			
X	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	X	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	<input type="checkbox"/>	<input type="checkbox"/>	X
Infrastructure Strategy	X	<input type="checkbox"/>	<input type="checkbox"/>
Social well-being	X	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	<input type="checkbox"/>	<input type="checkbox"/>	X
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	X
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	X
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	X
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	X
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	X
This proposal contributes to the categories identified above as it will provide greater clarity on the levels of service for river and drainage protection for the Wairau River Rating Scheme			
Nature of the decision to be made			
Option one involves a significant decision in relation to land or a body of water as this will set levels of service in relation to the Wairau River flood protection system in particular.			
The relationship of Māori and their culture and traditions with their ancestral land, water, sites, wahi tapu, valued flora and fauna, and other taonga have been identified.			
Mana whenua Iwi will be consulted at the start of the process in relation to the Wairau River Rating Scheme Review.			
Financial considerations			
This proposal is currently not included in existing budgets and will be an addition to existing budgets			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
A communications plan will be developed as the technical review is completed for the consultation portion of the work required.			
Risks: Legal / Health & Safety etc			
There are no known significant risks or legal implications as this is a technical review and consultation process following Local Government public consultation guidelines.			
Climate Change Implications			
In assessing the preferred option, staff have considered the effects of climate change. The setting of levels of services with this review moving forward will help to address adaptation requirements needed in relation to the expected effects of climate change in the future to flood protection and drainage network of the Wairau River Rating Scheme.			



Some zoning differential areas have been overlaid by Council. Council is not responsible for any errors or omissions in this map. Council is not responsible for any errors or omissions in this map. Council is not responsible for any errors or omissions in this map.

Figure 3 Main Floodplain Area
Existing Wairau River Rating Differential Areas

Hatched green - Rural A	Reverse Hatched green - Urban and Urban Town
Hatched navy - Rural B	Reverse Hatched navy - Urban
Hatched brown - Rural C	Reverse Hatched brown - Urban 3 and Urban
Clear - Rural D	Reverse Hatched red - Urban 4

4.14. Levels of Service Increases

Picton and Renwick Trial Bus Service Review

(Report prepared by R Coningham)

R800-003-003-01

Purpose of report

1. To provide Council with an update on the Renwick and Picton trial bus services.
2. To consider whether to extend, expand or discontinue the contracted trial bus services.

Executive Summary

3. During the 2018-28 LTP decision process Council allocated additional gross funding of \$150,000/yr to enable additional bus services to be trialled in the 2018-21 period. Once fare revenue and Waka Kotahi financial assistance of 51% is considered, the net impact on rates is approximately \$66,000 per annum.
4. The trial period for the Renwick and Picton bus services was originally proposed to terminate in June 2021 but was reviewed and extended to 30 June 2023.

RECOMMENDATION

That Council cease the Renwick bus service and move the Picton bus service from a trial to a permanent service.

Background/Context

5. Post the decision to extend the trial bus services for Renwick and Picton, efforts were made to further promote the bus services to the residents of Renwick in particular. This included additional advertising and a leaflet drop to the residents of Renwick. Despite this, the average cost per passenger has increased for the Renwick bus service.
6. The average cost per passenger for the Renwick bus service is \$23.46 per passenger compared to \$17.17 per passenger in April 2021.
7. The average cost per passenger for the Picton bus service is \$5.20 per passenger compared to \$6.77 per passenger in April 2021.

The Renwick Service

8. The Renwick Service commenced in February 2020.
9. Since July 2021 the Renwick service consists of four off peak return trips on Tuesdays and Thursdays, and two return trips on Saturdays. Prior to July 2021 the service ran during peak and off-peak hours, but a review determined the peak hour service determined it wasn't viable to proceed and was ceased.
10. Table 1 identifies the Renwick trial service costs, revenue, and cost to Council per annum:

Renwick	Annual No. of Passengers	Gross	Fares	Net	NZTA	MDC
2019-20	344	30,481	310	30,171	15,387	14,784
2020-21	1681	84,933	2,393	82,540	42,095	40,445
2021-22	605	30,194	679	29,516	15,053	14,463
2022-23 (Jan)	321	15,579	208	15,371	7,839	7,532

Table 1 - Renwick Trial Service Costs

11. The costs for 2019-20 are only for 5 months from February through to June. 2020-21 is a full year's costs including the commuter service. In July 2021 the Renwick commuter service was removed and this is reflected in the varying gross costs in the table above.
12. Patronage trip numbers have been steady but remain low, averaging at 50 each month.
13. The Renwick service does carry wheelchair users between Renwick and Blenheim; however, the Total Mobility Scheme also operates in Renwick with 28 current patrons. This service ensures that disadvantaged users are still able to.

The Picton Service

14. The Picton service commenced in August 2019 and consists of two off peak return trips on Tuesdays and Thursdays, between 9am – 3pm.
15. Table 2 identifies the Picton trial service costs, revenue, and cost to Council per annum:

Year	Annual No. passengers	Gross service cost	Fare revenue	Total Net cost	NZTA contribution	MDC contribution
2019-20	2565	46,409	1,891	44,517	22,704	21,813
2020-21	3092	51,453	3,151	48,302	24,634	23,668
2021-22	3085	54,021	2,878	51,143	26,083	25,060
2022-23 Jan	2469	27,566	1,369	26,197	13,361	12,836

Table 2 - Picton Trial Service Costs

16. On establishment, the Picton trial aimed for a minimum of 192 passenger trips per month. Over 2021-22 the average passenger trips per month were 257 for the last financial year.
17. Patronage is steadily increasing since the Covid lockdowns ended, as shown in Figure 1 below. The increase in passenger trips leads to a decrease in cost per paying passenger. Super Gold Card users are subsidised 100 % by Waka Kotahi and MDC when they use the service in non – peak time:

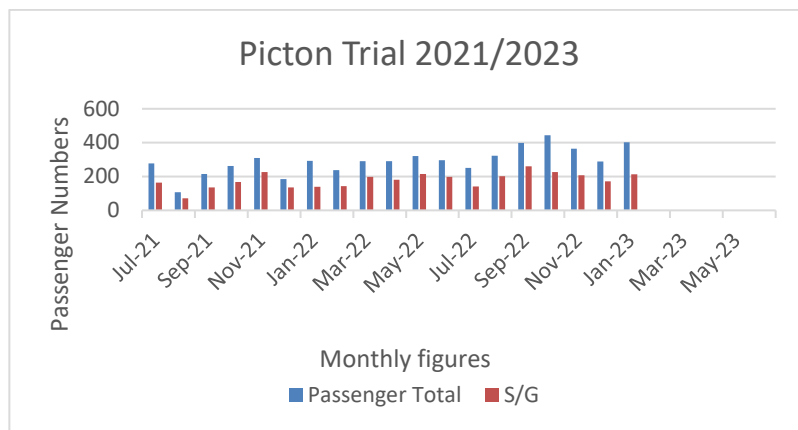


Figure 1 – Picton Trial Service Patronage

Other Considerations

18. There is an approval process required through Waka Kotahi to add new services under the Super Gold Card travel scheme. Waka Kotahi has indicated that there is additional funding available to MDC to continue to fund Public Transport throughout the region at the 51% FAR rate.

Option One - To cease the Renwick bus service and to formalise the Picton bus service from a trial to a permanent service

Advantages

- 19. Provides a bus service to Picton which is patronised well and has a similar cost per passenger to the existing Blenheim bus services.

Disadvantages

- 20. Increase in budget for 2023 to provide the Picton bus service moving forward.

Option Two – Continue the existing trial bus services for Renwick and Picton for a further 12 months to June 2024

Advantages

- 21. Provides a continuation of bus services to both Renwick and Picton.

Disadvantages

- 22. Lengthens Trial period.
- 23. Increase in budget for 2023 to provide both the Renwick and Picton bus service.
- 24. Patronage for Renwick is decreasing as opposed to increasing meaning a higher cost per passenger to Council for the Renwick bus service.

Option Three – Discontinue both Renwick and Picton bus services at the end of their trial period of June 2023

Advantages

- 25. Cost saving to MDC.

Disadvantages

- 26. The Picton bus service is patronised well and has a similar cost per passenger to the existing Blenheim bus services.
- 27. Once the service is lost it will be harder to re-instate with the current supplier.

Author	Richard Conningham, Assets and Services Manager
Authoriser	Mark Wheeler, Chief Executive

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables democratic local decision-making and action by, an on behalf of communities and relates to providing a public service.			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	✓	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	<input type="checkbox"/>	✓	<input type="checkbox"/>
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	✓
Social well-being	✓	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	<input type="checkbox"/>	<input type="checkbox"/>	✓
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	✓
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	✓
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	✓
Land transport	✓	<input type="checkbox"/>	<input type="checkbox"/>
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	✓
This proposal contributes to the categories identified by allowing public bus services to continue for Picton at a comparable cost rate to the existing Blenheim bus services.			
Nature of the decision to be made			
The options do not involve a significant decision in relation to land or a body of water.			
Financial considerations			
This would require additional funding from general rates.			
Significance			
The decision is not considered of high significance under Council's Policy.			
Engagement			
No public engagement has occurred			
Risks: Legal / Health & Safety etc			
There are no known significant risks or legal implications.			
Climate Change Implications			
In assessing the preferred option, staff have considered the effects of climate change.			

4.15. Levels of Service Increases

Community Facilities: Playgrounds and Sports Parks Funding

(Report prepared by J Tito/J Lyall)

R510-021-01

Purpose of report

1. To request funding for new development on Council playgrounds.
2. To request funding for improvements and upgrades to assets on Council playgrounds, parks and sports parks.

Executive Summary

3. The proposed projects for funding have been identified either through an Annual Plan submission, as a result of new subdivision development or have been identified by staff.
 4. A total of 10 projects totalling **\$1,705,160** are proposed that include new developments, asset replacement and improvements.
 5. A number of these projects meet the criteria for funding from the Land Subdivision Reserve with some projects to be rates funded, depending on the size of growth component for each project.
 6. This leaves a balance of **\$3,455,558** in the Land Subdivision Reserve.
 7. There will be an additional paper seeking Land Subdivision Reserve funding for projects to the Assets and Services Committee in June 2023.
-

RECOMMENDATION

1. **Approve funding for proposed projects totalling \$1,705,160, with an allocation of funding from the Land Subdivision Reserve totalling \$1,437,160 and the balance, \$268,000, to be rates funded (see Table 1 of this report).**
 2. **Approve the use of \$268,000 of rate funded debt to fund the non-growth component of the works required to upgrade parks and open spaces assets to meet levels of service, safety and demand requirements.**
 3. **Note the rating impact will be \$21,440.**
-

Background – Playgrounds, Parks and Sports Parks

8. The following new developments and upgrades to playgrounds, parks and sports parks have been identified. Projects that meet Land Subdivision Reserve funding criteria are put forward for Committee approval with the correlating funds deducted from the Land Subdivision Reserve Balance.
9. The projects involving replacement, upgrades or improvements are in response to aged play equipment, increased usage of assets, enhanced safety measures requiring soft fall matting and improved playing surfaces.
10. The Land Subdivision Reserve funds are obtained from financial contributions levied on new residential developments that take into consideration the effect of growth on the capacity of Parks and Open Space areas.
11. The Land Subdivision Reserve had an opening balance of **\$4,892,718** as of 1 July 2022. Funding of \$1,437,160 is sought from the Land Subdivision Reserve for these works with \$268,000 to have a Rates impact, see Table 1 below.

Table 1

Name of park and description of proposed project	Cost	Growth Driven (Percent)	Landsub Reserve	Debt funding
Rose Manor Reserve <i>A new playground in a new subdivision.</i>	\$550,000	100	\$550,000	\$0
Wairau Valley Hall Playground <i>A new playground to meet growth in numbers of children.</i>	\$150,000	100	\$150,000	\$0
Flaxbourne Domain <i>Upgrade to playground with an increased use of playground identified and a growth in number of children.</i>	\$150,000	60	\$90,000	\$60,000
Wither Hills Farms Park <i>Replacement bridge at Sutherland Stream car park entrance. A noted growth in track user numbers.</i>	104,000	50	\$52,000	\$52,000
Lansdowne Park <i>New seal on carpark at Lansdowne Hub with increased user numbers. Improved finish to hub development.</i>	\$181,160	100	\$181,160	\$0
Seddon Domain <i>Resurface for rugby field, with noted increase in number of players.</i>	\$45,000	70	\$31,500	\$13,500
Seddon Domain <i>Resurface to netball courts following damage, netball continues to be a growth sport in Seddon.</i>	\$100,000	50	\$50,000	\$50,000
Renwick Domain <i>Modular pump track to meet growth in users at Domain.</i>	\$75,000	100	\$75,000	\$0
Pollard Park Playground <i>Replace aging equipment to meet growth and changing needs of playground users.</i>	\$150,000	65	\$97,500	\$52,500
Havelock Domain Playground <i>Redevelopment of playground to meet growth in users of area and address health and safety concerns at the Domain.</i>	\$200,000	80	\$160,000	\$40,000
Total			\$1,437,160	\$268,000

Funding

- 12. A challenge for funding of Council assets for recreational areas is Council currently not having depreciation as a funding source when it comes to replacing existing assets. This policy is currently under review.

- 13. Council, however, is able to use development contributions received through the Land Subdivision Reserve as a funding source for these recreational projects. The criteria for use of this Reserve are restricted to service levels of growth. Table 1 therefore identifies projects that are driven by a higher level of growth and for which 100% of funding is sought. Where projects involve renewal and replacement, this is also in part to service increased levels of growth, however the need is not solely in response to growth. In these circumstances a lower level of funding is sought the Land Subdivision Reserve with the balance to be rate funded debt.

Next steps

- 14. If this funding request is approved staff will prepare necessary design, consents and tenders as required for these works to be installed.

Author	Jane Tito, Parks & Open Spaces Manager
Authoriser	Jamie Lyall, Property and Community Facilities

4.16. Levels of Service Increases

Art Gallery Funding

(Report prepared by M Fletcher)

R510-021-01

Purpose of report

- To request Council's agreement to change the method of funding Council's \$2.0M grant towards the funding of the new Art Gallery.

Executive Summary

- Currently Council's \$2.0M grant towards the construction of the Art Gallery is by means of "Rate Funded Debt". As the need for this project is partially driven by growth, it is proposed that \$1M of this project is funded by the Land Subdivision Account (LSA). This will generate a rate saving of approximately \$80,000, while still leaving a balance of **\$2,455,558** in the Land Subdivision Account.

RECOMMENDATION

That Council agree to fund up to \$1.0M of the Art Gallery construction cost grant from the Land Subdivision Account.

Background – Land Subdivision Account and Gallery Grant Funding

- The Land Subdivision Account is funded by a combination of Reserve and Community Facility Development Contributions. For Blenheim, the uninflated Reserve contribution is \$14,500 per Household Equivalent Unit (HEU) and \$3,500 per HEU for Community Facilities. The global Library development is listed in the 2021 Development Contributions Policy as a project eligible for funding from the LSA, because of the growth component of this development.
- Currently, Council's \$2.0M grant towards the funding of the new Art Gallery is by means of rate funded debt. It is proposed to fund the growth component of this grant from the LSA. It is assessed that the growth component is 50%, yielding the amount to be funded as \$1.0M. Changing the funding source for this grant as proposed will yield a rate saving of approximately \$80,000.
- Agenda item 4.15 "Community Facilities: Playgrounds and Sports Parks Funding" identified that the closing balance of the LSA, should all the proposals in that paper be approved will be \$3,455,558. Approving this proposal will yield a closing balance of \$2,455,558.

Other Options

- Council could decide that the growth component of this project is different from the proposed. 50%. The table below summarises the financial impacts of deciding on different levels of growth.

Growth Component	Growth Value	Rates Saving	LSA Balance
40%	\$800,000	\$64,000	\$2,655,558
50%	\$1,000,000	\$80,000	\$2,455,558
60%	\$1,200,000	\$96,000	\$2,255,558

It is believed that 50% is appropriate because it recognises both growth and increased Levels of Service pressures.

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

4.17. Levels of Service Increases

Essential Fresh Water Building Capability and Capacity for Catchment Management

(Report prepared by A Johnson/H Versteegh)

E360-002-002-02

Purpose of report

1. To seek budget approval to provide ongoing funding of Catchment Care Services from 2025/26 to meet the Council obligations under the National Policy Statement for Freshwater 2020 (NPSFM) and the Marlborough Environment Plan (PMEP).

Executive Summary

2. The Essential Freshwater package National Policy Statement for Freshwater (NPSFM), introduced by central government in 2020, and the Marlborough Environment Plan (PMEP) create additional requirements for the Council in respect of freshwater management and protecting ecosystem health.
3. The NPSFM framework makes it mandatory to develop catchment action plans for degraded catchments and their implementation through a proposed farm planning regime.
4. Council has already invested in a catchment care programme, however the majority of the funding for this programme is currently provided by government. It is envisaged that with the current economic climate the government is likely to reduce its current commitment to funding support for on-farm water quality intervention measures, including the contribution towards the Council catchment care staff roles.
5. The need for Catchment Care roles to meet the requirements of the implementation of the NPSFM will continue in the future beyond the current subsidised period and will require a central focus on providing community support and guidance, while setting catchment-based objectives, developing plans, prioritising factors that influence achievement of water quality outcomes and ensuring alignment to policy and regulations.
6. The funding impacts for a continuation of a service if solely funded by Council would require additional Council funding from 2025/26.
7. The impacts on funding have been assessed and where practical it is envisaged the budget implications are introduced over a transitional period to enable capacity building to occur in a sustainable way commencing 2025/26.
8. Council staff will continue to advocate for government assistance for catchment management to help supplement rate funding.

RECOMMENDATION

That Council agree to include in future years' budgets, funding of \$225,000 for 2025/26, \$300,000 for 2026/27 year and \$450,000 from 2027/28 and subsequent years to implement the statutory requirements under the National Policy Statement for Freshwater (NPSFM) and Marlborough Environment Plan (PMEP) for catchment care services.

Background/Context

9. The Essential Freshwater package National Policy Statement for Freshwater (NPSFM), introduced by central government in 2020, and the Marlborough Environment Plan (PMEP) create additional requirements for the Council in respect of freshwater management and protecting ecosystem health.
10. The package included a range of new pieces of law including the revision of the NPSFM, amendments to the RMA and creation of other new regulations around fertiliser use and intensive

winter grazing. These include mandatory requirements around freshwater farm plans providing a mechanism to mitigate on-land effects on water quality.

11. The proposed Marlborough Environmental Plan also sets out a framework that is consistent with the Essential Freshwater package in terms of setting a range of objectives and methods to improve or enhance water quality.
12. The framework provides for the development of Catchment Enhancement Plans for degraded catchments. The Plans are set to prioritise interventions to protect/improve water quality, reduce erosion and sediment production and protect sensitive receiving environments that would improve the economic and social outcomes for communities.
13. The implementation of the framework is predominantly achieved by supporting primary industry and our rural communities to better understand the environmental vulnerabilities and risks at both catchment and local property scale to enable better resilience and improving environmental sustainability.
14. Since 2018 the Council has been investing in a catchment care programme working closely with catchment communities and stakeholders. These programmes have built capability and capacity to help improve water quality as well as fostering trust, good faith and dialogue with the rural community. This has been welcomed by members of that community. The interventions ranged from fencing of water ways, enhancing riparian margins, regulatory interventions to sediment controls on steeper hill country.
15. Central to supporting the community and enabling on-farm and catchment mitigation works has been the role of skilled Catchment Care Officers at Council. The Catchment Care Officers provide technical land management skills, long-term relationship building, conflict resolution and the ability to engage and educate landowners.
16. The catchment care programme has predominantly been supported by central government funding through a range of crown initiatives such as the Jobs for Nature Essential Fresh Water Funding and Hill Country Erosion fund.
17. The majority of this central government funding particularly for catchment based freshwater outcomes is likely to transition to a lower level of investment from the crown by 2027. In fact, many of Councils existing Funding Deeds expire on 30 June 2025.
18. The level of central government investment has provided the community an unequalled opportunity to build capability and improve on infrastructure for many environmental projects including catchment management programmes. However, with less government investment Council cannot be expected to supplement all of the funding.
19. Strategic prioritisation of investment in the future will be necessary. The future state for investing in improving water quality and in-stream values will largely rest with actions delivered by land users and urban communities. Essentially this means that land users will predominantly need to transition into funding most of the mitigation measures with less central (and local) government assistance.
20. The future delivery role for Council will predominantly focus on support and enabling mitigation actions to be effective by providing clear guidance, establishing Catchment Enhancement Plans, setting catchment-based objectives, prioritising factors that influence achievement of water quality outcomes and ensuring alignment to policy and regulations, including the proposed farm planning regulations.
21. The Government has been signalling for some time the need for a collaborative approach to achieving environmental outcomes. Central to this is the provision of catchment care roles that operate as a link between policy and implementation within the community. Essentially the service would provide for coordination and alignment between our regulatory requirements and mitigations required for on-farm or within urban settings.
22. The importance of having dedicated catchment care roles cannot be underestimated. The roles provide a fundamental pathway for building and maintaining community relationships. Providing guidance within the community and empowering environmental actions in catchments. The roles

also help landowners address the complexities of the resource management system (regulatory and non-regulatory), in particular between all domains, e.g freshwater, land, biodiversity, biosecurity and flood protection services.

Catchment Care Funding

- 23. Council currently employs three fixed term catchment care advisory roles. These roles are solely funded by government. The fixed term nature of these roles and the competitive nature of resources nationally has an impact on retention and attracting the right people. The funding for these three positions is in the order of \$450k per year (includes overhead allocation).
- 24. The recruitment and retention of staff on fixed term contracts remains very challenging with staff preferring permanent appointments. Providing permanency requires continuity of funding to ensure that the professional skill sets can be retained.
- 25. Council has an option to fund these catchment care roles supplementing any reduction in government funding. The funding required will have no impact on Council funding until 1 July 2025. The funding required to continue delivering the service without any government support would be;

2025/26	2026/27	2027/28	Ongoing
\$225,000	\$300,000	\$450,000	\$450,000

Option One

- 26. To provide for additional rate funds to continue with the catchment care level of service from 2025/26.

Advantages

- 27. Continuity of catchment care service.
- 28. Retention of existing resources.
- 29. Fulfil the obligations of the NPSFM and PMEP.
- 30. Enhancement of Community relationships.

Disadvantages

- 31. Additional impacts on rates.

Option Two

- 32. Discontinue with the catchment care service.

Advantages

- 33. No additional budget is required.

Disadvantages

- 34. Council will not be able to deliver catchment care services and fulfil its obligations under the NPSFM and PMEP.

Author	Alan Johnson, Manager of Environmental Science and Monitoring
Authoriser	Hans Versteegh, Manager of Environmental Policy, Science and Monitoring

4.18. Levels of Service Increases

Fixed Term Increase in Building Control Staff

(Report prepared by B Robertson/G Ferguson)

R450-002-B01

Purpose of Report

1. The purpose of this report is to provide Council an update on existing and future Building Control service demand as a result of emergency response activity and commencement of the Building (Dam Safety) Regulations 2022 in 2024.

Executive Summary

2. Increased and ongoing demand on Building Control emergency recovery activities from the 2021 & 2022 flood events requires additional resource.
 3. The commencement of the Building (Dam Safety) Regulations 2022 will place additional demand of Building Control to implement these regulations.
 4. Two fixed term positions are proposed to fill these resource areas for a period of two years.
 5. It is proposed to fund these positions from the Forestry and Land Development Reserve, as temporary positions.
-

RECOMMENDATION

That Council approve the funding of two (2-year) fixed term positions from Forestry and Land Development Reserve to a value of up to \$250,000/year to support Building Control emergency response and regulatory delivery.

Emergency Response

6. In recent years Marlborough has unfortunately been subjected to a number of emergency events from earthquake to two recent back-to-back flooding events. Each event has triggered responses from a number of areas of Council including the Building Control team requiring Rapid Building Assessments, placarding of buildings plus follow up advice and remedial works.
 7. There remains in Marlborough 121 placarded buildings from the most recent events.
 8. Building Control's response includes immediate response and long-term recovery actions in an emergency. With resolution of building risk at times taking a significant period. This is particularly evident where risk to building is due to geotechnical instability as is the case for most of the recent placarded buildings post the 2022 event.
 9. During the response phase of an emergency, the majority of the Building Control officers are diverted from BAU to emergency response. In the recovery phase a portion of staff resource continues to be diverted from BAU to emergency recovery demands.
 10. The impacts of emergency response and recovery demands, include reduced levels of service for Building Control statutory activities including timeframe compliance.
 11. Staff wellness, from the stress of workload pressures and customer impacts are also observed.
 12. In addition to responding to an emergency, the preparedness of our emergency response is critical. Including the testing, training and refinement of the Building Control Group's emergency response procedures and capability. Council's emergency response to past events is commendable and has proven the importance of being prepared.
-

13. To support recovery and maintain/review the Building Control Group's emergency activities additional resource is required in the medium term (2 years).

Building (Dam Safety) Regulations 2022

14. In May 2022 the Building (Dam Safety) Regulations 2022 (the Regs) received an Order of Council. The commencement of the Regs is May 2024.
15. The Regs require classification, dam safety assurance programmes and annual dam compliance certificates for defined dams.
16. As a regional authority, Council must administer and monitor the dam safety regulations. This involves:
 - a) establishing and maintaining a register of dams in its district;
 - b) considering and either approving or refusing dam classifications (based on whether they have been certified by a recognised engineer as defined in the regulations);
 - c) approving or refusing dam safety assurance programmes;
 - d) receiving the annual dam safety assurance programme compliance certificates;
 - e) adopt and implement a policy on dangerous dams, flood-prone dams, and earthquake-prone dams;
 - f) take action, if necessary, if any dam, large or small, poses an immediate danger to the safety of persons, property, or the environment.
17. To administer and put in place processes and procedures for this programme of work, additional resource is required in preparation and implementation at least in the medium term (2 years). During this period an assessment of continuing demand may require a permanent increase in resource. At this time a fixed term increase is sought.

Assessment/Analysis

18. Over recent years the Building Group has responded to an increased number of weather and earthquake emergency events. The initial responses and the ongoing recovery have put additional pressure on existing staff resources.
19. It is critical the Building Control team is resourced to continue its emergency recovery and preparedness activities. This cannot be achieved without additional resource or negative impacts on Council statutory duties and staff.
20. The Dam Safety Programme under the Building (Dam Safety) Regulations 2022 is to take effect 13th May 2024. To deliver this work programme additional resource is required. This is sought initially on a fixed term basis with a future review on resource demand and a fees structure to support cost recovery which will be brought to Council.
21. It is proposed to fund these two positions from Council Reserves, as these are fixed term positions. This would be a cost of not more than \$250,000/year for two years from Council Reserve funds.

Options

Option A – Approve Two fixed term Building Control Officers funding from the Forestry and Land Development Reserves

Advantages.

22. Enable the Building Control Group to meet emergency recovery demand for the Marlborough Community.
23. Enable the Building Control Group to deliver the new Building (Dam Safety) Regulations 2022 Statutory functions.

- 24. Support delivery of Building Control functions within statutory timeframes.
- 25. Be cost neutral on rates and customer services.

Disadvantages

- 26. Reduces Council's Reserve funds.

Option B –Status Quo

Advantages.

- 27. No reduction in Council Reserve funds.

Disadvantages

- 28. Negative impacts on service delivery of emergency recovery and preparedness from the Building Control Group.
- 29. Increased stress and workload to deliver emergency recovery activities.
- 30. Reduced delivery of statutory timeframes.
- 31. Reduced delivery of statutory functions under the Building (Dam Safety) Regulations 2022.

Author	Brendon Robertson, Building Control Group Manager
Authoriser	Gina Ferguson, Consents & Compliance Group Manager

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables Council to provide good-quality and cost-effective service to customers and ratepayers.			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Social well-being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
This proposal contributes to the financial strategy relating to the cost recovery of Building Control functions.			
Nature of the decision to be made			
Financial considerations			
Refer body of paper.			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
Risks: Legal / Health & Safety etc			
Failure to resource the Building Control Group through lack of funding is a risk to delivery of statutory requirements and enabling economic and social recovery after an emergency.			
Climate Change Implications			
There are no known climate change implications to this decision.			

4.19. Annual Review of Resource Consent Fees – Resource Management Act 1991

(Report prepared by A Davidson/G Ferguson)

R450-002-R02

Purpose of report

1. To provide Council with the review of fees and charges under the Resource Management Act 1991 (the Act) and consider a proposed increase to the existing fee schedule for charges.

Executive Summary

2. The current fees were last increased in July 2022.
3. The current fees have been reviewed and it is recommended that there is a 13.5% increase to the Resource Consent charges for the 2023/2024 financial year.
4. The Marlborough District Council Resource Management Act 1991 - Charging Policy was changed in 2020 to allow for CPI adjustments to Resource Consent Fees and Charges on an annual basis from 1 July each year, increases greater than CPI are required to be consulted on using the special consultative procedure as provided in section 83 of the Local Government Act 2002 (LGA 2002).

RECOMMENDATION

That Council approve consultation on Option A the proposed increases to the existing fee schedule for charges associated with consent processing activities under Resource Management Act 1991 (RMA) effective from the 1 July 2023.

Background/Context

5. The Resource Consent Team is responsible for discharging the Council's statutory obligations under the Act.
6. The Act sets out a range of powers, duties and functions, and the statutory processes that must be followed when processing and determining applications for resource consent.
7. The purpose of the Act is to promote the sustainable management of natural and physical resources. As a unitary authority the Council is responsible for regional, district and coastal functions. The Resource Consent Team administers this responsibility under the Proposed Marlborough Environment Plan. There are five types of consents that Council must process: Land Use, Subdivision, Coastal, Water and Discharges.
8. The Resource Consent Team is also required to undertake several other functions. These other functions include:
 - The provision of information to potential applicants, interest groups, other Council staff and the public on all resource management matters. Fostering good relationships with applicants, submitters, government agencies, iwi and other interested parties is a critical element in the provision of a high-quality resource consent service.
 - The maintenance and management of a consents database that is responsive to the needs and requirements of central government, applicants, submitters, and the general public.
9. Section 36 of the RMA allows Councils to charge consent holders for costs associated with the Councils functions in relation to the administration, and processing of resource consents.

Public versus Private Good

10. In accordance with section 36AAA in setting the schedule of fees for administration, processing of resource consents, Council has considered the relative benefits to the consent holder and the community at large.
11. It is generally viewed that because the processing activity is solely occasioned by the applicant and they directly benefit from it, the applicant should bear the full processing cost.

Council's Charging Policy-Resource Management Act Fees

12. The MDC Charging Policy for activities undertaken under the Resource Management Act 1991 and the Local Government Act was last adopted in 2020.
13. The current Resource Management Consent Charging Policy includes the ability to make CPI increase to fees and charges by ratification of Council. Increase above annual CPI to fees are required to undergo special consultative processes under section 83 of the LGA 2002.

Council's Revenue and Financing Policy

14. The Council's Revenue and Financing Policy (contained in its Long-Term Plan) states that 60% of the Resource Consents group's costs should be recovered from individuals (private good) and 40% is funded by rates (public good).

Resource Management Fee Schedule

15. A review of the fee schedule has been carried out (attached as **Attachment 4.19.1**). An increase of 13.5% is recommended to achieve the group's private good recovery in alignment with Council's Revenue and Financing Policy with the schedule of fees and charges.
16. The December Annual CPI reported by Statistics New Zealand was 7.2%.
17. The Technical Lead Land Use Planner has been added to the fee schedule at the senior hourly rate and Deemed Permitted Marginal or Temporary Activity Notices have been added to the fee schedule to enable cost recovery for this activity.

Goods and Services Tax

18. The charges described in this document include GST.

Assessment/Analysis

19. The Resource Consent Team budget provision and fee review for the 2023/2024:
 - 19.1 Current Revised Budget 2023/2024 (\$258,842) Deficit based on 60:40 user pay/ratepayer
 - 19.2 CPI Fee increase (7.2%) 2023/2024 (\$106,995) Deficit based on 60:40 user pay/ratepayer
 - 19.3 Fee increase (13.5%) 2023/2024 \$2,385 Surplus based on 60:40 user pay/ratepayer

Recommendations

Option A –13.5% Fee increase

Advantages

20. This increase will allow the Resource Consent fees and charges under the Resource Management Act 1991 to assist in covering the cost of the Resource Consent Teams function align with Council's Revenue and Financing Policy.
21. The proposed increase to fees will maintain the group's ability to meet statutory and customer demands by maintaining the groups level of service.
22. Will avoid additional burden on Councils rate payer's fees.

Disadvantages

- 23. An increase in regulatory costs to Council customers.

Option B – 7.2% Fee increase

Advantages

- 24. The proposed increase to fees will increase the user pays budget amount from the status quo.
- 25. This proposed increase aligns with the annual CPI increase.

Disadvantages

- 26. This increase will not provide the Resource Consent fees and charges under the Resource Management Act 1991 to align with Council Revenue and Financing Policy for Resource Consent function.
- 27. An increase in regulatory costs to Council customers.
- 28. Additional burden on Council rate payers.

Option C – Status Quo Maintain Current 2023/24 Fee Structure.

Advantages

- 29. No increase in regulatory costs to the Council customers.

Disadvantages

- 30. No increase to fees will place additional burden on Council's rate payers.
- 31. No increase in fees will not align with Council's Revenue and Financing Policy for Resource Consent functions.

Attachment

Attachment 4.19.1 – Resource Consent Fee Schedule Proposals

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Author	Anna Davidson, Manager Resource Consents
Authoriser	Gina Ferguson, Consents and Compliance Group Manager

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables Resource Consent activities to continue to be carried out professionally and cost-effectively			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	X	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	X	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	X
Social well-being	X	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	X	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	X	<input type="checkbox"/>	<input type="checkbox"/>
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	X
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	X
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	X
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	X
This proposal contributes to the annual plan and financial strategy relating to supplying Resource consent activities equitably, efficiently, justifiably and transparently.			
Nature of the decision to be made			
Approvals of increased charges.			
Financial considerations			
The proposed fees will assist in ensuring the required income is obtained to maintain the function budget.			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
The special consultative procedure will be followed to allow stakeholder engagement.			
Risks: Legal / Health & Safety etc			
There are no known significant risks or legal implications as fees are permitted to be charged through the RMA.			
Climate Change Implications			
There are no known climate change implications to this decision.			

Attachment 4.19.1

Resource Consent Fee Schedule Proposals

Charge type	Charge Type	2022/23 Status Quo Fees GST Incl	2023/2024 Option B +CPI Fees GST incl	2023/2024 Option A +13.5% Fees GST incl
Minor resource consents				
Bore construction -				
Domestic	Flat	\$355.00	\$380.00	\$403.00
Irrigation	Flat	\$718.00	\$770.00	\$815.00
Notified resource consents				
All applications (including subdivisions)	Base*	\$6,074.00	\$6,511.00	\$6894.00
Section 127, 128	Base*	\$6,074.00	\$6,511.00	\$6,894.00
Non-notified resource consents				
All applications but excluding subdivisions	Base*	\$1,064.00	\$1,140.00	\$1,208.00
Subdivisions (note: engineering charges are additional**)	Base*	\$1,574.00	\$1,687.00	\$1,786.00
Miscellaneous consents, certificate and permissions				
Registration service for lodgement of change/cancellation of consent notice	Flat	\$934.00	\$1,000.00	\$1,060.00
Sections 124,125, 126,127,139, 139A, 221	Base*	\$1,064.00	\$1,140.00	\$1,208.00

Charge type	Charge Type	2022/23 Status Quo Fees GST Incl	2023/2024 Option B +CPI Fees GST incl	2023/2024 Option A +13.5% Fees GST incl
Land Registry compliance (certificates, consents)	Base*	\$350.00	\$375.00	\$397.00
Removal of building line restriction	Base*	\$350.00	\$375.00	\$397.00
Section 348 LGA Right of Way applications	Base*	\$1,064.00	\$1,140.00	\$1,208.00
Deemed permitted boundary activity (refunded if application is rejected, minus the rejection charge)	Flat	\$734.00	\$786.00	\$833.00
Rejected deemed permitted boundary activity application	Flat	\$80.00	\$86.00	\$91.00
Deemed permitted marginal or temporary activity notice	Flat		\$200.00	\$200.00
Surcharge - receiving hard copy applications	Flat	\$80.00	\$86.00	\$91.00
Transfers				
Water (excluding s136 (2)(b)(ii) transfers), Coastal (Marine Farm)	Flat	\$362.00	\$388.00	\$411.00
Coastal, (other), discharge, land use	Flat	\$117.00	\$125.00	\$133.00
Water under s136(2)(b)(ii)	Base*	\$1,064.00	\$1,140.00	\$1,208.00
Sections 223, 224 - approval or deposit of survey plans				

Charge type	Charge Type	2022/23 Status Quo Fees GST Incl	2023/2024 Option B +CPI Fees GST incl	2023/2024 Option A +13.5% Fees GST incl
Four lots or less (each stage)	Actual	Actual	Actual	Actual
Five or more lots (each stage)	Actual	Actual	Actual	Actual
Outline plan approvals, policy statements, plan changes and requirements				
Section 176A Approval for Outline Plan	Base*	\$1,064.00	\$1,140.00	\$1,208.00
Outline plan waiver	Flat	\$117.00	\$125.00	\$133.00
Notice of requirements or alterations to designations				
Non Notified	Base*	\$1,064.00	\$1,140.00	\$1,208.00
Notified	Base*	\$6,074.00	\$6,511.00	\$6,894.00
Statements and miscellaneous certificates				
Provide required documentation	Base*	\$362.00	\$388.00	\$411.00
Site inspection				
Disbursements, e.g. boat hire	Actual	Actual	Actual	Actual
Engineering charges - subdivision and land use**				
Engineering -				

Charge type	Charge Type	2022/23 Status Quo Fees GST Incl	2023/2024 Option B +CPI Fees GST incl	2023/2024 Option A +13.5% Fees GST incl
Boundary Adjustments	Flat	New	\$268.00	\$284.00
Evaluations for - one to three lots	Flat	\$622.00	\$667.00	\$706.00
Evaluations for - four to 10 lots	Flat	\$1,822.00	\$1953.00	\$2,068.00
Evaluations for - 11 to 20 lots	Flat	\$2,712.00	\$2,907.00	\$3,078.00
Evaluations for - 20+ lots	Flat	\$4,255.00	\$4,561.00	\$4,829.00
Engineering evaluation for each additional dwelling (land use consent)	Flat	\$409.00	\$438.00	\$464.00
Other rates and charges				
Hearings Committee or Commissioner [Local Government (Local Authorities Salaries and Allowances) Determination 2021]	Variable	Variable	Variable	Variable
Hearing cancellation fee	Flat	\$2,382.00	\$2,553.00	\$2,704.00
Senior Environmental Planner/ Environmental Planner	Per hour	\$163.00	\$175.00	\$185.00
Hearings Facilitator	Per hour	\$163.00	\$175.00	\$185.00
Administration Officer	Per hour	\$108.00	\$115.00	\$123.00
Lead Senior Environmental Planner / Technical Lead Land Use/ Resource Consents	Per hour	\$194.00	\$208.00	\$220.00

Charge type	Charge Type	2022/23 Status Quo Fees GST Incl	2023/2024 Option B +CPI Fees GST incl	2023/2024 Option A +13.5% Fees GST incl
Manager				
Consultants (internal or external charges)	Variable	Variable	Variable	Variable
Miscellaneous				
Certificate (Overseas Investment Act 1973)				
Up to 1/2 hour (base*)		\$98.00	\$105.00	\$111.00
Up to 1 hour (base*)		\$196.00	\$208.00	\$222.00
*Base fee is an application fee or notification lodgement fee only. Refer to the 'Marlborough District Council Charging Policy - Resource Management Act'				
** Engineering charges are additional to the base charge. Refer to the 'Marlborough District Council Charging Policy - Resource Management Act'				

4.20. Proposed Environmental Health Fees 2023/2024

(Report prepared by K Winter/G Ferguson)

E350-004-009-02

Purpose of report

1. To provide Council with the review of fees and charges under the Food Act 2014 and Health Act 1956 and a proposed schedule of fees and charges for consideration.

Executive Summary

2. Council can set fees under the Food Act 2014 through the special consultative procedure and for Health Act 1956 function by resolution.
3. Fees under the Sale and Supply of Alcohol Act 2012 are fixed fees set by Regulation. These can not be altered unless done under the development of a Bylaw by Council or a change in the Regulation by parliament.
4. A review of the current fees and the costs of undertaking the required activities has been undertaken.
5. It is proposed that the fees should increase for the 2023/2024 financial year to ensure that the fees recovered for the group's activities align with Councils Revenue and Financing Policy. These fees were last increased in 2022.

RECOMMENDATION

That Council approve consultation on the proposed schedule of fees and charges using special consultative procedures under s83 of the Local Government Act 2002.

Background/Context

6. The Food Act 2014 places responsibilities on Council in relation to registration, verification, compliance and monitoring of the food sector. Council is required to register both template Food Control Plans and National Programmes. Verification of template Food Control Plans is conducted through scheduled audits. Compliance checks are required following complaints received and on-going monitoring of food premises will take place to ensure food safety practices are maintained in Marlborough.
7. Council has the ability to fix fees for functions under the Food Act. The Act is prescriptive in what fees can be set and how they are set. These requirements are laid out in this paper.
8. The Health Act 1956 requires Council to Register certain activities and regularly inspect to ascertain if any nuisances or condition exist that could be offensive or injurious to health.
9. Council has the ability to set fees under the Health Act by resolution.

Functions of Territorial Authorities under the Food Act 2014 and Health Act 1956

10. The provisions in the Food Act require Council to perform the following functions:
 - **Registration**
Receiving and processing of applications for registration of food businesses.
 - **Verification**
Undertake verification activities for those premises operating under a template food control plan.
 - **Compliance and Monitoring**
Undertake compliance and monitoring activities across the district.

11. The Health Act 1956 requires that all Hairdressers, Offensive trades, Camping-grounds and Funeral Directors are registered and inspected by Council.

Fee Setting

12. Section 205(1) of the Food Act enables the Council to fix fees to recover the direct and indirect costs of any registration, verification, compliance and monitoring functions performed under the Act.
13. Council is not able to directly charge for its educative role but it is an indirect cost of providing the services for which fees may be charged. There is an educative cost in training food business operators in the requirements of Food Control Plans.
14. Section 205(5)(c) of the Food Act requires that fixed fees must comply with any regulations made under section 206 of the Act. To date no regulations have been made under this section of the Act. A review of Council fees would be required if a regulation under section 206 is made.
15. Council has previously determined that premises required to be registered under the Health Act 1956 should be self-funding. Other activities undertaken by the Environmental Health Team including monitoring and investigation of nuisance complaints are funded by rates due to their public benefit. This is in line with Council's Revenue and Financing Policy which requires that 40% of the activity is funded through general rates and 60% is funded by registered operators.
16. Council can set fees for premises registered under the Health (Registration of Premises) Regulations 1966 by Council resolution.
17. Council operates a fixed fee system for registrations under the Health Act. The fixed fee includes the cost of registration and annual inspection of premises.
18. The fixing of fees to recover the costs of Council's Environmental Health functions need to be consistent with the Council's Revenue and Financing Policy.
19. Councils Environmental Health fees were last increased in 2022.

Consultation requirements for setting fees

20. Prior to fixing new fees under section 205(1) of the Food Act, Council is required by section 205(2) of the Act to consult on the proposed fees using the special consultative procedure as provided in section 83 of the Local Government Act 2002 (LGA 2002).
21. The Environmental Health Team consider this procedure should also be applied to setting fees under the Health Act to ensure that those affected by any fee increase have an opportunity to provide a submission.

Proposed Fees

22. Environmental Health Officers in conjunction with the Council financial team have reassessed the costs of providing the functions under the Act and propose to alter the fee structure to recover the direct and indirect costs incurred by Council in performing their functions under the Act from 1 July 2023.
23. Table 1 (below) includes the fees that are currently in place and Table 2 (below) the adjusted fees to show the proposed increased charges.

Table 1: Summary of Current and Proposed fees under the Food Act and Health Act:

Function	Current Fee (GST Inclusive)	Proposed Fee (GST Inclusive)
Food Act Fees		
New Registration for a template food control plan or a business subject to a national programme.	\$270 fixed fee (includes processing of application and providing education for applicant)	\$315 fixed fee (includes processing of application and providing education for applicant)
	\$154 per hour spent on processing application or educating applicant after the first 2 hours	\$178 per hour spent on processing application or educating applicant after the first 2 hours
Each additional site under the same Registration	\$50 per site	\$60 per site
Renewal of Registration	\$115 fixed fee	\$135 fixed fee
Each additional site under the same Registration	\$50 per site	\$60 per site
Amendment to Registration	\$115 fixed fee	\$135 fixed fee
Amendment or significant change to registration of food control plan based on a template or model issued by MPI or a business subject to a national programme.		
Verification	\$154 per hour	\$178 per hour
Verification including site visits, corrective action follow up correspondence and documentation for template or model food control plans.		
Compliance	\$154 per hour	\$178 per hour
Complaint driven investigation resulting in enforcement action.		
Monitoring	No charge	No charge
Monitoring for food safety and suitability.		
Reschedule of Verification	\$115 fixed fee	\$135 fixed fee
Operator fails to be on site for scheduled verification or	Travel charge if appropriate	Travel charge if appropriate

Function	Current Fee (GST Inclusive)	Proposed Fee (GST Inclusive)
operator reschedules verification (without reasonable cause) within 48 hours of appointment.		
Travel Charge Zone map (map attached as Attachment 4.20.1)	<ul style="list-style-type: none"> Zone One - No Travel Fee Zone Two - \$53 Zone Three - \$90 Zone Four - \$260 Zone Five - Actual Travel Costs incurred. 	<ul style="list-style-type: none"> Zone One - No Travel Fee Zone Two - \$65 Zone Three - \$105 Zone Four - \$300 Zone Five - Actual Travel Costs incurred.
Disbursements	Actual Cost	Actual Cost
Health Act Fees		
Camping Grounds Registration	\$280	\$325
Offensive Trades Registration	\$115	\$135
Hairdressers Registrations	\$190	\$220
Funeral Directors Registration	\$215	\$250
Transfer of Health Act Registration	\$50	\$135
Additional inspection of Health Act registered premises	\$154	\$178
Inspection on request	\$154	\$178
Late payment charge for Health Act registration renewal	\$50 per month	\$60 per month

Table 2: Details of new fee proposed

Function	Proposed Fee (GST Inclusive)
Food Act Fee Voluntary Suspension of Registration of food control plan or national programme	\$135 fixed fee
Health Act Fee Application fee for exemption from the requirements of the Health Act Regulations	\$135 fixed fee

Reasons for the proposal

24. It is proposed that the cost of registration under the Food Act continues to be a fixed charge with the ability to charge an extra hourly fee if required. Registration involves maintaining our own register (along with that of the Ministry for Primary Industries (MPI)), providing registration documentation, education of food safety practices and implementing the Food Control Plan with operators. This fee is based on the average time taken to process a registration application and provide an education component to operators on the risk-based regime.

25. Initial processing of a Food Act registration is more time consuming than subsequent renewal and therefore the proposed charge reflects this.
26. It is proposed that each extra site on a multi-site registration or renewal continues to have a fixed charge. This is to cover the cost of maintaining extra sites on the MPI and Council databases, along with producing individual site registration certificates.
27. It is proposed that the cost for Verification continues to be an hourly charge that reflects the time involved in verifying the food business's Food Control Plan. Verification involves developing a scope and communicating this with the business, time on site to conduct the verification and writing up of the verification report.
28. The benefit of charging an hourly rate for verification is it recovers direct costs of Council from the business being verified; those who are performing well will require less time for verification and therefore be charged less than premises that are non-conforming and require more time to ensure compliance.
29. It is also proposed that a travel charge continues to be applied for food verification visits. The Food Act 2014 requires us to arrange a time to conduct a verification with the operator and these are on a set schedule depending on their previous verification outcomes. This means we cannot always schedule multiple verifications in the same location. The travel fees take into consideration the time and mileage taken to travel to each location with an adjustment made anticipating that some areas may provide the opportunity to conduct multiple verifications.
30. Some of the premises we are required to verify require significant travel including boat transport. The travel charge will recover the costs of travel including staff time and vehicle/boat charges. We still believe the most justifiable and transparent way to do this is to have costs associated with zones. A map of these proposed zones is attached (as **Attachment 4.20.1**).
31. The zone map has been previously adjusted slightly to ensure that outliers were not being unfairly treated.
32. It is proposed that a fee is set to process a voluntary suspension of a food control plan or national programme registration. These suspensions take place at the request of the food business if they have a period where they are not trading. This allows them to delay their verification requirements. There is work involved in processing this application for suspension in both updating our own and the Ministry for Primary Industries databases.
33. It is also proposed that a fee is set to process an exemption to requirements of the Health Act Regulations. We are seeing that more operators are seeking exemptions and these take time to process. We have not been charging any fee for this process to date.
34. It is proposed that monitoring and unsubstantiated compliance costs continue to be covered by a general rates component. These are of benefit to the general public.

Food Act consideration for fixing fees

35. The Council is required to take into account the criteria in section 198(2) of the Food Act when fixing fees. The following details consideration of these criteria.
 - a) **Equity**—in that funding for a particular function, power, or service, or a particular class of function, power, or service, should generally, and to the extent practicable, be sourced from the users or beneficiaries of the relevant functions, powers, or services at a level commensurate with their use or benefit from the function, power, or service.
Council considers it is equitable to recover the direct costs of the Council's functions under the Act solely from the direct beneficiaries.
The direct beneficiaries of Council's functions of registration and verification are perceived to be the food business to which the function applies.
Users of food businesses receive an indirect benefit from the functions performed by the Council under the Act due to the fact that the food premises where they purchase food is

compliant with the requirements of the Act and any applicable regulations. These indirect benefits result from the direct beneficiary's discretion to operate a food business for commercial gain and as such should not result in a public/private split of benefits of the Council's Functions of registration, verification and validated compliance functions under the Act.

Recovering the full costs of the Council's functions under the Act solely from the direct beneficiaries aligns with the public/private benefits assessment of the Compliance group's environmental health service in Council's Revenue and Financing policy. This assessment apportions a 40/60 percent split of the benefits to public versus private beneficiaries across the entire environmental health services recognising that some complaint investigation, education and monitoring activities under environmental health legislation are deemed to be for public benefit and are not cost recoverable from the food business operators.

The proposed fee's structure excludes charging food businesses operators for monitoring functions and complaint investigations that are not substantiated. This approach recognises that general complaint investigation has a public benefit and should not be directly recovered from the food business where the complaint is not justified. It also recognises that the monitoring of food business generally has a public benefit and should not be cost recoverable from food business operators.

- b) **Efficiency**—in that costs should be generally allocated and recovered in order to ensure that maximum benefits are delivered at minimum cost.

The Council seeks to deliver its functions in the most efficient manner possible and to ensure efficiency is reflected in the fixed fees to users. The Council will look to recover fees in the most efficient manner by setting an annual fee for registration and identifying travel charges by zone to reduce charge calculation and provide certainty to business operators on costs. Verifying fees, which have more potential variability as they are dependent on the food operator's performance, are charged on an hourly basis.

- c) **Justifiability**—in that costs should be collected only to meet the actual and reasonable costs (including indirect costs) of the provision or exercise of the relevant function, power, or service.

The proposed fees have been determined on time and costs to process registrations and verification functions based on Council's experience in carrying out the Food Act functions.

Charging verification on an hourly rate basis directly recovers the cost of verifying the food business. Those businesses which are performing well will require less time to verify and therefore be charged less than premises that are non-conforming and require more time to ensure compliance.

The hourly rate is based on the cost per hour of verifying officers. This cost includes the operating expenses of the section divided by the total available hours of the section's officers.

- d) **Transparency**—in that cost should be identified and allocated as closely as practicable in relation to tangible service provision for the recovery period in which the service is provided. The proposed fees are allocated to individual functions to ensure transparency and enable tracking of costs for the delivery of that function. The fees include a fixed fee for registration based on a specified timeframe to provide the function and additional hourly rates for anything beyond that timeframe. Verification fees are on an hourly basis. This provides transparency of delivery of service.

Sale and Supply of Alcohol Act fees

36. Fees under this Act are set by Regulation. This Regulation has been in place since 2012 but the associated fees are currently being reviewed. Should these fees not be increased by the Ministry of Justice then Council will review the requirement for a fees Bylaw under Section 405 of the Sale and Supply of Alcohol Act 2012 to recover the direct costs of these functions.

Timing of setting fees

37. The proposed fee charges if ratified by Council would come into effect on 1 July 2023.

Goods and Services Tax

38. The charges described in this document include GST.

Options considered

Option One

39. Adopt the proposed fees to cover the direct and indirect costs of the Council's functions under the Food Act 2014 and Health Act 1956;
40. This is the preferred option;
41. This is considered to be the most equitable option ensuring that funding for the Council's functions under the Act will be sourced from the users or beneficiaries of those functions and not from rates and other funding sources.

Advantages

42. This increase will allow Environmental Health group activities to be recovered in line with Council's Revenue and Financing Policy;
43. The proposed increase to fees will maintain the group's ability to meet statutory and customer demands by maintaining a fully resourced group;
44. Will avoid additional burden on Council's rate payers.

Disadvantages

45. Will increase regulatory costs to Council customers.

Option Two

46. Maintain current 2022/23 fee structure.

Advantages

47. No increase in costs to the Council customers.

Disadvantages

48. No increase to fees will place additional burden on Council's rate payers with a budgeted deficient of (\$33,000).
49. This option would not be consistent with the Council's Revenue and Financing Policy as transferring costs to rates or another funding source would not reflect the private to public benefit of the Council's function under the Act.

Risk analysis

50. Council is required to undertake functions under these Acts. If fees are not set, these functions would need to be funded through general rates.

Community and Food Business views

51. Affected parties and the general public will have the opportunity to submit their views and preference through the special consultative procedure.

Attachments

Attachment 4.20.1: Travel Zone Map

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Author	Karen Winter, Team Leader Environment Health
Authoriser	Gina Ferguson, Consents & Compliance Group Manager

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables Environmental Health activities to continue to be carried out professionally and cost-effectively.			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	X	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	X	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	X
Social well-being	X	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	X	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	X
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	X
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	X
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	X
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	X
This proposal contributes to the financial strategy relating to supplying Environmental Health activities equitably, efficiently, justifiably and transparently.			
Nature of the decision to be made			
Approval of increased charges.			
Financial considerations			
The proposed fees will assist in ensuring the required income is obtained to maintain the function costs.			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
The special consultative procedure will be followed to allow stakeholder engagement.			
Risks: Legal / Health & Safety etc			
There are no known significant risks or legal implications as fees are permitted to be charged through the Food Act.			
Climate Change Implications			
There are no known climate change implications to this decision.			



4.21. Revision of Building Control Fees 2023-2024

(Report prepared by B Robertson/G Ferguson)

R450-002-B01

Purpose of Report

1. The purpose of this report is to provide Council with the review of fees and charges for Building Control functions and consider an increase and change to the existing "Flat" fees schedule for the 2023/2024 year.

Executive Summary

2. The current fees were last increased in July 2022.
 3. The current fees have been reviewed and it is recommended that there is a 14.1% increase to the Building Control group fees and charges for the 2023/2024 financial year. In addition:
 - 3.1 Band D Marquees, there is a proposed fee **increase** for marquee building consent applications.
 - 3.2 Schedule 1 Exemptions, fees for minor works are proposed to **decrease** from \$605 to \$200.
 - 3.3 Fees relating to compliance schedule fees are proposed to **increase**.
 4. The Marlborough District Council Building Control - Charging Policy was changed in 2020 to allow for CPI adjustments to Fees and Charges on an annual basis from 1 July each year, increases greater than CPI are required to be consulted on using the special consultative procedure as provided in section 83 of the Local Government Act 2002 (LGA 2002).
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RECOMMENDATION

That Council approve consultation under section 83 of the Local Government Act 2002 on Option A the proposed increases to the existing fee schedule for charges associated with Building Control activities effective from the 1 July 2023.

Background/Context

5. The Building Control Group (BCG) carries out two main functions, that of the Building Consent Authority (BCA) and the Territorial Authority (TA).
 6. The current BCG consists of 1 manager, 2 senior building control officers, 1 senior compliance officer, 1 senior investigating officer, 1 senior administration officer, 13 building control officers, 2 compliance officers, 3 administration officers, 1 vetting officer (permanent part time), 2 PIM officers and 1 permanent part time PIM officer.
 7. The group contracts Focus Consultancy to process building consents during periods of peak demand. Focus Consultancy has enabled the group to maintain statutory time frames through the busy and demanding industry activity.
 8. M & M Contracting is engaged as the Building Consent Authorities Quality Manager. M & M Contracting continues to assist the BCA in maintaining accreditation as a Building Consent Authority. Note: Next re-accreditation audit is scheduled for May 2024.
 9. The BGP income is generated 80% from fees and 20% from rates to align with Council Revenue and Finance Policy.
 10. The present Building Consent "Flat" fee regime was introduced on the 1 July 2013. Consents are categorised from Band A-F and costs are charged according to value of building and zoning of project within the district.
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11. In 2018 Building Control revised its method of providing fee information from the standard fees booklet to a Building Control Group Charging Policy document. This document will be updated when the proposed fees are approved by full Council.
12. At each annual fee review the document will be reviewed and updated to provide clear information to the group's customers

Assessment/Analysis

13. Last financial year the number of dwellings constructed was 250. In comparison the five years average is 257. Overall, the number of building consents issued was 1378, the five-year average is 1463. When taking these numbers into consideration building consents issued for the dwellings and overall numbers are similar to the five years averages.
14. The Dam Safety Programme under the Building (Dam Safety) Regulations 2022 is to take effect 13 May 2024. The fees have not yet been set for this programme. When the fees are confirmed, a standalone paper will be submitted as a separate discussion topic.
15. Over recent years the Building Group has responded to an increased number of weather and earthquake emergency events. The initial responses and the ongoing recovery have put additional pressure on existing staff resources.
16. Ministry of Business Innovation and Employment (MBIE) has concentrated surveillance on compliance schedules. This has resulted in an increase in the amount of time and paperwork required to process consents and inspect compliance schedule items.
17. Under the Local Government Act 2002 (LGA) the Council has the authority to give effect to the decisions it makes under the Act, subject to sufficient consideration of all options. The Act clearly leaves it for the Council to exercise a discretion about compliance with the decision-making process. In making any judgement there are various aspects to be assessed, one of which is the principles in section 14 of the Act. One such principle is the need for the Council to undertake commercial transactions in accordance with sound business practices.
18. The Building Act 2004 (section 219 and section 240) empowers the Council and its Building Consent Authority to charge for the performance of any function or service under that Act. A Building Consent Authority can refuse to perform a function or service under the Building Act if it has not received payment.
19. To continue to meet the industry and statutory requirements, plus allow for future regulatory demands on the TA (such as the proposed introduction of the Dam Safety Programme). The group needs to maintain its current number of staff and continue with its current contract agreement for processing and quality management.
20. To ensure that the BCG activities continue to cover costs, a review of the current fee structure is required.
21. The fee structure and the fee levels are reviewed annually.
22. To avoid a budget short fall and therefore negative impact on rates, the building control group must consider the annual CPI and changes in operating expenditure on fees and charges.
23. The Building Control Team budget provision and fee review for the 2023/2024:
 - a) Current Revised Budget 2023/2024 (\$454,036) Deficit based on 80:20 user pay/ratepayer
 - b) CPI Fee increase (7.2%) 2023/2024 (\$222,736) Deficit based on 80:20 user pay/ratepayer
 - c) Fee increase (14.1%) 2023/2024 (\$1,073) Deficit based on 80:20 user pay/ratepayer
24. Over the last two years a remote inspection tool, Artisan, has been used by the Building Control Group. Artisan allows for remote inspections to be undertaken. This tool provides more flexibility to

the trade as they do not have to book or wait for inspections for projects to proceed. Due to the nature and large size of the Marlborough District a significant portion of some building consent fees are attributed to the cost of travel. When Artisan is used for inspections the travel component is refunded to the fee payer. The refund amounts are now included in the fees schedule. The use of Artisan increased last year, and uptake by the industry is expected to continue to grow going forward.

25. In addition to the 14.1% fee increase, there are some proposed changes to the fees. The changes include:
- a) Band D Marquees, there is a proposed fee **increase** for marquee building consent applications. This increase is proposed as current fee charged does not cover costs. To offset this increase, a Schedule 1 exemption can now be applied to marquees. The exemption negates the requirement for a building consent. The fees charged for a minor works exemption is less than what it costs for a building consent.
 - b) Schedule 1 Exemptions, fees for minor works are proposed to **decrease** from \$605 to \$200. The decrease is in response to feedback received from the marquee industry that the fee for minor work exemptions is too expensive for the purpose of erecting a marquee. After reviewing the amount of input required to process and issue a minor works exemption, it is proposed to reduce the fee. This reduction of fees will be of benefit to those companies who regularly apply for marquee building consents.
 - c) Fees relating to compliance schedule fees are proposed to **increase**. The proposed fee increase reflects the level of input now required to produce a compliance schedule and the necessary associated ongoing monitoring costs. The increase in input is a consequence of the findings of 2022 IANZ biannual audit of the Building Control Group.

Council's Building Control Group Fees and Charges Policy

26. The current Building Control Group Fees and Charges Policy includes the ability to make CPI increase to fees and charges by ratification of Council. increases greater than CPI are required to be consulted on using the special consultative procedure as provided in section 83 of LGA 2002.

Council's Revenue and Financing Policy

27. The Council's Revenue and Financing Policy states that 80% of the Building Control group's costs should be recovered from individuals (private good) and 20% is funded by rates (public good).

Building Control Group Fees and Charges Schedule

28. A review of the fee schedule has been carried out. An increase of 14.1% and additional changes is recommended to achieve the group's private good recovery in alignment with Council's Revenue and Financing Policy with the schedule of fees and charges.

Goods and Services Tax

29. The charges described in this document include GST.

Recommendations

Option A –14.1% Fee increase

Advantages

30. This increase will allow the Building Control fees and charges under the Building Act 2004 to assist in covering the cost of the Building Control Teams function align with Council's Revenue and Financing Policy.
31. The proposed increase to fees will maintain the group's ability to meet statutory and customer demands by maintaining the groups level of service.
32. Will avoid additional burden on Councils rate payer's fees.

Disadvantages

- 33. An increase in regulatory costs to Council customers.

Option B – 7.2% Fee increase

Advantages

- 34. The proposed increase to fees will increase the user pays budget amount from the status quo.
- 35. This proposed increase aligns with the annual CPI increase.

Disadvantages

- 36. This increase will not provide the Building Control fees and charges under the Building Act 2004 to align with Council Revenue and Financing Policy for Building Consent functions.
- 37. An increase in regulatory costs to Council customers.
- 38. Additional burden on Council rate payers of \$221,663.

Option C – Status Quo Maintain current 2023/24 fee structure.

Advantages

- 39. No increase in regulatory costs to the Council customers.

Disadvantages

- 40. No increase to fees will place additional burden on Councils rate payers of \$454,036.
- 41. No increase in fees will not align with Council Revenue and Financing Policy for Resource Consent functions.

Attachments

Attachment 4.21.1: 2022/2023 Current Fee Schedule

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Attachment 4.21.2: Proposed 2023/2024 Fee Schedule

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Author	Brendon Robertson, Building Control Group Manager
Authoriser	Gina Ferguson, Consents & Compliance Group Manager

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables Council to provide good-quality and cost-effective service to customers and ratepayers.			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Social well-being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
This proposal contributes to the annual plan and financial strategy relating to the cost recovery of Building Control functions.			
Nature of the decision to be made			
Approval of increased charges.			
Financial considerations			
The proposed fees will assist in ensuring the required income is obtained to maintain the function budget			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
The special consultative procedure will be followed to allow stakeholder engagement.			
Risks: Legal / Health & Safety etc			
Failure to resource the Building Control Group through lack of funding may place the BCA continued accreditation at risk.			
Climate Change Implications			
There are no known climate change implications to this decision.			

2022/2023 Current Fees Schedule

	Consent Category	Value (\$)	Range	Zone 1 (\$)	Zone 2 (\$)	Zone 3 (\$)	Zone 4A (\$)	Zone 4B (\$)
Band A	Commercial, Industrial, Communal residential, Communal non-residential, New dwelling.	< \$200,000	Single storey	\$5,009	\$5,910	\$7,511	\$9,684	\$11,828
		\$200,000 - \$399,999	With any part more than single storey	\$5,437	\$6,368	\$8,147	\$10,562	\$12,944
			Single storey	\$5,307	\$6,208	\$7,809	\$9,982	\$12,126
		\$400,000 - \$799,999	With any part more than single storey	\$5,884	\$6,815	\$8,594	\$11,008	\$13,391
			Single storey	\$6,311	\$7,273	\$9,230	\$11,886	\$14,507
		\$800,000 - \$1,499,999	With any part more than single storey	\$6,888	\$7,880	\$10,015	\$12,913	\$15,772
			Single storey	\$7,781	\$8,774	\$10,909	\$13,806	\$16,666
		\$1,500,000 - \$3,999,999	N/A	\$12,043	\$13,128	\$15,796	\$19,418	\$22,992
\$4,000,000 - \$9,999,999	N/A	\$14,834	\$15,981	\$19,005	\$23,110	\$27,160		
> \$10,000,000	N/A	Negotiable						
Note: Consents with multiple structures will incur additional inspection fees as required. Refer inspection fee costs.								
Band B	Significant projects will be charged as new work with Band A fees. Dwelling Additions/Alterations. Commercial, Industrial, Communal Use non-residential Additions/Alterations. Lined Sheds/Garages Removals & Demolition. Relocated to new site.	Minor works < \$7,500	N/A	\$595	\$626	\$804	\$878	\$1,284
		\$7,500 - \$24,999		\$1,450	\$1,543	\$2,076	\$2,801	\$3,515
		\$25,000 - \$49,999		\$2,127	\$2,874	\$3,586	\$4,551	\$5,505
		\$50,000 - \$99,999		\$3,410	\$4,249	\$5,494	\$7,184	\$8,852
		\$100,000 - \$199,999		\$4,860	\$5,165	\$6,766	\$8,939	\$11,084
		\$200,000 - \$399,999		\$5,307	\$6,208	\$7,809	\$9,982	\$12,126
		\$400,000 - \$799,999		\$6,311	\$7,273	\$9,230	\$11,886	\$14,507
		\$800,000 - Upward		Charged as Band A work	Charged as Band A work	Charged as Band A work	Charged as Band A work	Charged as Band A work
Note: Consents with multiple structures will incur additional inspection fees as required. Refer inspection fee costs.								
Band C	Solid Fuel Heaters, Solar Water Heaters, Plumbing, Drainage, Wastewater Systems.	Minor works < \$10,000	N/A	\$484	\$514	\$692	\$934	\$1,172
		\$10,000 - \$19,999		\$595	\$626	\$804	\$1,046	\$1,284
		\$20,000 - \$49,999		\$893	\$924	\$1,102	\$1,343	\$1,582
		\$50,000 - \$100,000		\$1,172	\$1,233	\$1,589	\$2,072	\$2,549
		> \$100,000 refer Band F		Charged as Band F work	Charged as Band F work	Charged as Band F work	Charged as Band F work	Charged as Band F work
Band D	Marquees.	Any	Standard Marquees	\$266	\$296	\$474	\$716	\$954
Band E	Multi Use Approval Applications.	< \$7,500	N/A	\$595	\$626	\$804	\$878	\$1,284
		\$7,500 - \$19,999		\$1,301	\$1,394	\$1,927	\$2,801	\$3,367
		\$20,000 - \$99,999		\$1,878	\$2,001	\$2,712	\$3,510	\$4,631
		\$100,000 - \$499,999		\$3,828	\$4,165	\$6,122	\$8,610	\$11,399
		\$500,000 and above		\$4,106	\$4,475	\$6,610	\$9,339	\$12,366
Band F	Jetties, Swimming Pools/Fencing, Retaining Walls, any other SED design with engineer inspections (does not include Dams or Reservoirs), Unlined Sheds/Garages, Pole Sheds.	< \$10,000	N/A	\$484	\$626	\$804	\$1,046	\$1,284
		\$10,000- \$19,999		\$893	\$924	\$1,102	\$1,343	\$1,582
		\$20,000 - \$99,999		\$1,599	\$1,692	\$2,225	\$2,950	\$3,664
		\$100,000 - \$400,000		\$2,027	\$2,150	\$2,861	\$3,827	\$4,780
		> \$400,000 refer Band B		Charged as Band B work	Charged as Band B work	Charged as Band B work	Charged as Band B work	Charged as Band B work

Miscellaneous Building Consent Fees (incl of GST unless stated)	
Consultancy Fees (if applicable)	
Structural component - consultants review fee	Consultants fee plus 15%
Specialist advice - consultants review fee	Consultants fee plus 15%
Recovery of charges by New Zealand Fire Service	As charged plus 15%
Other Agency Charges	
Levies (calculated exclusive (net) of GST)	
BRANZ Levy - collected on behalf by MDC	
Less than \$20,000	No Charge
\$20,000 and greater	\$1.00 per \$1,000
MBIE Levy - collected on behalf by MDC	
Less than \$20,444	No Charge
\$20,444 and greater	\$1.75 per \$1,000
Related Matters (if applicable)	
S71 Building Act Title Notations	\$1,643
S75 Building Act Title Notations	\$1,643
Lapsing of Building Consent	\$83
Receiving hard copy applications	\$83
Processing of full private BCA applications	\$175
Refusing of building consent (officer time is charged in addition)	\$175
Extension to time to commence building work under a building consent	\$83
Charge Out Rate (if applicable)	
Officer charge out rate for work not covered by the Fee Schedule (per hour)	\$149
Inspection Fees (charged additionally as applicable)	
Building Consent Inspection -	
Additional Inspection Fees	\$175
Pool Inspection - Additional Inspection Fees	\$175
CS & BWoF Inspection - Additional Inspection Fees	
- 1st Hour	\$175
- Over 1st hour (charged in half hour increments)	\$88
Travel Fees per zone (charged additionally as applicable)	
Inspection travel fees when not part of a consent application - Zone 1 (Includes Officers Travel Time)	
	\$104
Inspection travel fees when not part of a consent application - Zone 2	
	\$134
Inspection travel fees when not part of a consent application - Zone 2	
	\$312
Inspection travel fees when not part of a consent application - Zone 4A (boat)	
	\$554
Inspection travel fees when not part of a consent application - Zone 4B (boat)	
	\$792
Building Warrants of Fitness & Compliance Schedules	
New Compliance Schedule administration fee	\$53
New Compliance Schedule generation fee (chargeable on each Specified System added)	\$93
Amendment to Compliance Schedule (chargeable on each Specified System being added/amended/removed)	\$93
Annual charge for Building Warrant of Fitness	\$53
Full Certificate of Acceptance (do not apply to emergency works requiring CoA)	
Application fee (paid on application)	\$548
Processing fee	\$1,074
Processing continued - % of value of work	1.50%
Inspections and travel costs - evidence	As per MDC fee schedule
Equivalent building consent fee for project	As per MDC fee schedule
Levies, MBIE and BRANZ as per normal building consent	As per MDC fee schedule
Services fees	As per MDC fee schedule
Development levies	As per MDC fee schedule
Minor Certificate of Acceptance (see COA brochure)	
Application fee (paid on application)	\$548
Processing continued - % of value of work	1.50%
Inspections and travel costs - evidence	As per MDC fee schedule
Equivalent building consent fee for project	As per MDC fee schedule
Levies, MBIE and BRANZ as per normal building consent	As per MDC fee schedule
Services fees	As per MDC fee schedule
Development levies	As per MDC fee schedule
Certificate for Public Use	
Application fee	\$187
Any additional inspection not covered by flat fee - plus travel as per zone	\$175
Notices to Fix/Serving of Notices	
	\$211
Minor Variations (Minimum of 1 hour charged out as 0.5 increments of hourly rate thereafter)	
	\$150
Full Amendments (made up from processing, inspection)	
Application and administration	\$417
Processing @ hourly rate	\$150
Additional inspections required	\$175
Plus travel as per zone	see above
BRANZ and MBIE levies apply to increased value as per "Other Agency Charges"	
Minor Administration Fees	
Minor Application and administration fee	\$168
Project Information Memorandum (PIM)	
Application charge - Standard fee	\$445
Schedule 1 Exemption 2 (calculated on average application)	
Minor Works up to \$25,000	\$605
Minor Works \$25,001 - \$50,000	\$822
Major Works \$50,001 - \$200,000	\$1,326
Major Works \$200,001 - \$400,000	\$2,047
Major Works \$400,001 - \$1,000,000	\$2,913
Major Works > \$1,000,000.00	Negotiation considering value, type of work and risk

Proposed 2023/2024 Fee Schedule

	Consent Category	Value (\$)	Range	Zone 1 (\$)	Zone 2 (\$)	Zone 3 (\$)	Zone 4A (\$)	Zone 4B (\$)
Band A	Commercial, Industrial, Communal residential, Communal non-residential, New dwelling.	< \$200,000	Single storey	\$5,724	6,664	8,491	10,970	13,417
			With any part more than single storey	\$6,213	7,187	9,217	11,972	14,691
		\$200,000 - \$399,999	Single storey	\$6,066	7,005	8,832	11,311	13,758
			With any part more than single storey	\$6,725	7,699	9,729	12,484	15,203
		\$400,000 - \$799,999	Single storey	\$7,213	8,222	10,455	13,486	16,476
			With any part more than single storey	\$7,872	8,916	11,352	14,658	17,921
		\$800,000 - \$1,499,999	Single storey	\$8,895	9,940	12,376	15,682	18,944
			With any part more than single storey	\$9,896	10,293	12,932	16,513	20,048
\$1,500,000 - \$3,999,999	N/A	\$13,772	14,922	17,967	22,099	26,178		
\$4,000,000 - \$9,999,999	N/A	\$16,967	18,187	21,638	26,321	30,943		
> \$10,000,000	N/A	Negotiable						
Note: Consents with multiple structures will incur additional inspection fees as required. Refer inspection fee costs.								
Band B	Significant projects will be charged as new work with Band A fees. Dwelling Additions/Alterations. Commercial, Industrial, Communal Use non-residential Additions/Alterations. New Sheds, Garages. Removals & Demolition. Relocated to new site.	Minor works < \$7,500	\$7,500 - \$24,999	\$680	\$715	\$918	\$1,002	\$1,465
			\$25,000 - \$49,999	\$1,657	\$1,762	\$2,371	\$3,197	\$4,013
			\$50,000 - \$99,999	\$2,430	\$3,194	\$4,006	\$5,108	\$6,195
			\$100,000 - \$199,999	\$3,895	\$4,764	\$6,185	\$8,113	\$10,017
			\$200,000 - \$399,999	\$5,554	\$5,811	\$7,638	\$10,117	\$12,564
			\$400,000 - \$799,999	\$6,066	\$7,005	\$8,832	\$11,311	\$13,758
			\$800,001 - Upward	\$7,213	\$8,222	\$10,455	\$13,486	\$16,476
				Charged as Band A work	Charged as Band A work	Charged as Band A work	Charged as Band A work	Charged as Band A work
Note: Consents with multiple structures will incur additional inspection fees as required. Refer inspection fee costs.								
Band C	Solid Fuel Heaters, Solar Water Heaters, Plumbing, Drainage, Wastewater Systems.	Minor works < \$10,000	\$552	\$587	\$790	\$1,066	\$1,338	
		\$10,000 - \$19,999	\$680	\$715	\$918	\$1,194	\$1,465	
		\$20,000 - \$49,999	\$1,021	\$1,056	\$1,259	\$1,535	\$1,807	
		\$50,000 - \$99,999	\$1,339	\$1,409	\$1,815	\$2,366	\$2,910	
		> \$100,000 refer Band F	Charged as Band F work	Charged as Band F work	Charged as Band F work	Charged as Band F work	Charged as Band F work	
Band D								
	Marquees.	Any	Standard Marquees	\$399	\$434	\$637	\$817	\$1,185
Band E	Multi Use Approval Applications.	Up to \$7,500	\$680	\$715	\$918	\$1,002	\$1,465	
		\$7,500 - \$19,999	\$1,486	\$1,591	\$2,200	\$3,197	\$3,842	
		\$20,000 - \$99,999	\$2,145	\$2,285	\$3,097	\$4,008	\$5,287	
		\$100,000 - \$499,999	\$4,370	\$4,755	\$6,988	\$9,827	\$13,009	
		\$500,000 and above	\$4,688	\$5,108	\$7,544	\$10,658	\$14,112	
Band F	Jetties, Swimming Pools/Fencing, Retaining Walls, any other SED design with engineer inspections (does not include Dams or Reservoirs), Pole Sheds.	Up to \$7,500	\$552	\$715	\$918	\$1,194	\$1,465	
		\$7,500 - \$19,999	\$1,021	\$1,056	\$1,259	\$1,535	\$1,807	
		\$20,000 - \$99,999	\$1,827	\$1,933	\$2,542	\$3,368	\$4,184	
		\$100,000 - \$499,999	\$2,316	\$2,456	\$3,268	\$4,370	\$5,457	
		> \$500,000 refer Band A	Charged as Band A work	Charged as Band A work	Charged as Band A work	Charged as Band A work	Charged as Band A work	

Miscellaneous Building Consent Fees (incl of GST unless stated)	
Consultancy Fees (if applicable)	
Structural component - consultants review fee	Consultants fee plus 15%
Specialist advice - consultants review fee	Consultants fee plus 15%
Recovery of charges by New Zealand Fire Service	As charged plus 15%
Other Agency Charges	
Levies (calculated exclusive (net) of GST)	
BRANZ Lev - collected on behalf by MDC	
Less than \$20,000	No Charge
\$20,000 and greater	\$1.00 per \$1,000
MBIE Lev - collected on behalf by MDC	
Less than \$20,444	No Charge
\$20,444 and greater	\$1.75 per \$1,000
Related Matters (if applicable)	
S71 Building Act Title Notations	\$1,874
S75 Building Act Title Notations	\$1,874
Lapsing of Building Consent	\$94
Receiving hard copy applications	\$94
Processing of full private BCA applications	\$199
Refusing of building consent (officer time is charged in addition)	\$199
Extension to time to commence building work under a building consent	\$94
Charge Out Rate (if applicable)	
Officer charge out rate for work not covered by the Fee Schedule (per hour)	\$171
Inspection Fees (charged additionally as applicable)	
Building Consent Inspection -	
Additional Inspection Fees	\$199
Pool Inspection - Additional Inspection Fees	
	\$199
CS & BWoF Inspection - Additional Inspection Fees	
- 1st Hour	\$199
- Over 1st hour (charged in half hour increments)	\$100
Travel Fees per zone (charged additionally as applicable)	
Inspection travel fees when not part of a consent application - Zone 1	\$118
Inspection travel fees when not part of a consent application - Zone 2	\$153
Inspection travel fees when not part of a consent application - Zone 2	\$356
Inspection travel fees when not part of a consent application - Zone 4A (boat)	\$632
Inspection travel fees when not part of a consent application - Zone 4B (boat)	\$904
Building Warrants of Fitness & Compliance Schedules	
New Compliance Schedule administration fee	\$200
New Compliance Schedule generation fee (chargeable on each Specified System added)	\$100
Amendment to Compliance Schedule (chargeable on each Specified System being added/amended/removed)	\$200
Annual charge for Building Warrant of Fitness	\$150
Full Certificate of Acceptance (do not apply to emergency works requiring CoA)	
Application fee (paid on application)	\$625
Processing fee	\$1,225
Processing continued - % of value of work	1.70%
Inspections and travel costs - evidence	As per MDC fee schedule
Equivalent building consent fee for project	As per MDC fee schedule
Levies, MBIE and BRANZ as per normal building consent	As per MDC fee schedule
Services fees	As per MDC fee schedule
Development levies	As per MDC fee schedule
Minor Certificate of Acceptance (see COA brochure)	
Application fee (paid on application)	\$626
Processing continued - % of value of work	1.70%
Inspections and travel costs - evidence	As per MDC fee schedule
Equivalent building consent fee for project	As per MDC fee schedule
Levies, MBIE and BRANZ as per normal building consent	As per MDC fee schedule
Services fees	As per MDC fee schedule
Development levies	As per MDC fee schedule
Certificate for Public Use	
Application fee	\$214
Any additional inspection not covered by flat fee - plus travel as per zone	\$199
Notices to Fix/Serving of Notices	
	\$240
Minor Variations (Minimum of 1 hour charged out as 0.5 increments of hourly rate thereafter)	
	\$171
Full Amendments (made up from processing, inspection)	
Application and administration	\$476
Processing @ hourly rate	\$171
Additional inspections required	\$199
Plus travel as per zone	see above
BRANZ and MBIE levies apply to increased value as per "Other Agency Charges"	
Minor Administratoin Fees	
Minor Application and administration fee	\$192
Project Information Memorandum (PIM)	
Application charge - Standard fee	\$508
Schedule 1 Exemption 2 (calculated on average application)	
Minor Works up to \$25,000	\$200
Minor Works \$25,001 - \$50,000	\$885.42
Major Works \$50,001 - \$200,000	\$1,428.53
Major Works \$200,001 - \$400,000	\$2,205.55
Major Works \$400,001 - \$1,000,000	\$3,138.89
Major Works > \$1,000,000.00	Negotiation considering value, type of work and risk
Artisan Remote fee travel refund (Band A,B,C,F)	
Zone 1	\$94
Zone 2	\$121
Zone 3	\$281
Zone 4A	\$499
Zone 4B	\$713

4.22. Annual Review Resource Consent & Permitted Activity Monitoring Fees & Charges - Resource Management Act 1991

(Report prepared by G McMurdo/G Ferguson)

E360-005-007-01

Purpose of report

1. The purpose of this report is to provide Council with the review of fees and charges for Monitoring activities under the Resource Management Act 1991 (the RMA) and consider an increase to the existing fees schedule for the 2023/2024 year.

Executive Summary

2. The current fees were last increased in July 2022 using the CPI.
3. The current fees have been reviewed and it is recommended that there is **13.5%** increase to the RMA Monitoring charges for the 2023/2024 financial year.
4. The Marlborough District Council Resource Management Act 1991 - Monitoring Charging Policy was changed in 2020 to allow for CPI adjustments to Monitoring Fees and Charges automatically on an annual basis from the 1 July each year. Increases greater than CPI are required to be consulted on using the special consultative procedure as provided in section 83 of the Local Government Act 2002 (LGA 2002).

RECOMMENDATION

That Council approve consultation under section 83 of the Local Government Act 2002 on Option A the proposed increases to the existing fee schedule for charges associated with RMA monitoring activities effective from the 1 July 2023.

Background/Context

5. One of Council's functions is to ensure that resource use, as facilitated by the granting of consents, is sustainable. It is Councils duty to monitor the exercise of resource consents.
6. The Environmental Protection Group is responsible for discharging the Council's ongoing consent management responsibilities under the RMA. These include:
 - i. The administration and monitoring of resource consents
 - ii. The gathering of information necessary to monitor the state of the environment of the region.
7. Section 36(1)(c) of the RMA allows Councils to charge consent holders for costs associated with the Councils functions in relation to the administration, monitoring and supervision of resource consents.
8. Section 36(1)(cc) of the RMA allows Councils to charge persons who carry out permitted activity, for the monitoring of these activity is a National Environmental Standard (NES) empowers Council to charge for this activity. Currently The National Environmental Standard for Plantation Forestry 2017 and the national Environmental Standard for Freshwater Water 2020 empower Councils to charge for monitoring.
9. Costs of ongoing administration of Resource Consent files include:
 - a) Acquiring and maintaining computer software that stores information about resource consents (and compliance monitoring);

- b) Developing, updating and maintaining the information contained in Council's databases with regard to Resource Consents;
 - c) Responding to public and personal enquiries about Resource Consents. These might be in the form of Local Government Official Information Act requests, media requests, etc. Council is also required to provide information with regard to resource consents to central government;
 - d) General administration of Resource Consent files.
10. Methods and frequency of monitoring consents differ depending on the type of consent and conditions. Costs associated include staff time and material costs associated with monitoring a consent, such as:
- a) Staff time for site visits and inspections;
 - b) Staff time to review results, management and/or monitoring plans;
 - c) Staff time for the preparation of notification of compliance and updating databases;
 - d) Staff time for the preparation of abatement notices and infringement notices;
 - e) Staff time for reporting and record keeping
 - f) Travel costs;
 - g) Laboratory testing and analysis of samples;
 - h) Consultant costs, where they are used to monitor/advise on consents on behalf of council;
 - i) Disbursements, including photocopying and postage costs; and
 - j) Any other actual and reasonable costs as incurred.
11. Fees and charges may be fixed under section 36 of the RMA after using the special consultative procedure set out in section 83 of the Local Government Act 2002 and in accordance with section 36(3) of the RMA.

Public versus Private Good

12. In accordance with section 36AAA in setting the schedule of fees for administration, supervision and monitoring of resource consents, Council has considered the relative benefits to the consent holder and the community at large.
13. It is generally viewed that because the monitoring activity is solely occasioned by the granting of consent to an applicant and they directly benefit from it, the consent holder should bear the full monitoring cost.

Council's Charging Policy-Resource Management Act Monitoring Fees

14. The MDC Charging Policy for activities undertaken under the Resource Management Act 1991 and the Local Government Act 1974 was adopted in February 2007. Council's charging policy is based on cost recovery. A consent holder is expected to pay the full monitoring costs (100% cost recovery).
15. The current Resource Management Consent Monitoring Charging Policy (January 2021) includes the ability to make CPI increase to fees and charges without public consultation. The inclusion of a CPI adjustment to fees under the Policy removes the requirement to undergo special consultative processes for CPI adjustments to fees and align with the Resource Consents Charging Policy.

Council's Revenue and Financing Policy

16. The Council's Revenue and Financing Policy (contained in its Long Term Plan) states that 60% of the Environmental Protection group's costs should be recovered from individuals (private good) and 40% is funded by rates (public good).
17. The Environmental Protection groups responsibilities include activities which are generally not cost recoverable (0% cost recovery), such activities include:

- a) Responding to environmental incidents;
- b) Responding to customer complaints;
- c) Reporting and record keeping of incidents/complaints;
- d) Permitted activity monitoring (excluding where empowered to charge through a NES);
- e) Responding to public enquiries. These might be in the form of Local Government Official Information Act requests, media requests, etc. Council is also required to provide information with regard to complaints to central government.

Assessment/Analysis

- 18. The existing fees and charge's structure is a mix of fixed monitoring charges and hourly based charges.
- 19. Fixed charges are imposed for monitoring activities which have consistent requirements for officer time for compliant activities, such activities include water take and coastal mooring permits.
- 20. Fee structure and fee levels are reviewed annually.
- 21. The staff within the Environmental Protection group are currently split between reactive complaint activities (nonchargeable) or proactive monitoring activities (cost recoverable). Due to the number and nature of complaints received, along with staff vacancies, recruitment, and development the Environmental Protection group activities are not expecting to achieve a 60:40 public vs private benefit split in activities and responding cost recovery in 2023-24. However, we are expecting to achieve a greater shift towards this target in 2024-25 as staff gain experience.
- 22. To reduce a budget short fall and corresponding impact on rates, the Environmental Protection group must consider the annual CPI and changes in operating expenditure on fees and charges.
- 23. The Resource Consent Team budget provision and fee review for the 2023/2024:
 - a) Current Revised Budget 2023/2024 (\$334,124) Deficit based on 60:40 user pay/ratepayer
 - b) CPI Fee increase (7.2%) 2023/2024 (\$264,356) Deficit based on 60:40 user pay/ratepayer
 - c) Fee increase (13.5%) 2023/2024 (\$185,854) Deficit based on 60:40 user pay/ratepayer
- 24. The proposed increase does not achieve the 60:40 budget split between user and rate payer, this however reflects a fair and reasonable recovery of the actual costs incurred by Council in respect of monitoring activities.
- 25. While the groups activities remain proportionally directed to non-cost recoverable work programmes due to demand, the group is unable to meet a 60:40 split in cost recovery.

RMA Monitoring Fee Schedule

- 26. A review of the fee schedule has been carried out (attached as **Attachment 4.22.1**). An increase of 13.5% is recommended to improve the group's private good recovery in alignment with Council's Revenue and Financing Policy with the schedule of fees and charges.

Goods and Services Tax

- 27. The charges described in this document include GST.

Recommendations

Option A –13.5% Fee increase

Advantages.

- 28. This increase will allow the Environmental Protection group fees and charges under the RMA to assist in covering the cost of the Environmental Protection Teams private benefit function's and improve alignment with Council's Revenue and Financing Policy.
- 29. The proposed increase to fees will maintain the group's ability to meet statutory and customer demands by maintaining the groups level of service.
- 30. Will reduce additional burden on Councils rate payer's fees.

Disadvantages

- 31. An increase in regulatory costs to Council customers.

Option B –7.2% Fee increase

Advantages.

- 32. The proposed increase to fees will increase the user pays budget amount from the status quo.
- 33. This proposed increase aligns with the annual CPI increase.

Disadvantages

- 34. This increase will not further reduce the RMA Monitoring fees and charges under the RMA to align with Council Revenue and Financing Policy for Environmental Protection functions.
- 35. An increase in regulatory costs to Council customers.
- 36. Additional burden on Council rate payers of \$78,502 than the recommended option.

Option C – Status Quo Maintain Current 2022/23 Fee Structure.

Advantages

- 37. No increase in regulatory costs to the Council customers.

Disadvantages

- 38. No increase to fees will place additional burden on Councils rate payers of \$148,270 than the recommended option.
- 39. No increase in fees will not align with Council Revenue and Financing Policy for Resource Consent functions.

Attachment

Attachment 4.22.1: 2023/2024 Current Fee Schedule and proposed changes

Page 119

Author	Glen McMurdo, Compliance Manager
Authoriser	Gina Ferguson, Consents & Compliance Group Manager

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables Council to provide good-quality and cost-effective service to customers and ratepayers.			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	X	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	X	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	X
Social well-being	X	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	X	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	X	<input type="checkbox"/>	<input type="checkbox"/>
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	X
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	X
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	X
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	X
This proposal contributes to the annual plan and financial strategy relating to supplying Resource consent monitoring activities equitably, efficiently, justifiably and transparently.			
Nature of the decision to be made			
Approval of increased charges.			
Financial considerations			
The proposed fees will assist in ensuring the required income is obtained to maintain the function budget.			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
The special consultative procedure will be followed to allow stakeholder engagement.			
Risks: Legal / Health & Safety etc			
There are no known significant risks or legal implications as fees are permitted to be charged through the RMA.			
Climate Change Implications			
There are no known climate change implications to this decision.			

Attachment 4.22.1

Schedule of Fees and Charges

MDC Consents - Administration, Monitoring & Supervision	Charge Type	Current Charge \$	Proposed 2023/24
Sampling including the contracting of an independent consultant	Variable	Actual	Actual
Laboratory costs	Variable	Actual	Actual
Administration fee (monitoring)	Fixed Annual	\$44.00	\$50.00
Site inspection	Variable	Actual	Actual
Disbursements	Variable	Actual	Actual
Monitoring Charge-Water take Permits	Fixed Annual	\$285.00	\$324.00
Monitoring Charge-Swing Moorings	Fixed Annual	\$71.00	\$81.00
Environmental Protection Officer	Fixed Annual	\$164.00	\$186.00
Student Environmental Protection Officer	Fixed Annual	\$109.00	\$124.00

Monitoring Charges for Permitted Activity Under the Resource Management (National Environmental Standards for Plantation Forestry) Regulations 2017

Environmental Protection Officer (per hour (pro rata))	Fixed annual	\$164.00	\$186.00
Student Environmental Protection Officer (per hour (pro rata))	Fixed annual	\$109.00	\$124.00
Laboratory costs	Variable	Actual	Actual
Consultant	Variable	Actual	Actual
Site Inspection	Variable	Actual	Actual
Disbursements	Variable	Actual	Actual
Additional monitoring due to non-compliance	Variable	Actual	Actual

Monitoring Charges for Permitted Activity Under the Resource Management (National Environmental Standards for Freshwater) Regulations 2020

Administration / Notification fee	Fixed annual or one off/ Notification fee	\$44.00	\$50.00
Environmental Protection Officer	Per hour	\$164.00	\$186.00
Laboratory Costs	Variable	Actual	Actual
Consultants	Variable	Actual	Actual

4.23. Proposed Amendments to Land Information Memorandum Fees as per Section 44A of the Local Government Official Information and Meetings Act 1987

(Report prepared by S Young)

I100-005-002-03

Purpose of report

1. To consider an amendment to the existing fee for Land Information Memorandums (LIM); and
2. To propose a new charge for LIM requests that are cancelled part way through processing.

Executive Summary

3. A review of LIM fees has been carried out and a proposed fee increase too Residential and Commercial/Rural/Industrial.
4. A new charge will be created for LIMs that are cancelled part way through processing to recover the cost of the work undertaken.
5. All fees and charges included in this paper include GST.
6. LIMs are optional not mandatory.

RECOMMENDATIONS

That Council agrees to a proposed fee increase and a new charge:

1. **That LIM fees are increased for Residential to \$386.40, and for Commercial/Rural/Industrial to \$668.40.**
2. **That a new charge of \$120 per hour will be incurred for a LIM request that is cancelled part way through processing.**

Background/Context

7. A LIM is a report prepared by Marlborough District Council that provides information in terms of section 44A of the Local Government Official Information and Meetings Act 1987 on matters affecting land and buildings on a particular property.
8. Council processed 387 LIMs in 2021/22.
9. The last fee increase adopted in 2009 when the activity moved to Information Management.
10. The minor fee increases since 2010 indicates a significant increase in efficiency within the activity using electronic systems and streamlining processes.

Review of Fees and Proposed New Charge

11. A review of current LIM fees has been undertaken.
12. Consideration of the review included:
 - cost recovery of the group's activities, recognising the private benefit of the activity and budget requirements;
 - the ability of the group to meet the industry and statutory requirements.

13. An increase in legislation changes requires greater expertise and experience within the LIM team.
14. A proposal to charge for LIM requests that are cancelled part way through processing.

Discussion

15. LIM processing falls into two categories: Residential and Commercial/Rural/Industrial.
16. Residential LIMs for any property under 2.5 hectares.
17. Commercial/Rural/Industrial LIMs are for any properties used for commercial, industrial, or rural purposes. Some examples of rural use include viticulture, horticulture, farming, and forestry.
18. The current LIM fees are.

Residential	\$322
Commercial/Rural/Industrial	\$557

Proposed amendments to fees and new charges

19. A fee increase for both Residential and Commercial/Rural/Industrial LIMs is proposed as below.

Residential	\$386.40
Commercial/Rural/Industrial	\$668.40

20. There is significant work up-front in gathering the information on generating of a LIM and there is a need to charge for LIM requests that are cancelled part way through processing. This is proposed to be an hourly charge.
21. LIM fees and charges in future will be reviewed annually.

Author	Stacey Young, Chief Information Officer
Authoriser	Mark Wheeler, Chief Executive

4.24. Service Connection Fee Review

(Report prepared by S Rooney/R Coningham)

W400-007-01

Purpose of report

1. To complete a review of service connection fees.

Executive Summary

2. A standard Service Connection Fee increase based on the Primary Producer (construction) Index is proposed, with these fees to be charged from 1 July 2023 for the 12 months.
3. A comparison of fees charged, and Council expenditure will be completed for the 2024-34 Long Term Plan.
4. Refer to the **attached** (as Attachment 4.24.1) Proposed Schedule of Service Connection Fees.

RECOMMENDATIONS

1. **That Council agree to increase all services connection fees from 1 July 2023 to meet the actual costs of installation as per Attachment 4.24.1.**
2. **That Council request a comprehensive analysis of the costs to install the services be completed to reset the base line charges for the 2024-34 Long Term Plan.**

Background/Context

5. Service connection fees are the charges to install standard water, sewer and stormwater connections for domestic properties.
6. Service dis-connection fees are also charged to ensure services are adequately capped where a building (residential or commercial) is being demolished. This allows Council to protect disabled service lines from ingress of ground water, and leakage.
7. Standard connections are those provided for a single dwelling, i.e.;
 - a) 100mm diameter pipeline for sewer,
 - b) 100mm diameter pipeline for stormwater, and
 - c) 20mm diameter pipeline and valve for water.
8. Connection requests considered as non-standard are charged at cost.
9. The last services connection fee review was put to Council July 2019. The revised fees were applied 1 August 2019, with further cost adjustments to meet the Producers Price Index changes for the periods July 2020 to July 2022.

Comments

10. The objective of charging Service connection fees is to recover all the costs for design, installation, labour, materials, surface restoration, traffic management, cable locations, locating other utility services, and the Corridor Access Request (CAR) process.
11. The current standard fee is derived from the average cost to install connections over a 2 to 3 year period. This includes a range of lengths and depths of connection so on average the customer pays for a connection from the centre of the road irrespective of where the main might be. The calculation then has all properties paying the same amount for a standard connection irrespective of the position of the service main in relation to their property.

12. Connections are generally installed by Council's Works and Operations team. However, when installation can't meet installation targeted times, contractors are used to assist in meeting acceptable levels of service.
13. The objective in setting connection charges is to recover actual installation costs over a period.
14. An analysis of the costs to install the services, and comparison of the fees charged over the last three years has not been completed. It is proposed to align this process with the Long Term Plan, completing this in 12 months time.
15. In the meantime, it is proposed to use The Producers Price Index (PPI) as published by Statistics New Zealand, and provides the relative movements in material and labour rates, weighted with respect to construction. Typically, the index has raised the cost of construction at a rate of 3% per annum.
16. We propose to use the 2022/23 Connection Fee rates as a base, with a cost adjustment to meet the Producers Price Index changes as a basis to increase the fees for the next 12 months.
17. The PPI increased by 13% from September 2021 to September 2022 (the latest published statistics).

Attachment

Attachment 4.24.1: Proposed Schedule of Service Connection Fees

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Author	Stephen Rooney, Operations and Maintenance Engineer
Authoriser	Richard Coningham, Assets & Services Manager

Attachment 4.24.1

Schedule of Service Connection Fees' Table History							
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Disconnections							
Cap Service at property boundary							
Water	\$ 100	\$ 103	\$ 107	\$ 111	\$ 114	\$ 130	\$ 147
Sewer	\$ 380	\$ 392	\$ 406	\$ 421	\$ 432	\$ 493	\$ 557
Stormwater	\$ 380	\$ 392	\$ 406	\$ 421	\$ 432	\$ 493	\$ 557
Wastewater Connections							
100mm Std Connection to Main							
Blenheim	\$ 4,120	\$ 4,250	\$ 4,402	\$ 4,563	\$ 4,686	\$ 5,346	\$ 6,040
Havelock	\$ 4,120	\$ 4,250	\$ 4,402	\$ 4,563	\$ 4,686	\$ 5,346	\$ 6,040
Picton	\$ 4,120	\$ 4,250	\$ 4,402	\$ 4,563	\$ 4,686	\$ 5,346	\$ 6,040
Renwick	\$ 4,120	\$ 4,250	\$ 4,402	\$ 4,563	\$ 4,686	\$ 5,346	\$ 6,040
Riverlands	\$ 4,120	\$ 4,250	\$ 4,402	\$ 4,563	\$ 4,686	\$ 5,346	\$ 6,040
Seddon	\$ 4,120	\$ 4,250	\$ 4,402	\$ 4,563	\$ 4,686	\$ 5,346	\$ 6,040
Springcreek	\$ 4,120	\$ 4,250	\$ 4,402	\$ 4,563	\$ 4,686	\$ 5,346	\$ 6,040
40mm Connection to Pump Main							
David St	\$ 2,940	\$ 3,033	\$ 3,141	\$ 3,256	\$ 3,344	\$ 3,815	\$ 4,310
Grovetown	\$ 2,940	\$ 3,033	\$ 3,141	\$ 3,256	\$ 3,344	\$ 3,815	\$ 4,310
Stormwater Connections							
100mm Std Connection to Main							
Blenheim	\$ 3,630	\$ 3,745	\$ 3,878	\$ 4,021	\$ 4,129	\$ 4,710	\$ 5,322
Havelock	\$ 3,630	\$ 3,745	\$ 3,878	\$ 4,021	\$ 4,129	\$ 4,710	\$ 5,322
Picton	\$ 3,630	\$ 3,745	\$ 3,878	\$ 4,021	\$ 4,129	\$ 4,710	\$ 5,322
Renwick	\$ 3,630	\$ 3,745	\$ 3,878	\$ 4,021	\$ 4,129	\$ 4,710	\$ 5,322
Riverlands	\$ 3,630	\$ 3,745	\$ 3,878	\$ 4,021	\$ 4,129	\$ 4,710	\$ 5,322
Seddon	\$ 3,630	\$ 3,745	\$ 3,878	\$ 4,021	\$ 4,129	\$ 4,710	\$ 5,322
Springcreek	\$ 3,630	\$ 3,745	\$ 3,878	\$ 4,021	\$ 4,129	\$ 4,710	\$ 5,322
100mm Kerb Connection							
Blenheim	\$ 1,360	\$ 1,403	\$ 1,453	\$ 1,506	\$ 1,547	\$ 1,765	\$ 1,995
Havelock	\$ 1,360	\$ 1,403	\$ 1,453	\$ 1,506	\$ 1,547	\$ 1,765	\$ 1,995
Picton	\$ 1,360	\$ 1,403	\$ 1,453	\$ 1,506	\$ 1,547	\$ 1,765	\$ 1,995
Renwick	\$ 1,360	\$ 1,403	\$ 1,453	\$ 1,506	\$ 1,547	\$ 1,765	\$ 1,995
Riverlands	\$ 1,360	\$ 1,403	\$ 1,453	\$ 1,506	\$ 1,547	\$ 1,765	\$ 1,995
Seddon	\$ 1,360	\$ 1,403	\$ 1,453	\$ 1,506	\$ 1,547	\$ 1,765	\$ 1,995
Springcreek	\$ 1,360	\$ 1,403	\$ 1,453	\$ 1,506	\$ 1,547	\$ 1,765	\$ 1,995

History Continued							
	2016/17	2017/18	2018/19	2019/20	2020/2021	2021/22	2022/23
Water Connections							
20mm ID Std Connection							
Blenheim	\$ 2,000	\$ 2,063	\$ 2,137	\$ 2,215	\$ 2,275	\$ 2,595	\$ 2,932
Picton	\$ 2,000	\$ 2,063	\$ 2,137	\$ 2,215	\$ 2,275	\$ 2,595	\$ 2,932
Havelock	\$ 2,000	\$ 2,063	\$ 2,137	\$ 2,215	\$ 2,275	\$ 2,595	\$ 2,932
Renwick	\$ 2,000	\$ 2,063	\$ 2,137	\$ 2,215	\$ 2,275	\$ 2,595	\$ 2,932
20mm ID Connection with Meter							
Awatere	\$ 2,150	\$ 2,218	\$ 2,297	\$ 2,381	\$ 2,445	\$ 2,790	\$ 3,153
Havelock					\$ 2,505	\$ 2,860	\$ 3,232
Renwick					\$ 2,505	\$ 2,860	\$ 3,232
Seddon	\$ 2,150	\$ 2,218	\$ 2,297	\$ 2,381	\$ 2,445	\$ 2,790	\$ 3,153
Wairau Valley	\$ 2,150	\$ 2,218	\$ 2,297	\$ 2,381	\$ 2,445	\$ 2,790	\$ 3,153

5. Minutes

- 5.1 Confirmation of the Minutes of the Council Meeting held on 15 December 2022
(Minute Nos. Cncl-1222-204 to Cncl-1222-214)



**Minutes of a Meeting of the
Marlborough District Council
held in the Council Chambers, 15 Seymour Street, Blenheim
on THURSDAY 15 DECEMBER 2022 commencing at 9.00 am**

Present

The Mayor N P Taylor (in the Chair), Cllrs S R W Adams, J A Arbuckle, S J Arbuckle, A R Burgess, J D N Croad, D A Dalliessi, B G Dawson, B A Faulks, M R K Flight, G A Hope, R J Innes, B J Minehan and J C Rosene.

Present via Teams

Clr T P Sowman.

In Attendance

Mr M S Wheeler (Chief Executive), Mr A J Lyall (Property and Community Facilities Manager), Mr D G Heiford (Manager, Economic, Community and Support Services Department) and Mr M J Porter (Democratic Services Manager).

Karakia

The meeting opened with a karakia.

Apologies

No apologies received.

Cncl-1222-204 Declaration of Interests -

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

A number of declarations were noted in the agenda:

- The various interests as declared under Minute Nos. Cncl-1022-131;
- The interests as declared under Minute No. A&S-1122-157 (Minute No. A&S-1122-160) and Minute No. A&S-1122-160;
- The interests as declared under Minute No. EFC-1222-189 (Minute Nos. EFC-1222-191, EFC-1222-193 and EFC-1222-198); and
- The interests as declared under Minute No. Grnt-1222-170.

Cncl-1222-205 Confirmation of Minutes -

Clr Hope advised that per Minute No. Cncl-1022-144, the Marlborough Research Centre Board is now known as the Marlborough Research Centre Advisory Committee. Staff are to amend the minute accordingly.

The Mayor/Clr Hope:

That the Minutes of the Council Meeting held on 27 October 2022 (Minute Nos. Cncl-1022-129 to Cncl-1022-152) be taken as read and confirmed.

Carried

Cncl-1222-206 Confirmation of Minutes -

The Mayor/Clr J Arbuckle:

That the Minutes of the Extraordinary Council Meeting held on 11 November 2022 (Minute Nos. Cncl-1122-153 to Cncl-1122-156) be taken as read and confirmed.

Carried

Committee Reports

Cncl-1222-207 Assets & Services Committee -

Cllrs Croad/Rosene:

That the Committee report contained within Minute Nos. A&S-1122-157 to A&S-1122-167 be received and the recommendations adopted.

Carried

Cncl-1222-208 Proposed Mountain Bike Skills Areas and New Tracks – Wither Hills Farm Park R510-014-024-07

Members noted that this issue had been discussed at the Assets & Services Committee meeting on 17 November 2022 (Minute No. A&S-1122-161) and that the issue was to lie on the table until this meeting.

Mr Lyall reported on a supplementary paper (filed in CM – Record No. 22259304) that had been circulated to members prior to the meeting.

Mr Lyall advised that a workshop and site visit were held on Monday 28 November 2022. Two representatives of the Marlborough Mountain Bike Club (MMBC) attended the site visit along with the Wither Hills Farm Park Manager. Details of the workshop discussion and site visit were covered in the supplementary paper. Mr Lyall advised that areas for consideration were soil erosion management; Farm management practices; dedicated walking area; cross-over/conflict between bikers and walkers; and parking on surrounding streets (details covered in the supplementary paper).

Members discussed the issue and a number of questions posed were answered by staff in attendance.

Cllrs J Arbuckle/Hope:

That Council approve an event hub and skills area for mountain biking adjacent to the Gentle Annie and Rotary Lookout tracks within the Wither Hills Farm Park and to extend the current Mountain Bike Park area on the Wither Hills to include this proposal subject to the following:

- 1. That the Marlborough Mountain Bike Club Incorporated obtain all necessary resource consents for the proposed mountain bike cross-country track and additional skills areas.**
- 2. That the Marlborough Mountain Bike Club Incorporated provide Council with a copy of their funding plan to carry out the construction of the cross-country track and additional skills areas.**

Carried

Cncl-1222-209 Environment & Planning Committee -

Cllrs Hope/Fauls:

That the Committee report contained within Minute Nos. E&P-1122-171 to E&P-1122-188 be received and the recommendations adopted.

Carried

Cncl-1222-210 Economic, Finance & Community Committee -

Cllrs J Arbuckle/Dawson:

That the Committee report contained within Minute Nos. EFC-1222-189 to EFC-1222-203 be received and the recommendations adopted.

Carried

Cncl-1222-211 Grants Sub-committee

The notes at the end of Minute No. Grnt-1122-170 (Council Community Grants Allocation) were discussed. Staff are to reword note 3.

Cirs Sowman/S Arbuckle:

That the Sub-committee report contained within Minute Nos. Grnt-1122-168 to Grnt-1122-170 be received and the recommendations adopted.

Carried

NB: Cirs Flight, Hope and Innes abstained from voting on this issue

Cncl-1222-212 Elected Members' Allowances and Reimbursement Policy

H500-009-002-22

Members noted that the purpose of the report was to seek Council's adoption of an *Elected Members' Allowance and Reimbursement Policy* (Policy) for the 2022 to 2025 triennium.

Staff reported that Council need to consider whether to include the various allowances as identified by the Remuneration Authority in its *Elected Members' Allowance and Reimbursement Policy* for the 2022 to 2025 triennium. The 2019-2022 Policy document was attached to the agenda. This included some allowances as identified by the Remuneration Authority (does not include the Travel-Time Allowance), along with Council's specific policy components from previous terms of Council. The paper covered all allowances in detail.

Members discussed whether to include the Travel-Time Allowance or not. As previous Councils had not included this allowance and there was no background data, when asked the cost of including this allowance, staff could not answer. It was agreed to ask staff to prepare a paper on this allowance for the budget meeting in early March.

Cirs Dawson/Croad:

1. **That the following Elected Members' Allowances and Reimbursement Policy be adopted for the 2022-25 triennium:**
 - **That Council reimburse elected members on an actual and reasonable basis for expenses incurred whilst on or attending to Council business (e.g. taxi fares, hotel expenses etc when travelling).**
 - **That Council reimburse elected members for mileage incurred whilst on or attending to Council business (at the rate as defined by the Remuneration Authority's Local Government Elected Members Determination in force at the time) (NB: Elected Members representing the Blenheim Ward or those representing the Marlborough Māori, Wairau-Awatere or Marlborough Sounds Wards that reside permanently in the Blenheim Ward area, are not eligible for the vehicle mileage allowance for "day-to-day" travel to the District Administration Building in Blenheim).**
 - **That Council provides parking for elected members' use in Council's Alfred Street Carpark whilst on official Council business only.**
 - **That Council provide elected members with an iPad or similar device and a Council email address.**
 - **That Council reimburse elected members for home internet connections to their place of residence to a maximum of \$800 per annum.**
 - **That Council reimburse eligible elected members for childcare while engaged on council business up to a sum of \$6,000 per annum for each child under 14 years of age.**
2. **That staff prepare a paper on the Travel-Time Allowance for the Council Meeting (budget meeting) on 2 March 2023.**

Carried

Cncl-1222-213 2023 Council Meeting Schedule

D050-001-01

Attached to the Agenda for consideration was the draft schedule of meetings for 2023. Changes to the sequence of Committee meetings, and days of those meetings, was made in conjunction with the Chairs of Committees.

Clr Croad/The Mayor:

That the meeting schedule for 2023 be approved.

Carried

Cncl-1222-214 Decision to Conduct Business with the Public Excluded

Clrs J Arbuckle/Croad:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- Confirmation of Public Excluded Minutes
- Committee Reports (Public Excluded Sections)
- Staffing Proposal

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Minutes and Committee Reports	As set out in the Minutes	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.
Staffing Proposal	In order to protect the privacy of natural persons, as provided for under Section 7(2)(a).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Carried

The meeting closed at 10.51 am.

Confirmed this 2nd day of March 2023

N P TAYLOR
MAYOR

Record No. 2331580

6. Committee Reports

6.1 Assets & Services Committee

Assets & Services Committee Meeting held on 31 January 2023
(Minute Nos. A&S-0123-215 to A&S-0123-227)



**Report and Minutes of a Meeting of the
ASSETS & SERVICES COMMITTEE
held in the Council Chambers, 15 Seymour Street, Blenheim
on TUESDAY 31 JANUARY 2023 commencing at 9.00 am**

Present

Clrs J D N Croad (Chair), J C Rosene (Deputy), S R W Adams, S J Arbuckle, D A Dalliessi, B G Dawson, M R L Flight and Mayor N P Taylor

Also Present

Clrs J A Arbuckle and T P Sowman

In Attendance

Mr Richard Coningham (Manager – Assets & Services Department), Jamie Lyall (Manager, Property and Community Facilities) and Nicole Chauval (Committee Secretary)

Apologies

Clrs Croad/Dawson:

That the apology for non-attendance from Clr B A Faulls be noted.

Carried

A&S-0123-215 Declaration of Interests

Clr S R W Adams declared an interest in Item 5 – Approval of Changes to Levels of Waste Services

Clr J C Rosene declared an interest in Item 8 – Road Stopping Proposal – 92 Alfred Street, Blenheim

ATTENDANCE: David Craig, Management Accountant – Operations, was present for the following item.

A&S-0123-216 Financial Report for the year to 30 November 2022

F275-001-02

The Financial Report for the Assets and Services and Property and Community Facilities (including parking) Departments for the year to 30 November 2022 was presented to members.

Mr Craig noted that the report is for the year to 30 November period and due to timing the December values were not included in the report. It was noted that the values for the whole of Council will be presented at the Economic, Finance & Community Committee February meeting.

Members were advised that for the reporting period there was an operating deficit of \$2.2M which was unfavourable to budget by -\$0.6M.

The following amendment to the table contained in agenda item was noted.

(in millions)	1 July to 30 November		Whole year			
	Actual	Budget		Forecast	Budget	
Surplus/Deficit	-\$2.2	-\$1.6	*-\$0.6	\$4.3	\$5.3	*-\$1.0

The major variances between year to date actual and budget were noted as: Roading emergency reinstatement costs following the July 2021 and August 2022 storm events were above budget by \$2.2M and were offset by increased operational roading subsidies of \$2.7M. Other flood damage repair costs of \$816k

have been incurred to date, mainly within the Flood Protection Activity, and are well within budget at this time. There are also associated savings of \$315k for minor works contracts in the Flood Protection Activity.

Flood event welfare response and recovery costs are captured under the Emergency Management Activity and \$674k has been incurred to date. Most of these costs are eligible for subsidy from either National Emergency Management Agency (NEMA) or Waka Kotahi (NZTA). Claims are still pending.

Roading subsidy on capital expenditure is below budget by \$2.6M due to scheduling of the renewals programme over the warmer summer months.

Development contributions (\$1.146M) and Reserve fund contributions (\$271k) are both unfavourable to budget. These revenues are expected to improve during the year as staged subdivisional development occurs.

Vested assets are favourable to budget by \$323k. Accounting entries have been completed for stage 8b of the Rose Manor subdivision.

Trade waste revenue is unfavourable to budget by \$432k and dump fee revenue is unfavourable to budget by \$522k. Grant income is favourable to budget by \$494k which is mainly attributable to the Provincial Growth Fund for Wairau River flood protection scheme \$255k, 3Waters Stimulus Funding \$147k and Tourism Infrastructure Funding (TIF) for public convenience upgrades \$118k; offset by unfavourable MFE grant for weighbridge installations \$26k.

Grant expenditure is favourable to budget by \$832k due to Marlborough Kaikoura Trail Trust (MKTT) and Marlborough Equestrian Park projects. Indications are that the Marlborough Equestrian project is unlikely to progress this financial year and funding (\$294k) will be carried over into 2023-24.

Depreciation charges \$451k and interest costs \$347k are both favourable year to date. Additional information on variances at an activity level were further detailed in the report.

Members were advised that Capital expenditure is favourable to budget by \$15M which represents 22% of the \$67.5M for capital expenditure in the 2022-23 Annual Plan. Forecasts for the year were detailed in the agenda.

Mr Craig updated members on the notable activity for December and advised that although the Wai Iti subdivision vested assets are a non cash item they do effect the bottom line and it is projected there will be a favourable budget operating surplus of \$8M, increase revenues of \$5.2M and reduced expenditures of \$2.8M. Forecast capital expenditure has increased from \$59.8M to \$62.6M which is largely the result of those vested assets entries. It was reported that this is close to the \$67.5M that we have funded in the Annual Plan for Capital Works.

Cirs Croad/Rosene:

That the financial report for the period ended 30 November 2022 be received.

Carried

ATTENDANCE: Laura Skilton, Transport Planner, Marlborough Roads, was present for the following item.

A&S-0123-217 Blenheim Integrated Transport Study – Decision **R800-010-006-02**

Members noted that the purpose of the report was to endorse the Network Operating Framework (NOF) undertaken as part of the Blenheim Integrated Transport Study. A copy of the report was circulated with the agenda for members' information. To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 2326840).

By way of background Ms Skelton reported that the Blenheim Integrated Transport Study (BITS) was a study into Blenheim's future transport requirements. The study aligned with Waka Kotahi's business case process to enable local road or state highway funding applications for any recommendations made from the study over \$2M.

The strategic business case has been completed which included problem statements and evidence to support the problem statements. As part of the BITS, a Network Operating Framework (NOF) was commenced for Blenheim and Picton. The NOF establishes an aspirational future multi-modal set of network hierarchies that can be used to make transport funding decision and used as a planning tool to make transport decisions.

It was noted that following approval Council staff and Marlborough Roads will update the required documents to include the modal network which will assist in prioritising projects in the Regional Land Transport Plan.

Clr Arbuckle noted that Council had commissioned a study to review SH 1 (Grove Road) to consider options for improving the flow of SH1 traffic and indicated that there doesn't appear to be any reference to the recommendations in the NOF or any progress made. Ms Skelton advised that some of the low cost low risk recommendations have been completed and other recommendations under the \$2M can be undertaken as they would be 100% Council funded but will still require sign off from Waka Kotahi as it is a state highway.

Members were advised that Waka Kotahi have their own way of prioritising projects which are related to the Government Policy Statement on Transport (GPS). The Draft 2024-27 GPS has been produced which has identified five areas of focus one being freight efficiency and this may be an avenue to access funding for some of the projects.

In response to a query on public transport Ms Skelton noted that public transport was not part of the Network Operating Framework as there is currently a fixed route. Marlborough Roads now has a multimodal Advisor and this is one of the areas that they are investigating with two public transport trials at the moment. The results of the trials will be reported on at a future Committee meeting.

Clr Dawson/The Mayor:

That Council endorse the Marlborough Network Operating Framework set of networks to allow Council staff and Marlborough Roads to update the road hierarchies for each mode in relevant documents.

Carried

ATTENDANCE: Dr Alec McNeil, Solid Waste Manager, was present for the following three items.

A&S-0123-218 Approval for Changes to Levels of Waste Services

C315-21-077-08

Dr McNeil noted that the purpose of the report was to approve proposed changes to levels of waste services.

Dr McNeil further noted that the community consultation process has concluded and the Hearing Panel has considered the submissions. The Hearing Panel has in principle recommended that the proposed changes are progressed subject to the amendments detailed in the agenda item. It was noted that the amendments recommended by the Hearing Panel address themes identified by submitters.

In response to a query on bin sizes Dr McNeil noted that each kerbside collection entitled property owner will be written to advising them of the decision and seek an indication on the wheelie bin size they require. Responses would be via an online form. If there is no response then a standard size bin would be provided.

It was noted that not receiving a kerbside service at this time did not preclude communities/areas from being managed into the service at some future point if there was a strong desire to participate in the service.

Clr Croad noted that the change in Levels of Waste Services is a huge decision for the region and the Panel have considered ways to mitigate concerns raised during the submission process. Clr Croad thanked the Hearing Panel and Dr McNeil for their work noting that there was overwhelming support for the introduction of wheelie bins.

Clrs Dalliessi/Dawson:

- 1. That the Hearing Panel Deliberation Report of 12 December 2022 be received.**
- 2. That the proposed changes to levels of waste services as set out in the November 2022 statement of proposal are progressed with the following amendments:**

- i) the kerbside collection methodology should include wheelie bins that offer residents a low (80 litre), standard (140 litre) or high (240 litre) volume option,
 - ii) the proposed remote transfer stations for Okiwi Bay and Duncan Bay should not be progressed,
 - iii) a remote transfer station should be established on part of the existing Rai Valley transfer station; and
 - iv) the proposed inclusion of kerbside collection in Wairau Valley and Ward should not proceed.
3. That a communication plan for the roll out of the new waste services is developed and implemented across the 2023/24 period.
 4. That further refinement of the kerbside collection area occurs across the 2023/24 period.

Carried

NB: Cllr Adams declared an interest in the above Approval for Changes to Levels of Waste Services item and did not take part in discussions nor vote on the issue.

A&S-0123-219 Bluegums Odour Survey

C315-21-039-02

Dr McNeil noted that the purpose of the report was to provide an update on the Bluegums landfill odour survey undertaken during 2022.

It was reported that Council receives district-wide odour complaints via the online PONG (Prevailing Odour Not Good) reporting system. The reports entered in the system relate to odours from various land use, industrial, and domestic activities which affect the amenity of the complainant. In 2022, in response to complaints about odours in the Taylor Pass area attributed to the landfill, Council undertook an odour survey.

Members were advised that the data loggers recorded no traces of Hydrogen Sulphide during the trial period and up to 50% of the PONG reports submitted during the trial period cited historical issues with odours that were associated with the landfill.

It was noted that during the sewer investigations a temporary bung was discovered to have been left in place. The location of the bung was adjacent to some of properties that had been experiencing odour issues. Whilst the bung did not completely block the sewer it would have caused a build-up of material from time to time.

Members noted that as a result of feedback received from the community on how representative the odour survey would be if it was only conducted during the cooler months, they supported the proposal that a further survey be undertaken across the warmer months and including the harvest period. The cost of the survey is approx. \$5,000 which can be covered from existing budgets.

Cllrs Dalliessi/Flight:

1. That the report be received.
2. That approval be given for another odour survey to be undertaken across March 2023 to May 2023 and that the survey results are reported back to Council.

Carried

A&S-0123-220 WorksOps – Gravel Storage Options c315-21-039-02

Members noted that the purpose of the report was to obtain approval to lease a section of land at the Bluegums landfill for the purpose of gravel storage.

Dr McNeil reported that the WorksOps Department require an ongoing source and supply of gravel as part of their planned and emergency work programme. The current gravel store is located at the end of George Conroy Drive, adjacent to a local school. This general area is anticipated to be developed into a formal entrance and parking for the new managed open space located at the Taylor Pass Closed Landfill. The gravel yard and

ancillary operations need to be relocated with the most suitable option being to relocate to a new site at the entrance of Bluegums landfill.

It was noted that the new site would be developed and operated by Simcox Construction who would also store gravel at the site. Simcox would pay Council a lease in the region of \$8k pa.

Members were advised that by allowing Simcox to develop a new site at the Bluegums entrance area, Council would be able to set up a gravel storage and supply arrangement that services the needs of WorksOps. In addition, the WorksOps team could deliver any excavated material direct to the Simcox cleanfill site on Maxwell Pass Road instead of double handling as is the current practice.

It was noted some additional travelling time would be incurred by WorksOps staff but this can be offset against the direct tipping of excavated material and loading out with gravel. This is a change in practice rather than a monetary issue.

Dr McNeil noted that there may be a perception of intensive development of the landfill so good comms will be important to expel any concerns.

Members were advised that any lease agreement would be drafted and subsequently managed by APL, it may be the case that amendments to the landfill operations Contract would be required to set out the relationship between Simcox and the Landfill contractor. This can be dealt with internally by staff at no additional cost.

Cirs Dawson/Adams:

That a section of land at the Bluegums Landfill site entrance is leased to Simcox. The land area and annual lease value will be as per the Alexander Hayward Ground Value Evaluation Report dated 22 January 2022.

Carried

**A&S-0123-221 Road Stopping Proposal – 92 Alfred Street,
Blenheim R800-004-B34**

Mr Conningham noted that the purpose of the report was to obtain a decision from Council on a request to stop a portion of road which adjoins the property described as 92 Alfred Street, Blenheim.

It was reported that the item had been considered at a previous Assets & Services Committee meeting with the decision being to leave the paper to lie on the table until a policy on Road Stopping was developed. An Urban Road Stopping Policy has now been developed and was adopted by Council at its August 2022 meeting. The policy and background information were attached to the agenda for members' information.

Members considered the application noting the Urban Road Stopping Policy and taking into consideration the analysis from the Marlborough Roads Senior Transport Planner.

The Mayor/Cir Dawson:

That Council decline the request to stop a portion of road which adjoins the property described as 92 Alfred Street, Blenheim.

Carried

NB: Cir Rosene declared an interest in the above Road Stopping Proposal – 92 Alfred Street, Blenheim item and did not take part in discussions nor vote on the issue.

A&S-0123-222 Road Naming Sub-Committee R800-007-06-07

The minutes of the Road Naming Sub-Committee meeting held on 15 December 2022 were presented for ratification by the Committee.

Cir Dalliessi/The Mayor:

That the minutes of the Road Naming Sub-Committee meeting held on 15 December 2022 be ratified.

Carried

A&S-0123-223 Regional Transport Committee

D050-001-R01

The minutes of the Regional Transport Committee meeting held on 18 November 2022 were presented for ratification by the Committee.

Cllrs Dawson/Rosene:

That the minutes of the Regional Transport Committee meeting held on 18 November 2022 be ratified.

Carried

ATTENDANCE: Linda Craighead, Planner, Parks and Open Spaces, was present for the following item.

**A&S-0123-224 Adoption of Marlborough District Council
Responsible Camping Control Bylaw 2022**

R510-005-17-09

Ms Craighead advised that the purpose of the report was to adopt the Responsible Camping Control Bylaw 2022 with effect from 1 May 2023. The Final Decision of the Hearings Panel and the Marlborough District Council Responsible Camping Bylaw 2022 were attached to the agenda item for members' information.

By way of background it was noted that the Council reviewed its Freedom Camping Control Bylaw 2012 in 2019/20 under the provisions of the Freedom Camping Act 2011 (FCA). After consultation and notification of a draft bylaw, the Responsible Camping Control Bylaw 2020 (2020 Bylaw) was adopted by Council on 27 November 2020 with freedom camping provided for at five sites across Marlborough.

Following this decision a claim for judicial review was lodged with the High Court in May 2021 over limitations of the 2020 Bylaw and procedural matters. The appeal was heard in early November 2021 and the Court's decision was to remove the part of the bylaw that prohibited freedom camping outside of the five sites. This meant freedom camping could occur outside of the five sites and not be in conflict with the 2020 Bylaw.

In response to lodgement of the claim the Council undertook further consultation to address points raised in the claim for judicial review. Further site assessments were undertaken, and a revised Statement of Proposal (SOP) and draft bylaw were notified for public submission in November 2021 (the 2022 Bylaw) with three additional sites proposed. On completion of the hearing process the Hearing Panel issued an interim decision confirming the sites included in the SOP.

The Hearing Panel's interim decision also directed that further assessments be undertaken on six other sites and roadsides in five valley areas. As a result of these assessments further submissions were sought on three sites and on roadsides in all five valleys. A hearing was held in early December 2022.

A final decision of the Hearing Panel confirmed that the three sites should be added to the 2022 Bylaw, bringing the total number of sites available for freedom camping to 11. In relation to roadsides in the five valleys the Hearing Panel considered that freedom camping should continue to be prohibited in these areas.

Members were advised that the last steps in the process are for the Council to formally adopt the 2022 Bylaw, to approve camping on reserve land pursuant to the provisions of the Reserves Act 1977 and to apply for resource consent for three of the freedom camping sites.

Cllrs Croad/Flight:

That the Council:

- 1. Adopts the Marlborough District Council Responsible Camping Control Bylaw 2022 effective 1 May 2023.**
- 2. Acting under a delegation from the Minister of Conservation and pursuant to section 44(1) of the Reserves Act, authorises camping on that part of the following reserves where a bylaw made under the Freedom Camping Act 2011 is in place:**

- Lot 1 DP 366864 – classified as Local Purpose (Picnic Area) Reserve [Alfred Stream Reserve];
- Section 5 Block XVII Taylor Pass Survey District – classified as Recreation Reserve by Gazette Notice 105187 (Gaz 1981 p2585) [Blairich Recreation Reserve]; and
- Section 1 Block XV Patriarch Survey District – classified as Recreation Reserve by Gazette Notice 1981 p3732 [Wash Bridge Recreation Reserve].

3. Applies for resource consent for the freedom camping sites to be located at Alfred Stream Reserve, Opouri Road [Carluka Domain] and Renwick Dog Park

Carried

ATTENDANCE: Robyn Blackburn, Road Safety Co-ordinator, was present for the following item.

A&S-0123-225 Road Safety Action Planning – Appointment of Chairperson R800-005-09

Ms Blackburn advised that the purpose of the report was to seek Council approval for the appointment of a new Chairperson for the Road Safety Action Planning group.

It was noted that the Road Safety Action Planning group play an important role in delivering Road to Zero national strategy interventions to achieve the national target of a 40 percent reduction in death and serious injuries (from the 2018 levels) by 2030.

It was noted that given Cllr Rosene's roading responsibilities the role of chairperson would be appropriate. Cllr Rosene indicated his acceptance of the position.

The Mayor/Cllr Adams:

That Council approve Councillor Rosene as Chairperson of the Road Safety Action Planning group.

Carried

A&S-0123-226 Information Package -

Cllrs Rosene/Dawson:

That the Assets and Services Information Package dated be received and noted.

Carried

A&S-0123-227 Decision to Conduct Business with the Public Excluded -

Cllrs Flight/Adams:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- Sub-Committee Reports (Public Excluded Sections)

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Minutes and Committee Reports	As set out in the Minutes and Reports	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Carried

The meeting closed at 10.22 am.

Record No. 2328009

**Supplementary Report – Refer Minute No A&S-0123-224 (page 137)
Council Meeting 2 March 2023**

**Adoption of the Marlborough District Council Responsible
Camping Control Bylaw 2022**

(Clr Croad) (Report prepared by Linda Craighead)

R510-005-17-09

Purpose of Report

1. To seek Council adoption of the Marlborough District Council Responsible Camping Control Bylaw 2022.

Executive Summary

2. A report containing recommendations on the final decisions and form of bylaw from the Hearing Panel considering submissions to the Marlborough District Council Responsible Camping Control Bylaw 2022, was considered by the Assets and Services Committee on 31 January 2023. However, adoption of a bylaw is required as a formal resolution of the Council, hence the need for this report.

RECOMMENDATIONS

That Council:

1. **Adopts the Marlborough District Council Responsible Camping Control Bylaw 2022 effective 1 May 2023 – see Attachment 1.**
2. **Acting under a delegation from the Minister of Conservation and pursuant to section 44(1) of the Reserves Act, authorises camping on that part of the following reserves where a bylaw made under the Freedom Camping Act 2011 is in place:**
 - **Lot 1 DP 366864 – classified as Local Purpose (Picnic Area) Reserve [Alfred Stream Reserve];**
 - **Section 5 Block XVII Taylor Pass Survey District – classified as Recreation Reserve by Gazette Notice 105187 (Gaz 1981 p2585) [Blairich Recreation Reserve]; and**
 - **Section 1 Block XV Patriarch Survey District – classified as Recreation Reserve by Gazette Notice 1981 p3732 [Wash Bridge Recreation Reserve].**
3. **Applies for resource consent for the freedom camping sites to be located at Alfred Stream Reserve, Opouri Road [Carluke Domain] and Renwick Dog Park.**

Background/Context

3. The Council reviewed its Freedom Camping Control Bylaw 2012 in 2019/20 under the provisions of the Freedom Camping Act 2011 (**FCA**). The Responsible Camping Control Bylaw 2020 (**2020 Bylaw**) was adopted by Council on 27 November 2020 with freedom camping provided for at five sites across Marlborough.
4. In response to a judicial review process the Council undertook further consultation and a revised Statement of Proposal (**SOP**) and draft bylaw were notified for public submission in November 2021 (the **2022 Bylaw**) with three additional sites proposed. On completion of the hearing process the Hearing Panel issued an interim decision confirming the sites included in the SOP.
5. The Panel directed that further submissions be sought on a number of other sites and areas. After hearings a final decision (Attachment 2) of the Hearing Panel confirmed that three sites should be added to the 2022 Bylaw, bringing the total number of sites available for freedom camping to 11.

6. The last steps in the process are for the Council to formally adopt the 2022 Bylaw, to approve camping on reserve land pursuant to the provisions of the Reserves Act 1977 and to apply for resource consent for some of the freedom camping sites.

Attachments

Attachment 1 – Marlborough District Council Responsible Camping Bylaw 2022

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Attachment 2 – Final Decision

Page xx

Author	Linda Craighead, Planner, Parks and Open Spaces
Authoriser	Jane Tito, Manager, Parks and Open Spaces

Marlborough District Council Responsible Camping Control Bylaw 2022

Pursuant to section 11 of the Freedom Camping Act 2011, the Marlborough District Council makes the following bylaw.

Bylaw

1. Title

This bylaw is the Marlborough District Council Responsible Camping Control Bylaw 2022.

2. Commencement

This bylaw comes into force on 1 May 2023.

3. Interpretation

In this bylaw, unless the context requires another meaning –

Council means the Marlborough District Council.

Responsible camp and **responsible camping** have the same meaning given to freedom camp and freedom camping respectively in section 5 of the Freedom Camping Act 2011.

Enforcement officer has the meaning given in section 4 of the Freedom Camping Act 2011.

Local authority area has the meaning given in section 6 of the Freedom Camping Act 2011 and also means within the Marlborough District.

Certified self-contained vehicle means a vehicle designed and built for the purpose of camping which is practically configured to meet the ablutionary and sanitary needs of occupants of that vehicle for a minimum of three days, without requiring any external services or discharging any waste, and:

- Complies with NZS 5465:2001 Self-containment of motor caravans and caravans;
- Displays a current self-containment warrant issued in accordance with NZS 5465:2001 Self-containment of motor caravans and caravans and any subsequent amendments in the inside left of the front window, or the inside left of the windshield, with the warrant details facing outwards; and
- The toilet facility must be readily useable within the vehicle including sufficient head and elbow room at all times, even with the bed made up.

4. Purpose

The purpose of this bylaw is to regulate responsible camping in local authority areas so as to:

- (a) protect the area;
- (b) protect the health and safety of people who may visit the area; and/or
- (c) protect access to the area.

5. Restricted Areas

- 5.1 No person may responsible camp in areas identified in Schedule 1 unless they comply with the restrictions imposed on use of that area as set out Schedule 1.
- 5.2 Restricted Areas will be regularly monitored and, where required, access will be restricted or prohibited on a site-by-site basis for the following reasons:
- (a) there is a high risk of fire or imminent flood in the area;
 - (b) there is a potential health and safety risk at the sites, including due to overcrowding;
 - (c) the area is being used for an event approved by the Council;
 - (d) there is a need to better protect public access; or
 - (e) maintenance including improvements to allow recovery of the site.
- 5.3 The prohibition must be removed when the circumstances described in clause 5.2 no longer apply. While an area is prohibited under clause 5.2, no person may responsible camp in the area.

6. Prohibited Areas

- 6.1 No person may responsible camp in any local authority area identified in Schedule 2.
- 6.2 No person may responsible camp in an area identified in Schedule 1 where the person does not comply with the restrictions imposed on use of that area in that Schedule.

7. Council consent to responsible camp

- 7.1 A person or group may responsible camp in a Prohibited Area if they have obtained the prior written consent of the Chief Executive Officer of the Council.
- 7.2 A person or group may responsible camp in a Restricted Area otherwise than in accordance with the restrictions on responsible camping in that area if they have obtained the prior written consent of the Chief Executive Officer of the Council.
- 7.3 Consent is at the absolute discretion of the Chief Executive Officer and may be granted with or without conditions. Consent must be sought at least 20 working days in advance of the proposed date for freedom camping. All costs incurred by Council in determining the application for consent must be met by the applicant and must be paid before the determination will be released.
- 7.4 In relation to consent given in accordance with clauses 7.1 or 7.2:
- (a) any conditions attaching to the consent must be complied with;
 - (b) fires are not permitted on site; and
 - (c) on departure the site must be left in a clean and tidy condition with all rubbish and waste removed.
- 7.5 Consent given in accordance with clause 7.1 or 7.2 may be revoked by the Council if an Enforcement Officer believes, on reasonable grounds, that the person(s) to whom consent has been granted has:
- (a) acted in a manner likely to offend or annoy other people using the site;
 - (b) damaged or is likely to cause damage to the site; and/or
 - (c) breached any of the conditions of consent including the limitations in clause 7.4.

- 7.6 Revocation of consent occurs at the time the Enforcement Officer directs the person(s) to leave the site.


8 Offences and Penalties

In accordance with section 20 of the Freedom Camping Act 2011, every person who responsible camps in a local authority area in breach of any prohibition or restriction in this bylaw commits an infringement offence and is liable to a fee of \$200 (or other amount as prescribed by regulations made under that Act).

Section 20 of the Freedom Camping Act 2011 provides for other offences in relation to responsible camping.


Schedule 1 – Restricted areas for responsible camping

No person may camp in any local authority area identified as a Restricted Area unless they comply with the restrictions imposed on use at that particular site.


WAIRAU DIVERSION RESTRICTED AREA	
<p>Description</p> <p>The Wairau Diversion responsible camping area is located on the northern side of the lower reach of the Diversion. It is accessed from the intersection of Thomas Road and Neal Road. The Wairau Diversion Reserve Restricted Area extends from the eastern boundary of the prohibited area at the Hinepango Wetland in an easterly direction to the Wairau Diversion day use area (which is a prohibited area for responsible camping).</p> <p>The Wairau Diversion Reserve Restricted Area has a fence on its eastern boundary between the day use and the camping area. There is clear signage into the area directing campers to the area allocated for camping.</p>	
<p>Restrictions</p> <p>No person may camp except in the area shown and camping must be in a certified self-contained vehicle.</p> <p>The maximum period anyone can camp in this area is two consecutive nights in any four-week period.</p> <p>Vehicle numbers are limited to 75 vehicles.</p>	<p>Camping Area</p> 


A temporary area for camping has been set aside at the Wairau Diversion until such time as repairs are made to reinstate that part of the current Restricted Area damaged in the 2021 flood event. The temporary area is shown in the map below and will revert to a prohibited area once the damage has been repaired.



TAYLOR DAM RESERVE UPPER LEVEL RESTRICTED AREA	
Description	
<p>The Taylor Dam Reserve Upper Level is located off Taylor Pass Road approximately 7 kms south of Blenheim. The responsible camping area at the Taylor Dam Reserve is in the Upper Level of the Reserve – see map below. There is clear signage into the area directing campers to the area allocated for camping.</p>	
Restrictions	Camping Area
<p>No person may camp except in the area shown and camping must be in a certified self-contained vehicle.</p> <p>The maximum period anyone can camp in this area is two consecutive nights in any four-week period.</p> <p>Vehicle numbers are limited to 10 vehicles.</p>	

RENWICK DOG PARK RESTRICTED AREA	
Description	
<p>The Renwick Dog Park Restricted Area is located at the intersection of State Highway 6 and Foxes Island Road. The responsible camping area is in the south west corner of the site.</p>	
Restrictions	Camping Area
<p>No person may camp except in the area shown and camping must be in a certified self-contained vehicle.</p> <p>The maximum period anyone can camp in this area is one night in any four-week period.</p> <p>Vehicle numbers are limited to 5 vehicles.</p>	


RENWICK DOMAIN CAR PARK RESTRICTED AREA	
Description	
<p>The Renwick Domain Carpark is located in Uxbridge Street, Renwick. The responsible camping area at the Renwick Domain Carpark is located in an area allocated within the centre car parking area, near the Renwick Domain Skate Park.</p> <p>There is clear signage into the area directing campers to the area allocated for camping.</p>	
Restrictions	Camping Area
<p>No person may camp except in the area shown and camping must be in a certified self-contained vehicle.</p> <p>The maximum period anyone can camp in this area is two consecutive nights in any four-week period.</p> <p>The maximum number of spaces available for camping is 20.</p> <p>There is to be no washing hung outside of the vehicle and there is to be no cooking outside of the vehicle.</p> <p>Responsible camping is limited to between the hours 8.00 pm - 9.00 am.</p>	

WYDEN STREET CAR PARK RESTRICTED AREA	
Description	
<p>The responsible camping area at the Wyden Street carpark is centrally located in Blenheim (between Symons Street to the east and Market Street to the west).</p>	
Restrictions	Camping Area
<p>No person may camp except in the area shown and camping must be in a certified self-contained vehicle.</p> <p>The maximum period anyone can camp in this area is two consecutive nights in any four-week period.</p> <p>There is to be no washing hung outside of the vehicle and there is to be no cooking outside of the vehicle.</p> <p>Responsible camping is limited to between the hours 8.00 pm - 9.00 am.</p>	


LANSDOWNE PARK CAR PARK RESTRICTED AREA	
Description Lansdowne Park is located on the north east side of Blenheim. The responsible camping area at the Park is in the south west corner of the main carpark.	
Restrictions No person may camp except in the area shown and camping must be in a certified self-contained vehicle. The maximum period anyone can camp in this area is one night (Monday to Thursday inclusive) in any four-week period. The maximum number of spaces available for camping is 4.	Camping Area 

LAKE ELTERWATER RESTRICTED AREA	
Description Lake Elterwater Road Reserve is an area of legal road located approximately three kilometres north of Ward Township, adjacent to and to the east of State Highway 1.	
Restrictions No person may camp except in the area shown and camping must be in a certified self-contained vehicle. The maximum period anyone can camp in this area is two consecutive nights in any four-week period.	Camping Area 

BLAIRICH RESERVE RESTRICTED AREA	
Description	
Blairich Reserve is located approximately 12 kilometres north and west of Seddon, adjacent to the Awatere Valley Road.	
Restrictions	Camping Area
<p>No person may camp except in the area shown and camping must be in a certified self-contained vehicle.</p> <p>Camping in a tent is allowed at the Reserve for cyclists using the Awatere Valley Road.</p> <p>The maximum period anyone can freedom camp in this area is two consecutive nights in any four-week period.</p>	

OPOURI ROAD (ADJACENT TO CARLUKE DOMAIN) RESTRICTED AREA	
Description	
Opouri Road is located to the northeast of the Rai Valley Township, off Ronga Road. The area for camping is adjacent to the Carluke Domain.	
Restrictions	Camping Area
<p>No person may camp except in the area shown and camping must be in a certified self-contained vehicle.</p> <p>The maximum period anyone can camp in this area is two consecutive nights in any four-week period.</p> <p>Vehicle numbers are limited to 8.</p> <p>The camping area will be closed for camping when significant events are carried out on Carluke Domain.</p> <p>No water from the community hall supply is to be used for topping off water tanks in camping vehicles.</p>	




ALFRED STREAM RESERVE RESTRICTED AREA	
Description	
The Alfred Stream Reserve restricted area is a small rural reserve located near the south western entrance to the Rai Valley Township. It is a Local Purpose (Picnic Area) Reserve described as Lot 1 DP 368864.	
Restrictions	Camping Area
<p>No person may camp except in the area shown and camping must be in a certified self-contained vehicle.</p> <p>The maximum period anyone can camp in this area is one night in any four-week period.</p> <p>Vehicle numbers are limited to 5</p>	





WASH BRIDGE RECREATION RESERVE RESTRICTED AREA	
Description	
The Wash Bridge Recreation Reserve is located adjacent to State Highway 63 in the westernmost part of the Marlborough District. The camping area is located on the upper terrace.	
Restrictions	Camping Area
<p>No person may camp except in the area shown and camping must be in a certified self-contained vehicle.</p> <p>The maximum period anyone can freedom camp in this area is two consecutive nights in any four-week period.</p>	

Schedule 2 – Areas prohibited for freedom camping





No person may responsibly camp in the following areas that have been identified as a Prohibited Area. This Schedule includes descriptions and maps indicating where camping is prohibited; if there is any conflict between the description and the map, the description of the Prohibited Areas will prevail.





MARLBOROUGH SOUNDS	
Description	Location
<p><i>D'Urville Island/Rangitoto ki te Tonga Prohibited Area</i> D'Urville Island/Rangitoto ki te Tonga is located in the north western part of the Marlborough Sounds. The prohibited area includes both the formed road and legal road on Main Road D'Urville Island, Greville Harbour Road, Kupe Road, Woodmans Road, Port Hardy Road, Waitai Road, Patuki Road and Waiiau Bay Road. Also included is the parking area adjacent to the Kapowai Wharf and the Local Purpose Reserve (Lot 5 DP 19808) extending along the foreshore adjacent to the Kapowai Wharf.</p>	
<p><i>French Pass Township Prohibited Area</i> The French Pass Township Area is located in Elmslie Bay off the Croisilles French Pass Road in the outer Pelorus Sound. The prohibited area includes both the formed road and legal road on the Croisilles French Pass Road, including parking areas adjacent to the launching ramp and wharf, to the community hall on Local Purpose Reserve (Pt Sec 3 DP 3873 Blk V French Pass Survey District) and the foreshore.</p>	
<p><i>French Pass Roads Prohibited Area</i> The French Pass Roads prohibited area encompasses the Croisilles French Pass Road, Te Towaka-Port Ligar Road, Waitata Road, Bulwer Road (and the roads of the Bulwer township), Te Towaka Road, Cissy Bay Road and Township, Cissy Bay Recreation Reserve (Lot 21 D P 8623), Bill Bryants Road, Elaine Bay Road and Township, Tennyson Inlet Road, Duncan Bay Road and Township (and the foreshore area adjacent to the launching ramp and jetty), Archers Road, Penzance Bay Township (including Kamahi Road through to World's End) and Croisilles Road. The French Pass Roads Area includes the formed road and legal road.</p>	
<p><i>Okiwi Bay Township Prohibited Area</i> Okiwi Bay is located in the western part of the Marlborough Sounds accessed from State Highway 8 near Rai Valley. The Okiwi Bay Township prohibited area includes the following roads (both the formed road and legal road): Croisilles, Wharf Road, Hope Drive, Soucis Lane, Renata Road, The Esplanade, The Parade, Karepa Crescent, Harbour View Road, Okiwi Crescent, Old Mill Road, Orchard Lane, Field Terrace, Ruataniwha Place and Croisilles French Pass Road. The prohibited area also includes areas of Council owned land and Council owned or administered reserve.</p> <ul style="list-style-type: none"> • Lot 6 DP 4439 Blk X Whangamoia Survey District – Local Purpose (Utility) Reserve (known as Tunnicliffe Reserve) • Lot 1 DP 5012 Blk X Whangamoia Survey District – Recreation Reserve • Lot 2DP 499708 • Sec 1 SO 388478 	



MARLBOROUGH SOUNDS	
Description	Location
<p><i>Havelock Urban Prohibited Area</i></p> <p>The Havelock Urban prohibited area encompasses the roads (both formed and legal road) in the area south of Mahakipawa Road across the estuary to the port/marina through to Cook Street then to the intersection with State Highway 6, then following the bush line back to Mahakipawa Road and State Highway 6. The prohibited area also includes areas of Council owned land and Council owned or administered reserve including Section 1 SO 5886 and Section 233 SO 4502 Town of Havelock Section 33 and Part Section 34 Town of Havelock – being land comprising Havelock War Memorial Park, commonly referred to as Havelock Domain.</p>	
<p><i>Queen Charlotte Drive Prohibited Area</i></p> <p>Queen Charlotte Drive prohibited area includes all areas of the legal road between State Highway 6 at Havelock to the Picton Urban Prohibited Area including all formed road, road reserve, road verges and the Queen Charlotte Drive Lookout. It also includes Moenui Road, Pukenui Road, Belvue Bay Road, Te Puia Heights, Cullensville Road, Phillips Road, Manuka Drive and Brough Place. The prohibited area also includes:</p> <ul style="list-style-type: none"> • Sec 3 of 15 Blk X Linkwater Survey District (Linkwater Hall) • Esplanade reserves adjacent to Manuka Drive • SO 5582 Reclamation Blk IX Linkwater Survey District • Parking area adjacent to Grove Wharf 	
<p><i>Kenepuru Sound Roads Prohibited Area</i></p> <p>This Kenepuru Sound Roads prohibited area covers all roads servicing Kenepuru Sound north from Queen Charlotte Drive at Linkwater and includes all formed road, road reserve, road verges and accessways. These roads are:</p> <p>Kenepuru Road, Moetapu Bay Road, Mahau Road, Broughton Bay Road, Te Mahia Road, Tara Bay Road, Lawrence Road, Tore a Road, Onahau Road, Sandy Bay Road, St Omer Road, Crail Bay Road, Elie Bay Road, Hopai Road, Manaroa Road, Clova Bay Road, Totaranui Road, Titirangi Road, Williams Road, Akerbloms Road, Anakoha Road, Masons Road, Kinders Road.</p> <p>Also included in the prohibited area are:</p> <ul style="list-style-type: none"> • Accessways to the foreshore from Kenepuru Road at Moetapu Bay and north of Ohingaroa Bay • Reclamation Block IV Linkwater Survey District – Reserve for Parking Purposes (Te Mahia road end) • Lot 4 DP 8235 Blk VI Gore Survey District – Local Purpose Esplanade Reserve, Kenepuru Head • Sec 31 Blk I Gore Survey District – Local Purpose Reserve (site for a Public Hall, Waitaria Bay) • Lot 2 DP 7088 BLK II Orieri Survey District – Esplanade Reserve • Lot 12 DP 2899 Elie Bay 	





MARLBOROUGH SOUNDS	
Description	Location
<p><i>Double Bay Reserve Prohibited Area</i> Double Bay is a small coastal reserve, being Lot 4 DP5720 Local Purpose (Recreation), accessed via a driveway from Moetapu Bay Road, off Kenepuru Road. All parts of the Reserve including the entrance road form part of the prohibited area.</p>	
<p><i>Ohingaroa Bay Reserve Prohibited Area</i> Ohingaroa Bay Reserve is a coastal reserve located between the coastal marine area (sea) and Kenepuru Road approximately 7 kilometres from Linkwater. The prohibited area comprises two parcels of land being Lot 16 DP 7670 and Lot 4 DP 8447 Blk VI Linkwater Survey District, Local Purpose (Esplanade) Reserve.</p>	
<p><i>Anakiwa Road, Reserves and Village Green Prohibited Area</i> The Anakiwa Roads, Reserves and Village Green prohibited area includes all formed road, road reserve and road verges from the turn off at Queen Charlotte Drive through to the Anakiwa Road end. It also includes Tirimoana Terrace, Okiwa Place, Oliver Place, Thompson Place and Lady Cobham Drive, the foreshore areas adjacent to Tirimoana Terrace and the Cobham Outward Bound School, and the reserves collectively known as Tirimoana Reserve (off Tirimoana Terrace and Thompson Place) as follows:</p> <ul style="list-style-type: none"> • Lot 13 DP 3180 – Recreation Reserve • Lot 14 DP 3180 – Local Purpose (Esplanade) Reserve • Lot 51 DP 5718 – Local Purpose (Esplanade) Reserve • Lot 52 and 53 DP 5718 – Local Purpose (Public Utility) Reserve • Lot 54 DP 5718 – Local Purpose Reserve 	
<p><i>Picton Urban Prohibited Area</i> The Picton Urban prohibited area encompasses the Elevation, Wairau Road, Essons Valley, following the bush line through to and including Boons Valley Road, Waikawa Bay and Victoria Domain through to Shelly Beach, Picton Foreshore through to the Picton Cemetery at Gravesend Place and back to Wairau Road. The prohibited area includes the roads (both formed and legal road), Council owned land and Council owned or administered reserve.</p>	





MARLBOROUGH SOUNDS	
Description	Location
<p><i>Port Underwood Prohibited Area</i></p> <p>The Port Underwood prohibited area includes the Port Underwood Road that runs from Waikawa Bay to Rarangi along the western side of the Port and Tumbledown Bay Road which runs around the head of Port Underwood and down its eastern shore. The prohibited area includes both the formed road and legal road and the following reserves:</p> <ul style="list-style-type: none"> ▪ Lot 3 DP 2557 Local Purpose (Esplanade) Reserve – Opihi Bay ▪ Lot 4 DP 5440 Local Purpose (Esplanade) Reserve – Whangataura Bay ▪ Lots 5 and 6 DP 9787 Local Purpose Reserve – Hakahaka Bay ▪ Section 27 Block XII Arapawa Survey District, Local Purpose Reserve – Oyster Bay ▪ Lot 11 DP 496158, Te Tio Terrace ▪ Lot 3 DP 3486 Vested as Esplanade Reserve and Lot 2 Local Purpose (Esplanade) Reserve – Ocean Bay 	



NORTH MARLBOROUGH	
Description	Location
<p><i>Brown River Prohibited Area</i></p> <p>The Brown River prohibited area sits adjacent to the Rai River and is located close to the French Pass Road turn-off from State Highway 6, just north of the Rai Valley Township.</p>	
<p><i>Rai Valley Prohibited Area</i></p> <p>The Rai Valley prohibited area includes Rai Valley Township, (including Bryants Road and Robertson Mill Place), Ronga Road, Opouri Road, Tunakino Valley Road, Staghorn Road, Kaiuma Road, Tennyson Inlet Road, Tunapai Road, Carluke Road, Rimu Gully Road, Bulford Road, Hills Road and Heberds Road. The prohibited area also includes Lot 20 DP 403493 Rai Stream Recreation Reserve. (Note an area of Opouri Road adjacent to the Carluke Domain has been included as a restricted camping area.)</p>	
<p><i>Te Hoiere/Pelorus Valley Prohibited Area</i></p> <p>Te Hoiere/Pelorus Valley prohibited area includes Maungatapu Road, Tinline Road, Mount Richmond Road, Reserve Road, Te Hora Pa Road, Tapps Road, Wakamarina Road, Healys Road, Greig Lane, Rush Lane, Taylors Road, Daltons Road, Kaiuma Bay Road, Te Hoiere Road, Kuia Drive, Orapito Road, Tai Close and Toki Place. The prohibited area includes both the formed road and legal road.</p>	
<p><i>Kaituna Valley and Northbank Valleys Prohibited Area</i></p> <p>The Kaituna Valley and Northbank Valleys prohibited area includes the following roads off State Highway 6: Readers Road, Douslins Gully Road, Prices Road, Twidles Road, Long Valley Road, Norths Road, Kenningtons Road, Mt Riley Road, Camerons Road, Leslies Road, Lamberts Road and Mahers Road. It also includes the Onamalutu Valley Roads, Bartletts Creek Road, Fabians Valley Road, Pine Valley Road, Cat Creek Road, Te Rou Road, Top Valley Road, Northbank Road and Goulter Road.</p>	




NORTH MARLBOROUGH	
Description	Location
<p><i>Koromiko, Para and Tua Marina Prohibited Area</i> The Koromiko, Para and Tua Marina prohibited area includes Lindens Road, Factory Road, Hawker Lane, Sirocco Lane, Station Road, Speeds Road, Speeds Road South, Para Road, Kaituna-Tua Marina Road, Gibsons Road, Waikakaho Road, Tua Marina Township (including Parkes Road, Bush Road, Wakefield Street, England Street, Pioneer Place, Cotterill Street, Campbell Road), Hunter Road, Blind Creek Road, Pembers Road, Tarrants Road, Thomas Road, Neal Road, Flaxmill Drive, Pukaka Road, Rarangi Road, Rarangi Beach Road, Rarangi settlements (including Isobel Place, Beatrice Street, Hinepango Drive, Bay End, Pipitea Drive, Ocean View Crescent, Edgewater Place, Woolleys Crossing, Shoreline Place, Karaka Street, Miro Street, Ngaio Street, Titoki Street)</p> <p>Other land included in this prohibited area is Part Section 119, Village of Tua Marina, Local Purpose Reserve (site for a public hall).</p>	  
<p><i>Koromiko Recreation (Collins Memorial Reserve) and Freeths Road Prohibited Area</i> The Freeths Road and the Koromiko Recreation (Collins Memorial) Reserve prohibited area (being Section 1 of Section 32 Waitohi Registration District) is located adjacent to State Highway 1 at Koromiko, south of Picton.</p>	





NORTH MARLBOROUGH	
Description	Location
<p><i>Rarangi Blue Gum/Millennium Rock Road Reserve Prohibited Area</i></p> <p>The Rarangi Blue Gum/Millennium Rock Road Reserve prohibited area is located at the intersection of Rarangi Road and Rarangi Beach Road and adjoins the Department of Conservation Rarangi Recreation Reserve.</p>	
<p><i>Wairau Diversion Prohibited Area</i></p> <p>The Wairau Diversion prohibited area is located on the northern side of the lower reach of the Diversion. It is accessed from the intersection of Thomas Road and Neal Road. The Wairau Diversion prohibited area extends from the coast to the eastern boundary of the responsible camping area and from the western boundary of the responsible camping area to Thomas Road and Neal Road.</p>	



WAIRAU PLAINS	
Description	Location
<p><i>Renwick Urban Prohibited Area</i></p> <p>The Renwick Urban prohibited area encompasses the area from the intersection of High Street and Old Renwick Road along State Highway 6 through to the north side of State Highway 63 where it intercepts with Anglesea Street to Boyce Street including River Terrace and Terrace Road, from the Terrace Road/Gee Street intersection to Blicks Road, then into Alma Street North to Oudenarde Street across to and including the length of Pak Lims Road and back to the intersection of Old Renwick Road. The prohibited area includes the roads (both formed and legal road) and Council controlled reserve land but excludes an area of Renwick Domain which has been included as a restricted camping area.</p>	
<p><i>Blenheim Urban Prohibited Area</i></p> <p>The Blenheim Urban prohibited area encompasses the Southern Wither Hills Farm Park boundary, to the south side of the Co-op Drain to the intersection of Redwood Pass Road and SH 1, from the Riverlands oxidation ponds to the stopbank on the north side of the Ōpaoa (Opawa) River to the bridge at Hammerichs Road, Hammerichs Road to State Highway 6 and east to St Leonards Road, Bells Road to Old Renwick Road, to Aerodrome Road, the area from Middle Renwick Road, Rose Street and Banksia Place to the Westwood shopping complex, New Renwick Road to Aerodrome Road, Green Lane and Rosina Corlett Lane and along the Taylor River through to the Taylor Dam Reserve.</p> <p>The prohibited area includes the roads (both formed and legal road), Council owned land and Council owned or administered reserve, including sports parks, gardens, neighbourhood parks and river reserve. It does not include a part of Wynen Street car park or a part of the Lansdowne Park car park which have been included as restricted camping areas.</p>	
<p><i>Taylor Dam Reserve Area – lower level Prohibited Area</i></p> <p>The Taylor Dam Reserve on Taylor Pass Road is located to the south west of Blenheim. The prohibited area includes Sections 9 and 45, Block III, Taylor Pass Survey District – Recreation Reserve being the lower level of the Reserve.</p>	
<p><i>Wairau Plains Area - east of State Highway 1 Prohibited Area</i></p> <p>The Wairau Plains Area – east of State Highway 1 prohibited area encompasses the roads (both formed and legal), settlements and Council owned or administered land and reserves south of the Wairau River commencing at the State Highway 1 bridge over the Wairau River, then east along the south side of the River and the Wairau Diversion to the coast, then south along the coast to the mouth of the Wairau River and then west to the boundary of the Blenheim Urban Area where it intersects with State Highway 1 north of Blenheim and then north to State Highway 1 bridge.</p>	

WAIRAU PLAINS	
Description	Location
<p><i>Ferry Bridge Picnic Area Prohibited Area</i> The Ferry Bridge prohibited area is located on the east side of the Wairau River extending from the Ferry Bridge to the south east along Wairau Bar Road. The land is legal road.</p>	
<p><i>Grovetown Lagoon Prohibited Area</i> Grovetown Lagoon is an area of restored wetland located east of Grovetown Township along Steam Wharf Road. The prohibited area comprises legal road.</p>	
<p><i>River Reserve on Steam Wharf Road Prohibited Area</i> The River Reserve on Steam Wharf Road prohibited area (being Lot 3 DP 321467, Local Purposes Reserve (Flood Protection)) is located adjacent to the Wairau Rowing Club premises alongside the Wairau River near Grovetown.</p>	
<p><i>River Reserve on Jones Road Prohibited Area</i> The River Reserve on Jones Road prohibited area is located adjacent to the Blenheim Rowing Club premises on Jones Road near Grovetown.</p>	

WAIRAU PLAINS	
Description	Location
<p><i>Wairau Plains Area - west of State Highway 1 Prohibited Area</i></p> <p>The Wairau Plains Area – west of State Highway 1 prohibited area encompasses the roads (both formed and legal), settlements and Council owned or administered land and reserves commencing on the south side of the State Highway 1 bridge over the Wairau River, then west along the south side of the River to the confluence with the Waihopai River, along the true right bank of the Waihopai River to State Highway 63, along State Highway 63 to Hawkesbury Road, then south to Dog Point Road, east along New Renwick Road to Bells Road, then following the boundary of the Blenheim Urban Area until it intersects with State Highway 1 north of Blenheim and then north to the State Highway 1 bridge over the Wairau River.</p> <p>The prohibited area excludes an area at the Renwick Dog Park at the State Highway 63/Foxes Island Road intersection which has been included as a restricted camping area.</p>	
<p><i>Upper Spring Creek Reserve Prohibited Area</i></p> <p>The Upper Spring Creek Reserve (Lot 3 DP 11737) prohibited area is located on Rapaura Road approximately 400 metres west from the intersection with State Highway 1, at Spring Creek.</p>	

SOUTHERN, WAIHOPAI AND WAIRAU VALLEYS	
Description	Location
<p><i>Southern Valleys Prohibited Area</i></p> <p>The Southern Valleys prohibited area encompasses the area extending south from the Blenheim Urban Area to the Redwood Pass and Taylor Pass, then west to include the area south of New Renwick Road and Dog Point Road (extending as far as the true right bank of the Omaka River) to include the Benmorven, Brancott and Omaka Valleys. The prohibited area includes roads (both formed and legal), settlements and Council owned or administered land and reserves.</p>	
<p><i>Waihopai Valleys Prohibited Area</i></p> <p>The Waihopai Valley prohibited area extends from west of the true left right bank of the Waihopai River at State Highway 63, along State Highway 63 to Hawkesbury Road, south on Hawkesbury Road to the Omaka River, upstream of the Omaka River and includes the entire Waihopai, Avon and Tyntesfield Valleys. The prohibited area includes roads (both formed and legal) and Council owned or administered land and reserves.</p>	
<p><i>Wairau Valley Prohibited Area</i></p> <p>The Wairau Valley prohibited area extends west from the Waihopai River and south of the Wairau River to the Wash Bridge and then west on the north side of the Wash Bridge to the district boundary. The prohibited area includes roads (both formed and legal) extending from State Highway 63, the Wairau Valley Township and Council owned or administered land and reserves.</p> <p>The prohibited area does not include a part of the Wash Bridge Recreation Reserve, which has been included as a restricted camping area.</p>	

SOUTH MARLBOROUGH	
Description	Location
<p><i>Seddon Urban Prohibited Area</i> The Seddon Urban prohibited area encompasses Wakefield Street across State Highway 1 to the intersection of Marama Road and Foster Street then into Foster Street, including Seddon Domain, connecting into Beaumont Street, encompassing Nursery Lane and Nursery Road back to Beaumont Street and across the railway line to Mills Street to the intersection with Fearon Street and along Fearon Street and Maridene Avenue to the intersection with Wakefield Street and Seaview Road.</p>	
<p><i>Awatere Valley Prohibited Area</i> The Awatere Valley prohibited area encompasses the area extending east and west from State Highway 1 north of Kaparu Road and Grassmere Road to south of Redwood Pass and Taylor Pass. The prohibited area includes both formed road and legal road but does not include the Seddon Urban Prohibited Area. The prohibited area does not include a part of the Blairich Recreation Reserve, which has been included as a restricted camping area.</p>	
<p><i>Marfells Beach Road Prohibited Area</i> Marfells Beach Road prohibited area includes the formed road and legal road leading to the camping ground at Marfells Beach, but does not include the camping ground as this is under the control of the Department of Conservation.</p>	
<p><i>Ward Domain Prohibited Area</i> Ward Domain (Sec 10 Blk VI Town Ward - Flaxbourne Recreation Reserve) prohibited area is located off State Highway 1 at the northern end of the Ward Township.</p>	

Description	Location
<p><i>Ward Roads Prohibited Area</i></p> <p>The Ward Roads prohibited area includes all roads, both formed and legal (and subsidiary roads), from and including Kaparu Road and Grassmere Road south to the Marlborough District Council boundary. It also includes all roads in the Ward Township but does not include the area of New Zealand Transport Agency controlled road reserve adjacent to Lake Elterwater or an area of Marfell's Beach Road.</p>	
<p><i>Lake Grassmere to Waima River Coast Prohibited Area</i></p> <p>The Lake Grassmere to Waima River Coastal prohibited area extends east from Marfell's Beach to Cape Campbell and south to the Waima (Ure) River. It includes legal road and the Ward Beach area.</p>	

Attachment - Supplementary 2



**Final Decision of the Hearings Panel in respect of
Draft Marlborough District Council
Responsible Camping Bylaw 2022**

Hearings Panel: Martin Williams (Chair)
 Mayor Nadine Taylor
 Mr John Leggett

Hearing: 6 December 2022

**MARLBOROUGH DISTRICT COUNCIL
RESPONSIBLE CAMPING BYLAW 2022**

FINAL DECISION OF HEARINGS PANEL

Introduction and Background

1. We have been appointed under delegated authority to hear submissions on the Statement of Proposal (SOP) for the Marlborough District Council Responsible Camping Bylaw 2022 (the 2022 Bylaw) and make decisions on that bylaw for adoption by the Council.
2. This is the second and final decision we are making on the 2022 Bylaw.
3. We refer to and adopt for the purpose of this decision, the overview of the background to the 2022 Bylaw as traversed in our Interim Decision of 14 April 2022¹.
4. This includes the summary of what the 2022 Bylaw would provide for in terms of additional freedom camping sites (relative to the 2020 Bylaw, which it replaces).²
5. For the various reasons recorded in our Interim Decision (which we again adopt and do not repeat here), we decided in essence that:
 63. After considering all of the views expressed in submissions, the Panel is satisfied that, *subject to the reservations recorded below*, the 2022 Bylaw (as notified in the SOP):
 - (a) Restrains (prohibits or restricts) responsible camping, only where necessary to protect the areas, health and safety of people who may visit those areas, or access to them, including as assessed and addressed in the November 2021 and McArthur Reports; and
 - (b) Is the most appropriate and proportionate way of addressing the perceived problems regarding freedom camping *in relation to each area*, and
 - (c) Is not inconsistent with the New Zealand Bill of Rights Act 1990 (in that regard, we heard and received no evidence or submissions seriously suggesting otherwise).

¹ Paragraphs 1- 24 of the Interim Decision.

² Paragraphs 22 and 23 of the Interim Decision.

6. The reservations referred to in this extract of the Interim Decision were twofold, namely that:
 - (a) We had been presented with submissions requesting that provision for freedom camping be made for a range of additional sites, and we were not yet satisfied that restrictions on freedom camping were necessary under the Freedom Camping Act 2011 (FCA), in relation to some of those sites (as listed below).
 - (b) We considered that further assessment was warranted to determine whether freedom camping should be provided for along the road side within 5 valley areas within the District identified as *potentially suitable* for freedom camping in the SOP.³
7. Specifically, the SOP had identified that freedom camping could potentially be provided for within parts of the Awatere Valley, Wairau Plains, Wairau Valley, Waihopai Valley and Southern Valleys.
8. As notified, the 2022 Bylaw prohibited freedom camping in these areas, consistent with the 2020 Bylaw (prior to which freedom camping along roadside areas throughout most of the District was unregulated).
9. We determined that further consideration should be given to the following six additional sites as potential 'restricted areas' for freedom camping, within the conditions and proposed limitations set out below:
 - Okiwi Bay Township – March to December inclusive only (number of sites and nights to be determined).
 - Anakiwa Village Green – four sites – maximum stay of two nights.
 - Alfred Stream – five sites – maximum stay of one night.
 - Renwick Dog Park – number of sites and sites to be determined.
 - Endeavour Park (upper carpark), Picton – four sites – one night maximum stay (Monday to Thursday inclusive only).

³ See paragraph 23 of the Interim Decision.

- Lansdowne Park, Blenheim – four sites – one night maximum stay (Monday to Thursday inclusive)⁴.
10. We directed the Council staff to commission an independent consultant to progress further investigation regarding the potential roadside areas within the 5 valleys identified in the SOP. This was to be followed by consultation on any further specific sites identified through that assessment, to take place alongside further consultation on the six potential additional restricted camping sites set out above.⁵
 11. In response to that direction, the Council commissioned Mr Paul McArthur to carry out the further investigations involved with the six potential additional sites, and the roadside areas in the 5 valleys in question.
 12. Mr McArthur had prepared the original assessment for the Council commissioned in May 2020 prior to notification of the 2020 Bylaw, which preceded further site specific assessment completed by the Council in November 2021, as also referred to and explained in our Interim Decision.⁶
 13. Broadly speaking, Mr McArthur's 2022 report (*Marlborough District Council Proposed Responsible Camping Bylaw 2022 (2022 McArthur Report)*), adopted the same evaluation framework applied in the Council's November 2021 report, whereby each site investigated was assessed and scored against the three principal criteria set under s 11(2) of the FCA (as potentially justifying a restriction against freedom camping), namely:
 - To protect the area.
 - To protect the health and safety of people who may visit the area.
 - To protect access to the area.
 14. In essence, where a total score for an area (against these criteria) was determined to be more than 8, or if the score for any one of the criteria is 5, the recommendation followed that freedom camping should be prohibited in that area.

⁴ See paragraph 79 of the Interim Decision.

⁵ Refer paragraphs 79 and 86 of the interim decision.

⁶ Refer paragraphs 8 and 20.

15. The specific methodology employed in the 2022 McArthur Report is as set out on page 3 of that report, for both the specific sites and the roadside areas in the 5 valleys referred to in the 2022 SOP.
16. Specifically, the Report records as follows:

Sites

The following assessment process has been used in reviewing each of these sites:

1. Review previous history of the use of this site either informally or through previous Bylaw provisions.
2. Review 2022 SOP proposal and submissions relating to the site.
3. Seek feedback from stakeholders and adjoining landowners on the possible site settings for assessment.
4. Undertake assessment in accordance with Section 11(2) of the Freedom Camping Act 2011 (FCA) - within the context of site assessments already undertaken for the immediate or wider area.

Areas

1. Review previous history of the use of each area either informally or through previous Bylaw provisions.
2. Review 2022 SOP proposal and submissions relating to the area.
3. Undertake tabletop GIS review of Council controlled land⁷ within each area that may be eligible for consideration under the following criteria:
 - Physically accessible to vehicles
 - Ability for vehicles to park well off the edge of the formed road
 - Not obviously be within a flood prone location including within the Draft Marlborough Environment Plan (MEP)⁸ flood hazard area or hazardous wildfire area
4. Undertake field inspection of shortlisted locations within each area.
5. Seek feedback from key stakeholders including Marlborough Emergency Management, MDC Rivers Engineer and Marlborough

⁷ Council parks and reserves, legal roads and other Council owned land.

⁸ Proposed – but operative in part.

Roads and any local stakeholders and adjoining landowners of any identified sites.

6. Undertake assessment in accordance with Section 11(2) of the Freedom Camping Act 2011 (within the context of site assessments already undertaken for the immediate or wider area).
 7. Consult with the local community on any sites likely to be recommended.
17. The 2022 McArthur Report then sets out the detail of the assessments made in accordance with this methodology, recording for each of the six specific sites:
- A summary of previous findings reached under the November 2021 assessment.
 - Issues raised during consultation.
 - Discussion of the site relative to the FCA statutory criteria.
 - The rating arrived at for each specific site.
18. For the roadside area assessments, the 2022 McArthur Report again sets out more information regarding each area, including:
- The assessment of the area under the November 2021 report.
 - Specific sites within the valley areas assessed in more detail.
 - A discussion relative to the FCA statutory criteria.
 - The rating arrived at for each area.
19. It is noted here that following the initial desktop review of these roadside areas (as referred to in the methodology summary set out above), a shortlist of 51 sites were identified as worthy of further investigation across those five areas. Site visits were undertaken to determine the feasibility of those specific sites being used for freedom camping (termed a "reality check" within the 2022 McArthur Report).⁹
20. The 2022 McArthur Report rated three of the 6 specific sites (as set out at paragraph 9 above) as having a total score of 8 or less namely:
- Alfred Stream Reserve.

⁹ Page 23 of that report.

- Renwick Dog Park.
 - Lansdowne Park, Blenheim.
21. All of the 5 roadside valley areas were rated as having a total score of 7.
22. On that basis, the Panel invited consultation through further submissions on these three specific sites, and the 5 roadside valley areas.
23. For each of the three specific sites, conditions consistent with our findings in the Interim Decision were recommended i.e. as including:
- Use of certified self-contained vehicles only (no tents).
 - Four or five designated sites only.
 - Maximum stay of one night in any four-week period (Monday-Thursday inclusive only, for Lansdowne Park).
24. For the roadside areas, the following conditions were recommended:
- Certified self-contained vehicles only.
 - Maximum stay of one night in any four week period.
 - No open fires.
 - *No parking immediately adjacent to the formed road edge or shoulder.*
25. The fourth recommended condition (in italics above) was the subject of considerable evidence and attention at the hearing on 6 December, as addressed further below.

Submissions and Evidence Received and Heard

26. A total of 44 submissions were received through this further consultation on the three specific sites and five roadside valley areas.
27. We made it clear in our Interim Decision that we did not intend to provide any further opportunity for submitters to relitigate, repeat or restate issues and submissions already made on matters canvassed in that decision, with the focus of the further consultation being specifically and

solely on the additional sites and roadside areas now being considered.¹⁰

28. That point was also made clearly in the notice inviting further submissions on the specific sites and areas.
29. In reaching this final decision, we record that we have had regard to all of the written submissions received within this scope, and to the additional information and evidence presented at the hearing on 6 December 2022, from the following submitters:
 - Mr Chris Faulls
 - Mr Alan Johnson (New Zealand Motor Caravan Association)
 - Mr John Kershaw
 - Ms Jane Buckman
 - Mr Evan White (Federated Farmers New Zealand, Marlborough Branch)
 - Mr Alain Bassin.
30. By way of summary (only) we set out here what we consider to be the main points made in these written submissions, and the evidence presented at the hearing regarding the three specific sites and 5 roadside valley areas in issue.

Specific Sites

- Suitably located, able to accommodate freedom camping alongside existing activities in these park and reserve areas.
- (Conversely), not suitably located (too close to urban and residential areas), lack of capacity (carparking etc needed for other activities in these reserve areas), flooding risk (Alfred Stream Reserve).
- Traffic safety (Renwick Dog Park) and need for careful management relative to other uses in the park (Renwick Dog Park in particular, eg cyclists and shared pathways).

¹⁰ Paragraphs 87 to 88 of the Interim Decision

- Non-compliance with self-containment requirements (putting pressure on Council facilities including toilets), littering etc.

Roadside Areas

31. Points made in support of providing for freedom camping in the roadside areas included:

- Additional provision for freedom camping needs to be made in the District because, if the Bylaw is too restrictive, it will create enforcement issues (with people being more inclined to break the rules).
- Roadside areas had been available for freedom camping previously (prior to the 2020 Bylaw) without any difficulties, and no major increase in the use of these areas is now anticipated.
- There are better regulatory tools coming through new legislation which will improve compliance with self-containment standards.
- Safety issues could be managed through (for example) requiring vehicles to park at least 2 m from the road carriageway (to achieve more certainty as to what was allowed under the Bylaw), and leave their parking lights on at night.

32. Points made against freedom camping in these areas included:

- Lack of compliance.
- Safety to road users and campers (blind corners, vehicles parked at night, potential for collision with rural vehicles at night including milk tankers and logging trucks).
- Fire and flooding risk.
- Erratic driver behaviour (freedom campers searching for suitable sites, including late in the evening – driver fatigue).
- Lack of availability of any suitable sites with narrow road corridors in most of the valleys, forcing encroachment onto private land, inappropriate use of school bus turn around sites, and farm entrance/gateways.
- Uncertainty as to what is meant by “immediately adjacent” or “the formed road edge or shoulder”, with neither local residents nor freedom campers knowing what is allowed and what is not.

- Impacts on rural activities (which are sought to be sustained under the Council's Resource Management Environment Plan) including:
 - Amenity impacts – littering of roadside areas etc.
 - Impacts on farm operations eg use of farm gateways impeding farm vehicle, milk tanker access and the like.
 - Encroachment into or interference with private property.
 - Health and safety risks (roadside areas considered dangerous eg blind corners).
 - Additional presence of unknown people in rural community areas.
- 33. A key point which emerged during the course of the hearing of submitters was that, regardless of whether they supported or opposed provision for freedom camping in roadside areas, they all agreed that it would be better to identify specific sites within road corridors to give greater certainty to everyone involved, as to where freedom camping could take place or was instead prohibited.
- 34. This was also considered likely to afford greater safety to freedom campers unfamiliar with the valley roads involved, rather than driving around searching for sites they estimate to be sufficiently distant from the road carriageway, to comply with the Bylaw.
- 35. For the record, we record that we have not had regard to points made in written submissions (and evidence at the hearing) as to the potential impact of freedom camping on existing tourist facilities, or the relative contribution of freedom camping to tourism.
- 36. We do not consider that to be a relevant matter. Instead, we must consider whether there is a case for restricting freedom camping having regard to the statutory tests in s 11 of the FCA, and in particular, whether this is necessary for the protection of the relevant areas, health and safety, or for access (as set out above).
- 37. We also record that we do not accept submissions made by the NZMCA that issues identified in the 2022 McArthur Report during consultation are irrelevant. As recorded in our Interim Decision, we are required under the Local Government Act 2002 to have regard to the views and preferences of persons likely to be affected by or have an interest in this bylaw proposal.

38. After we had heard from submitters, we asked for Mr Steven Murrin, a former Manager of Marlborough Roads, to attend the hearing to answer questions about these issues.
39. Firstly we picked up on the suggestion by the NZMCA that (for greater certainty) a 2 m setback from the road carriageway be set in conditions. Other submitters during the hearing had been concerned that this was not sufficiently distant from the carriageway to be safe, so we asked Mr Murrin for his view.
40. Mr Murrin's preference was a distance of 9 m from the carriageway, consistent with what had for many years been considered a 30 ft "safe zone" from the edge of the road.
41. Mr Murrin said that he could be satisfied with a 5 m setback, but the greater distance the better. He confirmed in answers to questions that he could see a concern about driver behaviour and distraction when searching for freedom camping sites which were compliant with the bylaw (whatever the setback distance), including in the early evening or night time period.
42. Mr Murrin also advised that there had not been any previous history of safety issues, prior to freedom camping along roadside areas becoming prohibited under the 2020 Bylaw.
43. Looking at the realities of the situation, it was not clear to Mr Murrin, whether there would in fact be any real availability of freedom camping sites on areas sufficiently set back from the road carriageway. This is because roads across the District generally have a 20 m corridor, of which the sealed carriageway comprises 7 m with a 1 m shoulder, leaving only 9 or 10 m between the road carriageway and private land otherwise available.
44. A 5 m (or greater) restriction either side of the carriageway would therefore effectively preclude freedom camping in most of the valley areas (apart perhaps from the Awatere Valley, where there is less boundary definition through fencing).
45. Mr Murrin also advised that in his opinion access from the Renwick Dog Park would be safe, with adequate site distances along Highway 6 at the intersection with Foxes Island Road.
46. Finally, we heard briefly from Ms Craighead.

47. Ms Craighead advised that in her opinion, the Renwick Dog Park site can be suitably (even “well”) managed with signage and pathway delineation.
48. Further that if we as a Panel can be satisfied that the setback distance from the road carriageway could be adequately enforced, those roadside areas in the 5 valleys could be considered as suitable for freedom camping.

Discussion and Findings

49. Reflecting on the submissions and evidence received and heard, and having deliberated on the same, we find and observe, as follows:
 - (a) Firstly, that in relation to the three specific additional sites proposed for freedom camping, that these can be approved subject to the conditions recommended in the McArthur 2022 Report, consistent with the s 11(2) FCA statutory tests. That is, the recommended conditions would adequately protect the relevant areas, health and safety and access, with this comprising a proportionate response to the specific circumstances of each site and the issues raised in submissions and evidence.
 - (b) Specifically, that traffic, pedestrian and cyclists’ safety can be managed for each site (including the Renwick Dog Park), and without a significant impact on users of these reserves otherwise (for example in relation to Landsdowne Park).
 - (c) That issues relating to flood risk can be adequately managed for the Alfred Stream Reserve, through the preclusion against tents and what we understand to be the continued use of a lockable gate (when there is a risk of the area flooding) as referred to in the 2022 McArthur Report.¹¹
50. The issues with the roadside areas in the 5 valleys are not as straight forward.
51. Firstly, we note that there is no real evidence of any significant historic issue associated with freedom camping along roadside areas in Marlborough District prior to 2020, when that activity was unregulated. This is confirmed in the 2022 McArthur Report for each area assessed,¹² by Mr Murrin at the hearing, and with one submitter

¹¹ Page 12.

¹² For example refer page 25.

referring to "isolated" events of concern in the past, rather than suggesting any common place or systemic issue.

52. On the other hand, we need to consider the situation that would now arise on *reinstating* provision for freedom camping in roadside areas, which has been prohibited since the 2020 Bylaw came into force.
53. We accept the evidence given by Mr Johnson that there is no reason to suspect the areas would suddenly become inundated. Equally however, the previous situation was not one involving specific restrictions or conditions including as proposed for consultation in this case, namely that there be no freedom camping "immediately adjacent to the formed road edge or shoulder".
54. We entirely accept the submissions and evidence given that this condition was problematic, unclear even vague and open to considerable interpretation. In legal terms, the condition would arguably be "void for uncertainty".¹³
55. However, the proposed "cure" to this deficiency, i.e. a condition setting a specific setback distance from the carriageway (whether to 2 m, 5 m or 9 m as had been suggested by Mr Murrin) would raise further issues of its own.
56. First, it is by no means clear to us that there is in fact any meaningful number of sites within the District that could comply with a setback in the range considered reasonable from a traffic safety perspective by Mr Murrin (5 to 9m). As a matter of general logic and common sense, that would not seem to be the case where the road corridor itself is only 20 m wide and occupied by a 7-8 m carriageway and shoulder.
57. Regardless, such a setback requirement might force freedom campers looking for sites that could comply with (say) a 5 m setback restriction, to do one or more of the following things:
 - (i) Park, or at least be tempted to park, in farm gate/entranceways, school bus turn around areas or other Council reserve areas that are not suitable or appropriate for the purpose.

¹³ i.e. as not containing adequate information as to the duties of those who are to obey (*Battison v Melloy* [2014] NZHC 1462 at [88]).

- (ii) Encroach onto private land (where there is no fence line to delineate the boundary between the road reserve and private land); and/or
 - (iii) Drive erratically or unpredictably (particularly visitors to the District unfamiliar with the roads or local area) searching for sites that comply with the setback distance, and in circumstances where those freedom campers might be unfamiliar with the local context (use of the roads concerned by forestry trucks, milk tankers and stock trucks).
58. More generally, these points raise a real question in our minds as to whether providing for freedom camping in unspecified roadside areas (beyond a given setback distance from the road carriageway) is *workable* in the sense of actually providing meaningfully for any additional freedom camping opportunity, and in a way that can be practicably complied with, safely, and having regard to the nature of activities carried in out in these rural settings.
59. As the 2022 McArthur Report records in relation to each valley area, they are all predominated by a mix of intensive farming and horticulture, which productive use the Marlborough Environment Plan seeks to sustain.
60. As we see it, the only real solution for roadside areas would be to identify specific sites (as preferred by all submitters), as Mr McArthur had attempted to do as noted earlier in this decision, albeit without any great depth of evaluation relative to the s 11 FCA criteria.
61. It may be that the Council on a future review of the Bylaw is minded to progress investigation of such specific sites as suitable and safe for the purpose, but in the meantime we must make our decision.
62. That decision is, for the reasons just outlined, that we consider continuation of the prohibition on freedom camping in road reserve areas in the 5 valleys in question should be maintained, as necessary to:
- Protect the areas concerned (and in particular continuation of productive agricultural and horticultural uses in those areas); and
 - Protect the health and safety of all road users including potential freedom campers themselves; and

- Protect access to rural properties by vehicles such as milk tankers, harvesting machinery and the like.
63. For completeness, we record that we do not consider it would be sufficient to also include a condition precluding the parking of freedom camping vehicles in farm gateways or entranceways, as a potential more "proportionate" response.
64. That would also not cure the range of issues traversed in this part of our decision as set out above. We similarly find in relation to the possibility of requiring that parking lights be left on at night.

Decision

65. For all of these reasons, our final decision is that the 2022 Bylaw as notified in the SOP be approved, with the addition of the Alfred Stream Reserve, Renwick Dog Park and Landsdowne Park sites, subject to the conditions proposed in the 2022 McArthur Report.

Dated: 16 December 2022



.....
Martin Williams
Chair of Hearings Panel



.....
Mr John Leggett



.....
Mayor Nadine Taylor

6. Committee Reports

6.2 Environment & Planning Committee

Environment & Planning Committee Meeting held on 2 February 2023
(Minute Nos. E&P-0223-228 to E&P-0223-240)



**Minutes of a Meeting of the
ENVIRONMENT & PLANNING COMMITTEE
held in the Council Chambers, 15 Seymour Street, Blenheim
on THURSDAY 2 FEBRUARY 2023 commencing at 9.00 am**

Present

Clrs G A Hope (Chairperson), B A Fauls (Deputy), J A Arbuckle, R J Innes, B J Minehan, T P Sowman, Mayor N P Taylor and Mr S Harvey (Rural Representative)

Also Present

Councillors S R W Adams, S J Arbuckle, J D N Croad and J C Rosene

In Attendance

Mr H R Versteegh (Environmental Science and Policy Group Manager), Ms G Ferguson (Consents and Compliance Group Manager), and Ms N Chauval (Committee Secretary)

Apologies

No apologies were received.

Postscript: Clr A R Burgess tendered her apology for absence during the meeting (10.28 am) via electronic means.

E&P-0223-228 Declaration of Interests -

Clr J A Arbuckle declared an interest in Item 9 - Variation 5 to the Proposed Marlborough Environment Plan – Area C.

ATTENDANCE: Oliver Wade, Council's Principal Coastal Scientist – Nautical and Coastal team for the following two items and Jake Oliver, Harbourmaster was present for the following item.

E&P-0223-229 The Nautical and Coastal Team **H100-001-01**

Mr Versteegh advised that the purpose of the report was to provide an overview of the Nautical and Coastal team's areas of work, responsibility, challenges, opportunities and statutory functions. To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 2328959).

Mr Versteegh noted that the Nautical and Coastal team includes both the Harbours (Nautical) function and the Coastal Science and Monitoring (Coastal) function of Council and is based at the MDC office in Picton/Waitohi. The aim of the coastal team is to encourage activity in the Coastal Marine Area that recognises and enhances the intrinsic values of the marine environment.

Jake Oliver and Oliver Wade provided information to members on their respective areas of responsibility. It was noted MDC are the Harbour Authority for the region with its powers and requirements coming from the Maritime Transport Act. Also referred to is the Port & Harbour Marine Safety Code which provides national best practice guidance to port operators and councils to manage the safety of marine activities in their ports and harbours. It is a voluntary agreement between the majority of Ports and Harbours within New Zealand. Also utilised is the Harbourmaster's Direction which enhances the regulatory framework in place in Marlborough to ensure maritime safety. Council also has a Navigation Bylaw which is currently under review and is proposed to be presented to Council later in the year. In the meantime the Harbour Master Direction is being used as a bridge between the bylaw, it is anticipated that the Directions will be brought into the reviewed Bylaw.

Members were advised that Harbours looks after a approximately 4200km with two rivers in its jurisdiction. It was noted that the length of the river that Harbour's is responsible for is outlined in the current bylaw and this will be revised when the Navigation Bylaw is reviewed.

Mr Oliver noted the Marlborough Marine Oil Spill Contingency Plan and advised that Marlborough has an oil recovery barge which is one of three in the country. The barge and can be deployed to anywhere in the country if required.

In response to a query regarding open ocean marine farming and who would have authority over that in the Cook Strait. Mr Oliver noted that there would be discussion with the Coastal Team as they have responsibilities for coastal marine area to 12 nautical miles. Harbours are also responsible for the lighting of marine farms, so it is likely to fall into their work through lighting and aids to navigation. There would be conversations with Maritime New Zealand also as it is in open water along with Wellington's Harbour Master.

Mr Wade noted that as part of their work they do undertake monitoring and being part of the coastal team enables them to utilise the equipment the Harbours team which makes getting out on the water more cost effective. The areas that the team monitors/investigates is water quality, estuaries, seafloor biodiversity, shipwake and undertaking the mapping project.

Members were advised that the water quality is stable for now but biodiversity is declining and the effects of climate change are being felt. Mr Wade noted that at the moment the temperature in the Cook Strait is approximately 3 - 4 degrees higher than normal and it has been like that for some time.

Cirs Arbuckle/Innes:
That the information be received.

Carried

ATTENDANCE: Dr Tara Anderson, Marine Bioservices Ltd was present via Teams for the following item.

E&P-0223-230 Review of Pelorus Sounds Multibeam Seafloor Mapping (HS66): The next steps to identify and map important sites of marine biodiversity

E325-017-002-01

Mr Wade noted that the purpose of the report was to provide information on a recently received report reviewing the multibeam seafloor mapping information for Te Hoiere/ Pelorus Sound.

By way of background members were advised that in 2019 MDC embarked on collection of MBES data for over 300km² of the Pelorus Sound/Te Hoiere (HS66). This HS66 survey was a collaboration with LINZ. During the survey process MDC decided to maximise on the collaboration with LINZ to survey as large an area as possible rather than completing all the processing and analysis of the data collected.

MDC staff engaged Dr. Tara Anderson, a multibeam mapping expert, to provide advice on the best utilisation of the data collected. The report which was separately attached to the agenda outlined options for data processing for MDC to meet the objective of identifying key areas of marine biodiversity within the survey area.

A presentation was shown (presentation filed in CM Record No. 2328956) which presented the findings of the report and proposed a pathway forward for the analysis of the data. Dr Tara Anderson presented a number of maps which included layered information on the mapping.

It was noted that as the government moves into the new legislation in respect of the National Planning Frameworks Council is expecting there will be a greater emphasis on and support for coastal management by Central Government.

Cirs Arbuckle /Innes:
That the information be received.

Carried

ATTENDANCE: Dr Tara Anderson withdrew from the meeting at the conclusion of the item.

ATTENDANCE: Rachel Russell, Council's Te Hoiere Programme Manager, was present for the following item.

E&P-0223-231 Te Hoiere Restoration Project Update

E355-021-01-001

Members noted that the purpose of the report was to present the 2021-22 Te Hoiere Restoration Project Annual Report and provide an update on upcoming objectives. The annual report was attached the agenda for members' information. To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 2328953).

The Te Hoiere Restoration Project is a multi-partner project which aims to address land use derived issues alongside wider conservation goals. The project is governed by the Te Hoiere Kaitiaki Charitable Trust which is made up of five trustees. The funding for objectives derived from the Integrated Catchment Enhancement Plan (ICEP) are funded through three funds, MfE Freshwater Improvement Fund; DOC Mahi mō te Taiao/Jobs for Nature Fund and MfE At Risk Catchment Fund

Ms Russell advised that lead organisations/people have taken on responsibility for specified objectives and work is ongoing to achieve the objectives.

Contained within the agenda was detail on what work had been completed to date and upcoming objectives.

In response to a query regarding the project continuing beyond 2025-26 in respect of the availability of funding. Members were advised that the Trust is focused on long term funding for the project and having multi partners involved will go towards providing support in the long term. No funding has been allocated in the LTP beyond 2025-26.

Cirs Faulls/Minehan:
That the information be received.

Carried

ATTENDANCE: Clr Rosene withdrew from the meeting at 10.21 am during the following item.

ATTENDANCE: Matt Oliver, Council's Environmental Scientist, Land Resources, was present for the following item.

E&P-0223-232 Soil Mapping Update

E355-004-008-06

Mr Oliver advised that the purpose of the report was to provide an update on progress with soil mapping in the Marlborough Sounds Valleys. To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 2328951).

Members were advised that the Council has been engaged with Manaaki Whenua Landcare Research for the past three years in a project to improve soil mapping in Marlborough and in December 2022, new soil maps covering the Marlborough Sounds Valleys were uploaded to S-Map-the national soil map platform. This upload brings the project up to schedule after previous delays.

The new mapping is completed to a nominal scale of 1:50,000 scale but mapped to approx. 1:20,000 which makes the maps zoomable. Users will also have access to more detailed linework and improved soil attribute data.

Mr Oliver noted that active mapping is continuing with field work in other parts of Marlborough (Wairau Valley, Blind River). Updated mapping is expected for these areas in August 2024.

It was noted that a desktop review of mapping in the Wairau Plain and Awatere Valley by MWLR is planned for 2023. This review is checking to see that current maps are adequately supported with field data and to identify any improvements that should be made to the maps. Some field work may be required if legacy attribute data cannot be located. A work plan is expected mid-2023.

Cirs Faulls/Sowman:
That the information be received.

Carried

ATTENDANCE: The meeting adjourned at 10.40 am and resumed at 11.00 am.

ATTENDANCE: The Mayor withdrew from the meeting at 11.00 am.

ATTENDANCE: Zeke Hoskins, Council's Environmental Science Technician, was present for the following item.

E&P-0223-233 Working for Nature/ Mahi mō te Taiao Grant
E390-003-23-01

Mr Hoskins noted that the purpose of the report was to provide an update on the Working for Nature/ Mahi mō te Taiao 2022-2023 grant round.

Members were advised that the funding allocated for the 2022-2023 funding round has increased from \$90,000 to \$110,000.

38 applicants applied for the grant, 22 under the Habitat Marlborough and 16 Protecting Marlborough. Requests totalled \$342,239.88, far surpassing the \$110,000 budget. 21 of the 38 applicants received funding for their projects and have since agreed to the conditions of the grant. With requested funding far exceeding the grant budget, only five projects received full funding. The remaining 16 successful applicants received partial funding.

In response to a query on whether there would be consideration given to increasing the budget in the LTP given the requested amount outstrips the budget. It was reported that a budget paper is being considered but may be one of the areas that a cost saving is identified.

Members noted their support for the programme and appreciated the hard decisions that the Committee needed to make and it is great that the committee can support the projects that are good for the environment.

Cirs Minehan/Sowman:

- 1. That the report be received.**
- 2. That the decisions made by the Grant Sub-Committee be approved by the Council.**

Carried

ATTENDANCE: Alan Johnson, Council's Environmental Science and Monitoring Manager, was present for the following item.

E&P-0223-234 Jobs for Nature and Externally Funded
Environmental Programmes **E360-002-002-03**

Mr Johnson advised that the purpose of the report was to provide an overview of the Central Government funding that Council has received in the environment sector over the last five years.

Mr Johnson reported that the projects being delivered or managed directly by Council stands at six core programmes with Government support in the order of \$33 million. A summary of the six key projects along with an indication of their progress to date was detailed in the agenda item. It was noted that the projects are designed to achieve or contribute to a range of freshwater and biodiversity outcomes.

Members were advised that the recently awarded funding from MfE and MPI enables Council to build capability to manage our freshwater management obligations. The funding will help offset rate funding initially and build on our level of service by developing a framework to set catchment context, engage and enable the provision

of information to landowners and communities throughout the region necessary for farm planning purposes to achieve planned environmental outcomes.

It was noted that the environmental programmes have provided the region with an opportunity to support and scale-up key environmental programmes. Many of the programmes are working models of integrated natural resource management and collaboration. These models help to build on relationships between Council, Crown, iwi and community while enabling the efficient use of resources.

Mr Johnson noted that project progress is at various stages of implementation depending upon the funding cycles and the complexities of the interventions and deliverables. Certain project delivery timeframes have been impacted due to a number of unprecedented events. Government agencies have been very supportive allowing a number of project variations during this period.

Mr Johnson noted that the team will continue to consider options for the long-term sustainability and alternative funding sources for priority programmes. In the meantime a budget paper for consideration by Council is being developed looking at securing some strategic funding long term for the catchment care programme. It was reported that if the Government stops funding some key roles in the Catchment Care area Council has some statutory responsibilities in fresh water that need to be maintained. This will mean ongoing funding for some key roles from 2026 onwards.

Members noted their appreciation of the hard work undertaken by the Environmental & Science team in seeking and securing funding opportunities and the implementation and progress of those projects that are of great benefit to the Marlborough environment.

Clr Hope/Mr Harvey:
That the information be received.

Carried

ATTENDANCE: Kim Lawson, Council's Strategic Planner, was present for the following item.

**E&P-0223-235 Variation 5 to the Proposed Marlborough
Environment Plan – Area C M100-11-07**

Ms Lawson noted that the purpose of the report was to seek approval for the preparation of, and consultation for, a variation to the proposed Marlborough Environment Plan (PMEP) to include an additional area in Schedule 3: Sites and Places of Significance to Marlborough's Tangata Whenua Iwi, in Appendix 13 – Register of Significant Heritage Resources, as well consequential changes to PMEP provisions.

By way of background Ms Lawson noted Rangitāne and HNZPT appealed the Council's decision on Area C to the Environment Court. As part of the mediation process, the parties; Council, Rangitāne and HNZPT, agreed that it would be more effective and efficient to resolve the issue of inclusion of Area C in the PMEP by way of a variation to the PMEP. That would allow for all parties to be involved in the process, including iwi and affected landowners.

The preparation of the variation will include consultation with relevant parties, including Te Rūnanga a Rangitāne o Wairau (Rangitāne), Heritage New Zealand Pouhere Taonga (HNZPT), other Te Tau Ihu iwi and landowners.

Area C is predominantly in private land ownership. There were uncertainties with respect to the spatial extent of Area C to be recognised in the PMEP and the potential effects of its inclusion in Appendix 13 on landowners, who had not been consulted.

A Memorandum of Understanding was entered into between Council, Rangitāne and HNZPT to resolve the appeals lodged by Rangitāne and HNZPT on the basis that the parties agreed to investigate and develop a variation to the PMEP to include Area C in Schedule 3 of Appendix 13 of the PMEP, which might also involve consequential changes to the current PMEP provisions.

The final draft of the proposed variation will be brought back to the Environment and Planning Committee to approve for notification in due course.

Cllrs Fauls/Sowman:

That Council approve the preparation and consultation on a variation to Schedule 3, Appendix 13 of the Proposed Marlborough Environment Plan.

Carried

NB: Cllr Arbuckle declared an interest in the above Variation 5 to the Proposed Marlborough Environment Plan – Area C item and did not take part in discussions nor vote on the issue.

ATTENDANCE: The Mayor rejoined the meeting at 11.20 am.

ATTENDANCE: Jamie Sigmund, Council's Strategic Planner Implementation & Review, was present for the following item.

E&P-0223-236 National Policy Statement – Highly Productive Land (NPS HPL) N100-001-07-01

Mr Sigmund reported that the purpose of the report was to inform the committee on the new National Policy Statement for Highly Productive Land, including the planning implications, and future work required for Council.

It was noted that on the 17 October 2022 the new National Policy Statement on Highly Productive Land 2022 ('NPS-HPL') came into force. The final version of the NPS-HPL is generally consistent with the changes that were sought in the Council submission on the draft NPS-HPL in 2019.

The NPS-HPL has one objective and nine policies seeking to protect HPL from urbanisation, rural lifestyle development, subdivision, and inappropriate use and development. Interim mapping has been put in place to support the community in understanding where this new framework may apply.

Members were advised that the Council has three years to identify Marlborough's Highly Productive Land ('HPL') in the proposed Marlborough Environment Plan (PMEP) volume three maps. The Council then has a further two years after the mapping to undertake significant changes to the PMEP Volume 1 & 2 provisions to implement the NPS-HPL, including the addition of new rules and policies that seek to protect the land identified as highly productive land.

It was noted that the need for budgetary provision to support this project is still being considered.

Members were advised that 17 October 2025 is the deadline for new HPL maps (overlay) to be included in the PMEP and two years after the date on which HPL maps are included in the PMEP – deadline for text changes to be included in the PMEP.

Cllrs Arbuckle/Innes:

4. **That the information be received.**
3. **That a project to support the implementation of the NPS-HPL be developed to meet Council's obligations under the NPS.**

Carried

ATTENDANCE: Pere Hawes, Council's Manager Environmental Policy, was present for the following item.

E&P-0223-237 Appeals on the PMEP M100-09-01

Members noted that the purpose of the report was to advise members of progress with resolving appeals made to the Environment Court on the PMEP.

The following amendment was noted in the agenda - *4. Mediation on Topic 2: Water Allocation and Use and Topic 13: Water Quality is scheduled for February to April 2023.*

Mr Hawes reported that 51 notices of appeal on the PMEP were lodged with the Environment Court and mediation on all topics except for Topic 2: Water Allocation and Use and Topic 13: Water Quality has now occurred.

Mediation on Topic 2: Water Allocation and Use and Topic 13: Water Quality is scheduled for February to April 2023.

To date, well over half of all appeal points to the PMEP have been considered through formal mediation.

Good progress has been made in resolving appeals. Since the last report to the Environment and Planning Committee on 1 December 2022, 10 further consent memoranda have been submitted to the Environment Court.

Since the last report to the Environment and Planning Committee on 1 December 2022, the Court has issued three consent orders. These consent orders are for discrete appeal points in the Energy and Rural topics and for the Port Marlborough appeal points that did not involve Section 274 parties. Mediation is confidential so it is not possible to report the nature of any negotiated outcome to the Committee. The outcome will become public information when a Consent Memorandum is lodged with the Court.

Mr Hawes advised that as at Tuesday 31 January the Environment Court has issued a further six consenting orders and the PMEP will be updated as required. It was noted that the flood application overlays are managed by the Rivers Team.

Cirs Hope/Mr Harvey:
That the report be received.

Carried

ATTENDANCE: Jamie Clark, Council's Contract Manager for Animal Control, was present for the following item.

**E&P-0223-238 Dog Control Fees Review for the 2023/2024
Registration Year**

E305-001-001

Mr Clark noted that the purpose of the report was to review the current dog control fees for the 2023/2024 registration year.

Members were advised that Council is required under section 37 of the Dog Control Act 1996 to set dog control fees on an annual basis. Council is also required under section 68 of the Dog Control Act 1996 (the Act), from time to time to set reasonable poundage and sustenance fees for dogs which are seized and impounded.

Mr Clark noted that there had been a change to the dog registration fees and categories for the 2022/23 year along with an increase in surrender fees. Prior to this there had been no increase in dog registration fees since 2018/19.

Members were advised that the new Council contract for Animal Control Services which commenced on 1 April 2022 had been awarded to Maataa Waka Ki Te Tau Ihu Trust. This is a fixed price contract with a maximum contract term of seven years, expiring on 31 March 2029. It was noted that the contract price has been fixed with no escalation for the first two years and then any CPI increase sought annually to enable any increase to be factored in when reviewing and setting fees for the following registration year.

Mr Clark advised that the current dog registration fee revenue is forecast to maintain Council's approved 80/20, fees recovery and rates funding split and the Animal Control revenue aligns with Council's Revenue and Financing Policy.

Cirs Faulls/Innes:
That Council approves no changes to the dog registration and pound fees for the 2023/2024 registration year.

Carried

ATTENDANCE: Sue Bulfield-Johnston, Council's Hearings Facilitator & Duty Planner, was present for the following item.

E&P-0223-239 Resource Consent Hearings Update R450-004-22

The report to the Committee provided a rolling summary of hearings scheduled and completed for applications for resource consent.

It was noted that 16 hearings have been completed in the year commencing 1 July 2021. Decisions have been issued for all but three of the applications. A table listing the hearings was attached to the agenda item for members' information.

Three hearings have been scheduled through to March 2023.

New Councillors on the Hearings Panel have been registered for the two day Making Good Decisions foundation course scheduled for 29 March 2023. This accreditation is valid for three years.

Cllrs Arbuckle/Fauls:
That the report be received.

Carried

ATTENDANCE: Cllr Innes withdrew from the meeting at 11.32am

E&P-0223-240 Information Package -

Cawthron Marlborough Environment Awards event is on Thursday 20 April 2023 at the Marlborough Event Centre. Members to email Alan Johnson, Council's Environmental Science & Monitoring Manager, to indicate their interest in attending the event.

Cllrs Hope/Minehan:
That the Regulatory Department Information Package dated be received and noted.

Carried

There being no further business the meeting closed at 11.43 am.

Record No: 2332831

6. Committee Reports

6.3 Economic, Finance & Community Committee

Economic, Finance & Community Committee Meeting held on 7 February 2023
(Minute Nos. EFC-0223-241 to EFC-0223-254)



**Report and Minutes of a Meeting of the
ECONOMIC, FINANCE & COMMUNITY COMMITTEE**
held in the Council Chambers, 15 Seymour Street, Blenheim
on TUESDAY 7 FEBRUARY 2023 commencing at 9.00 am

Present

Cirs J A Arbuckle (Chairperson), B G Dawson (Deputy), S R W Adams, S J Arbuckle, J D N Croad, D A Dalliessi, R J Innes, B A Fauls, G A Hope, B J Minehan, J C Rosene, T P Sowman, and Mayor Nadine Taylor

Also Present via Teams

Clr A R Burgess

In Attendance

Messrs M F Fletcher (Chief Financial Officer), D G Heiford (Manager, Economic, Community & Support Services), and Ms N Chauval (Committee Secretary)

Apologies

Cirs Arbuckle/Croad:

That the apology for absence from Clr M R K Flight be received and sustained.

Carried

EFC-0223-241 Declaration of Interests -

Clr Dalliessi declared an interest in Item 16 – Events.

**EFC-0223-242 Report from the Electoral Officer on the 2022
Triennial Election** **D050-004-022-06**

Electoral Officer, Mr Dean Heiford presented the 2022 Triennial Election to report the Committee.

Members noted whether there is any working being done to increase voter turnout. Mr Heiford that ways to increase voter turnout is being considered and the Independent Electoral Review Panel is seeking feedback on a number of electoral changes. The Future for Local Government Review also proposes a raft of changes to boost participation in local elections, lowering the voting age for local councils to 16 is one of them.

Members queried whether this had been raised with the Youth Council. It was noted that no meeting has been held but it is something that be put on the agenda for discussion.

Cirs Arbuckle/Rosene:

That the information be received.

Carried.

EFC-0223-243 Public Forum

D050-001-C01

Members noted that the purpose of the report was to seek approval to implement a trial public forum to be held before the start of each Economic, Finance & Committee meeting for the 2023 year.

Clr Arbuckle spoke to the report and noted that a public forum is an opportunity for constituents to express their views on agenda items relating to the Economic, Finance and Community (EFC) Committee agenda and its areas of responsibility. It was noted that the Council's adopted standing orders provides for public forums.

It is proposed that the forum be held before the start of an Economic, Finance & Community Committee meeting and run for a maximum of 30 minutes. The format and process for a public forum was discussed and was further detailed in the agenda item. Guidelines for public forums are outlined in Council's Standing Orders.

Members discussed the proposal and as part of the discussion it was raised whether a public forum would be more appropriate at a Full Council meeting. The Mayor noted that the committees are the work horse of Council and considers they are the right place for the community to come to put their views on papers being presented at that meeting. The Mayor did note that it is a trial, and at the conclusion of the trial period a review would be undertaken.

Cirs Arbuckle/Hope:

- 1. That approval be given to implement a trial Public Forum before Economic, Finance and Committee meetings for the 2023 year.**
- 2. That the implementation and guidelines are adopted.**
- 3. That the topics for the public forum be restricted to those agenda items on the relevant Economic, Finance and Community agenda or within its delegation.**
- 4. That at the conclusion of the trial period a review of the success and scope is undertaken.**

Carried

ATTENDANCE: Sam Young, Council's Regional Events Advisor, was present for the following item.

EFC-0223-244 Regional Events Update

E100-002-011-01

Ms Young noted that the purpose of the report was to provide an update on the activities of Council's Regional Events Advisor and Marlborough's events sector.

The following amendment to the agenda was noted: Marina to Marina - 2023 will be the event's 10th year

Ms Young reported that we are in the middle of peak event season with a busy calendar of events taking place around the Marlborough region. It was noted that attendance levels particularly for ticketed events is lower than pre-covid times, although this is not unexpected. However, the premium level tickets both for Marlborough and national events are selling well.

The other difficulty being reported is securing sponsorship, however, this has not affected the Havelock Mussel festival who have secured their existing sponsors along with two new ones.

It was noted that the Wine & Food Festival is happening this weekend after a two year hiatus. Various departments within Council have been working closely with the event organisers more so this year as it is the first being held at the Renwick Domain.

Ms Young noted that the 2021 and 2023 South Island Masters Games were secured by via the Bid Fund and after the success of the 2021 event, an additional bid was made for the 2025 Games which has also been successful. The 2023 event will take place from 13 to 23 October and 23 sports have registered to date. It was noted that Andrea Smith-Scott, General Manager of Marlborough Football has joined the South Island Masters Games Inc Board which is very positive news for Marlborough.

It was reported that Ms Young is working with the organisers on sourcing potential venues for such things as registrations.

Members were advised that the Blenheim Skating Club have recently secured the NZ Speed Skating Nationals. The event will be held in Marlborough from 2 to 7 January 2024. Organisers are predicting 90 skaters coming from 12 clubs across New Zealand with an additional 80 to 90 supporters. People from outside of Marlborough are expected to start arriving on 31 December and will stay until 7 January with many likely to stay a day or two longer.

Ms Young noted that the new kitchen in the Marlborough Event Centre was due to be ordered by the end of January has been delayed slightly.

In response to a query on information related to credit card spend and/or market view data for events Ms Young agreed to circulate the information following the meeting.

In respect of events and a number of large projects eg iReX members noted that accommodation does need to be taken into consideration. Cllr Arbuckle noted that this is area that the Events Fund Sub-Committee will be working on and updates will be provided to the Committee.

Mr Heiford provided members with a further update on the Marlborough Event Centre and ASB Theatre.

The information Package was discussed at this point and Ms Young noted that the events guide will continue to be produced quarterly but the number printed has been reduced with the budget moving to radio advertising.

**Cllrs Croad/Fauls:
That the information be received.**

Carried

ATTENDANCE: Jodie Griffiths, Council's Community Partnerships Advisor, was present for the following item.

EFC-0223-245 MDC Youth Council Plan 2022 Review

C150-002-027-22

Ms Griffiths advised that the purpose of the report was to advise Council on the outcomes from the Youth Council Plan for 2022 and present the full report of achievements and challenges from 2022 Marlborough Youth Council plan. The *MDC Youth Council Action Plan 2022 – Outcomes* were attached to the agenda for members' information.

Members were advised that the 2022 plan was prepared and approved by the Youth Council and adopted by full Council.

Ms Griffiths noted the following achievements:

- Participation with a number of leadership opportunities such as the Electoral Commission, meeting with Top of the South Youth Councils and two members attending the Festival for the Future conference in Wellington and the Aotearoa Declaration. It was noted a number of these on students were able to attend remotely which means they can take part without having to travel.
- Completing two art activities – carpark building mural and hosting the annual Youth Art Exhibition – Folio in conjunction with the Millennium Art Gallery.
- Support to the Future of Work Conference in 2022 and the new Empower Gaming and Coding Festival.
- Submission to Council's Annual Plan in 2022.

It was noted the Youth Council are excited about acting in an advisory role to Council for any requests relating to services and activities for young people from Annual Plan/Long Term Plan submissions. This will be included in the 2023 Youth Council plan.

Recruitment is underway for potential Youth Council candidates and applications have been received but support from Councillors would be appreciated. Ms Griffiths advised that applications do not need to come through schools can be community groups or an individual. Noted that interest has been shown from Rai Valley and Richmond View Schools. Currently there are eight returning youth councillors and to date 2 applications have been received.

**The Mayor/Cllr Rosene:
That Council receive the report for the Youth Council Plan 2022 and outcomes.**

Carried

ATTENDANCE: Glenn Webster, Council's District Libraries Manager, was present for the following item.

**EFC-0223-246 Marlborough District Libraries Activity Report –
December 2022 L300-018-001-02**

Mr Webster provided an update to the Committee on the operations of the Library service and highlighted the *Fiero Code Club* which guides participants through learning different coding languages. Mr Webster noted that it is self-paced with staff available to provide assistance along with students helping each other. The programme is proving very popular. Promotion is generally by word of mouth.

Another successful Summer Reading Programme has been completed and the stories and crafts drop in were well attended with 40+ children participating at each session.

In response to a query on whether there has consideration given to expanding the reading programme to Havelock or Waitaria Bay, Mr Webster advised that new ways of modelling the summer reading programme are being implemented one of them is that summer readers no longer have to come into the library they can email or respond virtually for the required reports.

In response to a further query on why some rest homes were not included in the library services, Mr Webster noted that it is the rest homes that make the decision on whether they wish to participate in the service.

Members were advised on the statistics for the library and Mr Webster noted that the first day after New Year is traditionally the busiest day of the year. Included in the statistical information was Wi-fi usage for the days that the library was closed which indicated strong use of the libraries wi-fi service.

Mr Webster reported that the blessing of the new library facility is scheduled for February as the blessing needs to be done before the collections are moved into the new facility.

Members were advised that the intention is that the district library will close on Sunday 23 April which is the final day of the school holidays. Crown Movers, who are specialist library and archive movers, are coming in on Wednesday 26 April to start moving the collection to the new facility. The new facility will reopen at noon on Friday 12 May. The library will be closed for approximately three weeks to move the collection over.

It was reported that there will be frequent comms around the move and highlighting being closed for the three weeks. People will be encouraged to take extra books to cover the closed period.

It was noted that discussions are underway on an official opening. The Mayor has sent a letter inviting the Prime Minister to come in the week of 26 June to Officially Open the new facility. It will be a dawn blessing and unveiling of the name etc.

**Cirs S J Arbuckle/Sowman:
That the report be received.**

Carried

Mr Heiford advised that over the course of the next few meetings members of his team will be providing reports to the committee on their respective areas. It was requested that Heritage be one of the first reports presented.

**EFC-0223-247 Marlborough Regional Forestry Joint Operating
Committee S400-003-09**

Mr Fletcher advised that the purpose of the report was to obtain Council's agreement to the Marlborough Regional Forestry (MRF) Agreement.

Mr Fletcher reported that the current agreement has worked well and no issues have been raised by the previous Joint Committee. Kaikōura have indicated their support of the agreement.

A copy of the agreement which included the Terms of Reference of the Joint Committee was attached to the agenda for members' information.

Cirs Hope/Adams:

That Council agrees to extend the current Joint Operating Committee Agreement with Kaikoura District Council for the operation of the Marlborough Regional Forestry Estate.

Carried

EFC-0223-248 Audit & Risk Sub-Committee

D050-001-A05

The Minutes of the Audit & Risk Sub-Committee meeting held on 21 December 2022 were attached for ratification by the Committee.

Cirs Arbuckle/Croad:

That the Minutes of the Audit & Risk Sub-committee meeting held on 21 December 2022 be ratified.

Carried

ATTENDANCE: The meeting adjourned at 10.23 am and resumed at 10.45am.

EFC-0223-249 Financial Report for Council – Period Ended 31 December 2022

F275-001-01

Mr Fletcher presented Council's financial report for the period ended 31 December 2022.

Members were advised that the major variances between actual and budget were the higher than anticipated development contributions and vested assets as subdivisions have reached the title issue stage requiring contributions to be made; higher than anticipated roading reinstatement expenditure due to the impacts of the August 2022 flood event. In the 2022/23 year \$23.5M has been spent on the July 2021 and August 2022 events with the initial \$85.3M approved by Waka Kotahi now being utilised for both events. Accounting entries will be made at year end to move some of these costs to capital. Lower than anticipated grants uplifted by community-based organisations and external and internal interest expenses are lower than anticipated due to the savings, deferrals and delays in past capital expenditure programmes resulting in less external borrowings.

It was noted that \$1.2M has been received from DIA as the final instalment of the 3Waters stimulus package. Accounting entries are still to be completed to allocate the funds.

Comments were provided in the report on variances greater than \$100,000.

Cirs Arbuckle/Dawson:

That Council receive the Financial Report for the period ending 31 December 2022.

Carried

EFC-0223-250 Treasury Management Report as at 31 December 2022

F290-006-22

Members noted that the purpose of the report was to present the Treasury Management Report for the period ending 31 December 2022.

It was noted that the Cash, Investments and Borrowings were included as an attachment to the agenda item. These are details of the market interest rate movements; a summary of the investments Council held, these continue to fit within the compliance of the Investment Policy section of the Treasury Management Policy; and a summary of Council borrowings as at 31 December 2022. There is a minor breach of the Liability Management section of the Treasury Management Policy but will as Council's borrowing increases. A number of graphs were provided in the item to show the policy boundaries.

Cirs J A Arbuckle/Dawson:

That the information be received.

Carried

**EFC-0223-251 Debtors Overdue Reports as at
31 December 2022**

F220-002-020-22

Mr Fletcher presented the Debtors Overdue Reports as at 31 December 2022 to members.

Mr Fletcher noted that the Current and 30 – 90 Days balance includes a large government department invoice and the second quarter Tradewaste invoices with the majority having been paid in January 2023.

The 90 Days balance includes several Development Contribution invoices that will be paid once the building project is near completion. It was noted that the list of overdue Building Consents is getting longer as building projects have not been started due to the unavailability of materials and builders. There are a number of invoices relating to the Resource Consent Annual Monitoring fees not paid. Copies of the invoices have been emailed requesting payment.

The Property Leases and Licences Debtors Report was attached to the agenda item for members' information.

Cllrs J A Arbuckle/Dalliessi:
That the information be received.

Carried

EFC-0223-252 Rates Report as at 31 December 2022

F270-36-22

Mr Fletcher advised that the purpose of the report was to advise Council of the rates position as at 31 December 2022.

Members were advised on the current rating year arrears. It was noted that 1,220, properties have received a penalty and overdue letter. Of these properties, 319 accounts remain unpaid. The collection rate for payments due to date is 51.38%. This is comparable with last year's collection rate of 51.85%.

It was further advised that the 171 properties with mortgages were identified as having arrears. 85 of these properties have since paid and 5 have a payment arrangement in place to clear arrears. 76 still have a Notice of Default with the bank and 5 have yet to be actioned.

There are 36 properties which do not have mortgages and have arrears. Most continue to make no or minimal payments towards their arrears or on-going 2022-2023 rates.

Cllrs Arbuckle/Croad:
That the information be received.

Carried

EFC-0223-253 Information Package

-

Cllrs Croad/Arbuckle:
That the Economic, Finance & Community Information Package dated be received and noted.

Carried

EFC-0223-254 Decision to Conduct Business with the Public Excluded

Cllrs Arbuckle/Hope:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- **Events**

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Events	To enable the Council, as holder of the information, to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) provided for under Section 7(2)(i)	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Carried

The meeting closed at 11.24 am.

Record No: 2334617

7. Bylaw Decision: Draft East Coast Beach Vehicle Bylaw (also refer to the separate attachment 7.1)

(The Mayor) (Report prepared by A Johnson and S Edmonds)

L150-019-16

Purpose of Report

1. Releases the report 'Recommendations of Commissioners to Marlborough District Council and Submitters in respect of Draft East Coast Beach Vehicle Bylaw 2022' dated 18 July 2022 ("**Panel's Report**").
2. Receives feedback letters from; Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu; Te Rūnanga a Rangitāne o Wairau and Te Rūnanga Ngāti Kuia for consideration by Council.
3. To consider the feedback letters and recommendations by the Commissioners as detailed in their Report to decide on how to proceed.

Executive Summary

4. Following the 7.8 magnitude Kaikōura earthquake in November 2016 and the associated coastal uplift of up to 5.5 metres, the public became aware of the increased accessibility of Marlborough's east coast for vehicles.
5. The Council subsequently prepared a technical report which identified significant indigenous flora, fauna and other public values which were at risk of being permanently damaged, destroyed or impacted by vehicles. Council decided that a Bylaw was the most appropriate option to address those risks.
6. A Statement of Proposal, including a draft Bylaw, was notified in parallel with a technical report in July 2021. The draft Bylaw was notified for public consultation using the special consultative procedure under the Local Government Act 2002.
7. The notification period closed on 8 September 2021 and a total of 193 submissions were received. Council delegated recommendary powers to three Commissioners; Rob Enright (Chair), Ma-rea Clayton and Councillor David Croad who sat as a panel.
8. The first hearing took place from 23 to 25 November 2021. A wide spectrum of outcomes was sought by submitters, ranging from full support to total rejection. Some submitters were open to limits on access, such as spatial, seasonal, or vehicle restrictions. There was a large measure of agreement on the values, but not how to protect those values. At a subsequent hearing held on 3-4 May 2022, the Panel listened to submitters and asked questions of agencies that provided additional information after the first hearing.
9. The Panel finalised their report of recommendations on 18 July 2022 and grouped their recommendations into two stages.
10. Recommendations grouped under Stage One are those that the Panel considers to be within scope of the as-notified draft Bylaw. Recommendations grouped under Stage Two go beyond the scope of the as-notified Bylaw and would require additional formal consultation to be undertaken before being implemented.
11. Council received the Panel's Report in the public excluded part of a Council meeting in August 2022. At that meeting the Council resolved to accept the as-notified Bylaw with the Stage One recommendations, subject to input from Tangata Whenua and accepted that the Stage Two recommendations would be considered in the first review of the Bylaw.
12. Council has received feedback from Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu (attached as **Attachment 7.2**); Te Rūnanga a Rangitāne o Wairau (attached as **Attachment 7.3**); and Te Rūnanga Ngāti Kuia (attached as **Attachment 7.4**).

13. There are four options presented in this report for the Council to consider based on the Panel's recommendations and feedback from Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu, Te Rūnanga a Rangitāne o Wairau, and Te Rūnanga Ngāti Kuia.

RECOMMENDATIONS

That Council:

1. Releases the report 'Recommendations of Commissioners to Marlborough District Council and Submitters in respect of Draft East Coast Beach Vehicle Bylaw 2022' dated 18 July 2022.
2. Receives feedback letters from Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu, Te Rūnanga a Rangitāne o Wairau and Te Rūnanga Ngāti Kuia.
3. That Council considers the Stage 1 and Stage 2 recommendations in the Panel's Report and feedback from Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu; Te Rūnanga a Rangitāne o Wairau, and Te Rūnanga Ngāti Kuia.
4. That Council considers Options 1 to 4 below and decides how to proceed.

Background/Context

14. The Council notified a draft Bylaw on 15 July 2021 (attached as Attachment 7.5:). The Bylaw was drafted pursuant to the Land Transport Act 1998 and using the special consultative procedures of the Local Government Act 2002.
15. The public notification of the draft Bylaw preceded a comprehensive period of engagement with key stakeholders and Tangata Whenua. This followed a period of consolidating technical information and considering a number of options to seek protection of habitats, flora and fauna whilst addressing matters of public safety from the threats posed by vehicle access to the east coast beaches.
16. On notification there were 193 submissions received, with 50 submitters indicating they wished to be heard in support of their submissions.
17. The Council delegated recommendatory powers to three commissioners who sat as a panel. The commissioners were Rob Enright (Chair), Ma-rea Clayton and Councillor David Croad.
18. The public hearings took place on 23 to 25 November 2021, followed by a process of managing post hearing information. A second hearing was held on 3 and 4 May 2022.
19. The Panel finalised their report of recommendations on 18 July 2022 (separately attached). In general, the proposed Bylaw as notified, is largely recommended by the Panel for approval with the following additional qualifiers for Council consideration:

Stage One

- 19.1 Amend the Bylaw to provide All Terrain Vehicle (ATV) / Utility Task Vehicle (UTV) access over 9km from Marfells Beach Reserve and the "Airstrip" south of the lighthouse at Te Karaka/Cape Campbell. Access would be restricted to daylight hours, travel below MHS and no access on reef systems.
- 19.2 Providing vehicle access for business requirements for Dominion Salt Ltd, Burkhart Fisheries Limited and Lanfar Holdings (No.4) Limited operations at Lake Grassmere and commercial launching of vessels at Ward Beach for Burkhart Fisheries Limited, in line with existing resource consent conditions.
- 19.3 Introduce an early review of the efficacy and effectiveness of the proposed Bylaw in 2025 to assess whether ATV/UTV access is undertaken in a reasonable manner that protects biodiversity, natural character and cultural values that are present.

Stage Two

- 19.4 Extend the prohibition of all vehicle access south of the existing Bylaw zone south of the Waima (Ure) river southwards in line with the Department of Conservation reserve.
- 19.5 Remove all public vehicle access for boat launching at Ward Beach.
- 19.6 Establish a licensing system for ATV/UTV users within the recommended access zone between Marfells Beach and the “Airstrip” south of the lighthouse at Te Karaka/Cape Campbell.
20. Stage One recommendations are considered to be within scope, i.e. based on outcomes sought by submitters. Stage Two recommendations are outside scope and require additional formal consultation before they can be implemented.
21. Council received the Panel’s Report in the public excluded part of a Council meeting in August 2022. At that meeting the Council resolved to accept the as-notified Bylaw with the Stage One recommendations, subject to input from Tangata Whenua and accepted that the Stage Two recommendations would be considered in the first review of the Bylaw.
22. Staff were directed at the Council meeting in August 2022 to discuss the Panel’s Report with Tangata Whenua before promulgating the Bylaw. Council has received letters from; Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu; Te Rūnanga a Rangitāne o Wairau and Te Rūnanga Ngāti Kuia (**attached**). In summary:
- Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu oppose the proposed ‘yellow zone’ and their default is to retain the bylaw as notified.
 - Te Rūnanga a Rangitāne o Wairau “do not believe that the process has enabled Rangitāne’s ability to continue to exercise our kaitiaki responsibilities and to enable continued access to important wāhi tapu sites of significance.’
 - Te Rūnanga Ngāti Kuia considers that it [the Bylaw as drafted in the Panel’s Report] “does not provide adequate provisions for protection for Māori rights. Ngāti Kuia consider the restrictions around the time of day that access and harvest can occur to be in breach of the rights afforded to Māori through Customary Fishing Rights”.

Assessment/Analysis

Option One – Approve the as-notified Bylaw and the Panel’s Stage One and Stage Two recommendations.

23. Confirm the proposed Bylaw as-notified and introduce both Stage One and Stage Two recommendations with no further amendments as a result of the feedback from Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu; Te Rūnanga a Rangitāne o Wairau and Te Rūnanga Ngāti Kuia.
- 23.1 Stage one recommendations are within scope of the as-notified Bylaw, and outcomes sought by submitters, and otherwise within the statutory framework.
- i) Introduce a “Yellow Zone” to enable legal vehicle access during daylight hours, at or below mean high water springs, for ATVs and UTVs only, from the Department of Conservation reserve at Marfells Beach, to north of a line adjacent to the “Airstrip” (which is proximate to Te Karaka/Cape Campbell). Schedule 1, Maps 6, 7 and 8; Panel’s Report 83(1)(a) page 28;
 - ii) Introduce “Business Exempt Areas” rather than exempting those businesses with existing use rights as agencies as was proposed in the as-notified plan. There are two zones proposed; one at Lake Grassmere and one at Ward Beach:
 1. A Pink Zone at Lake Grassmere to spatially show consented business vehicle access for Dominion Salt Ltd and Burkhart Fisheries Ltd and Lanfar Holdings (No.4) Ltd. Schedule 1, Map 5, Panels Report 83(1)(c) page 28; and
 2. A “Purple Zone” at Ward Beach to spatially show consented business vehicle access for Burkhart Fisheries Ltd. Schedule 1, Map 12.

23.2 Stage two recommendations are out of scope of the as-notified Bylaw and require formal consultation before being implemented:

- i) Remove public vehicle access to Ward Beach because of safety concerns. Schedule 1, Map 12 (remove public boat launching area).
- ii) Introduce an additional “buffer zone”, south of the Waima/Ure River mouth, to protect shorebird habitat from vehicle use. Schedule 1, Map 14 (extend the prohibited area south adjacent to the Department of Conservation Reserve).
- iii) Introduce a licensing regime, so that ATV and UTV bike riders must be licensed to use their vehicles in the new “Yellow Zone” for monitoring, enforcement and education purposes.

24. Council would need to formally consult before the Stage Two recommendations can be put into effect. This can be done either:

- i) Before the Council promulgates the Bylaw, therefore delaying promulgation of a Bylaw until after consultation; or
- ii) By accepting the Stage One recommendations and promulgating a Bylaw and then including the Stage Two recommendations in a review of that Bylaw. This is Option Two below.

Advantages

25. Would address the “out of scope” Stage Two recommendations in the Panel’s Report before promulgating a Bylaw.
26. In contrast to the as-notified Bylaw, this option enables quad bike access for customary fishing (and other uses) within the Te Karaka / Cape Campbell area.
27. Shows acceptance of the submissions and evidence provided by a range of submitters, and community groups, that the Marlborough community must adopt and respect environmental bottom lines to protect taonga species and their habitat from uncontrolled vehicle access.
28. This option would restore some equivalence to pre-earthquake quad bike access, while at the same time introducing stronger controls (i.e. no vehicles on dunes and reefs) and some environmental bottom lines, to protect the cultural and natural character values and rare and threatened biodiversity, from the adverse effects of vehicle access in this outstanding coastal environment.
29. Limited and regulated ATV/UTV access enables Māori, and the wider community to access the Te Karaka/Cape Campbell coastline for fishing, diving, cray-potting, wider customary practices, and equitable motorised access for people otherwise unable to reach the Cape via the beach.
30. Removes 2-wheel motorbikes and other 4WD vehicles from the beach environment between the Awatere River and the Waima/Ure River.

Disadvantages

31. Including the Stage Two recommendations without consultation would be unlawful.
32. Delays promulgation of the Bylaw further until the consultation on Stage Two recommendations has been undertaken.
33. Unregulated vehicle use would continue with little or no protection of natural character values and rare and threatened biodiversity from the adverse effects of vehicle access.
34. Public safety issues remain.
35. The community might no longer be interested to engage.
36. Additional costs.

Option Two – Approve the as-notified Bylaw and the Panel’s Stage One recommendations and defer the Stage Two recommendations to a review.

37. Confirm the proposed Bylaw as notified and introduce Stage One recommendations (as above under 23.1) with no further amendments as a result of the feedback from Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu; Te Rūnanga a Rangitāne o Wairau and Te Rūnanga Ngāti Kuia and defer the Stage Two recommendations to a review of the Bylaw.
38. The Panel's marked-up version of the draft Bylaw in Appendix 1 of their Report included their technical edits for both Stage One and Stage Two recommendations. A separate marked-up version of the as-notified Bylaw with only the Stage One recommendations is **attached** (as **Attachment 7.6**:). The Panel's additions are shown as blue underline and deletions as red strike-through. The yellow highlights show the differences between the panels marked up version and this draft version with only the Stage One recommendations.
39. Rules require enforcement. The Panel has relied on a community trust model for enforcement purposes of the proposed “yellow zone”. With privilege, comes responsibility. The Panel’s recommendation is that an early review of the efficiency and effectiveness of the Bylaw is undertaken in the third quarter of 2025 to assess whether ATV/UTV access in the yellow zone is being undertaken responsibly and in a manner that protects the biodiversity, natural character and cultural values present.
40. In addition, Council will need to educate the community about the Bylaw with signs and information material through mainstream and social media channels. This should be factored into any commencement date.
41. A commencement date will need to be determined and included in the notified Bylaw.
42. A copy of every bylaw made under section 22AB Land Transport Act 1998 (LTA) by a road controlling authority (in this case Marlborough District Council) must, within 1 week after being made, be sent by the road controlling authority to the Minister, who may at any time disallow the Bylaw or any part of the Bylaw under section 22AC LTA.
43. Council must also give public notice as soon as practicable after the bylaw is made stating the date which the bylaw comes into force and make copies available for inspection.
44. A review of any Bylaw occurs five years after commencement and no later than 10 years after. The Stage Two recommendations could be included in this review or at the earlier review in 2025.

Advantages

45. No further consultation is required, and the Bylaw can be put in place immediately.
46. In contrast to the as-notified Bylaw, this option enables quad bike access for customary fishing (and other uses) within the Te Karaka / Cape Campbell area.
47. Shows acceptance of the submissions and evidence provided by a range of submitters, and community groups, that the Marlborough community must adopt and respect environmental bottom lines to protect taonga species and their habitat from uncontrolled vehicle access. But in contrast, the panel also accepted that limited and regulated ATV/UTV access enables Māori, and the wider community to access the Te Karaka/Cape Campbell coastline for social, cultural, recreational and food gathering purposes.
48. This option would restore some equivalence to pre-earthquake quad bike access, while at the same time introducing stronger controls (no vehicles on dunes and reefs) and some environmental bottom lines, to protect the cultural and natural character values and rare and threatened biodiversity, from the adverse effects of vehicle access in this outstanding coastal environment.
49. Limited and regulated ATV/UTV access enables Māori, and the wider community to access the Te Karaka / Cape Campbell coastline for fishing, diving, cray-potting, wider customary practices, and equitable motorised access for people otherwise unable to reach the Cape via the beach.

50. Removes 2-wheel motorbikes and other 4WD vehicles from the beach environment between the Awatere River and the Waima/Ure River.

Disadvantages

51. Some submitters may still be dissatisfied (no full ban).
52. Does not address the Stage Two recommendations
53. There would remain some impact on ecological values within the 'yellow zone'.

Option Three – Approve the as-notified Bylaw.

54. Council does not accept the Panel's recommendations and prohibits all vehicles all of the time between the Awatere River and Waima/Ure River.
55. Council will need to educate the community about the Bylaw with signs and information material through mainstream and social media channels. This should be factored into any commencement date.
56. A commencement date will need to be determined and included in the notified Bylaw.
57. A copy of every bylaw made under section 22AB LTA by a road controlling authority (in this case Marlborough District Council) must, within one week after being made, be sent by the road controlling authority to the Minister, who may at any time disallow the Bylaw or any part of the Bylaw under section 22AC LTA.
58. Council must also give public notice as soon as practicable after the Bylaw is made stating the date which the Bylaw comes into force and make copies available for inspection.
59. A review of any Bylaw occurs five years after commencement and no later than 10 years after.

Advantages

60. No further consultation is required, and a Bylaw can be put in place immediately.
61. Full protection of ecosystems.

Disadvantages

62. Submitters disappointed/dissatisfied that none of their proposed changes were adopted.
63. Submitters may question why a panel was appointed in the first place.
64. Council may be accused of 'just going through the motions' without listening to the community.
65. Does not acknowledge the positives of enabling ATV/UTV use in controlled areas.

Option Four – Do nothing and not make a Bylaw

66. What was once a limited and low impact use of quad bikes for customary and harvesting purposes at low tide from Marfells Beach Recreation Reserve, has evolved into an unregulated, and (during summer) relatively high-use coastal highway, with all-tide access, day and night.

Advantages

67. Acknowledges differences of view that can't be resolved. Many of the submissions were similar in both content and reasons for either their support or opposition to vehicle restrictions.

Disadvantages

- 68. Unregulated vehicle use has created, and continues to create, potentially significant adverse effects on natural character values, including indigenous flora and fauna, much of which is threatened and at risk.
- 69. Public safety issues remain, with pedestrians, beach users, and families, now sharing the beach areas with motor vehicles.
- 70. Could be perceived as a ‘waste of time’ after such a long hearing process and community might no longer be interested to engage.
- 71. Some submitters may be disappointed/dissatisfied.

Attachments

Attachment 7.1 – Recommendations of Commissioners to Marlborough District Council and Submitters in respect of Draft East Coast Beach Vehicle Bylaw 2022 – **separately attached**

Attachment 7.2: – Letter from Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu to Marlborough District Council. Page 205

Attachment 7.3: – Letter from Te Rūnanga a Rangitāne o Wairau to Marlborough District Council. Page 207

Attachment 7.4: – Letter from Te Rūnanga Ngāti Kuia to Marlborough District Council. Page 209

Attachment 7.5: – Bylaw as notified Page 211

Attachment 7.6: – Bylaw as notified with Panel’s Stage One Recommendations Page 232

Author	Alan Johnson, Environmental Science and Monitoring Manager and Sarah Edmonds, Strategic Planner
Authoriser	Hans Versteegh, Manager Environmental Science and Policy

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal fits with the purpose of protecting public safety and protection of the environment.			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	<input type="checkbox"/>	<input type="checkbox"/>	X
Financial Strategy	<input type="checkbox"/>	<input type="checkbox"/>	X
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	X
Social well-being	X	X	<input type="checkbox"/>
Economic development	<input type="checkbox"/>	X	<input type="checkbox"/>
Environment & RMA Plans	X	<input type="checkbox"/>	<input type="checkbox"/>
Arts & Culture	X	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	X
Land transport	<input type="checkbox"/>	X	<input type="checkbox"/>
Parks and reserves	X	<input type="checkbox"/>	<input type="checkbox"/>
Nature of the decision to be made			
Option one involves a significant decision in relation to land or a body of water.			
Financial considerations			
There will be financial costs to administering, implementing and enforcing the Bylaw if made. Any financial impacts will be addressed in the Annual Plan and Long Term Plan reviews.			
Significance			
The decision is considered significant under Council's Significance and Engagement Policy. Council has followed the special consultative procedure and decision making provisions under the Local Government Act 2022.			
Engagement			
The Panel's recommendations have been shared with Tangata Whenua before a decision is made by Council.			
Risks: Legal / Health & Safety etc			
The draft Bylaw will reduce (but not eliminate) the risk to the public safety from sharing the coast with motor vehicles			
Climate Change Implications			
There are no known climate change implications to this decision.			

Attachment 7.2:

Letter from Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu to Marlborough District Council.



19th September 2022

Mayor Leggett, Deputy Mayor Taylor
C/ Sarah.Edmonds@marlborough.govt.nz
Marlborough District Council
PO Box 443
Blenheim 7240

Tēnā koutou

Proposed East Coast Beach Vehicle Bylaw

Introduction

First, thank you for meeting with Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu at Takahanga Marae on Tuesday 30 September 2022. We were grateful for the opportunity to share our whakapapa and pūrākau (stories), and to continue to build the relationship between us which we hope will go from strength to strength.

The purpose of this letter is to:

- a) reiterate the position of Te Rūnanga o Kaikōura in relation to the proposed East Coast Beach Vehicle Bylaw (**the Bylaw**);
- b) advocate for the Hearing Panel's recommendation regarding the "Yellow Zone" to be rejected; and
- c) seek ongoing engagement between Marlborough District Council (**MDC**) and Te Rūnanga o Kaikōura to explore additional options for protecting the Bylaw area.

Our position

As you know, Te Rūnanga o Kaikōura and MDC worked together closely to develop the notified Bylaw. This partnership approach appropriately recognised Ngāti Kuri and Ngāi Tahu rangatiratanga, the statutorily recognised takiwā of Ngāi Tahu Whānui, and the status of Te Rūnanga o Ngāi Tahu as the iwi authority with the Ngāi Tahu takiwā.

Te Rūnanga o Kaikōura was comfortable with the notified Bylaw as it prohibited all vehicle access to the Bylaw area from Awatere River Mouth to south to the Waima (Ure) River. This protection is essential for cultural and ecological reasons. Given this approach, Te Rūnanga o Kaikōura did not submit on the Bylaw.

The Hearing Panel has now provided its recommendations on the Bylaw which include a "Yellow Zone" exemption allowing ATV/UTV Vehicles from Marfell's Beach 9 km south. We understand this was to provide a "balanced approach" in response to submitters' arguments for some sort of vehicle access, particularly for cultural and customary fishing purposes.

However, the position of Te Rūnanga o Kaikōura has not changed. We oppose the "Yellow Zone" recommendation for the cultural and ecological reasons we have consistently maintained.

In addition, and for completeness, with respect to the Panel's stage two recommendations, we oppose the recommendation for licences to access the Yellow Zone to be issued and, specifically, that they are issued by an iwi authority (which, for the avoidance of doubt, could

only be Ngāi Tahu/Ngāti Kurī in the Ngāi Tahu Takiwā and therefore the Yellow Zone). As highlighted at our hui, we would not accept any other iwi issuing licences in the Ngāi Tahu Takiwā as this would impinge on our rangatiratanga and breach the Ngāi Tahu Deed of Settlement and Ngāi Tahu Claims Settlement Act 1998.

Reject the “Yellow Zone”

Pursuant to the position outlined above, we ask that MDC rejects the Panel's recommendation to include a “Yellow Zone” and instead retain the prohibition of all vehicles within the Bylaw area.

We understand Te Rūnanga a Rangitāne o Wairau has indicated that they would seek to judicially review MDC's decision on the Bylaw should there not be an exemption to allow for vehicle access for cultural and customary fishing purposes. In our opinion Rangitāne o Wairau would not have a strong case for judicial review, given:

- a) MDC has correctly followed the special consultative procedure under the Local Government Act 2002;
- b) MDC has consulted with Māori (including Rangitāne o Wairau) as required by the Local Government Act. This does not mean MDC has to implement the views of Rangitāne, particularly given the Yellow Zone is in the statutorily recognised Takiwā of Ngāi Tahu;
- c) There is strong evidence to support the making of a Bylaw without the Yellow Zone as “the most appropriate way” and “appropriate form” to address the perceived problem as required by the Local Government Act;
- d) Te Rūnanga o Kaikōura can provide additional relevant information regarding the kōiwi tangata south of Marfells Beach that would support the rejection of the Yellow Zone (this information was not available to the Panel when it made its recommendations, but should be taken into account by MDC when making its decision on the Bylaw); and
- e) It is not unheard of for a council to reject recommendations made by an independent hearings panel, particularly when additional information is made available to the council that the panel was not aware of.

Te Rūnanga o Kaikōura and Te Rūnanga o Ngāi Tahu has shown MDC and the Commissioner Panel significant support for its processes and the notified Bylaw. We would continue to support the MDC in the event of challenge by Rangitāne if the Yellow Zone was rejected.

Future protection of the Bylaw area

As discussed at the hui, we understand that the Bylaw is only a temporary measure (albeit an important one) until a more permanent management tool is developed. Other management tools may include a rāhui and/or a Management Plan that could be developed as an addendum to Te Poha o Tohu Raumati, Te Rūnanga o Kaikōura Environmental Management Plan.

We would welcome the opportunity to meet with you to discuss these options further and continue to build upon our important relationship.

Nāhaku noa nā



Hariata Kāhu

Te Rūnanga o Kaikōura Inc Chairperson

Attachment 7.3:

Letter from Te Rūnanga a Rangitāne o Wairau to Marlborough District Council.

4 October 2022

Marlborough District Council
15 Seymour Street
BLLENHEIM 7201



Te Rūnanga a Rangitāne o Wairau
Level 5, Rangitāne House
PO Box 883 Blenheim 7240
Ph: 03 5786180
Email: admin@rangitane.org.nz
www.rangitane.org.nz

ATTENTION: Mark Wheeler (Chief Executive)

By email only to: mark.wheeler@marlborough.govt.nz

Tēnā koe Mark

PROPOSED EAST COAST BYLAW

Thank you for the opportunity for Rangitāne representatives¹ to meet with Council representatives² on the afternoon of 5 September 2022 in relation to the Proposed East Coast Bylaw. Our understanding is that this meeting was held for the purposes of enabling Rangitāne to provide our views, in the context of the Commissioners' Recommendatory Report and subsequent decisions taken by Council on 11 August 2022.

The purpose of this letter is to communicate our position (which was presented in person) to you in writing. In doing so, we reiterate the points that we have made throughout the East Coast Bylaw Submission process. Engagement with Rangitāne has been, from our perspective, inadequate and inconsistent with the Council's engagement with Ngāti Kuri (who Council has considered to be the tangata whenua with mana moana and mana whenua in the area), whilst describing Rangitāne's interests as historical and traditional. We do not believe that the process has enabled Rangitāne's ability to continue to exercise our customary fisheries rights, to discharge and exercise our kaitiaki responsibilities and to enable continued access to important wāhi tapu and sites of significance.

For these reasons, we do not support the Bylaw (as was proposed initially, nor in the form that was proposed by the Commissioners). There are various reasons for this (which I do not intend to traverse in detail through this letter, as those reasons have been set out in previous

¹ Which included myself, Calvin Hart [Co-Chairperson, Te Rūnanga a Rangitāne o Wairau Trust], Sally Neal [Pou Taiao, Te Rūnanga a Rangitāne o Wairau Trust] and Miriam Radich [Legal Counsel for Te Rūnanga a Rangitāne o Wairau Trust]

² Which included yourself, Mayor John Leggett, Hans Versteeg and Hara Adams

correspondence and through the submission process). These reasons include that our rights and interests, through the Bylaw process, have been prejudiced relative to other iwi interests, and the Bylaw (as proposed) does not take into consideration the need for us to access our sites of significance or to carry out our customary and cultural practices.

We take our responsibilities to our environment seriously and we are committed to working with Council and our Treaty Partners to uphold the mana of our taiao.

“Toitū te taiao ki tua o ake tonu atu!”

“Ensuring the integrity and sustainability of our environment”

Please contact me directly if you wish to discuss this matter further.

Nāku iti noa, nā

A handwritten signature in blue ink, appearing to read 'Corey Hebbard', written in a cursive style.

Corey Hebbard

Kaiwhakahaere Matua | General Manager

Rangitāne o Wairau Group

Attachment 7.4:

Letter from Te Rūnanga Ngāti Kuia to Marlborough District Council.



Ngāti Kuia
Te Iwi Pakohe

17 January 2023

Marlborough District Council
Seymour Square
BLLENHEIM

Tena koe Alan,

This letter is in response to the draft Decision Document developed by Marlborough District Council (MDC) delegated decision makers for the East Coast Access issue.

This has been a long and costly environmental management exercise for all Iwi involved. It is important to note that Iwi and whanau have also contributed to this issue as landowners in the region (rate payers).

Ngāti Kuia have read the document and considers that it does not provide adequate provisions or protection for Maori Rights. Furthermore, it appears to favour Government and Community aspirations over Māori/Tangata Whenua.

Ngāti Kuia people continue to gather Kaimoana for customary purposes in the Kapara Te Hau/Te Karaka me Te Wharanui area. Previously access was obtained by the Landowner/gatekeeper. Other access was achievable, however this access was more complex, and risky.

The area that is customarily fished is within FMA 7 and bounded by the Wai-o-Toa awa around the top of the South Island to Kahurangi Point.

Ngāti Kuia are pleased to see that we are able to continue to access the intertidal fishing areas and carry out other cultural activities during daylight hours, however, we do not believe we should be restricted to day-light hours only. As we all know, some species are more abundant at night-time, and we are often collecting kai moana for time critical events such as Tangi.

Māori/Tangata Whenua have campaigned extensively for Customary Fishing Rights for many generations. Ngāti Kuia consider the restrictions around time of day that access and harvest can occur to be in breach of the rights afforded to Māori through Customary Fishing Rights.

Ngāti Kuia would like to think that the time restriction is lifted in final document (for this precedent setting issue) and we look forward to working with MDC to fulfil our customary fishing aspirations and cultural development in areas of significance to Tangata Whenua in Te Taihuhu.

Naku iti nei, nā

Te Rūnanga o Ngāti Kuia Trust

PO Box 1046, Blenheim, 7201 | Ph 03 579 4328 | 0800 NGATIK | tari@ngatikuia.iwi.nz | www.ngatikuia.iwi.nz

Signed for Te Rūnanga o Ngāti Kuaia



Raymond Smith

Kaiwhakahaere
Te Rūnanga o Ngāti Kuaia

Attachment 7.5:
Bylaw as notified

Bylaw as Notified

DATE: 1 July 2021



www.marlborough.govt.

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1. Draft Bylaw as notified.

Marlborough District Council East Coast Beach Vehicle Bylaw [Insert Year]

This Bylaw is made under sections 22AB(1)(d), 22AB(1)(f) and 22AB(1)(g) of the Land Transport Act 1998. The Local Government Act 2002 applies to this Bylaw.

1. Title

This Bylaw is the Marlborough District Council East Coast Beach Vehicle Bylaw [year].

2. Commencement

This Bylaw comes into force on [date].

3. Application

This Bylaw applies within the Marlborough District.

4. Purpose

The purpose of this Bylaw is to—

- (a) protect the environment;
- (b) allow the environment to recover from the effects of the Kaikōura earthquake in 2016;
- (c) protect and preserve sites of significance to tangata whenua;
- (d) protect and preserve historic heritage;
- (e) protect, promote and maintain public health and safety; and
- (f) protect the public from nuisance.

By regulating the use of motor vehicles on Beaches in the Marlborough District.

Part 1 Interpretation

5. Definitions

In this Bylaw, unless the context requires otherwise,—

Authorised agency means Marlborough District Council, New Zealand Police, Fire and Emergency New Zealand, any Emergency Ambulance Service, Department of Conservation, any Central Government Department or Ministry, the National Institute of Water and Atmospheric Research and any surf lifesaving club registered with Surf Life Saving NZ;

Beach means the foreshore being any area covered and uncovered by the ebb and flow of the tide, and any adjacent area which can reasonably be considered part of the beach environment including areas of sand, pebbles, shingle, dunes or coastal vegetation or the confluence of any river, but does not include any private property or land administered by the Department of Conservation. The definition of "beach" is not relevant where a Bylaw made under any provision aside from sections 22AB(1)(d) and s22AB(1)(f) Land Transport Act 1998.

Council means the Marlborough District Council or any officer authorised to exercise the authority of Council;

Dune means any natural hill, mound or ridge of sediment, or any series of such, landward of a coastal beach or on the border of a large lake or river valley that is deposited by wind action or storm over wash, and sediment deposited by artificial means and serving the purpose of storm damage prevention or flood control and includes three metres of the beach immediately adjacent to the toe of the dune, but does not include any private property or any land administered by the Department of Conservation;

Motor Vehicle has the same meaning as in section 2(1) of the Land Transport Act 1998.

At the time of commencement of this Bylaw, motor vehicle—

- (a) means a vehicle drawn or propelled by mechanical power; and
- (b) includes a trailer; but
- (c) does not include—

- (i) a vehicle running on rails; or
- (ii) repealed; or
- (iii) a trailer (other than a trailer designed solely for the carriage of goods) that is designed and used exclusively as part of the armament of the New Zealand Defence Force; or
- (iv) a trailer running on 1 wheel and designed exclusively as a speed measuring device or for testing the wear of vehicle tyres; or
- (v) A vehicle designed for amusement purposes and used exclusively within a place of recreation, amusement, or entertainment to which the public does not have access with motor vehicles; or
- (vi) A pedestrian-controlled machine; or
- (vii) A vehicle that the Agency has declared under section 168A is not a motor vehicle; or
- (viii) A mobility device.

Part 2 Access to the east coast

6. Access to the east coast by motor vehicle

1. No person may cause any motor vehicle to enter any beach as defined at Part 1 of this Bylaw at any time. The extent of the beach area is identified with red hatching in Schedule 1 for the purposes of guidance only. This part of the Bylaw is authorised by s22AB(1)(f) LTA.
2. No person may cause any motor vehicle to enter any dune on Council controlled land at any time. This part of the Bylaw is authorised by s22AB(1)(f) LTA.
3. No person may cause any motor vehicle to enter the unformed legal road identified in Schedule 1 at any time. This part of the Bylaw is authorised under s22AB(1)(g) LTA.
4. No person may drive a motor vehicle at a speed of more than 30 kilometres an hour on the Beach as defined in Part 1 of this Bylaw, between the southern edge of the Waima (Ure) River and the southern edge of the Marlborough District Boundary. The extent of the beach area is identified with yellow hatching in Schedule 1 for the purposes of guidance only. This part of the Bylaw is authorised by s22AB(1)(d) LTA.

7. Exemptions

1. Notwithstanding Bylaw 6, any person may cause a motor vehicle to enter an area where motor vehicle access is otherwise prohibited:
 - (a) To launch or retrieve a vessel provided that the person causes the motor vehicle to only:
 - (i) Enter a boat launching area at Marfells Beach or Ward Beach. The extent of the launching area is identified as solid blue areas on Map 6 and 12 in Schedule 1 for the purposes of guidance only; and
 - (ii) take the most direct route between the entry point and the sea; and
 - (b) To access any part of the beach set aside for motor vehicles, such as a driveway, a carpark, or a shared path.
2. Nothing in this Bylaw applies to an employee, contractor or nominee of an authorised agency or Dominion Salt Ltd who is carrying out the lawful functions or activities of that agency.

8. Further conditions of access

1. Any person operating any vehicle, on any part of the beach must show due consideration for other users of the beach.
2. Any person operating any vehicle on the beach, shall operate that vehicle in a courteous, appropriate, safe and responsible manner, giving due consideration to other vehicle operators and to other users of the beach at all times.
3. Any person operating any vehicle on the beach shall not operate that vehicle in such a manner as to present a real or implied danger or threat to the wellbeing and safety of any other user of the beach at all times.

9. Application

1. For the avoidance of doubt, nothing in this Bylaw affects—

- (a) any persons access to the dunes and to the rest of the beach as defined in Part 1 other than by motor vehicle; and
- (b) any persons access to the east coast for commercial fishing to the extent that that right to access was permitted before the commencement of this Bylaw.

[Note: Walking, cycling, horse riding, and access by vehicles that are not motor vehicles as defined in the LTA, continue to be unrestricted on the whole of the east coast].

Part 3 Enforcement and penalties

10. Breaches of Bylaw

1. Any person who fails to comply with this Bylaw commits an offence under the Land Transport Act 1998, as set out in Schedule 2. The following penalties apply;

- (a) Breach of Bylaw made under LTA (infringement offence): \$150.
- (b) Breach of Bylaw made under LTA (ordinary offence): fine not exceeding \$1000.

2. Schedule 1: Draft Bylaw maps





















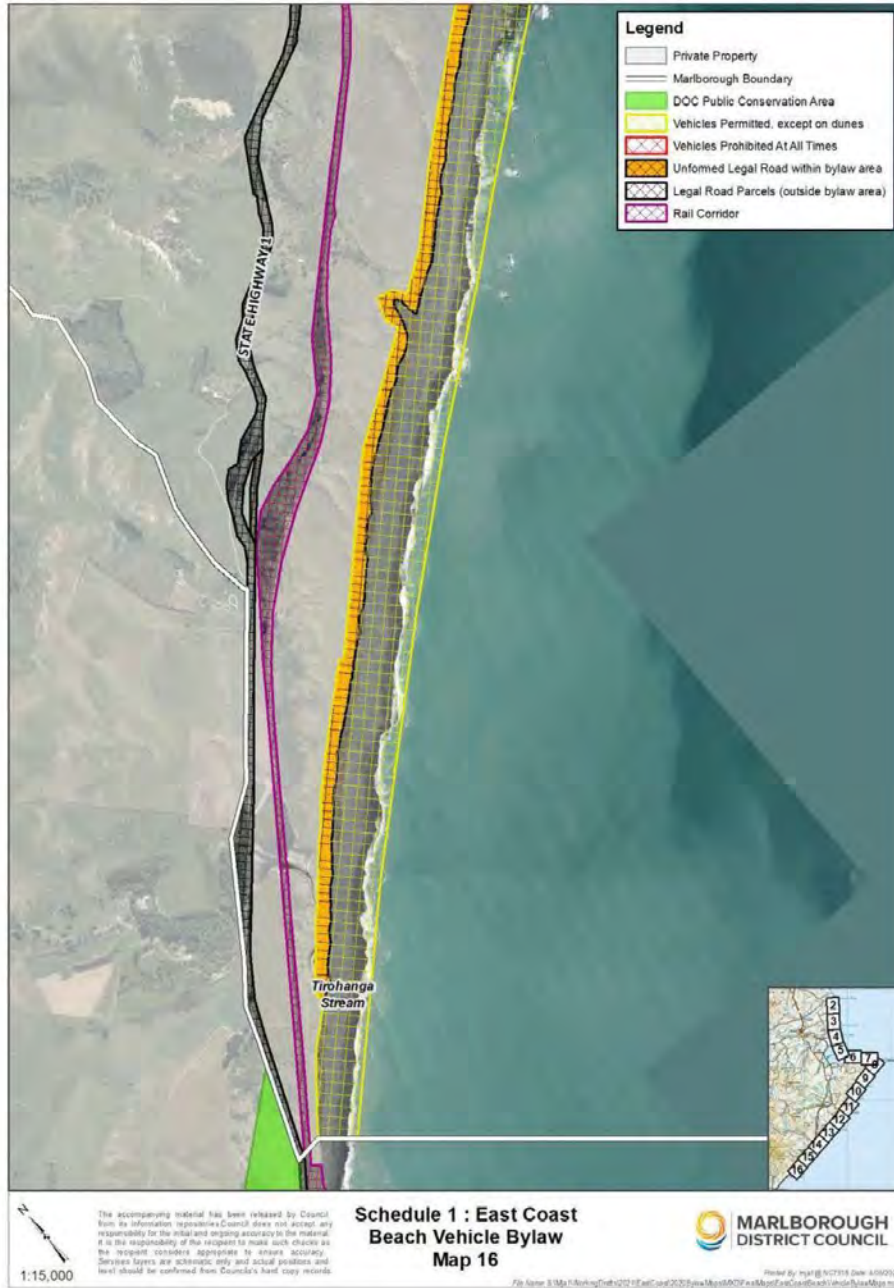












Attachment 7.6:
Bylaw as notified with Panel's Stage One Recommendations

Bylaw as Notified with Stage One Recommendations

DATE: March 2023



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1. Draft Bylaw as notified with Stage One Recommendations.

Marlborough District Council East Coast Beach Vehicle Bylaw [Insert Year]

This Bylaw is made pursuant to under sections 22AB (1)(d), 22AB(1)(f) and 22AB(1)(g) of the Land Transport Act 1998 (LTA). The Local Government Act 2002 applies to this Bylaw.

1. Title

This Bylaw is the Marlborough District Council East Coast Beach Vehicle Bylaw [year].

2. Commencement

This Bylaw comes into force on [date].

3. Application

This Bylaw applies within the Marlborough District.

4. Purpose

The purpose of this Bylaw is to—

- (a) protect the environment;
- (b) allow the environment to recover from the effects of the Kalkōura earthquake in 2016;
- (c) protect and preserve sites of significance to tangalawhenua;
- (d) protect and preserve historic heritage;
- (e) protect, promote and maintain public health and safety; and
- (f) protect the public from nuisance; and

(f)(g) enable limited day time access at or below mean high water mark within the Yellow Zone in Schedule 1 (but excluding reef structures) for All Terrain Vehicles (ATV's) and Utility Task Vehicles (UTV's) to enable fishing, harvesting, customary practices and equitable access for Marlborough communities.

By regulating the use of motor vehicles on Beaches in the Marlborough District.

Part 1 Interpretation

5. Definitions

In this Bylaw, unless the context requires otherwise,—

ATV means All Terrain Vehicles (Quad Bike)

ATV/UTV means a vehicle with or without motorcycle controls and equipment that —

- (a) is principally designed for off-road use; and
- (b) Has three or more wheels running low pressure tyres; and
- (c) Has a gross weight of less than 1000 kg

Does not include utility or light vehicles even if modified for off road travel, these are originally constructed for road use and are too heavy to meet the definition. For clarity, dune buggies are also excluded from the definition of ATV/UTV.

Authorised agency means Marlborough District Council, New Zealand Police, Fire and Emergency New Zealand, any Emergency Ambulance Service, Department of Conservation, any Central Government Department or Ministry, the National Institute of Water and Atmospheric Research and any surf lifesaving club registered with Surf Life Saving NZ;

Beach means the foreshore being any area covered and uncovered by the ebb and flow of the tide, and any adjacent area which can reasonably be considered part of the beach environment including areas of sand, pebbles, shingle, dunes or coastal vegetation or the confluence of any river, but does not include any private property or land

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administered by the Department of Conservation. The definition of "beach" is not relevant where a Bylaw made under any provision other than sections 22AB(1)(d) and 22AB(1)(f) Land Transport Act 1998.

Council means the Marlborough District Council or any officer authorised to exercise the authority of Council;

Daylight hours means the period of time between one-half hour before official sunrise through one-half hour after official sunset.

Dune means any natural hill, mound or ridge of sediment, or any series of such, landward of a coastal beach or on the border of a large lake or river valley that is deposited by wind action or storm over wash, and sediment deposited by artificial means and serving the purpose of storm damage prevention or flood control and includes three metres of the beach immediately adjacent to the toe of the dune, but does not include any private property or any land administered by the Department of Conservation;

Motor Vehicle has the same meaning as in section 2(1) of the Land Transport Act 1998. At

the time of commencement of this Bylaw, motor vehicle —

- (a) means a vehicle drawn or propelled by mechanical power; and
- (b) includes a trailer; but
- (c) does not include—
 - (i) a vehicle running on rails; or
 - (ii) repealed; or
 - (iii) a trailer (other than a trailer designed solely for the carriage of goods) that is designed and used exclusively as part of the armament of the New Zealand Defence Force; or
 - (iv) a trailer running on 1 wheel and designed exclusively as a speed measuring device or for testing the wear of vehicle tyres; or
 - (v) A vehicle designed for amusement purposes and used exclusively within a place of recreation, amusement, or entertainment to which the public does not have access with motor vehicles; or
 - (vi) A pedestrian-controlled machine; or
 - (vii) A vehicle that the Agency has declared under section 168A is not a motor vehicle; or
 - (viii) A mobility device.

UTV means Utility Task Vehicle (Side by Side)

Part 2 Access to the east coast

6. Access to the east coast by motor vehicle

1. Subject to (2) and (3) below, no person may cause any motor vehicle to enter any beach as defined at Part 1 of this Bylaw at any time. The extent of the beach area is identified with red hatching in Schedule 1 for the purposes of guidance only. This part of the Bylaw is authorised by s22AB(1)(f) LTA.

1.2 Subject to (3) below, persons may drive a ATV/UTV at a maximum speed of 30 km/hr in the area identified in the Yellow Zone during daylight hours and at or below mean high water mark. No ATV/UTV use is permitted on reef structures. In case of emergency, persons may drive an ATV/UTV above the mean high water mark, but not on or in any dunes. For clarity, only A TV/UTV may be driven in the Yellow Zone. No other motor vehicles are allowed under any circumstances. This part of the Bylaw is authorised by s22AB(1)(d)(f) LTA.

2.3. No person may cause any motor vehicle to enter any dune on Council controlled land at any time. This part of the Bylaw is authorised by s22AB(1)(f) LTA.

3.4. No person may cause any motor vehicle to enter the unformed legal road identified in Schedule 1 at any time. This part of the Bylaw is authorised under s22AB(1)(g) LTA.

5. No person may drive a motor vehicle at a speed of more than 30 kilometres an hour on the Beach as defined in Part 1 of this Bylaw, between the southern edge of the Waimea (Ure) River and the southern edge of the Marlborough District Boundary. The extent of the beach area where vehicle use is permitted is identified with green hatching in Schedule 1 for the purposes of guidance only. This part of the Bylaw is authorised by s22AB(1)(d) LTA.

7. Exemptions

1. Notwithstanding Bylaw 6, any person may cause a motor vehicle to enter an area where motor vehicle access

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is otherwise prohibited:

- (a) To launch or retrieve a vessel provided that the person causes the motor vehicle to only:
 - (i) Enter a boat launching area at Marfels Beach or Ward Beach. The extent of the launching area is identified as solid blue areas on Map 6 and 12 in Schedule 1 for the purposes of guidance only; and
 - (ii) take the most direct route between the entry point and the sea; and
- (b) To access any part of the beach set aside for motor vehicles, such as a driveway, a carpark, or a shared path.

2. Nothing in this Bylaw applies to an employee, contractor or nominee of an authorised agency who is carrying out the lawful functions or activities of that agency.

Business Exempt Areas

3. ~~Nothing in this Bylaw applies to Dominion Salt Ltd, and its successors, assignees, employees, contractors or nominees, in the area identified in the Pink Zone on Map 5.~~

2.4. ~~Nothing in this Bylaw applies to Burkhardt Fisheries Ltd and Lanfar Holdings (No 4) Ltd, and its successors, assignees, employees, contractors, or nominees, in the area identified in the Purple Zone, being—~~

~~(a) the spatial area at Ward Beach that is identified in resource consent U191050, including any relevant successor resource consent; and~~

~~(a)(b) 55 metres either side of the centre point of the salt-works jetty as shown on Map 5.~~

8. Further conditions of access

- 1. Any person operating any vehicle, on any part of the beach must show due consideration for other users of the beach.
- 2. Any person operating any vehicle on the beach, shall operate that vehicle in a courteous, appropriate, safe and responsible manner, giving due consideration to other vehicle operators and to other users of the beach at all times.
- 3. Any person operating any vehicle on the beach shall not operate that vehicle in such a manner as to present a real or implied danger or threat to the wellbeing and safety of any other user of the beach at all times.
- 4. For the purposes of clauses (1) to (3), "other users of the beach" includes people, marine mammals, avifauna and protected, rare or threatened indigenous flora and fauna.

9. Application

- 1. For the avoidance of doubt, nothing in this Bylaw affects—
 - (a) any persons access to the dunes and to the rest of the beach as defined in Part 1 other than by motor vehicle; and
 - (b) any persons access to the east coast for commercial fishing to the extent that that right to access was permitted before the commencement of this Bylaw.

[Note: Walking, cycling, horse riding, and access by vehicles that are not motor vehicles as defined in the LTA, continue to be unrestricted on the whole of the east coast].

Part 3 Enforcement and penalties

10. Breaches of Bylaw

- 1. Any person who fails to comply with this Bylaw commits an offence under the Land Transport Act 1998, as set out in Schedule 2. The following penalties apply:
 - (a) Breach of Bylaw made under LTA (infringement offence): \$150.
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2. Schedule 1: Draft Bylaw maps





















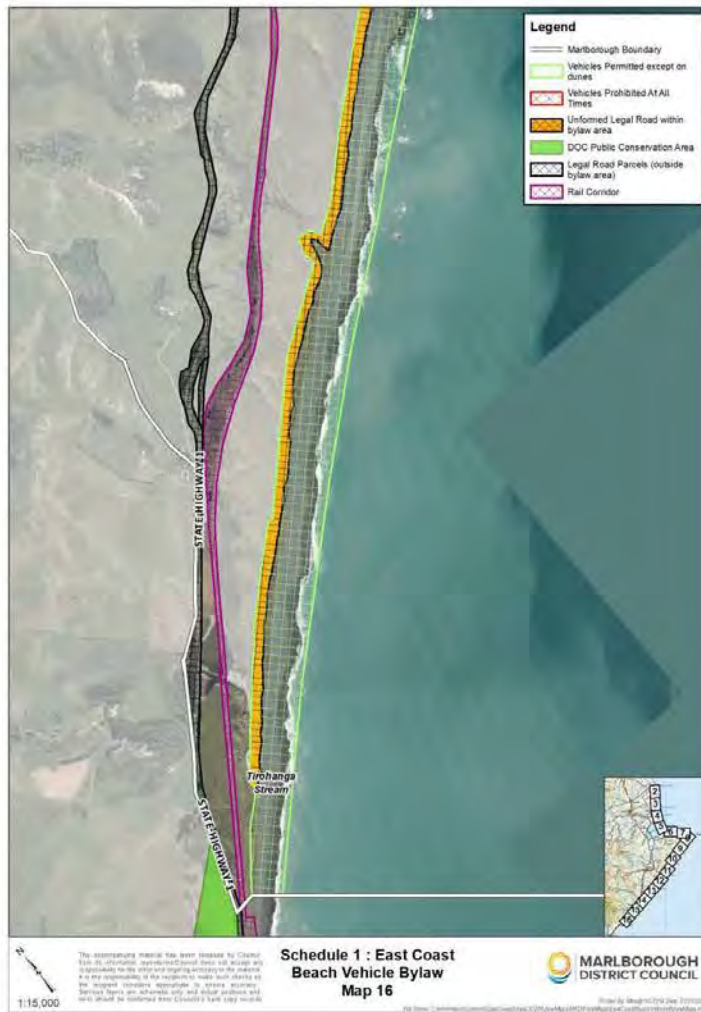












8. Approval of Delegations Register from Chief Executive & Council to Council Officers

(also refer to separate attachment 8.1)

(Report prepared by S Mavi/R Foitzik)

L150-016-38-01

Purpose of report

1. To ask Council to approve the sub-delegations from the Chief Executive and direct delegations from Council to Officers as contained in the Marlborough District Council's Delegations Register.

RECOMMENDATIONS

That Council approve the sub-delegations from the Chief Executive and direct delegations from Council to Officers as contained in the Marlborough District Council's Delegations Register.

Background/Context

2. The Marlborough District Council (**Council**) is a unitary authority under the Local Government Act 2002. Elected members and the Mayor make up the Council's governing body, which is responsible and democratically accountable for decision-making.
3. Unless expressly provided otherwise in the Local Government Act 2002, or in any other Act, the Council is able to, and will, delegate to a committee or other subordinate decision-making body, community board, or member or officer of the Council any of its responsibilities, duties or powers, except the power to:
 - 3.1. make a rate;
 - 3.2. make a bylaw;
 - 3.3. borrow money;
 - 3.4. purchase or dispose of assets, other than in accordance with the long-term plan;
 - 3.5. adopt a long-term plan, annual plan, or annual report;
 - 3.6. appoint a chief executive;
 - 3.7. adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement; or
 - 3.8. the power to adopt a remuneration and employment policy.
4. The Council appoints only one employee, the Chief Executive. He or she negotiates the terms of employment and employs all Council staff. The Chief Executive is the Council's principal administrative officer and responsible for implementing the decisions of the Council and ensuring that all responsibilities, duties and powers delegated to him or her, or to any person employed by the Council, are properly performed or exercised. This includes those imposed or conferred by an Act, regulation or bylaw.
5. The Chief Executive may delegate to any other officer of the Council any of his or her powers under the Act, or any other statute, except the power to delegate or any power that is subject to a prohibition on delegation. Further sub-delegations are not permitted under the Local Government Act 2002.
6. The Council supports the principle of delegating decision-making to the lowest competent level. This makes best use of the abilities of elected members, ensuring the cost-effective use of resources and promoting the development of efficient and effective management. This principle has been applied to the preparation of the Delegations Register.

7. The Delegations Register combines and lists all delegations from the Chief Executive to staff in one document, including adopted Terms of Reference (ToRs) for all of Council committees and sub-committees and all statutory delegations from Council directly to Council staff/ officers.
8. The respective delegations in the Delegations Register have been reviewed and confirmed by each Council business unit. The Delegations Register is intended to be a living document and form part of the legal compliance program. Legal Services will regularly review and update as and when required, for instance in the event of legislative changes. After each triennial election, the new Council will also be asked to approve the Delegations Register.
9. The attached (as **Attachment 8.1**) Delegations Register refers to the roles first and Legislation second. Once approved, a reverse Delegations Register will be prepared.

Attachment

Separate Attachment 8.1 – Marlborough District Council’s Delegation Register – separately attached

Author	Sharan Mavi, Solicitor
Authoriser	Robert Foitzik, General Counsel

9. Iwi Representation on Council's Standing Committees

(Report prepared by H Adams)

D050-006-05

Purpose of report

1. To seek the Council's approval to proceed with recruitment for the Iwi Representative positions for the Council's three standing committees.

Executive Summary

2. Iwi representation on Council Committees has long been offered at Marlborough District Council (33 years) however, the positions on committees have not been filled consistently.
3. Council was informed at its briefing meeting on 5 December 2022 our intention to fill the current vacant seats for iwi representation on its standing committees and the recruitment process that is favourable to do so.
4. Investigation into remuneration and job descriptions has occurred, taking into consideration the request for consistency from Te Tauihu iwi Chairs collective.
5. Ngāti Kuri (as not included in Te Tauihu collective) have also been notified of our intention to fill the positions on Council standing committees.
6. This report seeks Council's approval to proceed with recruitment for the iwi representative positions for the Council's three standing committees.
7. The proposed remuneration is \$12,840 per annum per position. This cost upwards of what has been budgeted, as that cost was based on Nelson's 2021 policy for external members on committees.
8. The cost of iwi representation should be consistent – and upon investigation the remuneration recommended is what is expected of an iwi representative, making a contribution from an iwi perspective with a unique skillset, who represents the eight iwi within our district, with one position per standing committee.
9. The recruitment and appointment of the iwi representative roles helps the Council fulfil its Te Tiriti o Waitangi obligations and comply with section 81 of the Local Government Act.

RECOMMENDATIONS

1. **That the report be received.**
2. **That the Council receives the iwi representatives for Council standing committees; and:**
 - a. **Approves the draft position descriptions included in Attachment 9.1 and**
 - b. **Approves the proposed remuneration of \$12,840 per annum per appointment; and**
 - c. **Requests staff to proceed with recruitment for the Iwi Representatives roles; and**
 - d. **Notes the Mayor will appoint individuals to the position based on recommendation from the iwi Trusts.**

Background/Context

10. The Council has provided for and encouraged iwi representatives on our standing committees since 1989. We have had some representatives over this time but have struggled to fill the roles consistently.
11. Richard Hunter, Yvonne Burns, Raymond Smith, Barry Mason and Venessa Ede have filled the positions over the years and in June 2018 Te Ao Māori representation was approved in the LTP,

establishing a Te Ao Māori subcommittee to help with iwi representation, however, was not fruitful in terms of any improvement in iwi representation and engagement in Council activities.

12. Te Tauihu Chairs collective wrote to Council on 11 August 2022 to emphasise their expectations and aspirations in relation to iwi representation on Council and Council committees for the then, forthcoming triennium.
13. Councillors have been given information on how we envisage these positions to be filled, and consistently. The positions are considered vacant, and investigation has occurred to provide further information on position descriptions and remuneration – prior to recruitment.
14. Following a Council briefing staff committed to preparing draft position descriptions and proposing remuneration for Council's approval prior to proceeding with recruitment.
15. The draft position descriptions included in **Attachment 9.1** are consistent with Tasman District Council and Nelson District Council.
16. Staff have considered the scope, responsibility and skills required for the positions and consider that \$12,840 per annum is appropriate remuneration for these roles.
17. It is important to note that iwi assemble themselves in a Te Tauihu / Top of the South model and that consistency across the three Councils is desired by iwi and will be well received. This approach will ensure there is no inequity across their representatives.

Assessment/Analysis

Table 1: Options

18. The options are outlined in the following table.

	Option	Discussion
1.	Request staff to proceed with recruitment and approve the draft position descriptions and remuneration	<p>Achieve good alignment across Te Tauihu.</p> <p>Proceed in a timely manner, hopefully filling these positions early in the triennium allowing for better consistency with other elected members</p> <p>The appointment of iwi representatives will help the Council fulfil its Te Tiriti o Waitangi obligations and comply with Section 81 of the Local Government Act.</p> <p>There are no notable disadvantages</p>
2.	Request amendments to the draft position descriptions and remuneration prior to recruitment and	<p>Changes to position description can be considered.</p> <p>The Council has full discretion on the level of remuneration to be paid. Changing the level of remuneration creates risk to creating inequity for iwi representatives across Te Tauihu.</p>
3.	Do not agree to staff proceeding with recruitment and approving the draft position descriptions and remuneration	<p>Create relationship risks – Te Tauihu iwi and Council.</p>

Next steps

- 19. Following Council approval, staff will notify the Iwi Trusts of the outcome and will work with them to recruit for the positions.
- 20. The Iwi Trusts will be asked to make recommendations to the Mayor on the preferred appointees.
- 21. The final decision to appoint will be by the Mayor.
- 22. Following appointment, Council staff will arrange pōwhiri and induction.

Attachments

Attachment 9.1 – Job Descriptions for iwi representatives on standing committees.

Page 258

Author	Hara Adams, Kaihautū Manager of Māori Partnerships
Authoriser	Mark Wheeler, Chief Executive

Attachment 9.1

Iwi Representative

Kōmiti mo ngā Ratonga – Assets and Services



**MARLBOROUGH
DISTRICT COUNCIL**

Tūranga Position Title:	Iwi Representative – Assets and Services
Moni Utu Remuneration:	\$12,840 per annum
Haepapa Ki Responsible to:	Assets and Services Committee Chair and Marlborough District Council Mayor
Wāhi Location:	Marlborough District Council, 15 Seymour Street, Blenheim
Kaupapa Kotahi Primary Function:	To actively participate and contribute to the Committee in its work relating to the Committee's Areas of Responsibility and have full speaking and voting powers on matters brought before the Committee
Ngā Hononga Nui Important Relationships:	Te Taihū Iwi, Hapū, Whānau and Marae. Te Waka-ā-Maui Iwi – Ngāti Kuri, Ngāti Tahu Marlborough District Council Mayor and Elected Members Committee Chairs Chief Executive and Executive Leadership Team
Tautoko e Whakaratohia ana Support provided to appointed iwi representative:	Induction to Council processes Hui with appropriate staff involved with relevant projects Support from Democratic Services and Kaihautū

Whakaahuatanga Kōrero (Role Description)

Kōmiti Ratonga – Assets and Services Committee

Kōrero Hono | Background

The Assets and Services Committee oversees Council's infrastructure programmes, services and activities and provides governance oversight of these assets within the Marlborough region.

Ngā Take | Areas of Responsibility

- Roads
- Sewerage
- Rivers and drainage
- Halls
- Civil Defence and Emergency Management
- Road Safety (Including walking and cycling strategies)
- Water
- Waste management (including recycling)
- Cemeteries
- Parking
- Storm Water
- Reserves
- Public conveniences

Ngā Kawenga | Responsibilities

- Govern, develop, approve, ensure the implementation of and monitoring of operational activities in relation to the areas of responsibility, including making recommendations to the Council on any budget overruns.
- Monitor regulatory processes and performance (including budget and performance targets) for the areas of responsibility.
- Plan, review implement and monitor functions, duties and powers in respect of its areas of responsibility.
- Ensure the Council meets all legislative and compliance responsibilities relating to the areas of responsibility.

Ngā Hui | Meeting Requirements

- All meetings are subject to Council's Standing Orders, which outline and determine the rules for the conduct of meetings for decision making bodies of local authorities.
- Membership of the Sub-Committee comprises all elected members of the Council. Meetings are held six weekly.
- Ensure familiarity with Marlborough District Council's Standing Orders and refer to them when necessary.
- Attend all Committee meetings and workshops, and if unable to attend, tender an apology.
- Be prepared for meetings by ensuring familiarity with agendas and associated material.
- Fully participate in meetings, all questions and comments are to be made 'through the Chair'.

Ngā Matatau | Competencies

Mana Whakahaere me te Tautoko | Advocacy and Governance

- Bring a Te Ao Māori view to Council's decision-making processes.
- Balance the need to advocate for specific interests against the needs of wider community.
- Listen to the concerns of local iwi, hapū, whānau, residents and ratepayers on issues pertaining to the Committee.
- Maintain contact with community representatives and other local stakeholders.
- Participate as required in any relevant informal community engagement with the local community and/or other organisations.
- Actively participate in Council seminars and events relating to the Committee's areas of responsibility.
- Understand and support good governance in the Committee's decision-making processes.
- Demonstrate a commitment to promoting the long-term effectiveness of the Committee and the Council.
- Understand and respect the roles of the Mayor, Deputy Mayor, Committee Chairperson and Elected Members.

- Understand the governance role of the Committee.
- Comply with the statutory requirements of an external committee member including appropriate recordkeeping in accordance with the Public Records Act 2005 and the Local Government Official Information and Meetings Act 1987.
- Comply with the Elected Members Code of Conduct and Council's Standing Orders.
- Identify, be aware of and declare as soon as they arise, any potential personal conflicts of interest, whether of a pecuniary or non-pecuniary nature.
- Maintain confidentiality of matters discussed by the Committee or confidential information which representatives becomes aware of by virtue of their appointment.

Ngā Pūkenga | Skills Requirements:

- Have a detailed and in-depth understanding of Mātauranga Māori and the ability to apply this knowledge to a broad range of issues.
- Have a working knowledge of Te Tiriti o Waitangi.
- Be articulate and be able to communicate in a concise and clear manner.
- Demonstrate leadership skills and reliability.
- Demonstrate objectivity in decision making.
- Respect for colleagues and staff.
- Demonstrate high ethical standards.
- Have a positive attitude to public ownership and the principles of good corporate citizenship.
- Have a commitment to the needs and priorities of the Marlborough region.
- Any other special considerations/requirements in respect of the Assets and Services Committee.

Iwi Representative

Kōmiti mo te Taiao – Environment & Planning Committee



MARLBOROUGH
DISTRICT COUNCIL

Tūranga Position Title:	Iwi Representative – Environment and Planning Committee
Moni Utu Remuneration:	\$12,840 per annum
Haepapa Ki Responsible to:	Environment and Planning Committee Chair and Marlborough District Council Mayor
Wāhi Location:	Marlborough District Council, 15 Seymour Street, Blenheim
Kaupapa Kotahi Primary Function:	To actively participate and contribute to the Committee in its work relating to the Committee's Areas of Responsibility and have full speaking and voting powers on matters brought before the Committee
Ngā Hononga Nui Important Relationships:	Te Taiuhu Iwi, Hapū, Whānau and Marae. Te Waka-ā-Maui Iwi – Ngāti Kuri, Ngāti Tahu Marlborough District Council Mayor and Elected Members Committee Chairs Chief Executive and Executive Leadership Team
Tautoko e Whakaratohia ana Support provided to appointed iwi representative:	Induction to Council processes Hui with appropriate staff involved with relevant projects Support from Democratic Services and Kaihautū

Whakaahuatanga Kōrero (Role Description)

Kōmiti mo te Taiao – Environment and Planning Committee

Kōrero Hono | Background

The Environment and Planning Committee oversees Council's regulatory programmes, services and activities and provides governance oversight to Council's sustainable management of natural and physical resources within the Marlborough District

Ngā Take | Areas of Responsibility

- Environmental Science and Monitoring
- Biosecurity
- Resource consent
- Food and Health monitoring
- Monitoring of Consents
- Animal control
- Dangerous goods
- Harbour Management
- Enforcement and prosecution policies
- Building control
- Fencing and swimming pools
- Marlborough Environment Plan

Ngā Kawenga | Responsibilities

- Ensure the effective promotion of sustainable management of natural and physical resources of the Marlborough region through appropriate performance monitoring and receipt of information.
- Monitor the implementation and progress of biodiversity activities within the Marlborough region.
- Ensure the management of natural and physical resources gives effect to the principles of Te Tiriti o Waitangi.
- Govern, develop, approve, review, and ensure the implementation of and monitoring of bylaws and regulatory tools in relation to the areas of responsibility, including the adoption of draft documents for consultation, appoint hearing panels and adopt final documents where within the remit of the Committee or to make recommendations to the Council for final documents where Council approval is required.
- Monitor regulatory processes and performance (including budget and performance targets) for the areas of responsibility.
- Plan, review implement and monitor functions, duties and powers in respect of its areas of responsibility.
- Ensure the Council meets all legislative and compliance responsibilities relating to the areas of responsibility.

Ngā Hui | Meeting Requirements

- All meetings are subject to Council's Standing Orders, which outline and determine the rules for the conduct of meetings for decision making bodies of local authorities.
- Membership of the Sub-Committee comprises all elected members of the Council. Meetings are held six weekly.
- Ensure familiarity with Marlborough District Council's Standing Orders and refer to them when necessary.
- Attend all Committee meetings and workshops, and if unable to attend, tender an apology.
- Be prepared for meetings by ensuring familiarity with agendas and associated material.
- Fully participate in meetings, all questions and comments are to be made 'through the Chair'.

Ngā Matatau | Competencies

Mana Whakahaere me te Tautoko | Advocacy and Governance

- Bring a Te Ao Māori view to Council's decision-making processes.
- Balance the need to advocate for specific interests against the needs of wider community.
- Listen to the concerns of local iwi, hapū, whānau, residents and ratepayers on issues pertaining to the Committee.
- Maintain contact with community representatives and other local stakeholders.
- Participate as required in any relevant informal community engagement with the local community and/or other organisations.

- Actively participate in Council seminars and events relating to the Committee's areas of responsibility.
- Understand and support good governance in the Committee's decision-making processes.
- Demonstrate a commitment to promoting the long-term effectiveness of the Committee and the Council.
- Understand and respect the roles of the Mayor, Deputy Mayor, Committee Chairperson and Elected Members.
- Understand the governance role of the Committee.
- Comply with the statutory requirements of an external committee member including appropriate recordkeeping in accordance with the Public Records Act 2005 and the Local Government Official Information and Meetings Act 1987.
- Comply with the Elected Members Code of Conduct and Council's Standing Orders.
- Identify, be aware of and declare as soon as they arise, any potential personal conflicts of interest, whether of a pecuniary or non-pecuniary nature.
- Maintain confidentiality of matters discussed by the Committee or confidential information which representatives becomes aware of by virtue of their appointment.

Ngā Pūkenga | Skills Requirements:

- Have a detailed and in-depth understanding of Mātauranga Māori and the ability to apply this knowledge to a broad range of issues.
- Have a working knowledge of Te Tiriti o Waitangi.
- Be articulate and be able to communicate in a concise and clear manner.
- Demonstrate leadership skills and reliability.
- Demonstrate objectivity in decision making.
- Respect for colleagues and kaimahi.
- Demonstrate high ethical standards.
- Have a positive attitude to public ownership and the principles of good corporate citizenship.
- Have a commitment to the needs and priorities of the Marlborough region.
- Any other special considerations/requirements in respect of the Environment and Planning Committee.

Iwi Representative

Kōmiti Pūtea ā Hapori | Economic,
Finance and Community Committee



MARLBOROUGH
DISTRICT COUNCIL

Tūranga Position Title:	Iwi Representative – Economic, Finance and Community Committee
Moni Utu Remuneration:	\$12,840 per annum
Haepapa Ki Responsible to:	Economic, Finance and Community Committee Chair and Marlborough District Council Mayor
Wāhi Location:	Marlborough District Council, 15 Seymour Street, Blenheim
Kaupapa Kotahi Primary Function:	To actively participate and contribute to the Committee in its work relating to the Committee's Areas of Responsibility and have full speaking and voting powers on matters brought before the Committee
Ngā Hononga Nui Important Relationships:	Te Taihū Iwi, Hapū, Whānau and Marae. Te Waka-ā-Maui Iwi – Ngāti Kuri, Ngāti Tahu Marlborough District Council Mayor and Elected Members Committee Chairs Chief Executive and Executive Leadership Team
Tautoko e Whakaratohia ana Support provided to appointed iwi representative:	Induction to Council processes Hui with appropriate staff involved with relevant projects Support from Democratic Services and Kaihautū

Whakaahuatanga Kōrero (Role Description)

Kōmiti Pūtea ā Hapori – Economic, Finance and Community Committee

Kōrero Hono | Background

The Economic, Finance and Community Committee oversees Council's Finances (including the Audit & Risk Sub-Committee, Long Term Plan Working Group, Marlborough Regional Forestry Joint Committee, Council Controlled Trading Organisations [MDC Holdings Limited including Port Marlborough NZ Limited and Marlborough Airport Limited]), implementation of Growing Marlborough and 'Smart and Connected' Economic Development Strategies, services and activities and provides governance oversight of the implementation within the Marlborough region.

Ngā Take | Areas of Responsibility

- CB and Small Township
- Sounds Advisory group
- Annual Report
- Risk Management
- Libraries
- Destination Marlborough
- Long Term Plan
- Audit Issues
- Community and social services
- Picton Forum
- Annual Plan
- Council subsidiaries
- Youth elderly and access issues

- Culture and Heritage
- Sister cities
- Marlborough Regional Forestry
- Social policies
- Democratic process
- Health and Safety
- Grants and donations
- Customer services
- Property management

Ngā Kawenga | Responsibilities

- Govern, develop, approve, ensure the implementation of and monitoring of operational activities in relation to the areas of responsibility, including making recommendations to the Council on any budget overruns.
- Monitor regulatory processes and performance (including budget and performance targets) for the areas of responsibility.
- Plan, review implement and monitor functions, duties, and powers in respect of its areas of responsibility.
- Ensure the Council meets all legislative and compliance responsibilities relating to the areas of responsibility.

Ngā Hui | Meeting Requirements

- All meetings are subject to Council's Standing Orders, which outline and determine the rules for the conduct of meetings for decision making bodies of local authorities.
- Membership of the Sub-Committee comprises all elected members of the Council. Meetings are held six weekly.
- Ensure familiarity with Marlborough District Council's Standing Orders and refer to them when necessary.
- Attend all Committee meetings and workshops, and if unable to attend, tender an apology.
- Be prepared for meetings by ensuring familiarity with agendas and associated material.
- Fully participate in meetings, all questions and comments are to be made 'through the Chair'.

Ngā Matatau | Competencies

Mana Whakahaere me te Tautoko | Advocacy and Governance

- Bring a Te Ao Māori view to Council's decision-making processes.
- Balance the need to advocate for specific interests against the needs of wider community.
- Listen to the concerns of local iwi, hapū, whānau, residents and ratepayers on issues pertaining to the Committee.
- Maintain contact with community representatives and other local stakeholders.
- Participate as required in any relevant informal community engagement with the local community and/or other organisations.
- Actively participate in Council seminars and events relating to the Committee's areas of responsibility.
- Understand and support good governance in the Committee's decision-making processes.

- Demonstrate a commitment to promoting the long-term effectiveness of the Committee and the Council.
- Understand and respect the roles of the Mayor, Deputy Mayor, Committee Chairperson and Elected Members.
- Understand the governance role of the Committee.
- Comply with the statutory requirements of an external committee member including appropriate recordkeeping in accordance with the Public Records Act 2005 and the Local Government Official Information and Meetings Act 1987.
- Comply with the Elected Members Code of Conduct and Council's Standing Orders.
- Identify, be aware of and declare as soon as they arise, any potential personal conflicts of interest, whether of a pecuniary or non-pecuniary nature.
- Maintain confidentiality of matters discussed by the Committee or confidential information which representatives becomes aware of by virtue of their appointment.

Ngā Pūkenga | Skills Requirements:

- Have a detailed and in-depth understanding of Mātauranga Māori and the ability to apply this knowledge to a broad range of issues.
- Have a working knowledge of Te Tiriti o Waitangi.
- Be articulate and be able to communicate in a concise and clear manner.
- Demonstrate leadership skills and reliability.
- Demonstrate objectivity in decision making.
- Respect for colleagues and staff.
- Demonstrate high ethical standards.
- Have a positive attitude to public ownership and the principles of good corporate citizenship.
- Have a commitment to the needs and priorities of the Marlborough region.
- Any other special considerations/requirements in respect of the Economic, Finance and Community Committee.

10. Decision to Conduct Business with the Public Excluded

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- Confirmation of Public Excluded Minutes
- Committee Reports (Public Excluded Sections)
- Trade Waste Charges Review 2022
- Grants Sub-committee Community Representation
- Community Events Fund

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Minutes and Committee Reports	As set out in the Minutes and Reports	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.
Trade Waste Charges Review 2022	To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information, as provided for under Section 7(2)(b)(ii).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.
Grants Sub-committee Community Representation	In order to protect the privacy of natural persons, as provided for under Section 7(2)(a).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.
Community Events Fund	To enable the Council, as holder of the information, to carry on, without prejudice or disadvantage, negotiations as provided for under Section 7(2)(i).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Additional Item for the Council Meeting on 2 March 2023

1. Introduction of Additional Items

(The Mayor)

RECOMMENDATION

That the following additional item be considered (under Standing Order 9.12) for reason of the urgent nature of the business and insufficient time being available to include the item on the original Agenda and Meeting Notice:

In Open Meeting:

- **Waste Fees and Charges**

Additional Item for the Council Meeting on 2 March 2023

4.25. Waste Fees and Charges

(Report prepared by A McNeil/R Coningham)

W300-006-008-14

Purpose of report

1. The purpose of this report is to gain approval to implement the proposed waste fees and charges from 1 July 2023.

Executive Summary

2. The annual review of waste fees and charges has been completed. This year will see another significant increase in landfill gate fees predominantly attributable to the changes in the waste disposal levy and aftercare/reserve provisions at the regional landfill site. Contract cost escalations for the transfer stations and the kerbside collections are also contributing factors. Cost recovery for these increases is via increased gate fees, and amendment to the kerbside refuse collection targeted rate.

RECOMMENDATIONS

1. That Council implements the updated waste fees and charges with effect from 1 July 2023.
2. That Council recovers all costs associated with an increase in the waste disposal levy, landfill aftercare/reserve provisions, and contract escalations from user pays (gate fee) contributions and an amendment to the kerbside refuse collection targeted rate.

Background/Context

3. Waste fees and charges are published on the Council website - <https://www.marlborough.govt.nz/services/refuse/waste-fees-and-charges>. These rates are reviewed annually and any changes implemented on 1 July each year.
4. Waste inputs to the transfer stations (excluding Blenheim) are subject to a user pays charge based on measuring the load. The current charge is \$51.73 per cubic metre (GST inclusive). Transfer stations are open to both public and commercial users.
5. Waste inputs to the waste sorting centre in Blenheim are subject to a user pays charge based on weight as measured at the site weighbridges. The current charge is \$181.23 per tonne (GST inclusive) with a \$5.44 minimum weigh charge. Separate tonnage rates apply for Tyres (\$687.50) and Cleanfill (\$101.23). The Waste Sorting Centre is open to both public and commercial users.
6. Waste inputs to the Bluegums landfill site are subject to a user pays charge based on weighing the load. The current charges range from \$147.55 to \$182.55 per tonne (GST inclusive). The landfill is open to commercial users only.
7. Waste inputs to the greenwaste site in Blenheim are subject to a user pays charge based on measuring the load. The current charge for grass is \$75.75 per cubic metre (GST inclusive) and greenwaste is \$15 per cubic metre (GST inclusive).
8. Items that are considered during this review include, but are not limited to:
 - a) Impact of the increase of the waste disposal levy from \$34.50 per tonne (GST inclusive) to \$57.50 per tonne (GST inclusive).
 - b) Impact of contract cost fluctuations for the next twelve months. These costs are locked in via the relevant contract agreement.
 - c) Increase in aftercare and landfill reserve provisions. These costs are based on a full cost accounting model assessment of the landfill obligations including operational costs, capital costs, closure costs and post closure/aftercare costs.

9. The throughput tonnages/volumes at the sites (landfill, waste sorting centre, transfer stations and greenwaste site) fluctuate annually dependant on the economic activity being experienced in the region. In general terms the volume of waste rises when the economy is growing and falls when it is contracting. The following conservative assumptions have been used for this review:

- a) Bluegums waste inputs have been assumed at 66,215 tonnes per annum which represents a four-year average.

Year	2018/19	2019/20	2020/21	2021/22
Tonnage	60,729	71,406	69,415	63,310

- b) Based on the 2021/22 actuals the throughput tonnage at the waste sorting centre has been assumed at 8,000 tonnes per annum. Landfill disposal from the waste sorting centre is assumed at 6,200 tonnes.
- c) Based on the 2021/22 actuals the throughput of grass at the greenwaste acceptance facility is assumed at 2,000 cubic metres per annum and the disposal tonnage for grass sent to landfill is assumed at 1,150 tonnes per annum.
- d) Based on the 2021/22 actuals the throughput of refuse at the rest of the transfer stations has been assumed at a cumulative volume of 14,164 m³ per annum and landfill disposal from the other transfer stations is assumed at 2,944 tonnes per annum.
- e) The coin skip average waste placement is assumed at 120 litres (2 council bags).
- f) Based on the 2021/22 actuals a ratepayer count of 14,862 has been assumed for the assessment of increased disposal costs on the kerbside refuse collection from Blenheim and Picton and a disposal tonnage of 4,047 has been used.

10. The coin skips located in the Marlborough Sounds are under contract until 2024. The income received from the user pays coin charge equates to 20% of the overall service costs. The current coin charge is \$5 (GST inclusive).

Assessment/Analysis

- 11. There have been no cost fluctuations for the landfill contract during this review period. The landfill contract was recently retendered and awarded within existing budgets.
- 12. Landfill sites are included in the emissions trading scheme (ETS). Emissions are calculated per calendar year. Carbon credits are surrendered in lieu of emissions to atmosphere. This process results in the calculation of our surrender obligation expressed in tonnes.
- 13. For the 2022 period the ETS was calculated using the amended Schedule 3 of the Climate Change (Unique Emissions Factors) Regulations 2009 which came into effect on 1 January 2023. The Environmental Protection Agency (EPA) are the custodians of this legislative instrument and recently introduced the amendments which have resulted in some unintended consequences. The surrender obligation for the 2022 period was 19,445 tonnes compared to the 2021 obligation of 35,627. The amended regulations have caused an anomaly which the EPA are now addressing. This anomaly is unlikely to be corrected for the 2022 reporting period. The line item for ETS liability within the landfill budget will therefore remain unchanged until the EPA address this anomaly.
- 14. The ETS surrender obligation is based on carbon units which have been purchased at a rate of \$43.41 per tonne (GST inclusive). This rate is already priced into the gate fee and therefore has no cost implications for this review.
- 15. The Bluegums landfill site is subject to the waste disposal levy. The Government have confirmed that the waste disposal levy will increase from \$34.50 per tonne (GST Inclusive) to \$57.50 per tonne (GST Inclusive). This accounts for 72.6% of the overall landfill gate fee increase.
- 16. The Bluegums landfill aftercare and reserve provisions are assessed every three years using a full cost accounting model (FCAM) recommended by the Ministry for the Environment. This model includes operational costs, capital costs, closure cost and post closure/aftercare costs. The aftercare and reserve provision will be increased by \$8.68 per tonne (GST inclusive). This accounts for 27.4% of the overall landfill gate fee increase.

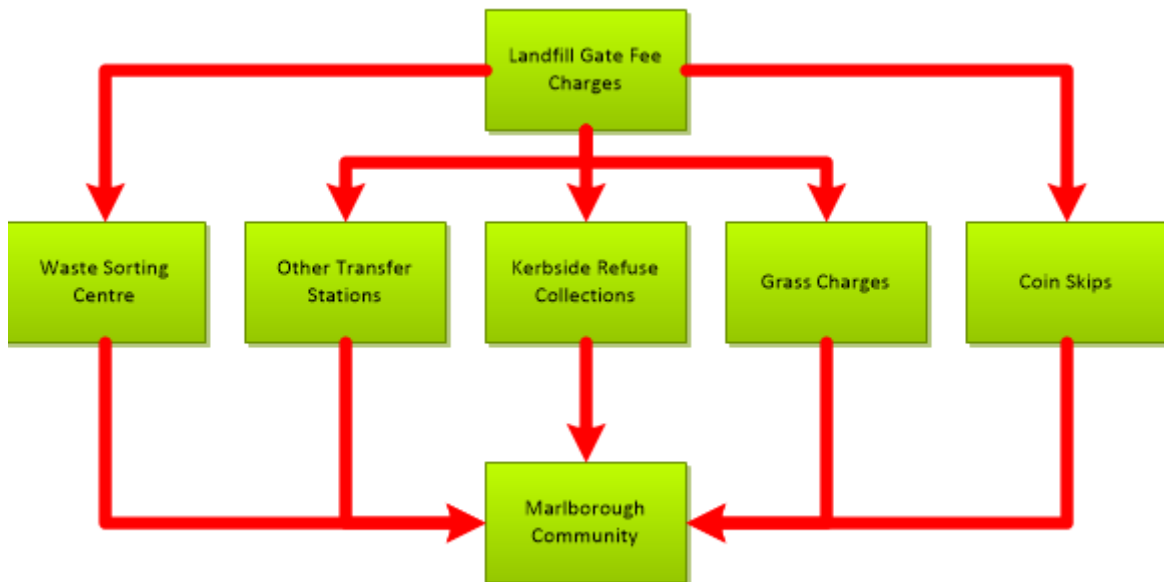
17. The total landfill tonnage rate increase is \$31.68 per tonne (GST inclusive). The following table summarises landfill gate fee increases.

Description	Cost per tonne (GST inclusive)	% of increase
Waste disposal levy	\$23	72.6%
ETS cost	\$0	0
Contract cost	\$0	0
Aftercare/reserve provision	\$8.68	27.4%
Total	\$31.68	100%

18. The landfill has two main price rates based on the density of the waste. Low density (light) waste consumes more airspace and is priced at the higher rate and vice versa for the higher density (heavier) waste. The following table summarises the overall percentage increase against the landfill waste types.

Waste Type	Current gate fee	Revised gate fee	% change
Light waste	\$182.55	\$214.23	17%
Heavy waste	\$147.55	\$179.23	21%

19. The landfill gate fee increase impacts on the following budgets, waste sorting centre, transfer stations, kerbside refuse collections and coin skips.



Waste Sorting Centre (WSC)

20. Cost fluctuations for the waste sorting centre contract amount to \$131,177 (GST inclusive) per annum. This equates to an increase in the gate fee of \$16.40 per tonne (GST inclusive). This accounts for 40% of the overall WSC gate fee increase.
21. The waste sorting centre disposal cost increase amounts to \$196,440 (GST inclusive) per annum. This equates to an increase in the gate fee of \$24.55 per tonne (GST inclusive). This accounts for 60% of the overall WSC gate fee increase.
22. The current minimum weigh charge at the waste sorting centre is \$5.44 (GST inclusive) based on 30 kilograms. The minimum charge will now increase to \$6.67 (GST inclusive) based on 30 kilograms. This will impact on an estimated 15% of the site users.
23. The tyre rate will remain the same as no additional costs have been incurred under the current contract arrangements.

24. The total waste sorting centre rate increase is \$40.95 per tonne (GST inclusive). The following table summarises the waste sorting centre gate fee increases.

Description	Cost per tonne (GST inclusive)	% of increase
Disposal cost	\$24.55	60%
Contract cost	\$16.40	40%
Total	\$40.95	100%

25. The following table summarises the overall percentage increase against the waste sorting centre waste types.

Description	Current Charges	Revised Charges	% change
General refuse per tonne (including official Council refuse bags)	\$ 181.23	\$222.18	23%
Cleanfill per tonne	\$ 101.23	\$142.18	40%
Minimum weigh charge	\$5.44	\$6.67	23%
Tyres per tonne	\$687.50	\$687.50	0%
Lost ticket	\$40.00	\$40.00	0%

26. The cleanfill percentage increases are disproportionately higher and will have an impact on 4% of the site users.

Other Transfer Stations

27. Cost fluctuations for the other transfer stations contract amount to \$85,235 (GST inclusive) per annum. This equates to an increase in gate fee of \$6.01 per cubic metre (GST inclusive). This accounts for 48% of the other transfer station gate fee increase.

28. Landfill disposal cost increases to other transfer stations amount to \$93,277 (GST inclusive) per annum. This equates to an increase in gate fee of \$6.59 per cubic metre (GST inclusive). This accounts for 52% of the other transfer station gate fee increase.

29. The total other transfer stations gate fee increase is \$12.60 per cubic metre (GST inclusive). The following table summarises the other transfer stations gate fee increases.

Description	\$ per cubic metre (GST inclusive)	% of increase
Disposal cost	\$6.59	52%
Contract cost	\$6.01	48%
Total	\$12.60	100%

30. The following table summarises the overall percentage increase against the other transfer station waste types.

Description	Current Charges	Revised Charges	% change
General refuse per cubic metre (including official Council refuse bags)	\$51.73	\$64.33	24%

Kerbside Refuse Collection

31. The kerbside refuse collection disposal costs will increase by \$128,224 per annum (GST inclusive). This equates to an increase in the targeted rate of \$8.63 per entitled property (GST inclusive). This accounts for 75% of the targeted rate increase.

32. Cost fluctuations for the kerbside refuse collection contract amount to \$43,749 per annum (GST inclusive). This equates to an increase in the targeted rate of \$2.94 per entitled property (GST inclusive). This accounts for 25% of the targeted rate increase.

33. The total kerbside refuse collection targeted rate increase is \$11.57 per entitled property (GST inclusive). This is a 14% increase on the current targeted rate.

Kerbside Recycling Collection

34. Cost fluctuations for the kerbside recycling collection contract amount to \$55,214 per annum (GST inclusive). This equates to an increase in the targeted rate of \$3.96 per entitled property (GST inclusive). This is an 8% increase on the current targeted rate.

Grass

35. The grass waste disposal costs will increase by \$36.436 per annum (GST inclusive). This equates to \$18.22 per cubic metre (GST inclusive). This is a 24% increase on the current grass gate fee.
36. It should be noted that the grass and greenwaste charging will revert back to tonnage once the weighbridge upgrades are completed by June 2023. A tonnage rate for both grass and greenwaste will be calculated at that time based on actual weighed inputs compared to actual measured volumes for the same period.

Coin Skips

37. The coin skip charge will increase by \$1. This equates to a 25% increase. The revised coin skip charge will now be \$6 (GST inclusive).

Option One (Recommended Option)

38. Implement the updated waste fees and charges with effect from 1 July 2023.
39. Recover all costs associated with an increase in the waste disposal levy, landfill aftercare/reserve provisions, and contract escalations from user pays (gate fee) contributions and an amendment to the kerbside refuse collection targeted rate.

Advantages

40. Those utilising the service pay for the cost increases.

Disadvantages

41. Nil.

Alternative Options

42. There is no alternative option to these revised waste fees and charges as they are initiated by Government legislative changes designed to support the policy of landfill avoidance. Any attempt to reduce the impact of these changes would undermine this policy approach.
43. Instead the community should be encouraged to focus on reduction, reuse and recycling to limit the amount of material sent to landfill.

Next steps

44. Notify the affected parties of the waste fees and charges increases including:
- a) Landfill users
 - b) Transfer station users
 - c) Kerbside collection targeted ratepayers
45. Amend the Council website information and all site signage when the revised waste fees and charges are applied.
46. Supply handout notifications to the public via the transfer station sites outlining the revised charges.

Author	Alec McNeil, Solid Waste Manager
Authoriser	Stephen Rooney, Operations and Maintenance Engineer

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables <i>democratic local decision-making and action by, and on behalf of the community and relates to consideration of providing a public service, its need, and cost effectiveness.</i>			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial Strategy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Social well-being	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Economic development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Nature of the decision to be made			
The options do not involve a significant decision in relation to land or a body of water.			
Financial considerations			
The revised waste fees and charges are a result of central Government legislative changes.			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
The community have already been made aware of the reasons for the revised waste fees and charges.			
Risks: Legal / Health & Safety etc			
There are no known significant risks or legal implications caused by this request.			
Climate Change Implications			
There are no known climate change implications as a result of this request.			

Waste fees and charges (rounded)

Waste Sorting Centre Blenheim	Current Charges (up to 30 June 2023)	Revised Charges (from 1 July 2023)
General refuse per tonne (including official Council refuse bags)	\$181.23	\$222.18
Cleanfill per tonne	\$101.23	\$142.18
Minimum weigh charge	\$5.44	\$6.67
Tyres per tonne	\$687.50	\$687.50
Lost ticket	\$40.00	\$40.00
Other Transfer Stations	Current Charges (up to 30 June 2023)	Revised Charges (from 1 July 2023)
General refuse per cubic metre rate	\$51.73	\$64.33
Official Council refuse bags	No charge for disposal at transfer station	No charge for disposal at transfer station
Other 60 litre refuse bags	\$3.10	\$3.86
Medium 80 litre refuse bags	\$4.14	\$5.15
Large refuse bags	At site operator's discretion based on measure and current rate per cubic metre	At site operator's discretion based on measure and current rate per cubic metre
240 litre refuse wheelie bin	\$11.63	\$15.44
120 litre refuse wheelie bin	\$6.21	\$7.72
205 litre (44 gallon) refuse drum	\$10.60	\$13.19
Standard woolpack filled with refuse	\$24.83	\$30.88
1 tonne sacks filled with refuse	\$37.25	\$46.32
Scrap metal per cubic metre	\$16.00	\$16.00
Car body (Blenheim) - stripped	Not accepted contact a local scrap dealer	Not accepted contact a local scrap dealer
Car body - not stripped	Not accepted contact a local scrap dealer	Not accepted contact a local scrap dealer

Whole tyres	Current Charges (up to 30 June 2023)	Revised Charges (from 1 July 2023)
- Car tyres	\$5.50	\$5.50
- Four wheel drive tyres	\$6.50	\$6.50
- Light truck to 17.5 t	\$9.50	\$9.50
- Heavy truck tyres	\$17.50	\$17.50
- Truck tyres with rims	\$30.00	\$30.00
Tractor tyres (small)	\$47.50	\$47.50
Tractor tyres (medium)	\$60.00	\$60.00
Tractor tyres (large)	\$70.50	\$70.50
Loader tyres (small)	\$60.00	\$60.00
Loader tyres (medium)	\$70.50	\$70.50
Loader tyres (large)	\$82.00	\$82.00
Whiteware - fridges, ranges, etc	\$15.00	\$15.00
Electrical goods - TVs, computers, etc	See our e-Waste Collection Facility page	See our e-Waste Collection Facility page
Hazardous Waste	Current Charges (up to 30 June 2023)	Revised Charges (from 1 July 2023)
Used oil for quantities less than 20 litres	No charge	No charge
Used oil for quantities greater than 20 litres	20 cents per litre	20 cents per litre
Toxic and hazardous material	By assessment contact MDC on Ph: 03 520 7541	By assessment contact MDC on Ph: 03 520 7541

Regional Landfill (commercial users only - by arrangement - Phone Council 03 520 7400)	Current Charges (up to 30 June 2023)	Revised Charges (from 1 July 2023)
General refuse per tonne	\$182.55	\$214.23
Offal burial per tonne	\$182.55	\$214.23
Ash per tonne	\$147.55	\$179.23
Winery filter media per tonne	\$147.55	\$179.23
Mussel shells per tonne	\$147.55	\$179.23
Sawdust per tonne	\$147.55	\$179.23
Liquid Waste per tonne	\$147.55	\$179.23
Polystyrene per tonne	\$1,587.55	\$1,619.23
All mixed loads per tonne	\$182.55	\$214.23
Minimum tonnage charge	Nil	Nil
Asbestos	By assessment contact MDC on Ph: 03 520 7541	By assessment contact MDC on Ph: 03 520 7541
Toxic and hazardous material including contaminated soils	By assessment contact MDC on Ph: 03 520 7541	By assessment contact MDC on Ph: 03 520 7541
Hardfill/Cover fill	By assessment contact MDC on Ph: 03 520 7541	By assessment contact MDC on Ph: 03 520 7541
Refuse Bags - Blenheim and Picton	Current Charges (up to 30 June 2023)	Revised Charges (from 1 July 2023)
Plastic bags - each	\$1.60	\$1.85
Plastic bags x 10	\$16.00	\$18.50
Plastic bags x 52	\$84.00	\$96.00
Greenwaste Acceptance Facility and Composting	Current Charges (up to 30 June 2023)	Revised Charges (from 1 July 2023)
Greenwaste material to Blenheim compost site per cubic metre	\$15.00	\$15.00
Grass clippings for landfill disposal per cubic metre	\$75.75	\$93.97
Greenwaste to Picton Transfer Station per cubic metre	\$31.90	\$31.90