



**MARLBOROUGH
DISTRICT COUNCIL**

Te Kaunihera ā-Rohe o Wairau

Annual Plan

2022-23



Marlborough District Council Vision

Marlborough is a globally-connected district of smart, progressive, high-value enterprises, known for our economic efficiency, quality lifestyle and wellbeing, caring community, desirable location and healthy natural environment

Mission Statement

We invest in Marlborough's future, our people, quality lifestyle and outstanding natural environment

Values

We are open, transparent and collaborative

We partner with tangata whenua iwi

We involve and respect our many cultures

We are innovative and strive for excellence

We are adaptive and responsive to community needs

We work in an environmentally sustainable manner

Community Outcomes

Governance

Environment

People

Economy

Connectivity

Living



Annual Plan

This Annual Plan explains what Council plans to do in the 2022-23 financial year; how much Council intends to spend on its activities and services and how this will be funded – including the expected impact on rates.

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PART 1

Executive Summary



Message from the Mayor



Council has confirmed its funding priorities for this Annual Plan after considering 78 submissions from members of the public.

Despite the challenging global financial environment, I'm pleased to say we have managed to keep this year's rates increase to 5.39%, which is just 0.02% above the 5.37% we proposed in our public consultation.

As I noted in April when consultation began, this year's increase is driven largely by external factors outside our control - inflation, new Government requirements and higher labour and supply chain costs, which are impacting on all councils in New Zealand.

However, the budget for the coming year maintains our current levels of service and a \$83.4M capital expenditure programme focused on delivering core infrastructure, which is our highest ever level of capital investment - something this Council is particularly proud of.

It was pleasing to hear from passionate members of the Marlborough community during the consultation process. While each request is important to each submitter, Council has to take a helicopter view of needs and benefits across the region. We are very conscious of the impacts of Covid-19 and general cost increases on people's pockets and sought to keep this year's rate increase to a minimum.

I'm pleased to say the new initiatives the Council proposed in its Annual Plan Update consultation document were largely supported by public submissions. The majority of them will be funded from Reserves and do not impact on rates.

They are:

- \$831,400 over four years for upgrades and improvements for community facilities and playgrounds in Blenheim, Picton, Renwick and Havelock
- \$70,000 of funding to cover operational costs at Lansdowne Sportshub
- One off \$100,000 operating grant to the Marlborough Heritage Trust in 2022-23; the Trust manages and operates the Marlborough Museum and archives at Brayshaw Heritage Park, and the Edwin Fox
- \$250,000 for amenity upgrades in Marlborough's smaller towns through the Small Townships Programme
- \$125,000 to implement the Government's new National Policy Statement (NPS) on Freshwater Management for three years
- \$50,000 for building capacity and capability to implement the NPS on Freshwater Management - Te Mana o te Wai - for three years
- \$150,000 to support potential rezoning variations for housing and other developments to the Proposed Marlborough Environment Plan
- Increase in staff remuneration budgets to remain competitive in the challenging employment market (\$562,000), and additional personnel in Emergency Management, Human Resources and Rivers to meet increased workloads - \$150,000

A \$100,000 proposal to lift Picton Foreshore and Shelly Beach maintenance to premier park status was supported by Councillors but the expenditure withdrawn until landscape design is completed and costed. The landscape work will be carried out by Council's Gardening Team, which designs and maintains Council's premier parks at Seymour Square and Pollard Park.

This is an economical way for Council to take this project forward, using in-house resources.

A number of requests brought to us by the public were supported. They are outlined in the following Results of Consultation chapter. They include one-off grants to Destination Marlborough to support offshore travel trade promotion and the Marlborough Community Vehicle Trust to assist with increased health transfer operating costs from Blenheim to Nelson. Councillors also agreed to support some requests subject to additional project funding being secured.

A number of other requests were referred to Council committees for further consideration, including an exciting proposal from Rangitāne o Wairau for \$110,000 for feasibility work for a proposed Cultural Heritage Centre - Ngā Wairau o Ruatere, which received strong support from Councillors.

Rates for the coming year were set at the Council meeting on Thursday 30 June and come into effect on 1 July.

My thanks to members of the public for their submissions. I'd also like to thank Councillors and staff for their hard work during the process and helping to achieve what I believe is an excellent outcome for Marlborough.

**Ehara taku toa i te toa takitahi,
engari he toa takitini.***



John Leggett
Mayor of Marlborough

*My strength is not mine alone,
it comes from the many



Elected Council Members



Mayor John Leggett



Deputy Mayor Nadine Taylor
Ward: Marlborough Sounds



Councillor Michael Fitzpatrick
Ward: Blenheim



Councillor Jamie Arbuckle
Ward: Blenheim



Councillor Brian Dawson
Ward: Blenheim



Councillor Jenny Andrews
Ward: Blenheim



Councillor Thelma Sowman
Ward: Blenheim



Councillor Mark Peters
Ward: Blenheim



Councillor David Oddie
Ward: Marlborough Sounds



Councillor Barbara Fauls
Marlborough Sounds



Councillor David Croad
Ward: Blenheim



Councillor Gerald Hope
Ward: Wairau-Awatere



Councillor Francis Maher
Ward: Wairau-Awatere

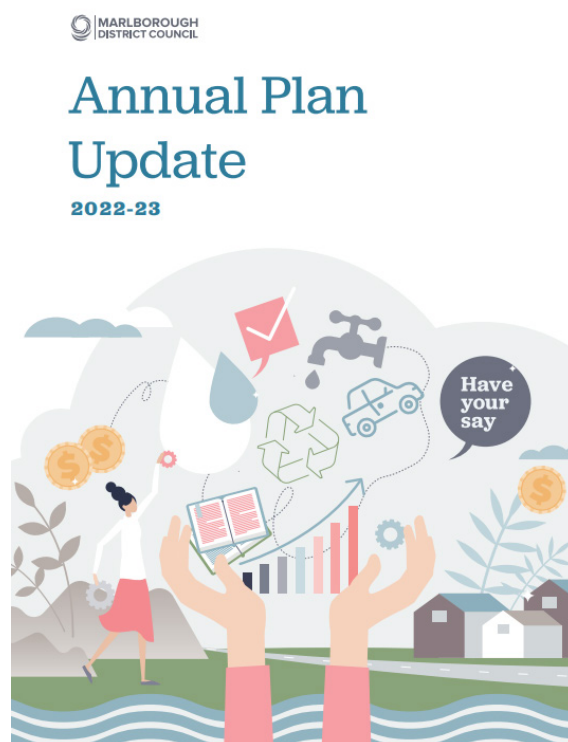


Councillor Cynthia Brooks
Ward: Wairau-Awatere

Results of consultation

At a meeting on 7 April, Council adopted its draft Annual Plan 2022-23 and budgets for public consultation. Consultation opened on 8 April and closed on 10 May.

An Annual Plan Update 2022-23 was published to assist the public to provide feedback, which also included questions asking whether the reader supported the proposed investment, projects and initiatives.



The Annual Plan Update proposed a rates increase of 5.37%, with Mayor John Leggett's introductory message noting the increase was driven largely by external factors: inflationary pressure, new Government requirements and increased labour and supply chain costs.

To reduce the impact on rates, the Council made use of its Infrastructure Upgrade and Depreciation reserves and allocated \$4.3M from the Covid-19 Rates Relief Reserve.

The Council was able to allocate \$83.4M in capital expenditure for this financial year, its highest level ever. Councillors also supported a number of new expenditure items, mainly requests for increased levels of service, which are set out in the Mayor's message.

Seventy eight submissions were received and 55 people chose to speak at special hearings, held on 7 and 8 June.

The topics covered by public submissions were wide ranging and included comment on a number of Council-funded activities and proposals, as well as funding requests for new and existing projects around the region. The items proposed by Council were largely supported by submitters.

Following Council's deliberations on submissions, total rates and charges will rise by 5.39%, which is 0.02% higher than the 5.37% proposed at the beginning of consultation.

Councillors supported funding the following projects (GST exclusive) proposed by submitters:

- \$30,000 to Destination Marlborough for a one-off grant to support offshore travel trade promotion, with Tourism New Zealand
- \$2,748 to Business Trust Marlborough to cover its CPI increase
- \$5,000 increase in annual funding to the Cawthron Marlborough Environment Awards
- \$3,000 annual grant to the Spring Creek Residents and Ratepayers Association for hall maintenance
- \$6,500 increase to the Flaxbourne Settlers Association operating grant
- \$20,000 one-off grant to the Marlborough Community Vehicle Trust to assist with increased Blenheim to Nelson health transfer operating costs over the next three years
- \$4,000 annual increase to the Picton Historical Society to account for CPI increase
- \$13,000 to the Graeme Dingle Foundation Marlborough for the Career Navigator programme for one year, with a further review next year
- \$1,000 annual increase to the Blenheim Community Patrol to assist with increased community patrol operating costs
- \$1,540 annual increase to the Okiwi Bay Ratepayers Association to assist with reserve maintenance

Councillors also agreed to support some requests subject to additional project funding being secured, including:

- \$31,689 one-off funding to the Marlborough Heritage Trust to cover one-third of the maintenance work cost on the Edwin Fox subject to the Trust securing the remaining two-thirds from lotteries grant funding
- \$100,000 to Picton Dawn Chorus for traps and other equipment. Councillors also encouraged Picton Dawn Chorus to discuss with DOC options to change their Jobs for Nature funding criteria to enable the partial purchase of traps and equipment
- Up to \$250,000 to the Flaxbourne Heritage Trust to complete the construction of the proposed heritage centre, but subject to all other necessary funding being raised by the Trust and confirming their costings.

Some other requests were referred to Council committees for further consideration, including a proposed Cultural Heritage Centre feasibility study from Rangitāne o Wairau. A number of building maintenance requests from the Flaxbourne Settlers Association totalling \$9,739 were referred to the Small Townships Programme Sub-Committee.

Financial overview

Council has prepared its 2022-23 Annual Plan with the objectives of:

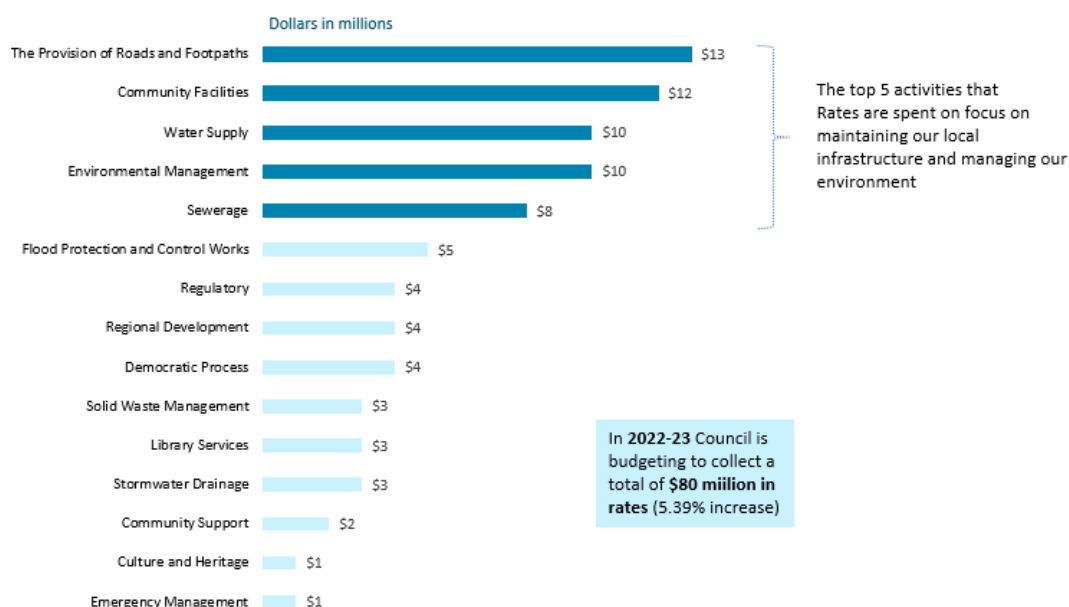
- balancing the wider economic impact of COVID-19 on the community while maintaining the direction, priorities and levels of service contained in the 2021-31 Long Term Plan (LTP);
- responding to community and central government requirements for essential infrastructure and improved levels of service; and
- keeping rates increases and debt levels low. While debt can be used to minimise rates increases, it transfers the financial burden to future generations.

Council believes that it has met these objectives:

- budgets have been prepared on the basis of maintaining levels of service;
- budgets include Council's responses to the impact of COVID-19 on our community while meeting Government requirements and considering many of the community's requests for improved service levels/funding as shown in the next section "Results of Consultation";
- Council has an S&P Global AA+ (negative credit watch) rating. This rating is only one step below that of the NZ Government; and
- after careful consideration, reduced the rates increase shown in the LTP for 2022-23 of 6.4% to 5.39%. This is below the March 2022 CPI movement of 6.9%.

The Rates collected by Council are spent on delivering services under the following broad activity groupings. As can be seen, the vast majority is spent in the operation and maintenance of core infrastructure and in managing our environment.

How will my rates contribute to the community in 2022-23



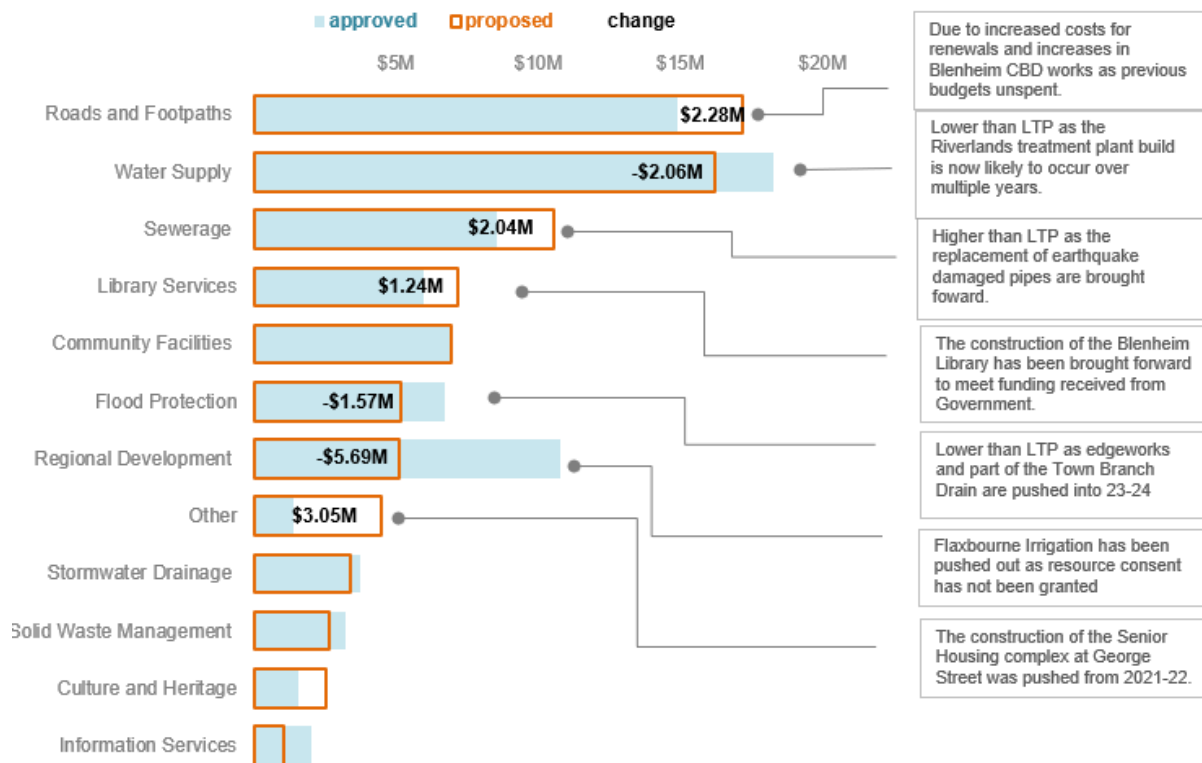
2022-23 Planned Capital Expenditure

While Council is planning similar overall capital expenditure project spend there have been a number of changes in timing of projects undertaken by various activities. Below is a graphical representation

of Council's proposed Capital Expenditure by Activity compared to that of the LTP with the main changes explained.

2022-23 capital expenditure against previous LTP budget

In the 2021-31 Long Term Plan Council approved \$84M of capital expenditure for 2022-23. In this AP we are now proposing \$82.5M of capital for 2022-23. The main changes are highlighted below



Annual Plan disclosure statement for the period commencing on 1 July 2022

What is the purpose of this statement?

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this Statement.

Benchmark		Quantified limit	Council Planned 2022-23	Met
Rates affordability				
(a) increases	≤	5.40%	5.39%	Yes
Debt affordability				
(b) net debt / total revenue	<	250%	55%	Yes
(c) net interest / total revenue	<	20%	2%	Yes
(d) net interest / rates income	<	30%	4%	Yes
(e) liquidity	>	110%	128%	Yes
Balanced budget				
(f) revenue / operating expenditure	≥	100%	100%	Yes
Essential services				
(g) capital expenditure / depreciation	≥	100%	255%	Yes
Debt servicing				
(h) borrowing costs / total revenue	≤	10%	3%	Yes

Rates affordability benchmark

For this benchmark:

The Council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the Financial Strategy included in Council's Long Term Plan.

The Council meets the rates affordability benchmark if its planned rates increases for the year equal or are less than each quantified limit on rates increases.

Debt affordability benchmark

For this benchmark, the Council's planned borrowing is compared with quantified limits on borrowing contained in the Financial Strategy included in Council's Long Term Plan.

The Council meets the debt affordability benchmark if:

- (b) its planned net debt as a proportion of total planned revenue for the year is less than the quantified limit; and
- (c) its planned net interest as a proportion of total planned revenue for the year is less than the quantified limit; and
- (d) its planned net interest as a proportion of total planned rates income for the year is less than the quantified limit; and
- (e) its planned liquidity for the year is less than the quantified limit.

Balanced budget benchmark

- (f) For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

Essential services benchmark

- (g) For this benchmark, the Council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.

The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

Debt servicing benchmark

- (h) For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects the Council's population will grow more slowly than the national population growth, it meets the debt servicing benchmark if its borrowing costs are equal or less than 10% of its revenue.

PART 2

Our Business



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People



Democratic Process

What is this Activity about?

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

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

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

While considering the range and diversity of the communities in Marlborough, the Council recognises the special relationship it has with tangata whenua, and acknowledges the specific responsibilities it has to Māori under the Local Government Act 2002 and the Resource Management Act 1991 and is taking steps to further improve its current relationships with Iwi.

Council resolved on 21 May 2021 to establish a Māori Ward for the 2022 local government election.

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

Emerging issues and expected changes

Communications

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

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

Levels of Service 2022-23: Democratic Process

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	5.7	≥ 5.7
Provide a communications level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	6.5	≥ 6.5
Provide a service that is timely and responsive to residents' needs.	% of agendas available to the public, by way of the website and counter enquiry, at least three working days prior to meetings.	100%	100%
Manage local elections and polls to comply with the provisions of the Local Electoral Act 2001.	Number of petitions for an enquiry.	0	0
Encourage Public contribution to the decision making process.	% of Council items of business open to the public.	93.5%	≥ 93.5%

Funding Impact Statement for 2022-23 for

Democratic Process

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	3,069	3,284	3,363
Fuel tax, fines, infringement fees and other receipts	434	525	600
Total operating funding	3,503	3,809	3,963
Applications of operating funding			
Payments to staff and suppliers	1,586	1,796	1,827
Internal charges and overheads applied	1,911	2,006	2,129
Other operating funding applications	6	6	6
Total applications of operating funding	3,503	3,808	3,962
Surplus (deficit) of operating funding	-	1	1
Sources of capital funding			
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	-	-	-
Capital expenditure to replace existing assets	-	-	-
Increase (decrease) in reserves	1	1	1
Total applications of capital funding	-	1	1
Surplus (deficit) of capital funding	-	(1)	(1)
Funding balance	-	-	-

Culture and Heritage

What is this Activity about?

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

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

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

These include:

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

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

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

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

Emerging issues and expected changes

Funding

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

Council will assist organisations in accessing support beyond the current levels from other funding agencies.

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

New Art Gallery in Blenheim

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

Levels of Service 2022-23: Culture and Heritage

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	6.6	≥ 6.6
Ensure service quality and value through oversight of Council's grants and third party providers.	% of contract and grant requirements met.	100%	100%

Funding Impact Statement for 2022-23 for

Culture and Heritage

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	1,177	1,231	1,211
Fuel tax, fines, infringement fees and other receipts	166	169	190
Total operating funding	1,343	1,400	1,401
Applications of operating funding			
Payments to staff and suppliers	40	10	11
Finance costs	41	69	57
Internal charges and overheads applied	191	193	202
Other operating funding applications	1,082	1,071	1,221
Total applications of operating funding	1,354	1,343	1,491
Surplus (deficit) of operating funding	(11)	57	(90)
Sources of capital funding			
Subsidies and grants for capital expenditure	1,925	1,000	1,000
Increase (decrease) in debt	873	511	1,482
Total sources of capital funding	2,798	1,511	2,482
Applications of capital funding			
Capital expenditure to meet additional demand	2,833	1,573	2,531
Capital expenditure to improve the level of service	-	-	-
Capital expenditure to replace existing assets	-	-	-
Increase (decrease) in reserves	(46)	(4)	(138)
Total applications of capital funding	2,787	1,568	2,392
Surplus (deficit) of capital funding	11	(57)	90
Funding balance	-	-	-
Operating expenditure			
Arts	811	810	804
Heritage	543	533	687
Capital expenditure			
Arts	2,833	1,573	2,531
Heritage	-	-	-

Housing for Seniors

What is this Activity about?

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

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

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

Emerging issues and expected changes

Financial sustainability

Emerging issues within this Activity are:

- the age of the portfolio and the increasing maintenance costs;
- the increasing proportion of older people in Marlborough;
- the fixed incomes of many tenants;
- the affordability of rents;
- an increase in demand for the current units;
- the increasing cost of building materials, impacting the feasibility of future development and expansion of current complexes.

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

Development

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

The development of a new 12-unit Senior Housing complex in Blenheim is scheduled to get underway mid-2022.

Levels of Service 2022-23: Housing for Seniors

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	7.0	≥ 7.0
	Tenant satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	8.0	≥ 8.0
Provide a well maintained housing portfolio which meets resident needs.	% occupancy level.	98%	≥ 98%
	% of urgent unplanned maintenance ¹ completed within 24 hours of notification.	98%	≥ 98%
	% of unplanned non-urgent maintenance ² completed within 20 working days of notification.	97%	≥ 97%
	% of planned maintenance/projects (as per budget and Committee meetings) completed.	98%	≥ 98%

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

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

Funding Impact Statement for 2022-23 for

Housing for Seniors

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
Fuel tax, fines, infringement fees and other receipts	1,619	1,786	1,753
Total operating funding	1,619	1,786	1,753
Applications of operating funding			
Payments to staff and suppliers	1,038	1,039	1,212
Internal charges and overheads applied	171	177	178
Other operating funding applications	17	15	16
Total applications of operating funding	1,226	1,231	1,406
Surplus (deficit) of operating funding	393	555	347
Sources of capital funding			
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	1,820	-	1,500
Capital expenditure to replace existing assets	1,820	185	1,680
Increase (decrease) in reserves	(3,247)	371	(2,833)
Total applications of capital funding	393	555	347
Surplus (deficit) of capital funding	(393)	(555)	(347)
Funding balance	-	-	-

Community Support

What is this Activity about?

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

Community support and development

Council acknowledges the needs of specific sectors in our community including our older people and youth. Council has worked in partnership with key organisations to establish the Positive Ageing Accord to identify the aspirations of this sector and take actions to achieve these. The Accord has come to the end of its term and plans are underway to work with key agencies to develop an Age Friendly Community Strategy. Monthly Older Persons Forums and regular Picton Regional Forums are held to give a voice to this sector and enable issues to be raised and addressed.

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

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

Advocating for the needs of the community sector is an ongoing issue, particularly given the changes being experienced in the age and ethnicity of the community. Strengthening relationships with key organisations, and providing training and support are key elements of building the capacity of the sector. Council is working in partnership with Rata Foundation, DIA and Volunteer Marlborough on a Strengthening Community Governance project to assist with this work.

Council also assists by providing community grants. Criteria for these grants have been set to target specific needs in the community and relationships with other funding providers have the potential to maximise the funds available. Council has increased its funding to community organisations to support them through the impacts of COVID-19.

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

Council contracts the Youth Trust to deliver youth services and Volunteer Marlborough to build the capacity of the voluntary sector through training.

Community safety

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

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

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

Events management

Free community-based events make a positive contribution to the well-being of the community by enhancing cultural identity, physical activity and social cohesion. Events also have a role to play in attracting visitors to Marlborough, along with showcasing and promoting the area.

Energy efficiency

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

Passenger transport and total mobility scheme

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

These activities are part funded by the New Zealand Transport Agency. In addition, Bayleys Marlborough provides sponsorship funding for the bus service.

Smart and connected communities

Council has supported the establishment of community-led groups in some of our larger communities (Havelock, Picton, Renwick and Seddon) via the Smart+Connected process. These groups have developed a strategic plan and a number of working groups to implement their plans through their own efforts, and by working with key partners including Council, other public providers and businesses. The Smart+Connected groups have successfully galvanised a large number of people in each community to participate in the groups and to achieve agreed actions.

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

Emerging issues and expected changes

Changing demographics

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

The transition to an increasingly ethnic diverse community in Marlborough continues and has been enhanced to a small degree with Marlborough becoming a Refugee Re-Settlement Community in 2020. The arrival of Former Refugees has been limited due to COVID-19 but is likely to increase in the future.

Events management

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

Community safety

Safer Communities Marlborough has always operated in an environment of potential change due to its reliance on central government for the majority of its funding.

Bus services

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

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

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

Levels of Service 2022-23: Community Support			
Performance Targets (for the financial year)			
Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations (excludes Passenger transport).	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).		
	• Community Support	6.5	≥ 6.5
	• Community Safety	6.7	≥ 6.7
	• Events Management	6.6	≥ 6.6
Ensure service quality and value through oversight of Council's community grants and third party providers.	% of contract and grant requirements met.	100%	100%
Ensure service quality and value of community events through oversight of third party providers.	% compliance with contract requirements.	100%	100%
	Number of participants as a % of targets in contracts.	90%	≥ 90%
Support Seniors community through implementation of the Positive Ageing Accord.	Number of Older Persons Forums held.	10	≥ 10
	Seniors Expo held.	Biennially	Held
Support the Youth community through implementation of the Youth Initiatives Plan.	Number of Youth Forums held.	9	≥ 9
	% of actions in Youth Initiatives Plan completed.	100%	100%

Levels of Service 2022-23: Community Support

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Build capacity of the Volunteer Sector through provision of training in partnership with key service providers.	Number of training courses delivered where attendance numbers meet targets.	4	≥ 4
Provide quality service to the community through meeting or exceeding the expectations of the funding Ministries.	% of Ministry of Justice contract conditions met.	100%	100%
Provide a well-used and affordable bus service in Blenheim and to Picton and Renwick that is timely and responsive to community needs, including extending infrastructure as funding allows.	Annual % increase in patronage	1% > previous year	≥ 2%
	Resident satisfaction as measured by survey (10 = service delivered extremely well).	6.0	≥ 6.1
	Number of bus shelters added.	1	≥ 1

Funding Impact Statement for 2022-23 for

Community Support

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	1,383	1,417	1,370
Targeted rates	592	686	676
Subsidies and grants for operating purposes	407	412	395
Fees and charges	16	16	19
Fuel tax, fines, infringement fees and other receipts	195	195	215
Total operating funding	2,593	2,726	2,675
Applications of operating funding			
Payments to staff and suppliers	1,955	2,005	1,832
Finance costs	9	9	9
Internal charges and overheads applied	411	422	420
Other operating funding applications	716	673	716
Total applications of operating funding	3,091	3,109	2,977
Surplus (deficit) of operating funding	(498)	(383)	(302)
Sources of capital funding			
Subsidies and grants for capital expenditure	11	12	11
Increase (decrease) in debt	(11)	(11)	(11)
Lump sum contributions	150	154	173
Total sources of capital funding	150	155	173
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	53	23	23
Capital expenditure to replace existing assets	-	-	-
Increase (decrease) in reserves	(401)	(251)	(150)
Total applications of capital funding	(348)	(228)	(129)
Surplus (deficit) of capital funding	498	383	302
Funding balance	-	-	-
Operating expenditure			
Community Safety	277	281	249
Community Support and Development	1,028	1,016	1,041
Events Management	226	232	252
Energy Efficiency	881	885	747
Passenger Transport	513	524	530
Smart and Connected Communities	166	171	158
Capital expenditure			
Community Safety	30	-	-
Passenger Transport	23	23	23

Library Services

What is this Activity about?

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

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

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

Emerging issues and expected changes

Library facilities

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

Service Level review

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

Levels of Service 2022-23: Library Services			
Performance Targets (for the financial year)			
Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	7.7	≥ 7.7
Support the tastes, interests and reading levels of users through providing a range of current resources.	Average age of resources (measured in years).	8	≤ 8
	Frequency of items being taken out (turnover rate).	4	≥ 4
Provide a range of programmes or training opportunities that meet or exceed customers' expectations.	Satisfaction of attendees with courses and programmes as measured by survey (1=Unsatisfactory; 3=Good; 5=Excellent)	4.5	≥ 4.5

Levels of Service 2022-23: Library Services

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide access to information electronically	Annual % increase of e-book and e-audio loans.	31,500	≥ 10%
	Annual % increase of digital sessions numbers. (using a library computer or Wi-Fi on own device)	New measure	≥ 10%

Funding Impact Statement for 2022-23 for

Library Services

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	2,426	2,439	2,623
Subsidies and grants for operating purposes	-	-	-
Fees and charges	4	4	4
Internal charges and overheads recovered	116	119	110
Fuel tax, fines, infringement fees and other receipts	431	432	499
Total operating funding	2,977	2,994	3,236
Applications of operating funding			
Payments to staff and suppliers	1,870	1,937	2,022
Finance costs	165	186	173
Internal charges and overheads applied	686	722	757
Other operating funding applications	-	-	-
Total applications of operating funding	2,721	2,845	2,952
Surplus (deficit) of operating funding	256	149	284
Sources of capital funding			
Subsidies and grants for capital expenditure	5,775	-	-
Increase (decrease) in debt	1,202	(159)	3,163
Gross proceeds from sales of assets	-	3,500	-
Total sources of capital funding	6,977	3,341	3,163
Applications of capital funding			
Capital expenditure to meet additional demand	8,500	5,418	6,674
Capital expenditure to improve the level of service	28	31	30
Capital expenditure to replace existing assets	388	496	483
Increase (decrease) in reserves	(1,684)	(2,455)	(3,739)
Total applications of capital funding	7,233	3,490	3,447
Surplus (deficit) of capital funding	(256)	(149)	(284)
Funding balance	-	-	-

Emergency Management

What is this Activity about?

Council is a key member and the sole funding agency of the Marlborough Civil Defence Emergency Management (CDEM) Group, with responsibility for the administration and implementation of the CDEM Group Plan.

The operative CDEM Group Plan describes:

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

Marlborough also needs to have plans in place to manage a number of other hazards such as drought and electricity failure.

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

Emerging issues and expected changes

How emergency management is delivered throughout New Zealand in the future is currently under review on several fronts. The CDEM Act of 2002 is being replaced with a new piece of legislation which could come into effect by the end of 2022. Proposed changes include an increased emphasis on working in partnership with iwi/Māori and disproportionately impacted people across all aspects of:

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

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

Once the new Emergency Management Act is passed, the emphasis will then focus on reviewing the National Civil Defence Emergency Management Plan, the Guidelines that it will spawn, and delivering on the 10-year implementation plan from the National Disaster Resilience Strategy.

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

Levels of Service 2022-23: Emergency Management			
Performance Targets (for the financial year)			
Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	7.5	≥ 7.5
Provide a planned, tested capability to respond to major Civil Defence and Emergency Events.	Compliance of CDEM Group Plan and Group Welfare Plan with the Ministry of Civil Defence Director's Guidelines.	100%	100%
	Number of meetings of Coordinating Executive Group, Readiness & Response Committee and Welfare Coordination Group held.	9	≥ 9
	Regional Incident Management Team training events/exercises held.	10	≥ 10
	Time taken to activate EOC in case of an event or post a national warning being received from MCDEM, if an active response is required (target in minutes).	30 minutes	≤ 30 minutes

Funding Impact Statement for 2022-23 for

Emergency Management

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	625	645	636
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Fuel tax, fines, infringement fees and other receipts	107	108	119
Total operating funding	732	753	755
Applications of operating funding			
Payments to staff and suppliers	547	563	626
Internal charges and overheads applied	140	147	155
Other operating funding applications	-	-	-
Total applications of operating funding	687	710	781
Surplus (deficit) of operating funding	45	43	(26)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	-	-	-
Capital expenditure to replace existing assets	9	9	9
Increase (decrease) in reserves	36	33	(35)
Total applications of capital funding	45	43	(26)
Surplus (deficit) of capital funding	(45)	(43)	26
Funding balance	-	-	-

Community Facilities



What is this Activity about?

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

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

Emerging issues and expected changes

Planning

Parks and Open Spaces have several documents underway that will assist Council and the community to address planning and budgeting in our Parks and Open Spaces. The Victoria Domain Reserves Management Plan was completed in June 2021 and management plans for Seddon Domain and Waikawa Bay Foreshore Reserve are being drafted. A review of the current management plans for the Wither Hills Farm Park and the Picton Foreshore Reserve will start during the life of the Long Term Plan.

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

Contracts and tenders

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

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

Traffic management

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

Climate change

Weather events have the potential to damage reserves and Council infrastructure. The implications of these events will need to be considered, along with the impacts of anticipated sea level rise. There may be costs associated with managing these impacts, and issues to resolve regarding how the public expects Council to respond to these events.

In particular, weather events are having an effect on the Parks and Open Spaces environment with noticeable damage and loss of assets, including structures, walkways and tracks. This was particularly evident in the July 2021 storm event with severe damage to the Marlborough Sounds infrastructure and to other Parks and Open Spaces assets. Greater losses of trees are also being experienced which may see a need for different responses to species being planted and/or a need for irrigation. There is also an increase in the range and number of pest infestations in Marlborough that will result in greater control or maintenance requirements.

Tree management

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

Vandalism

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

Cemeteries

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

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

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

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

Memorials

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

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

Public toilets

A major upgrade, and in some cases replacement, of public toilets around Marlborough continues. Upgrades to the facilities at Anakiwa, Havelock and Seymour Square are complete. A new toilet facility has also been placed at Grovetown Lagoon and at the Hodder River in the Awatere Valley.

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

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

Walking and cycling

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

Enhancements to the network that will require budgetary provision for maintenance include widening of Taylor River pathways (completed - 3500m), extension to Renwick Cycle Path (underway), Jackson Road cycle pathway (completed), Havelock Accessway: Kaituna Estuary Walk (completed - 664m) and Havelock Waterfall Track (completed).

New reserves

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

Development on existing reserves

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

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

Small Townships Programme

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

Levels of Service 2022-23: Community Facilities			
Performance Targets (for the financial year)			
Level of Service	Indicator	Baseline	2022-23
Provide community facilities which are accessible, maintained to a high standard and appropriate to the range and level of use.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	7.8	≥ 7.8
Provide neighbourhood parks in urban area within walking distance of home, providing play opportunities for all ages, open space and amenity values.	% of residentially zoned houses in urban areas within 500m walking distance of a neighbourhood park.	98%	≥ 98%
Provide reserves and manage their use in accordance with Reserve Management Plans (RMP).	Number of RMPs being reviewed or prepared.	2	≥ 2
Provide a connected network of walking and cycling paths and tracks that is accessible, visible and caters for a range of abilities.	Walking and cycling paths and tracks being upgraded or are under development (measured in kilometres).	5KM	≥ 5KM

Levels of Service 2022-23: Community Facilities

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide well maintained street trees to contribute to an attractive streetscape.	% of appropriately planted street trees on new urban roads (or renewed on existing roads).	100%	100%
	Number of additional and replacement street trees planted.	130	≥ 130
	% of assessments undertaken once every two years (or sooner if necessary) of the condition of each street tree.	100%	100%
Provide playgrounds which are varied and stimulating and also safe and well maintained.	% of new playgrounds and playground renewals that have shade (including natural shading) in the design.	65%	≥ 75%
	% of weekly playground audits undertaken.	100%	100%
Provide well-maintained cemeteries which are accessible and appropriate sites for the interment needs of the community.	% of projects in respective cemetery master plans completed.	New measure	60% of projects (medium term priorities)
	Minimum number of burial and ashes plots available.	650	≥ 650
Provide sports parks which: <ul style="list-style-type: none"> • cater for a range of sporting and recreation activities; and • are well maintained, available, accessible and safe to use. 	Sports park user survey to determine satisfaction with maintenance, availability, accessibility and safety.	85% satisfaction	85% satisfaction
	% of outcomes of Sports Facilities Strategic Plan 2021 implemented	New measure	20% of projects (short term priorities)
Provide public toilets which are well designed, accessible, clean and safe to use.	% of response to requests for service within allotted time.	100%	100%

Funding Impact Statement for 2022-23 for

Community Facilities

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	10,686	11,151	11,085
Targeted rates	4	4	4
Subsidies and grants for operating purposes	11	11	11
Fees and charges	234	274	273
Internal charges and overheads recovered	-	-	-
Fuel tax, fines, infringement fees and other receipts	1,573	1,602	1,823
Total operating funding	12,508	13,042	13,196
Applications of operating funding			
Payments to staff and suppliers	8,051	8,092	8,359
Finance costs	814	922	892
Internal charges and overheads applied	2,294	2,387	2,516
Other operating funding applications	880	581	835
Total applications of operating funding	12,039	11,982	12,602
Surplus (deficit) of operating funding	469	1,060	594
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	2,366	2,414	2,414
Increase (decrease) in debt	1,896	3,376	4,110
Other dedicated capital funding	-	-	-
Total sources of capital funding	4,262	5,790	6,524
Applications of capital funding			
Capital expenditure to meet additional demand	1,905	1,731	685
Capital expenditure to improve the level of service	950	2,575	2,711
Capital expenditure to replace existing assets	4,238	2,600	3,525
Increase (decrease) in reserves	(2,363)	(55)	199
Total applications of capital funding	4,731	6,850	7,118
Surplus (deficit) of capital funding	(469)	(1,060)	(594)
Funding balance	-	-	-
<u>Operating expenditure</u>			
Cemeteries	536	573	575
Memorials	129	129	135
Street berms, trees and plots	852	887	892
Halls	390	397	660
Public Toilets	1,012	1,091	1,153
Reserves	7,906	7,646	7,931
Swimming Pools	1,214	1,259	1,256
<u>Capital expenditure</u>			
Cemeteries	247	264	265
Memorials	228	18	18
Street berms, trees and plots	38	40	38
Halls	20	21	20
Public Toilets	2,315	1,074	1,591
Reserves	4,115	4,462	3,989
Swimming Pools	130	1,027	1,000

Roads & Footpaths



What is this Activity about?

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

As the owner of the local roading network, Council provides and maintains roads to a standard that achieves an acceptable balance between user levels of service and costs. In addition, Council is responsible for all roading related assets — bridges, footpaths, kerb and channelling, street lighting and car parks. Some wharves are also owned and maintained by Council. Recently there has been an increased emphasis on alternative modes such as walking and cycling, particularly the provision of high-quality pedestrian facilities for an ageing population.

Separate roles

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

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

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

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

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

Emerging issues and expected changes

Intensive heavy vehicle movements

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

Natural events

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

Increasing traffic flows

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

Renewal need

We are facing a bow-wave of renewal need in asphalt surfacing and chip sealing. This will need to be addressed in order to maintain ride quality and avoid damage occurring to underlying pavement assets.

Compliance costs

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

Levels of Service 2022-23: Roads and footpaths

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	6.2	≥ 6.2
Road safety Provide a safe transport infrastructure.	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	-1	≤ -1
Road condition Provide a quality transport infrastructure	Average quality of ride on a local sealed road network measured by Smooth Travel Exposure and classified using ONRC hierarchy ³		
	Arterial	87%	≥ 86%
	Primary Collector	92%	≥ 89%
	Secondary Collector	95%	≥ 87%
	Access	92%	≥ 88%
	Low Volume	91%	≥ 88%
	85% average road roughness classified using ONRC hierarchy		
	Arterial	110	≥ 112
	Primary Collector	110	≥ 115
	Secondary Collector	116	≥ 120
Access	130	≥ 130	
Low Volume	135	≥ 135	
	NB: a newly sealed road has an average roughness of 50 – 70. A very rough gravel road will have a roughness value higher than 300.		
Road maintenance Provide a sustainable land transport infrastructure.	% of sealed road network that is resurfaced annually. Average chipseal life is 13.5 years.	5%	≥ 5%
Footpaths Provide footpaths that meet the needs of an ageing community.	% of footpaths that meets the Asset Management Plan rating of better than 4 (1="Excellent" 2="Good" 3="Average" 4="Poor" 5="Very Poor")	95%	≥ 95%
Respond to Service Requests	% of customer services requests relating to roads and footpaths to which the territorial authority responds within 15 days.	90%	≥ 93%

³ Smooth Travel Exposure is the percentage of vehicle kilometres travelled on roads meeting a certain roughness standard. This indicator shows the extent to which Council has maintained the road asset. It records travel on the roading network which meets the roughness benchmarks therefore providing a measure of delivery of a safe and comfortable ride. Well maintained roads contribute to lower operating costs for road users. The Marlborough values compare favourably with peer agencies.

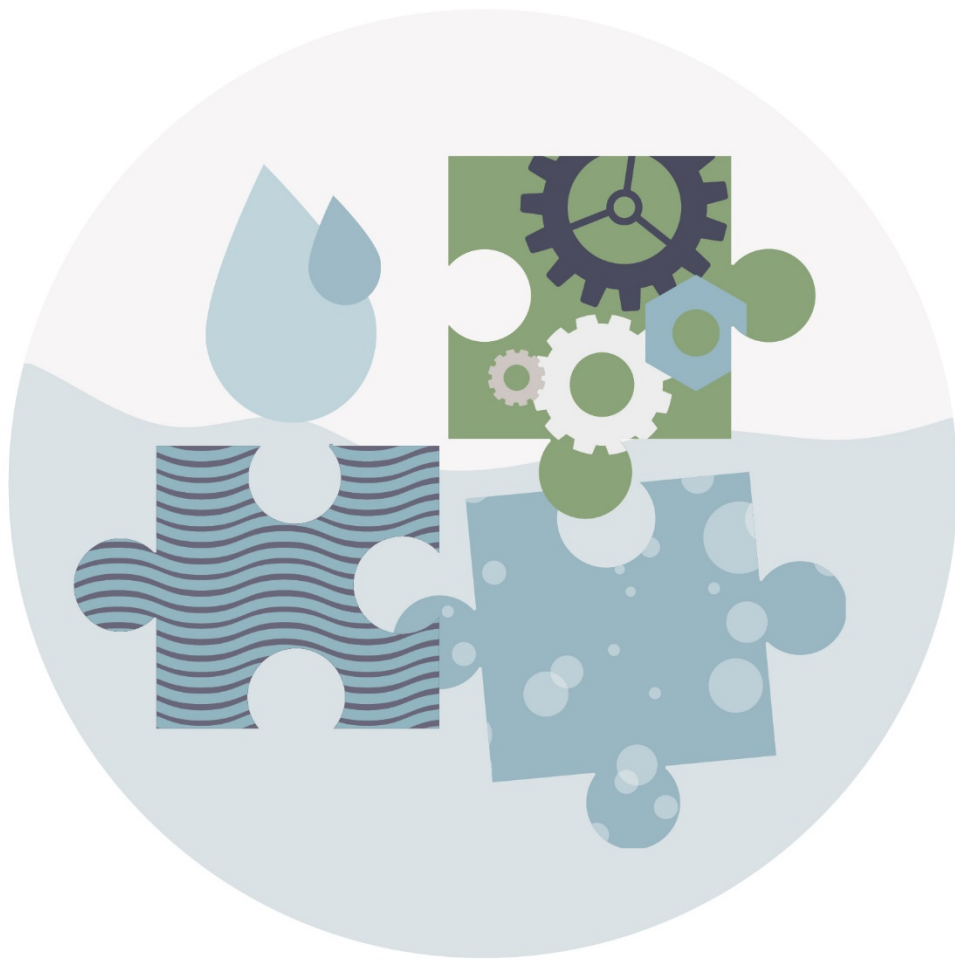
ONRC = One Network Road Classification. The purpose of the classification is so roads of the same classification are maintained to a similar standard across the country.

Funding Impact Statement for 2022-23 for

Roads and Footpaths

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	10,587	11,241	11,249
Targeted rates	63	63	63
Subsidies and grants for operating purposes	4,522	4,666	51,162
Fees and charges	7	7	7
Internal charges and overheads recovered	23	23	23
Fuel tax, fines, infringement fees and other receipts	1,766	1,822	2,009
Total operating funding	16,968	17,822	64,513
Applications of operating funding			
Payments to staff and suppliers	10,431	10,787	59,606
Finance costs	443	559	676
Internal charges and overheads applied	1,293	1,364	1,267
Other operating funding applications	30	30	30
Total applications of operating funding	12,197	12,740	61,579
Surplus (deficit) of operating funding	4,771	5,082	2,934
Sources of capital funding			
Subsidies and grants for capital expenditure	5,169	4,940	5,809
Development and financial contributions	957	982	978
Increase (decrease) in debt	2,861	2,269	5,441
Other dedicated capital funding	624	644	624
Gross proceeds from sales of assets	-	-	-
Total sources of capital funding	9,611	8,835	12,852
Applications of capital funding			
Capital expenditure to meet additional demand	1,637	1,266	1,343
Capital expenditure to improve the level of service	1,930	2,757	3,962
Capital expenditure to replace existing assets	13,436	10,872	11,872
Increase (decrease) in reserves	(2,622)	(979)	(1,392)
Total applications of capital funding	14,382	13,917	15,786
Surplus (deficit) of capital funding	(4,771)	(5,082)	(2,934)
Funding balance	-	-	-

Flood Protection & Control Works



What is this Activity about?

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

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

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

Emerging issues and expected changes

Blenheim stormwater outfall upgrades

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

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

Maintaining the Wairau River alignment

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

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

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

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

Stopbank upgrades

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

Taylor Dam upgrades to meet new dam safety regulations

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

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

Pukaka Quarry extension

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

The rock resource within the existing land boundary is now very limited and further land has been acquired to extend the life of the quarry for a further 40 plus years. Design of the new haul road extension in a very steep and tightly confined boundary is underway.

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

Waitohi triple culverts

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

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

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

Levels of Service 2022-23: Flood Protection and Control Works

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	6.9	≥ 6.9
Wairau River scheme - system and adequacy Maintain, repair and renew these major flood protection and control works to the standards defined in Rivers and Drainage Asset Management Plan (AMP).	% of floodway and tributary network inspected for condition and maintenance requirements.	95%	≥ 95%
	% of programmed maintenance and renewal works identified in the AMP practically completed. ⁴	100%	100%
	% of capital improvement works in the AMP achieved.	35%	≥ 35%
	Time taken to provide a report to the Assets and Services Committee on the damage to the Floodway network and potential problem areas following significant (generally exceeding a 1:2 year return) flood events - measured in months.	2 months post event	2 months post event
Wairau Plains Provide effective drainage to the lower Wairau plains.	% of drain network inspected at least once for condition and maintenance requirements.	100%	100%
	% of drains weed sprayed.	90%	≥ 90%
	% of drains mechanically cleared.	4%	≥ 4%
Picton Floodways Monitor, maintain and upgrade key Picton floodways (Waitohi and Waikawa Rivers) to provide for a 1 in 50 year return period flood event.	% of floodway network inspected for condition and maintenance requirements.	100%	100%
	% of programmed maintenance and renewal works as identified in the AMP practically completed.	100%	100%
Blenheim Urban Upgrade and maintain key Blenheim stormwater outfalls.	% of programmed maintenance and renewal works as identified in the AMP practically completed.	100%	100%
	% of capital improvement works in the AMP achieved.	75%	≥ 75%
Provide sound flood hazard advice.	Number of liability consequences for Council arising from incorrect advice provided on flood hazards as part of the Resource Consent, Building Consent, PIMs and LIMs processes.	0	0

⁴ NZS 3910:2003 defines practical completion as when the contract works or any separable portion are complete except for minor omissions and minor defects.

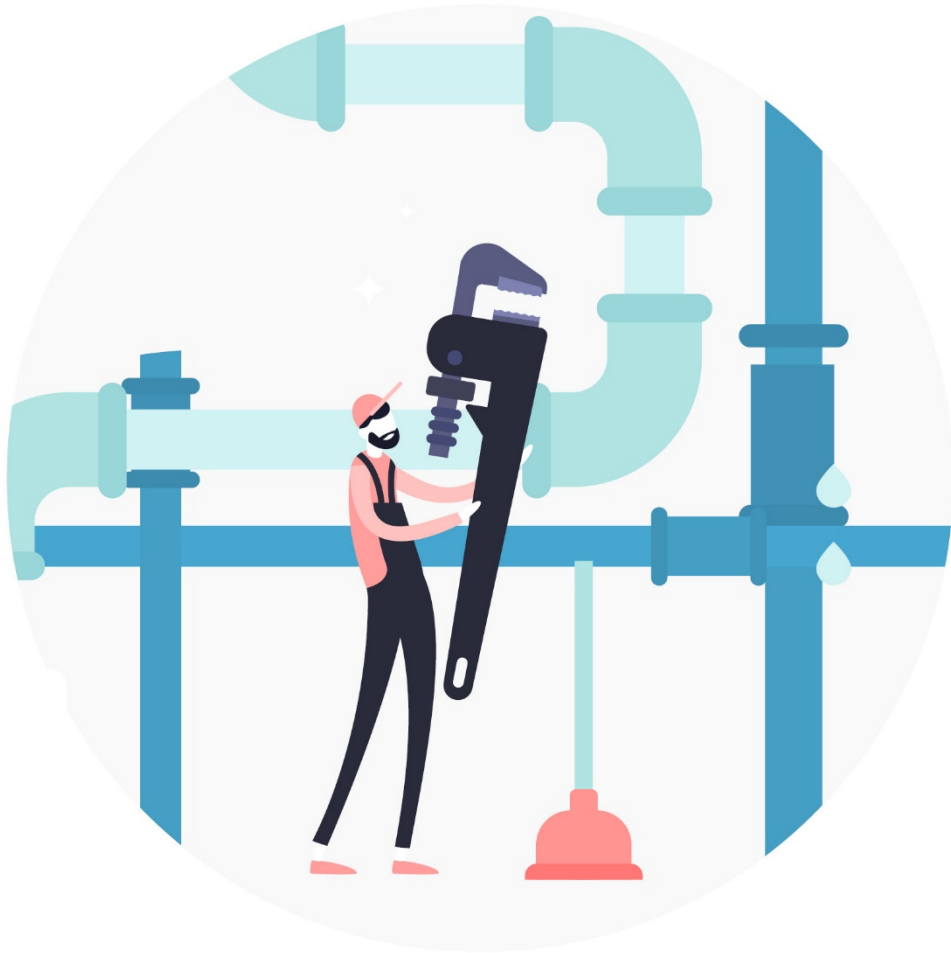
Channels and pump stations, including the Town Branch Caseys, Fulton and Murphys Creeks to provide for a 1 in 50 year return period storm event runoff including both infill and greenfield development

Funding Impact Statement for 2022-23 for

Flood Protection and Control Works

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	288	297	287
Targeted rates	4,627	5,012	4,944
Fees and charges	694	718	694
Internal charges and overheads recovered	325	334	325
Fuel tax, fines, infringement fees and other receipts	3,283	3,388	5,416
Total operating funding	9,217	9,749	11,666
Applications of operating funding			
Payments to staff and suppliers	3,782	3,913	7,162
Finance costs	169	283	214
Internal charges and overheads applied	1,965	2,043	2,179
Other operating funding applications	27	27	31
Total applications of operating funding	5,943	6,266	9,586
Surplus (deficit) of operating funding	3,274	3,483	2,080
Sources of capital funding			
Subsidies and grants for capital expenditure	1,728	660	630
Increase (decrease) in debt	1,774	3,861	2,788
Total sources of capital funding	3,502	4,521	3,418
Applications of capital funding			
Capital expenditure to meet additional demand	70	311	300
Capital expenditure to improve the level of service	3,580	5,248	3,220
Capital expenditure to replace existing assets	1,710	1,172	1,646
Increase (decrease) in reserves	1,417	1,272	332
Total applications of capital funding	6,776	8,004	5,498
Surplus (deficit) of capital funding	(3,274)	(3,483)	(2,080)
Funding balance	-	-	-
Operating expenditure			
River Leases	357	366	354
Rivers Outside Wairau Floodplain	239	245	241
Wairau Floodplain Drainage	1,115	1,237	1,188
Wairau Floodplain Rivers	4,232	4,418	7,803
Capital expenditure			
Rivers Outside Wairau Floodplain	20	21	20
Wairau Floodplain Drainage	1,790	2,826	1,906
Wairau Floodplain Rivers	3,550	3,884	3,240

Sewerage Including Treatment & Disposal



What is this Activity about?

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

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

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

Emerging issues and expected changes

Reasons for the upcoming projects

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

Ongoing issues

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

Levels of Service 2022-23: Sewerage Including Treatment and Disposal

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Customer Satisfaction Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	7.7	≥ 7.7
	The total number of complaints received by the territorial authority about any of the following: (a) sewage odour (b) sewerage system faults (c) sewerage system blockages, and (d) the territorial authority's response to issues with its sewerage system, expressed per 1000 connections to the territorial authority's sewerage system.	8	≤ 8
System and Adequacy Provide a level of service quality that minimises environmental risks.	The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	0.4	≤ 0.4
Discharge Compliance Provide a reliable wastewater service with adequate system capacity and performance.	Number of wet weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	0.5	≤ 0.5
	Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions, received by the territorial authority in relation those resource consents.	0	0
Fault Response Times Provide a service that is timely and responsive to customers' needs	Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times (in hours) measured: (a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site, and Blenheim Picton Riverlands Renwick Seddon Havelock (b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.	1 hour 1 hour 1 hour 1 hour 2 hours 2 hours 4 hours	≤ 1 hour ≤ 1 hour ≤ 1 hour ≤ 1 hour ≤ 2 hours ≤ 2 hours ≤ 4 hours

Funding Impact Statement for 2022-23 for

Sewerage

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	8,677	9,215	8,719
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Fuel tax, fines, infringement fees and other receipts	2,050	2,160	2,086
Total operating funding	10,727	11,375	10,805
Applications of operating funding			
Payments to staff and suppliers	3,107	3,335	3,369
Finance costs	1,631	1,613	1,874
Internal charges and overheads applied	3,387	3,523	3,402
Other operating funding applications	-	-	-
Total applications of operating funding	8,125	8,471	8,645
Surplus (deficit) of operating funding	2,602	2,904	2,160
Sources of capital funding			
Subsidies and grants for capital expenditure	2,263	-	-
Development and financial contributions	2,100	2,142	2,142
Increase (decrease) in debt	(539)	(411)	2,580
Other dedicated capital funding	1,162	1,469	1,462
Total sources of capital funding	4,986	3,200	6,184
Applications of capital funding			
Capital expenditure to meet additional demand	2,071	1,720	2,613
Capital expenditure to improve the level of service	3,918	5,276	6,997
Capital expenditure to replace existing assets	3,590	1,537	962
Increase (decrease) in reserves	(1,991)	(2,430)	(2,227)
Total applications of capital funding	7,588	6,104	8,344
Surplus (deficit) of capital funding	(2,602)	(2,904)	(2,160)
Funding balance	-	-	-
Operating expenditure			
Combined Sewerage	6,192	6,449	6,490
Riverlands Sewerage	1,933	2,022	2,155
Capital expenditure			
Combined Sewerage	7,312	7,339	10,165
Riverlands Sewerage	2,267	1,194	407

Stormwater Drainage



What is this Activity about?

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

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

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

Emerging issues and expected changes

Stormwater strategy

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

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

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

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

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

Urban growth strategy

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

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

Climate change

The impact of climate change is likely to become increasingly important in future planning. The current indications are that extreme weather events will become more frequent and more intense. Sea level rise will have implications for the effectiveness of discharge to the sea and from the outfalls

of the drainage network. Additional contingencies are being built into new designs but existing infrastructure will be severely tested by changing weather patterns.

The following issues are emerging within this Activity:

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

Levels of Service 2022-23: Stormwater Drainage

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Customer satisfaction Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	6.5	≥ 6.5
	The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	1.8	≤ 1.8
System adequacy Provide a reliable stormwater service.	The number of flooding events that occur in a territorial authority district.	Actual number to be reported	Actual number to be reported
	For each flooding event, the number of habitable floors affected, expressed per 1000 properties connected to the territorial authority's stormwater system.	2.6	≤ 2.6
Discharge compliance Minimise the environmental risks of stormwater discharge.	Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: <ul style="list-style-type: none"> (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions received by the territorial authority in relation those resource consents.	0	0
Response times Provide a service that is timely and responsive to customers' needs.	The median* response time (in hours) to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site. (*The statistical median is the time in which half of calls are responded to in less time and half in more time.)	1 hour	≤ 1 hour

Funding Impact Statement for 2022-23 for

Stormwater Drainage

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	2,164	2,306	2,403
Fees and charges	-	-	-
Fuel tax, fines, infringement fees and other receipts	305	317	377
Total operating funding	2,469	2,623	2,780
Applications of operating funding			
Payments to staff and suppliers	310	320	513
Finance costs	6	5	12
Internal charges and overheads applied	390	406	447
Total applications of operating funding	706	731	972
Surplus (deficit) of operating funding	1,763	1,892	1,808
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	876	893	893
Increase (decrease) in debt	(34)	(35)	309
Other dedicated capital funding	251	260	251
Total sources of capital funding	1,093	1,118	1,453
Applications of capital funding			
Capital expenditure to meet additional demand	706	462	246
Capital expenditure to improve the level of service	515	160	155
Capital expenditure to replace existing assets	1,993	3,126	3,019
Increase (decrease) in reserves	(358)	(738)	(158)
Total applications of capital funding	2,856	3,010	3,261
Surplus (deficit) of capital funding	(1,763)	(1,892)	(1,808)
Funding balance	-	-	-
Operating expenditure			
Blenheim Stormwater	537	556	721
Other Stormwater Schemes	169	175	251
Capital expenditure			
Blenheim Stormwater	2,814	3,665	2,540
Other Stormwater Schemes	400	83	880

Water Supply



What is this Activity about?

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

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

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

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

Emerging issues and expected changes

Compliance with the DWSNZ

Compliance with the DWSNZ continues to require significant capital expenditure. The affordability issues for smaller communities (Awatere, Renwick, Wairau Valley, and Havelock) have largely been resolved with the adoption of the Combined Water Schemes Charging Policy in 2017. Upgrades to treatment plants to meet the DWSNZ have been delayed beyond the target dates in the Health Amendment Act (2007). The Seddon Water Treatment Plant was completed in 2019. A new reservoir was completed for Renwick in 2020 providing a threefold increase in storage capacity. Upgrading of the water treatment plant is planned to be completed in 2022/23.

An upgrade of the Havelock water treatment plant is being designed with construction planned to be completed in 2023/24. A second reservoir was completed for Havelock in 2022 providing a twofold increase in storage capacity.

An upgrade of the Wairau Valley water treatment plant is being designed with construction planned to be completed in 2022/23.

A new water treatment plant is being designed for the Riverlands water supply. Construction is planned to be completed in 2023/24.

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

Havelock North drinking-water contamination inquiry

The recommendations of the Havelock North Drinking-Water Contamination Inquiry have far-reaching consequences for water suppliers. The Government's response to the recommendations has included the revocation of 'secure bore' status (affecting the Riverlands supply), chlorination of all supplies, more training and accreditation of staff and more monitoring of water quality. Currently there are two supplies that do not have chlorination, Blenheim and Riverlands. Plans are being prepared to chlorinate these supplies as it is very likely residual disinfection of water networks will be required by Drinking water standards for NZ. Tamata Arowai has to released revised Drinking Water Standards for consultation during early in 2022.

Fluoridation

The Health (Fluoridation of Drinking Water) Amendment Bill passed its final reading in November 2021. The new legislation gives the Director General of Health the power to issue a direction to local

authority water suppliers to fluoridate a public water supply. Council has received notification a direction order is likely to be given in the middle of 2022.

Renewal of infrastructure

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

Demand management

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

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

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

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

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

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

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

Levels of Service 2022-23: Water Supply

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Customer satisfaction Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	8.0	≥ 8.0
	The total number of complaints received by the local authority about any of the following:		
	(a) drinking water clarity	1.10	≤ 1.10
	(b) drinking water taste	1.90	≤ 1.90
	(c) drinking water odour	0.65	≤ 0.65
	(d) drinking water pressure or flow	1.50	≤ 1.50
	(e) continuity of supply	1.30	≤ 1.30
	(f) the local authority's response to any of these issues	0.65	≤ 0.65
Expressed per 1000 connections to the local authority's networked reticulation system.			
Safety of drinking water Provide a level of water quality that meets community needs and is appropriate to the degree of public health risk.	The extent to which the local authority's drinking water supply complies with:		
	(a) Part 4 of the drinking-water standards (bacteria compliance criteria), and		
	(b) Part 5 of the drinking-water standards (protozoal compliance criteria).		
	Blenheim	a)Y b)Y	a)Y b)Y
	Picton	a)Y b)Y	a)Y b)Y
	Havelock	a)Y b)N	a)Y b)N
	Renwick	a)Y b)N	a)Y b)N
	Riverlands	a)Y b)N	a)Y b)N
	Awatere - Rural	a)N b)N	a)N b)N
Seddon	a)Y b)Y	a)Y b)Y	
Wairau Valley	a)N b)N	a)N b)N	
Maintenance of the reticulation network	The percentage of real water loss from the local authority's networked reticulation system.		
	Blenheim	37%	≤ 37%
	Picton	28%	≤ 28%
	Havelock	28%	≤ 28%
	Renwick	28%	≤ 28%
	Awatere	15%	≤ 15%
	Wairau Valley	15%	≤ 15%

Levels of Service 2022-23: Water Supply

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Fault response times Provide a service that is timely and responsive to customers' needs	Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:		
(The target figures are the 'median' time ie half of all call-outs will be responded to/resolved in less time, half will be greater)	(a) attendance for urgent call-outs (in hours): from the time that the local authority receives notification to the time that service personnel reach the site, and		
	Blenheim	1 hour	≤ 1 hour
	Picton	1 hour	≤ 1 hour
	Riverlands	1 hour	≤ 1 hour
	Renwick	1 hour	≤ 1 hour
	Awatere	2 hours	≤ 2 hours
	Havelock	2 hours	≤ 2 hours
	Wairau Valley	2 hours	≤ 2 hours
(b) resolution of urgent call-outs (in hours): from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	4 hours	≤ 4 hours	
(c) attendance for non-urgent call-outs (in working days): from the time that the local authority receives notification to the time that service personnel reach the site, and	3 working days	≤ 3 working days	
(d) resolution of non-urgent call-outs (in working days): from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	10 working days	≤ 10 working days	
Demand management Provide a reliable water supply service	The average consumption (in litres) of drinking water per day per resident within the territorial authority district.	750 litres	≤ 730 litres

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

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

Funding Impact Statement for 2022-23 for

Water Supply

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	10,175	11,149	10,787
Fees and charges	91	94	91
Internal charges and overheads recovered	-	-	-
Fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding	10,266	11,243	10,878
Applications of operating funding			
Payments to staff and suppliers	3,901	4,341	4,434
Finance costs	893	1,141	1,120
Internal charges and overheads applied	1,808	1,881	1,771
Other operating funding applications	59	61	60
Total applications of operating funding	6,661	7,424	7,385
Surplus (deficit) of operating funding	3,605	3,819	3,493
Sources of capital funding			
Subsidies and grants for capital expenditure	1,321	-	-
Development and financial contributions	878	895	895
Increase (decrease) in debt	2,990	9,250	7,276
Other dedicated capital funding	313	324	313
Total sources of capital funding	5,502	10,469	8,484
Applications of capital funding			
Capital expenditure to meet additional demand	1,548	1,209	793
Capital expenditure to improve the level of service	6,134	13,561	14,854
Capital expenditure to replace existing assets	2,939	3,488	547
Increase (decrease) in reserves	(1,516)	(3,971)	(4,218)
Total applications of capital funding	9,107	14,288	11,977
Surplus (deficit) of capital funding	(3,605)	(3,819)	(3,493)
Funding balance	-	-	-
Operating expenditure			
Awatere Water	408	428	497
Combined Water	5,933	6,263	6,331
Riverlands Water	320	733	557
Capital expenditure			
Awatere Water	1,104	1,592	200
Combined Water	5,380	7,480	7,364
Riverlands Water	4,137	9,185	8,630

Solid Waste Management



What is this Activity about?

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

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

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

Emerging issues and expected changes

Waste Management and Minimisation Plan

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

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

Product Stewardship Schemes

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

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

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

Contract renewals

The main waste and recycling contracts are all up for retender between 2022 and 2023. Retendering services is an opportunity to reflect on what has and has not worked during the current contract period and how this could be improved going forward. Retendering also provides an opportunity to reset budgets based on the market response through pricing.

Waste disposal levy increases

The waste disposal levy is applied to all waste entering the Bluegums Landfill site. The current levy rate has increased from \$10 to \$20 per tonne (GST exclusive). From July 2022 other classes of landfill will also be subject to the waste disposal levy. The summary of the waste disposal levy charges and future increases is shown in the following table.

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

For the 2022/23 period the anticipated levy income for Council is in the region of \$330k to \$500k. Council have agreed to allocate the received share of the waste disposal levy as follows: reduction projects 20%, reuse projects 15%, recovery projects 50% and recycling projects 15%. The outcomes of this spending allocation will be reported and reviewed annually.

Levels of Service 2022-23: Solid Waste Management

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	7.0	≥ 7.0
Continue to reduce the amount of waste sent to the landfill by providing and promoting diversion processing.	Tonnage processed at the Resource Recovery Centre.	4,367	≥ 4,600
	\$ value of sales at the Reuse Shop.	\$251,850	≥ \$280,000
	Tonnage diverted at the Waste Sorting Centre.	1,456	≥ 1,750
	Tonnage throughput at the Greenwaste Acceptance Facility.	18,742	≥ 21,000
Operate effective waste management and minimisation services.	Number of resident's complaints in regard to Bluegums Landfill operations.	9	≤ 9
	Kerbside Refuse and Recycling Collection Service complaints/missed lifts as a percentage of serviced households.	0.2%	≤ 0.2%
	Number of resident's complaints in regard to Compost operation.	4	≤ 4
	Number of resident's complaints in regard to the transfer stations, reuse centre, resource centre, e-waste facility, coin skips and salvage yard.	30	≤ 30

Funding Impact Statement for 2022-23 for

Solid Waste Management

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	1,478	1,548	1,692
Targeted rates	1,451	1,504	1,615
Subsidies and grants for operating purposes	175	175	495
Fees and charges	8,629	8,934	11,593
Internal charges and overheads recovered	-	-	-
Fuel tax, fines, infringement fees and other receipts	402	414	461
Total operating funding	12,135	12,575	15,856
Applications of operating funding			
Payments to staff and suppliers	7,103	7,323	8,145
Finance costs	242	231	224
Internal charges and overheads applied	1,587	1,653	1,879
Other operating funding applications	610	620	2,007
Total applications of operating funding	9,542	9,827	12,255
Surplus (deficit) of operating funding	2,593	2,748	3,601
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Increase (decrease) in debt	(13)	(565)	(561)
Gross proceeds from sales of assets	-	-	-
Total sources of capital funding	(13)	(565)	(561)
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	600	-	-
Capital expenditure to replace existing assets	1,530	3,235	2,656
Increase (decrease) in reserves	450	(1,052)	384
Total applications of capital funding	2,580	2,183	3,040
Surplus (deficit) of capital funding	(2,593)	(2,748)	(3,601)
Funding balance	-	-	-
Operating expenditure			
Landfills	4,126	4,217	5,175
Refuse Collections	1,668	1,728	1,913
Transfer Stations	2,824	2,924	3,303
Waste Minimisation	1,426	1,476	1,864
Capital expenditure			
Landfills	1,530	3,235	2,656
Refuse Collections	-	-	-
Transfer Stations	300	-	-
Waste Minimisation	300	-	-

Environmental Management



Environmental Policy

What is this Activity about?

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

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

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

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

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

Emerging issues and expected changes

PMEP Implementation

The Environment Court received 51 notices of appeal on the PMEP decision. Given the number of appeal points (1268), it is expected that resolution of appeals will be a focus for the Environmental Policy Group for the next three years.

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

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

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

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

Aquaculture Provisions

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

PMEP Maintenance

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

Central Government initiatives

Government initiatives (such as legislative change or the introduction of national policy statements or national environmental standards) can influence the nature, scope and timing of the Environmental Policy work programme. In particular, Council is required to give effect to the provisions of national policy statements, while the provisions of Council's resource management framework cannot duplicate or conflict with national environmental standards.

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

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

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

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

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

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

Levels of Service 2022-23: Environmental Policy

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Create a second generation resource management framework for Marlborough.	Decisions on Variation 1 and 1A publicly notified.	N/A	1/12/2022*

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

Funding Impact Statement for 2022-23 for Environmental Policy

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	1,666	1,643	1,797
Fuel tax, fines, infringement fees and other receipts	235	226	282
Total operating funding	1,901	1,869	2,079
Applications of operating funding			
Payments to staff and suppliers	1,513	1,472	1,988
Internal charges and overheads applied	387	397	416
Other operating funding applications	-	-	-
Total applications of operating funding	1,900	1,869	2,404
Surplus (deficit) of operating funding	1	-	(325)
Sources of capital funding			
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	-	-	-
Capital expenditure to replace existing assets	-	-	-
Increase (decrease) in reserves	1	-	(325)
Total applications of capital funding	1	-	(325)
Surplus (deficit) of capital funding	(1)	-	325
Funding balance	-	-	-

Environmental Science and Monitoring

What is this Activity about?

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

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

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

Emerging issues and expected changes

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

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

Council is investing in the following areas;

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

Engaging in a collaborative project with the Kaikaiāwaro Charitable Trust for the implementation of the Te Hoiere/Pelorus restoration project.

Environmental information

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

Water quality

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

catchments to help us better understand and mitigate these effects.

Catchment Care Programme

There will be an increase in collaborative catchment based programmes designed in conjunction with Government, iwi and community to help mitigate diffuse pollution and sediment runoff within at risk catchments in the region. A focus on building community capability is a key priority.

Water quantity

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

Air quality

Agriculture spray drift and the effects on air quality in the District are little known. A monitoring programme to address cumulative effects will be a necessary step to better understanding these complex issues.

Land Management and Soil Quality

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

Biodiversity

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

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

Climate change

The longer term consequences of climate variability will need to be better understood, including establishing measures and coordinated responses across Council.

Levels of Service 2022-23: Environmental Science and Monitoring

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Monitor, investigate, gather and analyse information and report on the state of Marlborough's natural resources including: Fresh Water, Land, and Air.	Timeliness of completion data integrity audits and quality coding (In accordance with National Environmental Monitoring Standards).	30 -Jun	30 -Jun
	Number of technical SoE monitoring report cards completed.	6	≥ 6
	Timeliness completion of resource investigations and reporting to Council.	30 -Jun	30 -Jun
Operate an effective real time environmental monitoring network.	Percentage availability of the environmental monitoring network.	99%	≥ 99%
Promote resource management programmes to help maintain or improve the condition of the environment.	Number of sites classified as Significant Natural Areas on private land that are either protected by management interventions or legal covenants.	108	≥ 116
Encourage and enable the community and industry to look after and restore the environment through education, advocacy and assistance.	Marlborough Environment Awards held biennially.	Biennially	Held
	Number of planned communication events with Industry/Community sector groups annually.	20	≥ 20
	Marlborough Environment Community Grants made annually and percentage of grant contact requirements meet.	New measure	100%

Funding Impact Statement for 2022-23 for

Environmental Science and Monitoring

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	4,786	5,305	5,308
Subsidies and grants for operating purposes	561	456	2,207
Fees and charges	5	5	5
Internal charges and overheads recovered	65	67	65
Fuel tax, fines, infringement fees and other receipts	674	730	894
Total operating funding	6,091	6,563	8,479
Applications of operating funding			
Payments to staff and suppliers	4,195	4,557	6,189
Finance costs	14	13	13
Internal charges and overheads applied	1,322	1,381	1,643
Other operating funding applications	90	90	111
Total applications of operating funding	5,621	6,041	7,956
Surplus (deficit) of operating funding	470	522	523
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Increase (decrease) in debt	(18)	(19)	(19)
Total sources of capital funding	(18)	(19)	(19)
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	355	345	184
Capital expenditure to replace existing assets	-	-	150
Increase (decrease) in reserves	97	158	170
Total applications of capital funding	452	503	504
Surplus (deficit) of capital funding	(470)	(522)	(523)
Funding balance	-	-	-

Resource Consents

What is this Activity about?

This Activity involves discharging Council's statutory obligations under the Resource Management Act 1991 (RMA). The RMA sets out a range of powers, duties and functions, and the statutory processes that must be followed when processing and determining applications for a resource consent.

Consistent with the RMA's purpose, this Activity is about the promotion of the sustainable management of natural and physical resources and the administration of the Marlborough Sounds and the Wairau/Awatere Resource Management Plans (which will be superseded by the Proposed Marlborough Environment Plan once this is operative).

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

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

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

Emerging issues and expected changes

Legislative and Plan Changes

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

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

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

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

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

Levels of Service 2022-23: Resource Consents

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	6.0	≥ 6.0
Provide a consent service that is fair, consistent, cost effective, timely and responsive to customers' needs.	% of resource consent applications processed within statutory timeframes.	100%	100%
	% of objections under section 357(b) ⁵ compared to total number of applications processed.	0.2%	≤ 0.2%
Provide consistent, appropriate and timely information to applicants and the public on the RMA, resource consent and approval process.	% of incomplete applications rejected under the requirements of section 88 of the RMA.	5%	≤ 5%

Funding Impact Statement for 2022-23 for

Resource Consents

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	1,215	1,269	1,207
Fees and charges	1,606	1,648	1,694
Internal charges and overheads recovered	115	118	115
Fuel tax, fines, infringement fees and other receipts	171	175	189
Total operating funding	3,107	3,210	3,205
Applications of operating funding			
Payments to staff and suppliers	2,168	2,231	2,217
Internal charges and overheads applied	726	765	731
Other operating funding applications	-	-	-
Total applications of operating funding	2,894	2,996	2,948
Surplus (deficit) of operating funding	213	214	257
Sources of capital funding			
Other dedicated capital funding	-	-	-
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	3	3	3
Capital expenditure to replace existing assets	-	-	-
Increase (decrease) in reserves	211	211	255
Total applications of capital funding	213	214	257
Surplus (deficit) of capital funding	(213)	(214)	(257)
Funding balance	-	-	-

⁵ RMA, Section 357(b) – Right of objection in relation to imposition of additional charges and recovery costs.

Environmental Protection

What is this Activity about?

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

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

The key objectives for the Activity are:

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

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

Emerging issues and expected changes

Resource consent numbers

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

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

Proposed Marlborough Environment Plan

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

Water

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

Enforcement

Identification of breaches of the RMA and escalated enforcement due to their significance can have a substantial effect on the team's work programme by diverting staff from other activities into enforcement proceedings.

Managing complaints

The number of complaints received remain stable at around 500 complaints (excluding excessive noise complaints) each year in regard to alleged breaches of the RMA. It however is apparent that a large proportion of these complaints are complex in nature which requires extensive investigation. In the past a relatively simple desktop exercise was all that was required to complete some investigations however issues have become more complex with changes to plan rules, national environment standards and legislation. Where court action is required this prolongs the time and resources needed to finalize action. Prioritising resources is a continual issue for the team to achieve efficient and effective monitoring while meeting customer expectations and achieving environmental outcomes.

National direction

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

Cost recovery

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

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

Database

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

Levels of Service 2022-23: Environmental Protection

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	6.3	≥ 6.0
Monitor activities that have either a greater environmental impact warranting special consideration or are activities that generate community concern or are related to trends highlighted through the State of the Environment Report.	Report on dairy farm effluent systems and stream crossings for compliance with permitted activity standards or Resource Management Plans and consent conditions.	31-Aug	31-Aug
		Improved or unchanged compliance level	Improved or unchanged compliance level
	Report on waste from wineries for compliance with resource consent conditions (wastewater and grape marc).	30-Nov	30-Nov
		Improved or unchanged compliance level	Improved or unchanged compliance level
	Report on Water monitoring for compliance with resource consent conditions, MEP and RM (Measurement and Reporting of water takes) Regulations 2010	31-Oct	31-Oct
		Improved or unchanged compliance level	Improved or unchanged compliance level
	Report on resource consents for forestry in the district.	30-Nov	30-Nov
		Improved or unchanged compliance level	Improved or unchanged compliance level
Monitor and investigate alleged breaches of the RMA, RMP and Consents.	% of complaints assessed within one working day.	90%	≥ 90%

Funding Impact Statement for 2022-23 for

Environmental Protection

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	948	987	971
Fees and charges	722	822	912
Internal charges and overheads recovered	-	-	-
Fuel tax, fines, infringement fees and other receipts	136	138	155
Total operating funding	1,806	1,947	2,038
Applications of operating funding			
Payments to staff and suppliers	1,220	1,333	1,390
Internal charges and overheads applied	582	610	643
Other operating funding applications	-	-	-
Total applications of operating funding	1,802	1,943	2,033
Surplus (deficit) of operating funding	4	4	5
Sources of capital funding			
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	-	-	-
Capital expenditure to replace existing assets	-	-	-
Increase (decrease) in reserves	4	4	5
Total applications of capital funding	4	4	5
Surplus (deficit) of capital funding	(4)	(4)	(5)
Funding balance	-	-	-

Regulatory



Biosecurity

What is this Activity about?

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

The ways in which Council undertakes its activities include:

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

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

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

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

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

Emerging issues and expected changes

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

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

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

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

Levels of Service 2022-23: Biosecurity

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	6.5	≥ 6.5
Implement the Regional Pest Management Plan (RPMP).	% of Operational Plan targets relating to the RPMP met.	95%	≥ 95%
Deliver non-RPMP biosecurity services and/or initiatives.	% of Operational Plan targets relating to non-RPMP biosecurity services and/or initiatives met.	95%	≥ 95%
Prepare an annual report on the Operational Plan.	Date Operational Plan report provided to the Environment Committee.	31-Oct	31-Oct

Funding Impact Statement for 2022-23 for

Biosecurity

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	1,544	1,602	1,595
Fees and charges	3	3	3
Internal charges and overheads recovered	-	-	-
Fuel tax, fines, infringement fees and other receipts	4,868	6,046	5,952
Total operating funding	6,415	7,651	7,550
Applications of operating funding			
Payments to staff and suppliers	6,001	7,221	7,026
Internal charges and overheads applied	418	437	442
Other operating funding applications	60	60	60
Total applications of operating funding	6,479	7,718	7,528
Surplus (deficit) of operating funding	(64)	(67)	22
Sources of capital funding			
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	-	-	-
Capital expenditure to replace existing assets	-	-	-
Increase (decrease) in reserves	(64)	(68)	22
Total applications of capital funding	(64)	(67)	22
Surplus (deficit) of capital funding	64	67	(22)
Funding balance	-	-	-

Building Control

What is this Activity about?

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

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

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

This Activity also involves other functions under separate legislation including:

- monitoring swimming pool fencing under the Building (Pools) Amendment Act 2016;
- investigating building related complaints under the Local Government Act and the Building Act 2002; and
- administering the requirements in the Earthquake Prone Buildings Amendment Act 2016.

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

Emerging issues and expected changes

IANZ accreditation

The Group's Building Consent Authority (BCA) accreditation status is audited by IANZ biennially. The audit has recently occurred. Minor changes to systems are being made with full reaccreditation signaled.

Digital development

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

Succession planning

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

Training for Building Control Officers

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

achieve this qualification new staff members will be required to undertake external training providers. This training comes with a cost and allowance has been made for this in the current budgets.

Levels of Service 2022-23: Building Control			
Performance Targets (for the financial year)			
Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	6.3	≥ 6.1
Provide a service that is responsive to customer needs and minimises risks to public safety.	% of Building Consents applications granted within 20 working days of receipt of the application.	100%	100%
	% of Code Compliance Certificates issued within 20 working days of receipt of application.	100%	100%
	% of swimming pools inspected annually.	33.3%	≥ 33.3%
	% of Building Warrants of Fitness audited annually.	20%	≥ 20%
Provide a service that is responsive to customers' needs and minimise risk to public safety	% of CRM's (Customer Complaints - Building Act 2004) responded to in 72 hours.	New measure	100%

Funding Impact Statement for 2022-23 for

Building Control

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	739	777	667
Targeted rates	99	101	-
Fees and charges	3,385	3,470	3,637
Internal charges and overheads recovered	50	51	50
Fuel tax, fines, infringement fees and other receipts	154	158	139
Total operating funding	4,427	4,557	4,493
Applications of operating funding			
Payments to staff and suppliers	2,946	3,004	3,057
Internal charges and overheads applied	1,434	1,505	1,385
Other operating funding applications	20	21	20
Total applications of operating funding	4,400	4,530	4,462
Surplus (deficit) of operating funding	27	27	31
Sources of capital funding			
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	-	-	-
Capital expenditure to replace existing assets	-	-	-
Increase (decrease) in reserves	28	28	32
Total applications of capital funding	27	27	31
Surplus (deficit) of capital funding	(27)	(27)	(31)
Funding balance	-	-	-
Operating expenditure			
Building Control	4,153	4,273	4,194
LIMs	247	257	268

Environmental Health

What is this Activity about?

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

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

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

Emerging issues and expected changes

Industry education

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

Electronic systems

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

Levels of Service 2022-23: Environmental Health

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Ensure the residents of Marlborough and visitors to the District have confidence that they live and stay in an environment that is safe.	% of registered premises inspected once a year.	100%	100%
	Number of annual inspections of markets and events with 10 or more food stalls.	12	≥ 13
	% of complaints of critical nature (e.g. food poisoning) actioned within one working day.	100%	100%
	% of complaints of a non-critical nature assessed within seven working days.	100%	100%
Administer Food Control Plans under the Food Act 2014	% of businesses registered in Food Control Plans and National Programmes - of those that are required to be registered under Food Act 2014.	100%	100%
	% of registered business as scheduled in the Food Act 2014 and Regulations audited.	100%	100%
Carryout the functions of Licensing Inspector controlling the sale and supply of alcohol to the public with the aim of contributing to the reduction of alcohol abuse.	% of "On Licences" ⁶ inspected once a year.	90%	≥90%
Provide a service for investigation of noise complaints.	Timely provision of a report on performance of noise control contract.	31-Aug	31-Aug
	Assess complaints concerning unreasonable noise within one working day.	90%	≥90%

⁶ An "on-licence" allows the sale or supply of liquor to any person present on the premises, for consumption on the premises

Funding Impact Statement for 2022-23 for

Environmental Health

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	195	203	230
Fees and charges	392	407	405
Internal charges and overheads recovered	-	-	-
Fuel tax, fines, infringement fees and other receipts	28	28	37
Total operating funding	615	638	672
Applications of operating funding			
Payments to staff and suppliers	429	443	468
Internal charges and overheads applied	266	277	286
Other operating funding applications	-	-	-
Total applications of operating funding	695	720	754
Surplus (deficit) of operating funding	(80)	(82)	(82)
Sources of capital funding			
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	-	-	-
Capital expenditure to replace existing assets	3	4	3
Increase (decrease) in reserves	(83)	(85)	(85)
Total applications of capital funding	(80)	(82)	(82)
Surplus (deficit) of capital funding	80	82	82
Funding balance	-	-	-

Animal Control

What is this Activity about?

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

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

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

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

Emerging issues and expected changes

Perceptions of dogs in the community and dog attacks

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

Workload demands

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

Dog parks

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

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

Policy and Bylaw Review

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

Levels of Service 2022-23: Animal Control

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	7.2	≥ 7.2
Provide an effective dog control service including registration that is in accordance with the Dog Control Act 1996 (DCA).	Level of compliance with the Animal Control contract	Compliance with contract specification and reporting requirements	Compliance with contract specification and reporting requirements
	Annual report preparation and publicising.	30-Sep	30-Sep

Funding Impact Statement for 2022-23 for

Animal Control

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	146	150	145
Fees and charges	595	605	605
Fuel tax, fines, infringement fees and other receipts	93	95	104
Total operating funding	834	850	854
Applications of operating funding			
Payments to staff and suppliers	732	750	761
Internal charges and overheads applied	82	86	94
Other operating funding applications	6	6	6
Total applications of operating funding	820	842	861
Surplus (deficit) of operating funding	14	8	(7)
Sources of capital funding			
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	-	-	-
Capital expenditure to replace existing assets	-	-	-
Increase (decrease) in reserves	14	8	(7)
Total applications of capital funding	14	8	(7)
Surplus (deficit) of capital funding	(14)	(8)	7
Funding balance	-	-	-
Operating expenditure			
Dog Control	730	751	770
Other Animal Control	90	91	91

Harbours

What is this Activity about?

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

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

The Harbourmaster leads the Harbours Activity and is supported by a team of four full-time staff including a Deputy Harbourmaster, two Maritime Officers and an Administration Officer. Additional personnel are employed in the summer months on a casual basis to support safer boating initiatives.

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

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

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

Emerging issues and expected changes

A Changing Harbour Risk Profile

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

Tory Channel

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

Marine Farm Lighting

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

Mooring management area

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

Bylaws

A new draft navigation safety bylaw is expected to be put forward for consultation in late 2022. Changes to the bylaw will take into account existing and expected risk in the harbour, the new Marlborough Environment Plan and the need for enhanced risk management of Tory Channel. A mooring management bylaw will also likely be proposed.

Wrecks

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

Pelorus Sound

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

Digital Technologies

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

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

Mass Rescue Plan

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

Rivers

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

The Nautical and Coastal Science Team

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

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

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

Coastal Science

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

The key emerging issues and expected changes are:

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

Coastal Water Quality

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

Ship Wake effects

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

Ecologically Significant Marine Sites

The PMEP already lists a large number of ecologically significant marine sites. The significant marine site programme aims to identify all sites of ecological significance within areas where the seafloor has been mapped. Understanding the extent and condition of these sites enables us to meet policy objectives around marine biodiversity.

Estuaries

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

Multibeam

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

Environmental information

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

Levels of Service 2022-23: Harbours

Performance Targets (for the financial year)

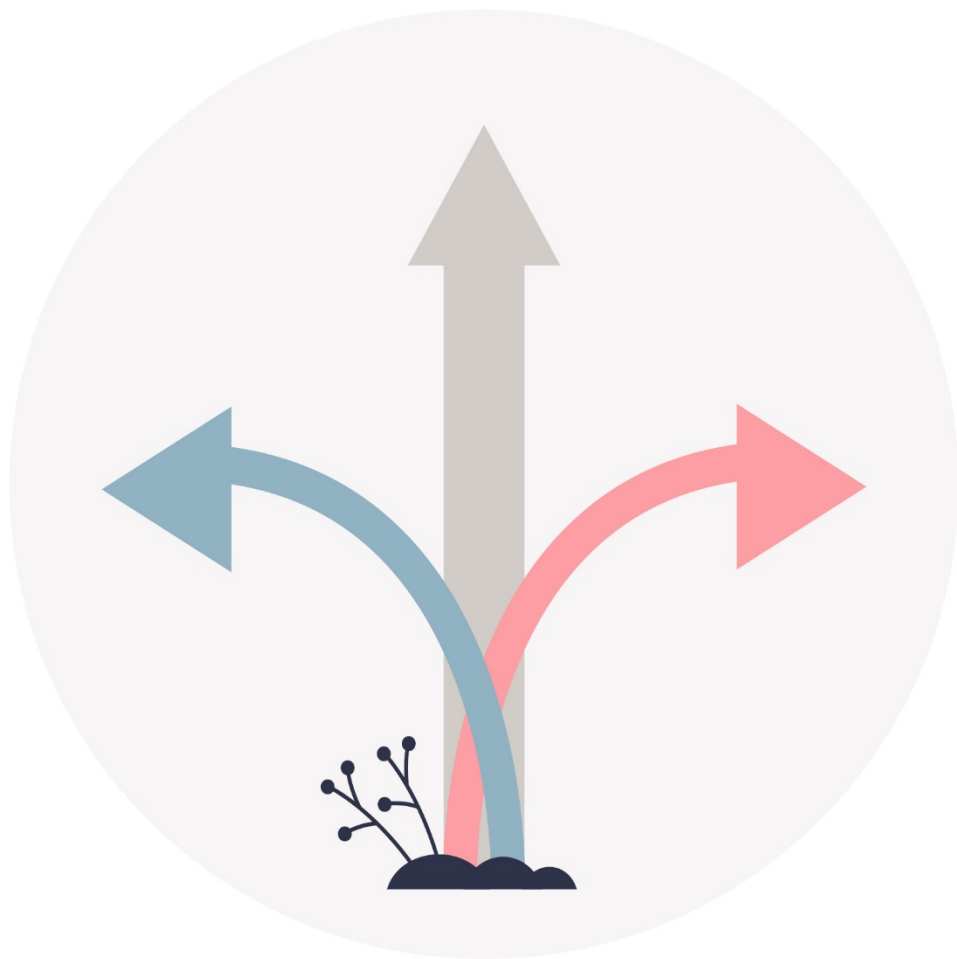
Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	7.4	≥ 7.4
Provide a safe environment for all users through effective public education.	Number of Marlborough Safe Navigation and Tides Brochures distributed.	7,000	≥ 7,000
	Annual % increase of Cruise Guide App users.	5%	≥ 5%
	Number of safe boating surveys completed through face to face on water interactions.	1,000	≥ 1,000
	Number of targeted 'no excuses' enforcement days undertaken in high risk areas.	15	≥ 15
Maintain compliance with the Harbours Maritime Transport Operators Plan (HTOP) as certified by Maritime New Zealand.	Review	Annually	Annually
Ensure that Port and Harbour Safety Code requirements are met.	Completion of self-assessment and review of the Safety Management System (SMS), Risk Assessment, General Direction, and Harbourmaster Notices.	Annually	Annually
	Number of risk review meetings undertake with Port Marlborough Marine Services.	2	≥ 2
	Safety Management System verified by as compliant with the Code.	Annually	Annually
Remove Wrecks and provide navigation warnings when necessary.	All wrecks removed in a reasonable timeframe (in days)	30	≤ 30
Audit Marine Farms.	Number of marine farm lighting audited each year.	150	≥ 150
	Audit mooring arrangements on all Fin Fish farms annually.	Annually	Annually
Regulate Pilotage activity.	Review of the Certified Marlborough Pilot Exemption Certificate (PEC) Training Program.	Annually	Annually
	Check of Pilot and PEC Master Currency	Quarterly	Quarterly
Provide navigation aids to International Light House Authority (IALA) standard.	% availability Cat 1	99.9%	≥ 99.9%
	Cat 2	99%	≥ 99.0%
	Cat 3	97%	≥ 97.0%
Maintain an Oil Spill Response capacity.	Meet all annual requirements as specified by the Maritime New Zealand Oil Spill Response Service.	Annually	Annually

Funding Impact Statement for 2022-23 for

Harbours

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	1,179	1,216	1,275
Fees and charges	462	474	462
Internal charges and overheads recovered	-	-	-
Fuel tax, fines, infringement fees and other receipts	294	299	329
Total operating funding	1,935	1,989	2,066
Applications of operating funding			
Payments to staff and suppliers	1,269	1,293	1,362
Finance costs	28	31	27
Internal charges and overheads applied	287	294	308
Other operating funding applications	-	-	-
Total applications of operating funding	1,584	1,618	1,697
Surplus (deficit) of operating funding	351	371	369
Sources of capital funding			
Increase (decrease) in debt	103	61	62
Gross proceeds from sales of assets	-	-	-
Total sources of capital funding	103	61	62
Applications of capital funding			
Capital expenditure to meet additional demand	-	-	-
Capital expenditure to improve the level of service	-	72	70
Capital expenditure to replace existing assets	380	197	192
Increase (decrease) in reserves	74	163	168
Total applications of capital funding	454	432	431
Surplus (deficit) of capital funding	(351)	(371)	(369)
Funding balance	-	-	-

Regional Development



What is this Activity about?

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

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

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

- economic development, marketing and tourism;
- Marlborough Research Centre;
- parking;
- irrigation; and
- the Small Townships Programme.

Economic development

In Marlborough, economic development comprises two activities:

- Marlborough Smart + Connected (industry) (S+C); and
- Smart Business Marlborough (SBM).

Marlborough Smart+Connected is an industry and community focused initiative to develop strong leadership groups which develop and implement strategies. Council's role is to assist in the establishment, review and maintenance of the groups and to participate in implementation where appropriate. (S+C community is discussed under the 'Community Support' Activity in the People Group.)

Smart Business Marlborough (SBM) consists of a range of specific economic development initiatives to support local businesses as outlined below:

- development advice;
- Business Trust Marlborough;
- information resources; and
- international connections.

Council participated in the development of the Te Taihu intergenerational strategy with partners in Nelson and Tasman. The strategy has long term goals related to wellbeing. The document can be viewed at www.tetaihu.nz.

Marketing and tourism

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

Regional Events Strategy

Council has developed a Regional Events Strategy with the support of the events sector to identify opportunities for growing events in the region and increasing the commercial return to local businesses. A key focus of the role is to assist communication within the events sector, and to help promote the many events offered in the region to locals and visitors alike. The Follow ME* website is

the primary tool alongside targeted promotional documents such as the Summer Events Guide and Marlborough Arts Month. Council has also established the Commercial Events Fund to assist with the development of existing and new events to grow the economic and other benefits of hosting events in the region.

Marlborough Research Centre

This Activity is delivered by the Marlborough Research Centre Trust (MRC), and provides support for public good research, regional prosperity and environmental sustainability in support of Marlborough's primary industries.

Parking

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

This provision of car parking in the Blenheim and Picton town centres is guided by parking strategies for each town, which were updated in 2017.

Irrigation

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

A proposed irrigation scheme for the Flaxbourne area, covering just over 1200 hectares and with an estimated cost between \$10.5 million and \$16 million, is under consideration. It will provide similar benefits to the Southern Valleys scheme and it will be paid for by the beneficiaries through a targeted rate. Council has agreed to support the development of this scheme subject to a number of conditions:

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

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

Small Townships Programme

The Small Townships Programme (STP) provides a strategic planning and design process for improving public amenities in small townships as part of the implementation of the Growing Marlborough Strategy.

The purpose of this programme is to:

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

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

Emerging issues and expected changes

Economic Development

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

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

Tourism

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

Marlborough Research Centre

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

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

Irrigation

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

Parking

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

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

Levels of Service 2022-23: Regional Development

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2022-23
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).		
	Economic Development	5.7	≥ 5.7
	Tourism	6.4	≥ 6.4
	Parking	6.0	≥ 6.5
	Irrigation	6.2	≥ 6.6
Undertaking strategic interventions to achieve long term sustainable economic growth for Marlborough.	% funded projects achieved.	New measure	≥ 80%
Manage Marlborough Research Centre contract to ensure service quality and value.	% of MDC funded projects achieved.	80%	≥ 80%
Effectively promote Marlborough as a visitor destination.	% of MDC funded projects from DM Annual Plan achieved.	New measure	≥ 80%
Provide convenient and affordable car parks to support CBD businesses.	Occupancy rates:		
	- On-street (Zone 1)	65%	≥ 65%
	- Off-street (Zone 2) (High, Queen + Clubs only)	65%	≥ 65%
	- Alfred Street car park building	45%	≥ 45%
Maintain the supply of irrigation water to support land based industries.	Number of events that cause a loss of supply during the season for more than 48 hours due to infrastructure breakdown.	1	≤ 1

Funding Impact Statement for 2022-23 for

Regional Development

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	2,146	2,553	2,388
Targeted rates	1,757	1,771	1,782
Subsidies and grants for operating purposes	100	-	-
Fees and charges	1,854	1,893	1,852
Internal charges and overheads recovered	36	37	36
Fuel tax, fines, infringement fees and other receipts	421	447	497
Total operating funding	6,314	6,701	6,555
Applications of operating funding			
Payments to staff and suppliers	3,846	3,911	3,857
Finance costs	522	686	436
Internal charges and overheads applied	819	849	881
Other operating funding applications	389	242	332
Total applications of operating funding	5,576	5,688	5,506
Surplus (deficit) of operating funding	738	1,013	1,049
Sources of capital funding			
Increase (decrease) in debt	2,773	8,014	2,439
Other dedicated capital funding	65	-	-
Total sources of capital funding	2,838	8,014	2,439
Applications of capital funding			
Capital expenditure to meet additional demand	80	83	80
Capital expenditure to improve the level of service	4,010	10,007	4,316
Capital expenditure to replace existing assets	6	688	693
Increase (decrease) in reserves	(519)	(1,751)	(1,601)
Total applications of capital funding	3,576	9,027	3,488
Surplus (deficit) of capital funding	(738)	(1,013)	(1,049)
Funding balance	-	-	-
Operating expenditure			
Economic Development	1,547	1,313	1,342
Marketing and Tourism	1,272	1,293	1,353
Research Centre	374	381	390
Irrigation Schemes	1,021	1,314	967
Parking	1,362	1,387	1,454
Capital expenditure			
Economic Development	10	-	-
Irrigation Schemes	4,000	10,677	4,991
Parking	86	101	98

PART 3

Financial Information



Statement of comprehensive revenue and expense

for the year ending 30 June:	Notes	2022 (LTP) \$000s	2023 (LTP) \$000s	2023 \$000s
Revenue:				
Rates, excluding targeted water rates	2	72,783	77,042	76,296
Targeted rates for metered water supply	2	3,110	3,730	3,802
Subsidies and grants	4	23,968	12,331	63,721
Interest revenue	3	2,467	4,122	3,033
Development and financial contributions	4	7,176	7,326	7,321
Other revenue	4	39,279	41,967	47,306
Gains	4	1,263	1,693	1,020
Total revenue	1	150,046	148,211	202,499
Expenditure by function:				
People				
Democratic Process		3,503	3,809	3,963
Culture and Heritage		1,362	1,352	1,497
Housing for Seniors		1,606	1,639	1,902
Community Support		3,104	3,123	2,991
Library Services		3,004	3,147	3,280
Emergency Management		732	753	825
Community Facilities		14,294	14,341	15,038
Roads and Footpaths		23,370	24,599	73,918
Flood Protection and Control Works		5,844	6,173	9,487
Sewerage		12,033	12,731	12,519
Stormwater Drainage		2,469	2,623	2,774
Water Supply		10,483	11,698	11,164
Solid Waste Management		10,852	12,809	15,669
Environmental Management				
Environmental Policy		1,900	1,869	2,404
Environmental Science and Monitoring		6,175	6,646	8,563
Resource Consents		2,993	3,092	3,090
Environmental Protection		1,807	1,948	2,038
Regulatory				
Biosecurity		6,499	7,737	7,550
Building Control		4,377	4,506	4,443
Environmental Health		697	722	756
Animal Control		828	851	869
Harbours		1,888	1,934	2,015
Regional Development				
		6,311	6,557	6,262
		126,131	134,659	193,017
less internal interest eliminated	3	226	2,194	(145)
Total expenditure by function		126,357	136,853	192,872
Non-activity expenditure:				
Other expenditure	5	5,156	5,248	4,406
Marlborough Regional Forestry	5	1,009	1,212	738
Total non-activity expenditure		6,165	6,460	5,144
Total expenditure	5	132,522	143,313	198,016
Surplus		17,524	4,898	4,483

Statement of other comprehensive revenue and expense

for the year ending 30 June:	Note	2022 (LTP) \$000s	2023 (LTP) \$000s	2023 \$000s
Surplus for the year		17,524	4,898	4,483
Other comprehensive revenue:				
Gain on property revaluations	8	61,551	56,206	38,676
		61,551	56,206	38,676
Total other comprehensive revenue and expense				
Total comprehensive revenue and expense		79,075	61,104	43,159

Statement of changes in net assets/equity

for the year ending 30 June:	2022 (LTP) \$000s	2023 (LTP) \$000s	2023 \$000s
Balance at 1 July	1,707,700	1,786,775	1,843,091
Total comprehensive revenue and expense for the year	79,075	61,104	43,159
Balance at 30 June	1,786,775	1,847,879	1,886,250

Statement of financial position

as at 30 June:	Notes	2022 (LTP) \$000s	2023 (LTP) \$000s	2023 \$000s
Assets:				
Non-current assets:				
Property, plant and equipment	8	1,824,360	1,923,619	1,958,789
Intangible assets	8	10,758	11,371	15,017
Forestry assets		23,342	24,678	19,063
Other financial assets	7			
- Investments in subsidiaries		6,000	6,000	6,000
- Other		88,050	143,574	90,382
Investment property	11	10,750	10,750	10,950
Total non-current assets		1,963,260	2,119,992	2,100,201
Current assets:				
Cash and cash equivalents		140	109	185
Debtors and other receivables	6	12,953	13,330	14,957
Other financial assets	7	14,299	14,299	12,492
Inventory		312	321	344
Total current assets		27,704	28,059	27,978
Total assets		1,990,964	2,148,051	2,128,179
Liabilities:				
Non-current liabilities:				
Borrowings	10	173,936	269,265	207,155
Provisions		9,616	9,670	7,877
Employee entitlements		287	295	256
Total non-current liabilities		183,839	279,230	215,288
Current liabilities:				
Creditors and other payables	9	18,239	18,770	24,243
Employee entitlements		2,111	2,172	2,398
Total current liabilities		20,350	20,942	26,641
Total liabilities		204,189	300,172	241,929
Net assets		1,786,775	1,847,879	1,886,250
Equity				
Accumulated funds		682,345	701,641	705,011
Asset revaluation reserves		1,050,461	1,106,667	1,144,682
Other reserves	13	53,969	39,571	36,557
Total equity		1,786,775	1,847,879	1,886,250

Statement of cash flows

Forecast Statement of Cash Flows

as at 30 June:	2022 (LTP)	2023 (LTP)	2023
	\$000s	\$000s	\$000s
Cash flows from operating activities:			
Receipts from rates revenue	75,893	80,773	80,097
Receipts from other revenue*	66,218	57,623	111,875
Interest received	2,467	4,122	3,033
Payments to suppliers and employees*	(96,803)	(101,372)	(159,417)
Interest paid	(5,594)	(8,307)	(5,947)
Net cash flow from operating activities	42,082	32,736	29,520
Cash flows from investing activities:			
Receipts from sale of property, plant and equipment	-	3,540	-
Movement in investments	(19,920)	(55,523)	(18,367)
Dividends received	2,599	2,447	3,012
Purchase of property, plant and equipment	(72,845)	(78,663)	(71,082)
Net cash flow from investing activities	(90,067)	(128,096)	(86,316)
Cash flows from financing activities:			
Movement in borrowings**	47,924	95,329	53,370
Net cash flow from financing activities	47,924	95,329	53,370
Net increase / (decrease)	(61)	(31)	(3,426)
Cash, cash equivalents and bank overdrafts:			
At the beginning of the year	201	140	3,611
At the end of the year	140	109	185

*Receipts from other revenue and payments to suppliers and employees have increased from the LTP due to roading expenditure and related subsidy from Waka Kotahi for the July 2022 flood event.

**Movement in borrowings has decreased from the LTP due to timing of the iReX project.

Notes to financial statements

1. Summary cost of services

for the year ending 30 June:

	2022 (LTP) \$000s	2023 (LTP) \$000s	2023 \$000s
Revenue:			
People	20,511	14,860	14,860
Community Facilities	14,874	15,456	15,610
The Provision of Roads and Footpaths	23,695	24,364	71,902
Flood Protection and Control Works	10,620	10,075	11,971
Sewerage	16,252	14,985	14,410
Stormwater Drainage	3,596	3,776	3,924
Water Supply	12,777	12,461	12,085
Solid Waste Management	12,136	12,575	15,857
Environmental Management	12,725	13,405	15,621
Regulatory	14,177	15,634	15,584
Regional Development	6,343	6,664	6,519
Total activity revenue	147,706	144,255	198,343
Plus other income (including Forestry)	6,489	8,777	9,272
Internal Interest - Loans	(5,412)	(6,157)	(6,136)
Forestry revaluation gains	1,263	1,336	1,020
Total revenue	150,046	148,211	202,499
Expenditure:			
People	13,311	13,823	14,458
Community Facilities	14,294	14,341	15,038
The Provision of Roads and Footpaths	23,370	24,599	73,918
Flood Protection and Control Works	5,844	6,173	9,487
Sewerage	12,033	12,731	12,519
Stormwater Drainage	2,469	2,623	2,774
Water Supply	10,483	11,698	11,164
Solid Waste Management	10,852	12,809	15,669
Environmental Management	12,875	13,554	16,095
Regulatory	14,289	15,751	15,633
Regional Development	6,311	6,557	6,262
Total activity expenditure	126,131	134,659	193,017
Plus other expenditure (including Forestry)	11,803	14,810	11,135
Interest - Internal Loans	(5,412)	(6,157)	(6,136)
Total operating expenditure	132,522	143,312	198,016

2. Rates revenue

for the year ending 30 June:	2022 (LTP)	2023 (LTP)	2023
	'\$000s	'\$000s	'\$000s
People	9,272	9,702	9,881
Community Facilities	10,690	11,155	11,089
The Provision of Roads and Footpaths	10,650	11,304	11,313
Flood Protection and Control Works	4,915	5,309	5,232
Sewerage	8,677	9,215	8,719
Stormwater Drainage	2,164	2,306	2,403
Water Supply	10,175	11,149	10,787
Solid Waste Management	2,929	3,052	3,308
Environmental Management	8,615	9,205	9,282
Regulatory	3,902	4,049	3,912
Regional Development	3,903	4,324	4,170
Total activity rates	75,891	80,770	80,096
Non-actiity rates	2	2	3
Total gross rates revenue	75,893	80,772	80,098
less rates remissions	(667)	(681)	(514)
Rates revenue net of remissions	75,226	80,091	79,584

3. Finance revenue and finance costs

for the year ending 30 June:	2022 (LTP)	2023 (LTP)	2023
	'\$000s	'\$000s	'\$000s
Finance revenue - interest revenue:			
Term deposits and investments	2,467	4,122	3,033
Total finance revenue	2,467	4,122	3,033
Finance costs - interest expense:			
Total activity related interest expense	5,412	6,157	6,136
Less internal interest eliminated	226	2,194	(145)
Total finance costs	5,638	8,351	5,991
Bank charges on borrowings	44	44	44
Net finance costs	3,127	4,185	2,914

4. Other revenue including gains

for the year ending 30 June:

	2022 (LTP)	2023 (LTP)	2023
	'\$000s	'\$000s	'\$000s
Other revenue:			
User charges	21,547	22,894	25,562
Regulatory revenues	5,393	5,522	5,732
Infringements and fines	970	1,001	970
Vested assets	1,139	1,177	1,139
Rental income from investment properties	731	761	734
Marlborough Regional Forestry distribution	-	-	-
Other revenue	9,499	10,612	13,170
Total other revenue	39,279	41,967	47,306
Subsidies and grants:			
NZTA roading subsidy	9,960	9,878	57,238
Other donations and grants	14,008	2,452	6,483
Total subsidies and grants	23,968	12,330	63,721
Development and financial contributions:			
Development contributions	5,255	5,364	5,364
Development impact levies	100	103	100
Other contributions	50	52	50
Land subdivision revenues	1,771	1,807	1,807
Total development and financial contributions	7,176	7,326	7,321
Gains			
Gain on sale of fixed assets	-	357	-
Forestry revaluation gain	1,263	1,336	1,020
Total gains	1,263	1,693	1,020

5. Expenditure

for the year ending 30 June:

	2022 (LTP)	2023 (LTP)	2023
	'\$000s	'\$000s	'\$000s
Other non-activity expenditure:			
Non-activity expenditure in the Statement of Comprehensive Revenue and Expense is made of:			
Insurance	1,784	1,809	1,068
Property costs	1,736	1,716	1,836
Rate remissions as note 2	667	681	514
Other (including Forestry)	1,978	2,254	1,726
Total non-activity expenditure	6,165	6,460	5,144
Expenditure disclosures:			
Expense includes the following amounts which are required to be disclosed separately:			
Fees to principal Auditor:			
Audit fees for the Annual Report	149	162	160
Audit fees for the LTP	-	-	-
Finance costs as note 3	5,638	8,351	5,989
Depreciation	28,906	32,503	31,453
Amortisation	437	485	482
Personnel costs	27,897	29,172	30,515
Grants and donations	4,493	4,028	4,588
Insurance premiums	3,126	3,191	3,520
Councillors remuneration	714	732	760
Operating leases payments	165	169	183
Loss on disposal of fixed assets	-	18	-
Investment properties direct operating expenses	45	47	70
Other operating expenses	59,942	63,243	119,558
Marlborough Regional Forestry	1,009	1,212	738
Total expenditure disclosures	132,522	143,313	198,016

6. Debtors and other receivables

as at 30 June:

	2022 (LTP)	2023 (LTP)	2023
	\$000s	\$000s	\$000s
Non-exchange receivables:			
Rates receivables	1,245	1,281	1,206
Other	629	647	318
GST (net)	1,212	1,247	1,663
Total non-exchange receivables	3,086	3,175	3,188
Exchange receivables:			
Trade receivables	4,566	4,699	6,163
Other	2,872	2,957	4,284
Prepayments	2,440	2,511	1,348
Total exchange receivables	9,878	10,167	11,795
Less provision for impairment	(11)	(12)	(25)
Total debtors and other receivables	12,953	13,330	14,957

7. Other financial assets

as at 30 June:	2022 (LTP) '\$000s	2023 (LTP) '\$000s	2023 '\$000s
Current portion:			
Term deposits and bonds with maturities of 4-12 months	14,299	14,299	12,492
Total current portion	14,299	14,299	12,492
Non-current portion:			
Term deposits and bonds and community loans with maturities 12 months plus	266	266	250
Community loans	10	6	6
Loan to joint venture Marlborough Regional Forestry	3,540	4,868	956
Loan to subsidiary MDC Holdings Ltd**	82,780	136,980	87,572
Unlisted shares in subsidiaries	6,000	6,000	6,000
NZ Local Govt. Insurance Corp. and LGFA shares	1,453	1,453	1,597
Other shares	1	1	1
Total non-current portion	94,050	149,574	96,382
Total other financial assets	108,349	163,873	108,874

**Loan to subsidiary MDC Holdings Ltd is lower than LTP due to timing of the iReX project.

8. Property, plant and equipment and Intangible assets

as at 30 June:	2022 (LTP)	2023 (LTP)	2023
	'\$000s	'\$000s	'\$000s
Capital additions by activity:			
Opening value	1,728,925	1,835,118	1,892,862
Culture and Heritage	2,833	1,573	2,531
Housing for Seniors	3,640	185	3,180
Community Support	53	23	23
Library Services	8,916	5,945	7,187
Emergency Management	9	9	9
People	15,451	7,735	12,930
Community Facilities	7,093	6,906	6,921
Roads and Footpaths	17,003	14,895	17,177
Flood protection and control works	5,360	6,731	5,166
Sewerage	9,579	8,533	10,572
Stormwater Drainage	3,214	3,748	3,420
Water Supply	10,621	18,258	16,194
Solid Waste Management	2,130	3,235	2,656
Environmental Science and Monitoring	355	345	334
Resource Consents	3	3	3
Environmental Management	358	348	337
Environmental Health	3	4	3
Harbours	380	269	262
Regulatory	383	273	265
Regional Development	4,096	10,778	5,089
Commerical Property	300	-	-
Information Services	1,860	2,020	1,075
Corporate services and asset management	50	51	50
Plant Operations	110	266	272
Office Services	270	251	324
Total capital expenditure	77,878	84,028	82,448
Disposal	-	(3,183)	-
(Less)/plus carryovers movement	(3,894)	(4,191)	(8,245)
Depreciation	(28,905)	(32,503)	(31,453)
Amortisation	(437)	(485)	(482)
Revaluation	61,551	56,206	38,676
Closing value	1,835,118	1,934,990	1,973,806

9. Creditors and other payables

as at 30 June:

	2022 (LTP)	2023 (LTP)	2023
	'\$000s	'\$000s	'\$000s
Trade payables	8,601	8,853	9,931
Accrued expenses	1,821	1,874	6,224
Income in advance	3,029	3,117	3,223
Deposit	991	1,020	943
Agency account	123	126	157
Trust funds	245	251	88
Related party payables	3,429	3,529	3,677
Total creditors and other payables	18,239	18,770	24,243

10. Borrowings

as at 30 June:

	2022 (LTP)	2023 (LTP)	2023
	'\$000s	'\$000s	'\$000s
People	6,355	6,696	8,191
Community Facilities	21,002	24,378	24,204
The Provision of Roads and Footpaths	12,669	14,938	19,411
Flood Protection and Control Works	5,063	8,924	6,672
Sewerage	39,767	39,356	47,309
Stormwater Drainage	136	101	445
Water Supply	23,369	32,619	31,121
Solid Waste Management	5,908	5,343	5,189
Environmental Management	332	313	314
Regulatory	736	797	687
Regional Development	14,096	22,110	13,513
Commerical Property	9,835	9,234	9,231
Plant Operations	554	515	515
Marlborough Regional Forestry	3,540	4,868	956
MDC Holdings Ltd financing	83,340	137,540	88,240
Total loans	226,702	307,732	255,998
less internal loans	(52,766)	(38,467)	(48,844)
Total borrowings (external loans)	173,936	269,265	207,155

11. Investment property

	2022 (LTP)	2023 (LTP)	2023
	'\$000s	'\$000s	'\$000s
Balance at 1 July	10,750	10,750	10,950
Balance at 30 June	10,750	10,750	10,950

12. Exchange and non-exchange revenue

for the year ending 30 June:	2022 (LTP) '\$000s	2023 (LTP) '\$000s	2023 '\$000s
Non-exchange revenue:			
General rates and charges	72,782	77,042	76,296
Donations, subsidies and grants	23,968	12,331	63,721
Fees and charges	18,841	19,517	22,371
Other revenue	19,911	22,221	23,423
Total non-exchange revenue	135,502	131,111	185,810
Exchange revenue:			
Metered water	3,110	3,730	3,801
Rentals and leases	6,365	6,800	6,843
Marlborough Regional Forestry distribuiton	-	-	-
Interest and dividends	5,066	6,568	6,045
Total exchange revenue	14,541	17,098	16,689
Total revenue	150,043	148,209	202,500

13. Other reserves

as at 30 June:	2022 (LTP) \$000s	2023 (LTP) \$000s	2023 \$000s
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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

Opening balance	9,823	4,521	6,888
Transfer to reserve	336	350	494
Transfer from reserve	(3,159)	(3,230)	(3,382)
Capex transfer from reserve	(2,478)	(292)	(1,126)
Closing balance	4,521	1,349	2,874

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)	(4,000)
Transfer from reserve	(4,000)	(4,300)	(4,300)
Closing balance	(4,000)	(8,300)	(8,300)

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	13,845	9,388	11,711
Transfer from reserve	(1,838)	(1,033)	(1,498)
Capex transfer from reserve	(2,619)	(4,074)	(4,525)
Closing balance	9,388	4,281	5,688

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	11,724	13,268	13,544
Transfer to reserve	4,646	4,552	5,117
Transfer from reserve	(3,102)	(3,487)	(3,966)
Closing balance	13,268	14,333	14,695

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	2,545	1,664	3,045
Transfer to reserve	2,366	2,414	2,414
Capex transfer from reserve	(3,248)	(2,000)	(1,310)
Closing balance	1,664	2,077	4,149

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	4,313	4,132	3,932
Transfer to reserve	173	173	141
Transfer from reserve	(173)	(173)	(141)
Capex transfer from reserve	(181)		(200)
Closing balance	4,132	4,132	3,732

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	(1,529)	(2,206)	(1,201)
Transfer to reserve	1,124	1,169	1,157
Transfer from reserve	(551)	(562)	(494)
Capex transfer from reserve	(1,250)	(1,767)	(1,373)
Closing balance	(2,206)	(3,366)	(1,912)

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	577	629	2,222
Transfer to reserve	53	54	111
Closing balance	629	684	2,333

Development Contribution reserves

Opening balance	(2,966)	(1,610)	(5,806)
Transfer to reserve	3,002	3,096	1,837
Capex transfer from reserve	(1,646)	(202)	(548)
Closing balance	(1,610)	1,284	(4,517)

Operational (General and Depreciation) reserves

Opening balance	13,958	8,603	7,898
Transfer to reserve	25,621	28,743	28,947
Transfer from reserve	(7,936)	(9,174)	(9,127)
Capex transfer from reserve	(23,039)	(27,442)	(25,011)
Closing balance	8,603	730	2,708

Road Funding reserves

Opening balance	-	1,586	606
Transfer to reserve	1,798	1,671	139
Transfer from reserve	(74)	(77)	-
Capex transfer from reserve	(138)	(143)	(441)
Closing balance	1,586	3,037	303

MRF biological assets reserve

Opening Balance	16,731	17,994	12,695
Transfer to reserve	1,263	1,336	1,020
Closing balance	17,994	19,330	13,715

Total movements

Opening balance	69,021	53,969	51,534
Transfer to reserve	40,381	43,557	43,382
Transfer from reserve	(20,833)	(22,035)	(23,824)
Capex transfer from reserve	(34,599)	(35,919)	(34,535)
Other reserves closing balance as shown in Equity	53,969	39,571	36,557

Statement of accounting policies

These prospective financial statements of Marlborough District Council (MDC) are for the year commencing 1 July 2022 and ending on 30 June 2023 and were authorised for issue by Council on 30 June 2022.

The accounting policies used to prepare these prospective financial statements are the same as those contained in the financial statements for the year ended 30 June 2021 which are on Council's website. The changes in PBE IPSAS accounting standards that have occurred since the 30 June 2021 reporting period have no impact in the preparation of this Annual Plan.

Assumptions, disclosure and compliance

Assumptions

With any financial forecasting, a number of assumptions must be made. The assumptions used in the preparation of this Plan are largely the same as those contained in the 2021-2031 Long Term Plan except for the inflation assumption.

The costs, revenues and asset values contained in this Plan have been updated to reflect the latest “Forecasts of Price Level Change Adjustors” produced by Business Economic Research Limited (BERL) in October 2021 for Taituara.

Financial funding impact statement (FIS)

Accounting policies

The “Sources of operating funding” section of the FIS includes revenue to the activity, but note:

- Grants and contributions received which are specified for funding capital expenditure are not included, they are included in “Sources of capital funding” - whereas under GAAP they are included in either “Development and financial contributions” or “Other revenue” in the Forecast Statement of Comprehensive Revenue and Expense.
- Any gain from sale of assets is not included, instead the sale proceeds are included in “Sources of capital funding” - whereas under GAAP any such gain is included in “Gains” in the Forecast Statement of Comprehensive Revenue and Expense.
- Internal charges and overheads recovered are shown as a source of operating funding in the FIS – whereas in Council’s Forecast Statement of Comprehensive Revenue and Expense they are deducted from operating expenditure.
- The value of assets vested in (effectively donated to) Council which are specified for funding capital expenditure are not included, they are included in “Other dedicated capital funding” - whereas under GAAP they are included in “Other revenue” in the Forecast Statement of Comprehensive Revenue and Expense.

The “Applications of operating funding” section includes operating expenditure of the activity, but note:

- Depreciation and amortisation expense is excluded as it does not involve a cash payment - whereas under GAAP it is included in Expenditure in the Forecast Statement of Comprehensive Revenue and Expense. The value of this expense is shown in the reconciliation section.
- In Council’s Forecast Statement of Comprehensive Revenue and Expense internal charges and overheads recovered are deducted from operating expenditure whereas in the FIS they are shown as a source of operating funding.
- The “Finance costs” shown are the amount paid by the activity to Council’s Investment unit and so are also an internal cost.
- Any loss on sale of assets is not included as it does not involve a cash payment - whereas under GAAP it is included in Expenditure in the Forecast Statement of Comprehensive Revenue and Expense.

The “Sources of capital funding” section shows direct sources of funding the capital expenditure of the activity, but note:

- Grants and contributions received which are specified for funding capital expenditure are included - whereas under GAAP they are included in either “Development and financial contributions” or “Other revenue” in the Forecast Statement of Comprehensive Revenue and Expense.
- Any proceeds from the sale of an asset are included in here - whereas under GAAP only the loss or gain on sale would be included in the Forecast Statement of Comprehensive Revenue and Expense.
- The value of assets vested in (effectively donated to) Council which are specified for funding capital expenditure are included - whereas under GAAP they are included in “Other revenue” in the Forecast Statement of Comprehensive Revenue and Expense

- Funding from a reserve is included as a negative value of “Increase (decrease) in reserves” in the “Applications of capital funding” section.
- While loans are included here there are some situations in which a loan is used to fund operating expenditure.
- Capital expenditure may also be funded from items included as “Sources of operating funding”, e.g. activities with low levels of capital expenditure often fund it directly from rates.

The “Applications of capital funding” section shows how much funding has been:

- Used to fund capital expenditure.
- Transferred to a reserve, less the amount taken from a reserve to fund capital expenditure.

The Surplus (Deficit) of operating funding and capital funding represent funds transferred between these two uses as defined by the FIS, for the reasons outlined here they differ from a surplus which would be calculated under GAAP.

Council’s management and investment units are not included in any activity, their costs and revenues are allocated over all activities, using appropriate allocation bases. For this reason adding the information provided for all activity groups will not agree to Councils financial statements. Similarly adding all “Internal charges and overheads recovered” gives a different answer to adding all “Internal charges and overheads applied” as most recoveries are to the management units.

Below each FIS a reconciliation is given of the “Total applications of operating funding” in the FIS and the operating expenditure disclosed for that activity in the Forecast Statement of Comprehensive Revenue and Expense. For some activities a further breakdown is given of the operating and capital expenditure, eg; to individual scheme. This operating expenditure breakdown uses information from the Statement of Comprehensive Revenue and Expense and is prepared as per GAAP, similarly the capital expenditure includes vested assets as per GAAP.

Marlborough District Council: Funding Impact Statement

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	48,761	51,580	51,818
Targeted rates	27,447	29,507	28,595
Subsidies and grants for operating purposes	5,776	5,720	56,270
Fees and charges	18,980	19,677	22,538
Interest and dividends from investments	5,066	6,569	6,046
Local authorities fuel tax, fines, infringement fees, and other receipts	14,819	16,677	18,618
Total Operating funding	120,849	129,730	183,885
Applications of operating funding			
Payments to staff and suppliers	92,087	96,952	152,403
Finance costs	5,638	8,351	5,991
Other operating funding applications	4,901	4,432	6,232
Total applications of operating funding	102,626	109,735	164,626
Surplus of operating funding	18,223	19,995	19,259
Sources of capital funding			
Subsidies and grants for capital expenditure	18,192	6,611	7,451
Development and financial contributions	7,176	7,326	7,321
Increase (decrease) in debt	47,924	95,329	52,750
Gross proceeds from sale of assets	-	3,522	-
Lump sum contributions	150	154	173
Other dedicated capital funding	2,415	2,697	2,650
Total sources of capital funding	75,857	115,639	70,345
Applications of capital funding			
Capital expenditure to meet additional demand	19,424	13,799	15,280
Capital expenditure to improve the level of service	25,255	40,796	38,194
Capital expenditure to replace existing assets	33,197	29,434	28,974
Increase (decrease) in reserves	(16,315)	(18,867)	(18,244)
Increase (decrease) of investments	32,519	70,472	25,400
Total applications of capital funding	94,080	135,634	89,604
Deficit of capital funding	(18,223)	(19,995)	(19,259)
Funding balance	-	-	-

Marlborough District Council: Funding

	2021-22 Long Term Plan \$000s	2022-2023 Long Term Plan \$000s	2022-2023 Annual Plan \$000s
Reconciliation			
Total operating funding	120,849	129,730	183,885
plus - Subsidies and grants for capital expenditure	18,192	6,611	7,451
plus - Development and financial contributions	7,176	7,326	7,321
plus - Lump sum contributions	151	154	172
plus - Other dedicated capital funding	1,276	1,520	1,511
plus - Contributions vested assets	1,139	1,177	1,139
plus - Gain on sale of fixed assets	-	357	-
plus - Fair value gains	-	-	-
plus - Fair value movement gain on SWAP	-	-	-
plus - Forestry asset revaluation gain	1,263	1,336	1,020
Revenue as per Statement of Comprehensive Revenue and Expense	150,046	148,211	202,499
Total applications of operating funding	102,626	109,735	164,626
plus - Depreciation and amortisation	29,342	32,988	31,935
plus - Loss on sale of fixed assets	-	18	-
plus - Surrendered New Zealand Carbon Units (NZUs)	501	518	1,345
plus - Landfill aftercare provision	53	54	110
plus - Forestry asset revaluation loss	-	-	-
Expenditure as per Statement of Comprehensive Revenue and Expense	132,522	143,313	198,016
Surplus as per Statement of Comprehensive Revenue and Expense	17,524	4,898	4,483

PART 4

Rates Information



Rates funding impact statement

Rating definitions

Rating unit

What is a rating unit is decided by the Valuer General. It generally is a property comprised in one record of title. It can include parts of titles in very limited circumstances or two or more titles if the land is:

- owned by the same person or persons and
- is used together as a single unit and
- adjacent to one another.

Activities funded by rates and charges

Council makes decisions about local issues and services taking into account local needs and priorities. We break our business down into activity groups such as providing and maintaining community facilities, roads and footpaths, managing building activity, the environment and water and sewerage. (Full details of activity groups and activities can be found in the LTP at <https://www.marlborough.govt.nz/your-council/long-term-and-annual-plans-policies-and-reports/long-term-plan> or at our offices.)

Rates and charges are set by calculating how much of each activity is not funded by other sources such as user pay fees and charges, Government subsidies, development contributions, Reserves interest and dividends from subsidiaries.

Non-rateable properties

Certain categories of property can be fully non-rateable or 50% rateable. These properties are still rated for services such as water, sewerage and refuse/recycling collection (where the service is provided). (These properties are defined in Schedule 1 of the Local Government Rating Act 2002 (LGRA)). Examples of fully non-rateable properties are public and some other types of schools, public libraries and public gardens.

Land value and capital value

These are the values assigned to the property at the last rateable revaluation.

Rateable revaluation

A rateable revaluation of the district took place on the 15 August 2020. The property values from this are used for rating purposes for three years from 1 July 2021.

Separately used or inhabited part of a rating unit (SUIP)

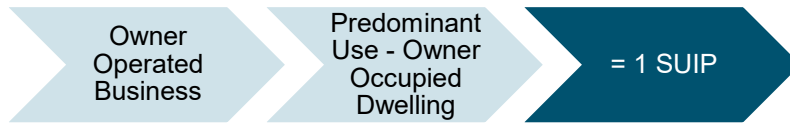
A SUIP includes any portion inhabited or used by the owner or a person other than the owner who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement. It includes separately used parts, whether or not actually occupied at any particular time, which are used by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner.

A rating unit that has a single use or occupation is treated as having one separately used or inhabited part.

Vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.

Exceptions to the definition

- Predominantly residential rating units where the owner of the unit resides and operates a business (including a homestay or farmstay activity) from the same rating unit will be charged as being one SUIP.

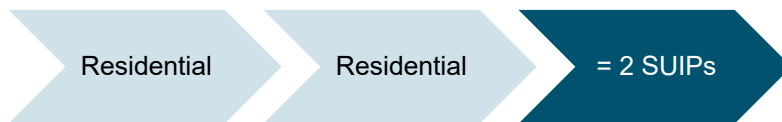


- Motels, and hotels used for commercial rental and dwellings used by owners or managers of a hotel or motel are treated as one business use even though each accommodation unit may be capable of separate use.

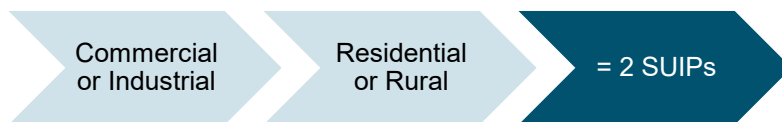


Examples of the application of the definition

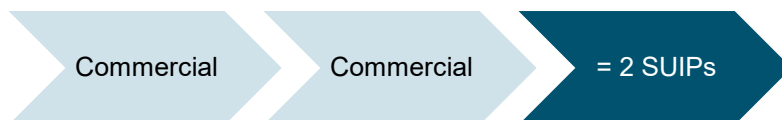
- Where a rating unit has two separately used parts, whether or not actually occupied at any particular time, they will be treated as two SUIPs.



- Where a rating unit contains both a commercial or industrial type use, and a residential or rural type use they will be treated as two SUIPs.



- Where a number of different businesses are located on one rating unit, each separate business will be assessed as a SUIP.



Rating categories

It shall be at the sole discretion of the Council to determine the use or predominant use of any property in the district. The Council has adopted the following rating categories:

Residential or rural

All land used for a private residence and all land used for rural purposes. This excludes rest homes and residential establishments that provide residential care. It also excludes all forms of commercial accommodation.

Rural purpose means any agricultural, horticultural or pastoral purpose and includes the keeping of bees, poultry or livestock. This group will include all rating units not otherwise categorised within a specified category.

Forestry is included in this category for the purposes of the General Works and Services Rate.

Commercial or industrial

All land used for a commercial or industrial purpose. It includes but is not limited to, any trade or service or activity undertaken or provision of facilities, by any person with a view to making a profit or charging any fee or deriving any other consideration in relation to the trade or service or activity or provision.

Industrial includes a business, manufacturer, undertaking, or service associated with the production of any type of goods.

For the purposes of the general works and services rate, this category includes residential rest homes and residential establishments that provide residential care and all forms of commercial accommodation as well as rating units otherwise assessed as utilities.

Commercial accommodation includes but is not limited to the provision of accommodation for a fee or other consideration but does not include:

- Properties where the principal purpose is the provision of long stay accommodation ie: 28 days or more.
- Properties that provide accommodation for five or less people.
- Properties that were originally constructed as residential properties that provide accommodation for six or more, which are included in the homestay or farm stay category.

Homestay or farm stay

Includes all rating units that are used for a homestay or farm stay activity on land predominantly used for residential or rural purposes, where a Building Act or resource consent was required for homestay or farm stay use (i.e. for six or more persons).

Infrastructural utilities

Land used for an essential service such as water, electricity, gas, telecommunications or sewerage.

Multiple land uses

The Council will partition a rating unit where there are two or more land uses that fit into different rating categories (residential or rural and commercial or industrial) except for predominantly residential properties where the owner of the commercial or industrial operation resides on the same rating unit.

GST

Figures quoted are inclusive of GST unless otherwise stated.

General Type Targeted Rates and Charges

\$59,108,963

Geographic Area General Works and Services Rate

\$36,659,931

This rate pays for activities that are not funded by other targeted rates, user pay charges, general revenue or reserves. The rate is assessed on a land value basis. The General Works and Services Rate is set differentially for six geographic areas, depending on where the land is situated and the benefit that rating area derives from the services these rates fund. (See figures 1-5 for the definition of the geographic rating areas.)

Within each geographic area, the rating units are further differentiated into categories depending on the use to which the land is put. The categories are:

- Residential or rural.
- Commercial or industrial.
- Homestay or farmstay.

For a detailed explanation of these categories see page 127.

For this rate utilities will be treated as falling within the commercial or industrial differential category.

Overall this rate will increase by \$1,984,654. However, there are varying impacts on the geographic areas and their differential rates.

(Further information on the calculations of general type targeted rates and charges can be found here <https://www.marlborough.govt.nz/services/rates/funding-allocations-summary>)

General Works and Services Rates are set in each geographic area as follows:

Geographic Area	Differential Rating Categories	Levy	Cents in \$
Blenheim	Residential/rural	9,454,433	0.327037
	Commercial/industrial	4,447,530	1.000764
	Homestay/farmstay	3,139	0.495431
Blenheim Vicinity	Residential/rural	8,276,354	0.262285
	Commercial/industrial	443,703	0.526584
	Homestay/farmstay	20,840	0.328396
Picton	Residential/rural	2,487,408	0.420619
	Commercial/industrial	759,169	0.835717
	Homestay/farmstay	3,397	0.524605
Picton Vicinity	Residential/rural	507,353	0.234382
	Commercial/industrial	28,315	0.513292
	Homestay/farmstay	1,596	0.304133
General Rural	Residential/rural	9,465,437	0.267932
	Commercial/industrial	188,753	0.452186
	Homestay/farmstay	4,309	0.314003
Sounds Admin Rural	Residential/rural	541,521	0.139057
	Commercial/industrial	26,214	0.271746
	Homestay/farmstay	460	0.172238

Geographic area general works and services charges

\$22,449,032

A targeted Geographic General Area Works and Services charge on the basis of a fixed amount on every separately used or inhabited part of a rating unit ensures that rating units contribute on a uniform basis to fund the respective rating area's share of activities that aren't funded by other targeted rates, user pays charges, general revenues or reserves.

These charges are set differentially for the same six geographic areas (as the General Works and Services Rates), depending on where the land is situated and the benefit that rating area derives from the services these charges fund.

There is also a differential charge for Infrastructural Utilities.

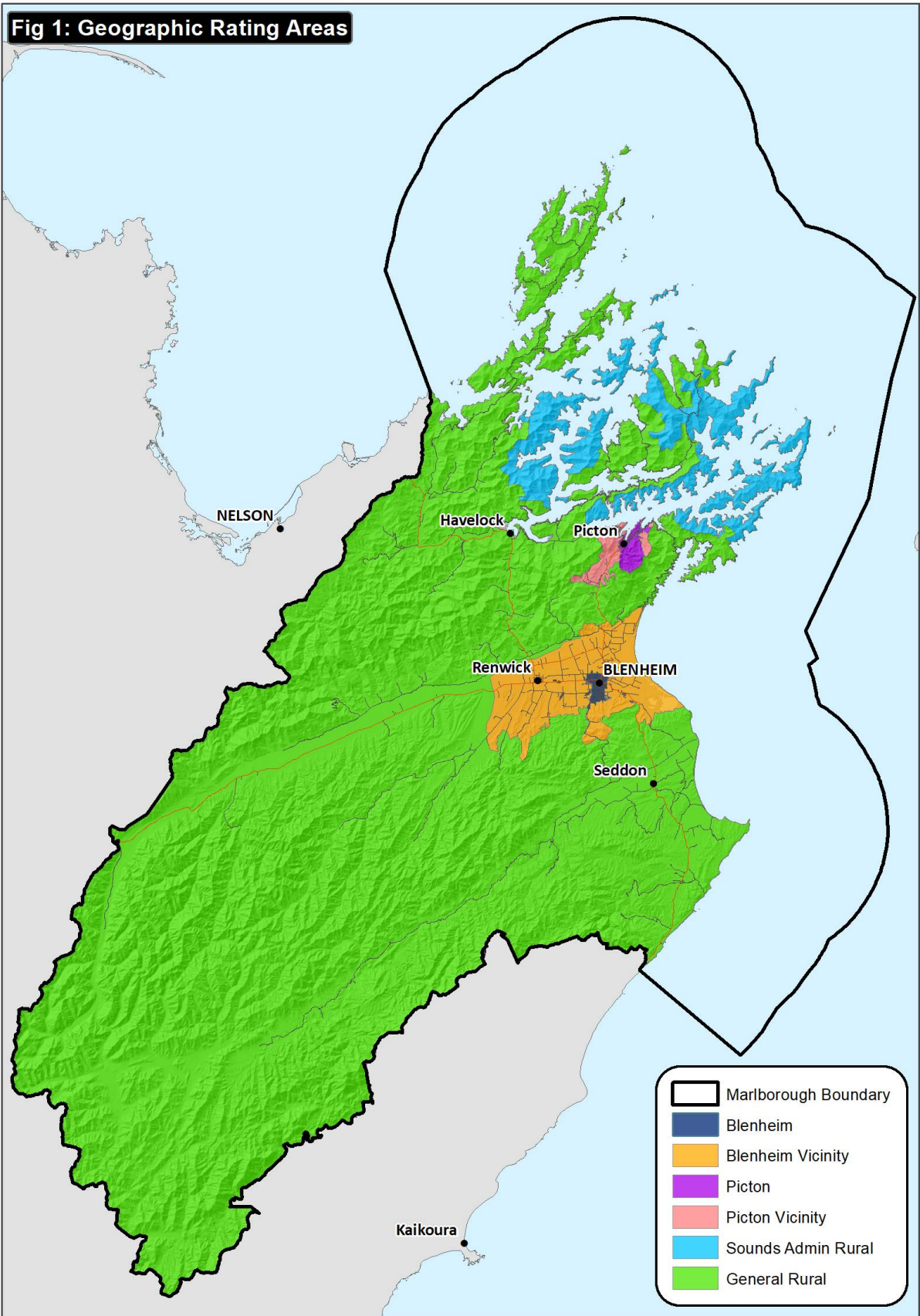
Overall, these charges will increase by \$1,412,062 with the increases assessed on an area by area basis.

General Works and Services Charges are set in each geographic area as follows:

Geographic area	Levy	Unit charge
Blenheim	11,957,364	893
Blenheim Vicinity	3,367,621	802
Picton	2,626,273	912
Picton Vicinity	421,327	782
General Rural	3,371,247	607
Sounds Admin Rural	664,154	484
Infrastructural Utilities	41,046	747

Although the general type targeted rate and general type targeted charges have increased overall by \$3,396,716, there are varying percentage movements (both up and down) which are the result of expenditure movements not equally affecting each geographic area.

Geographic Rating Areas



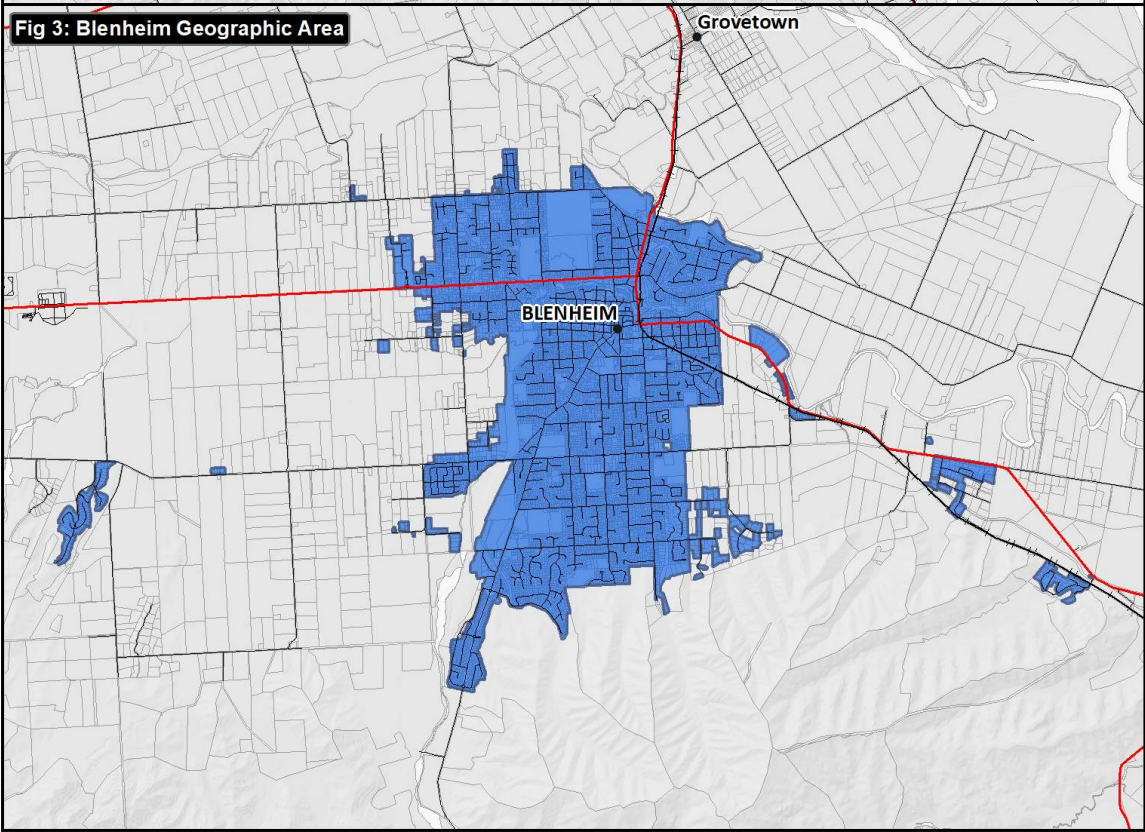
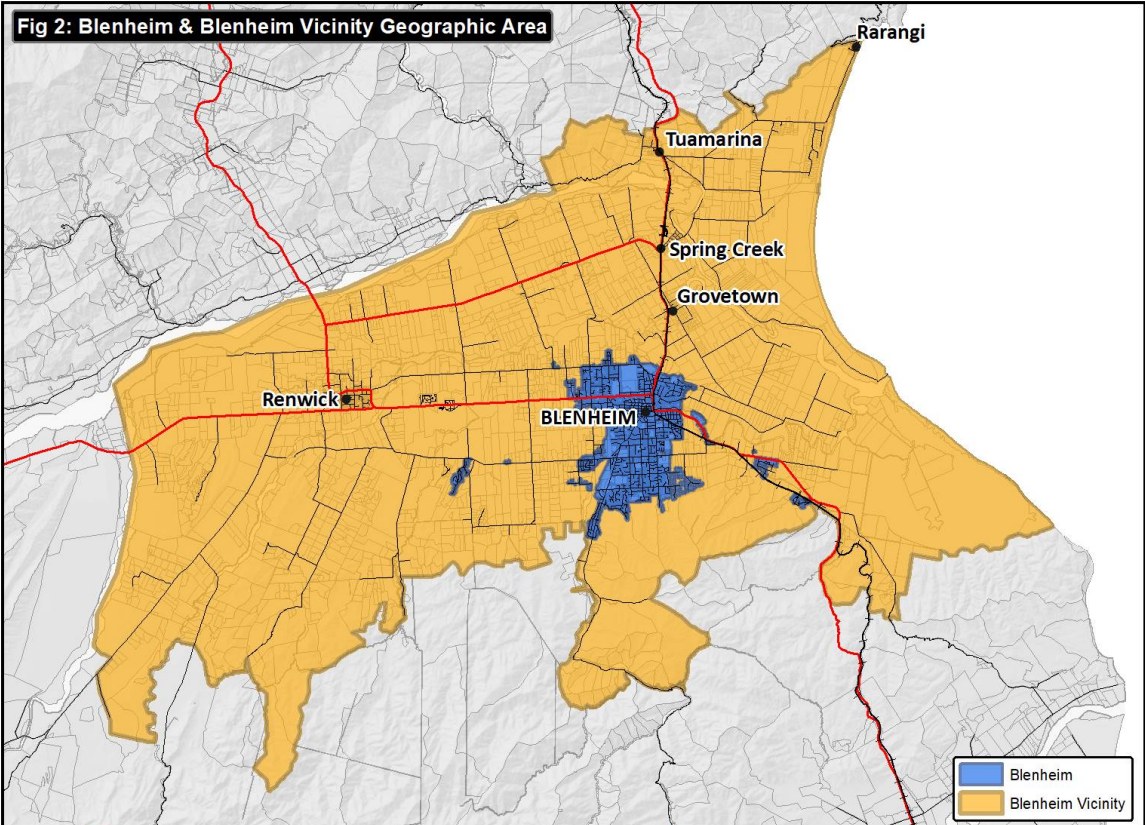


Fig 4: Picton & Picton Vicinity Geographic Area

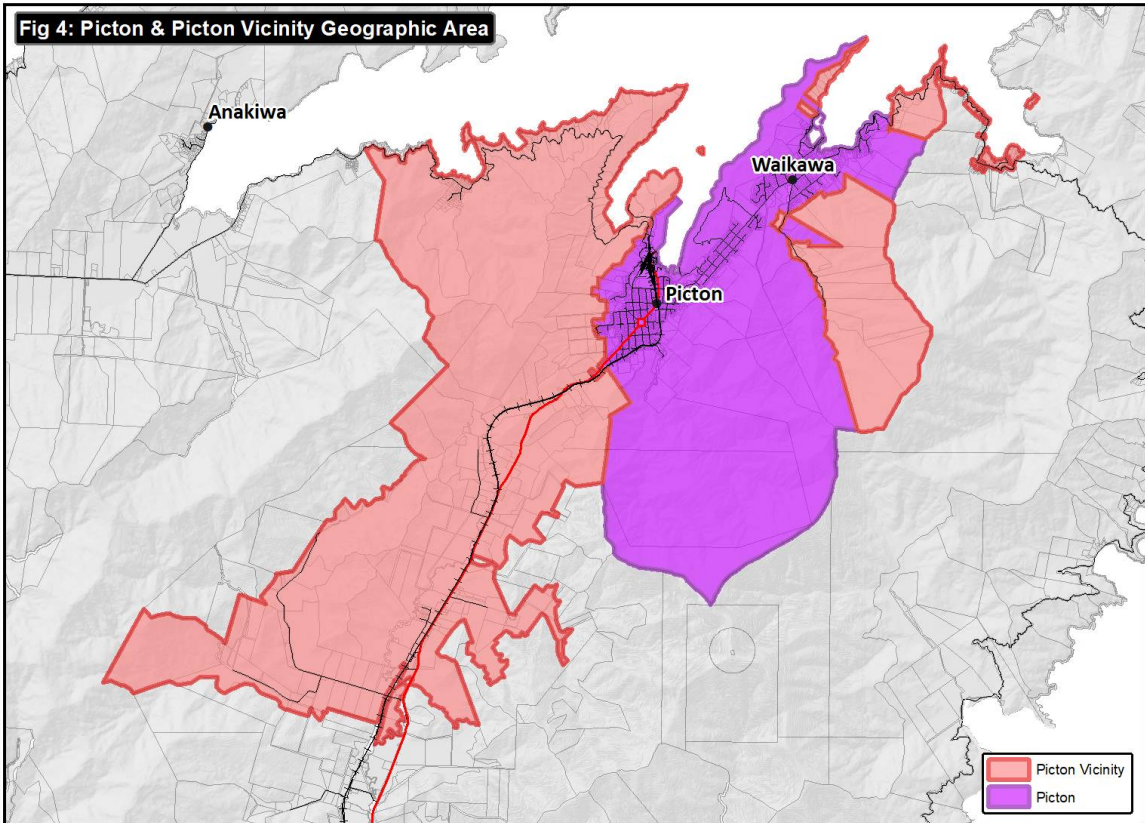
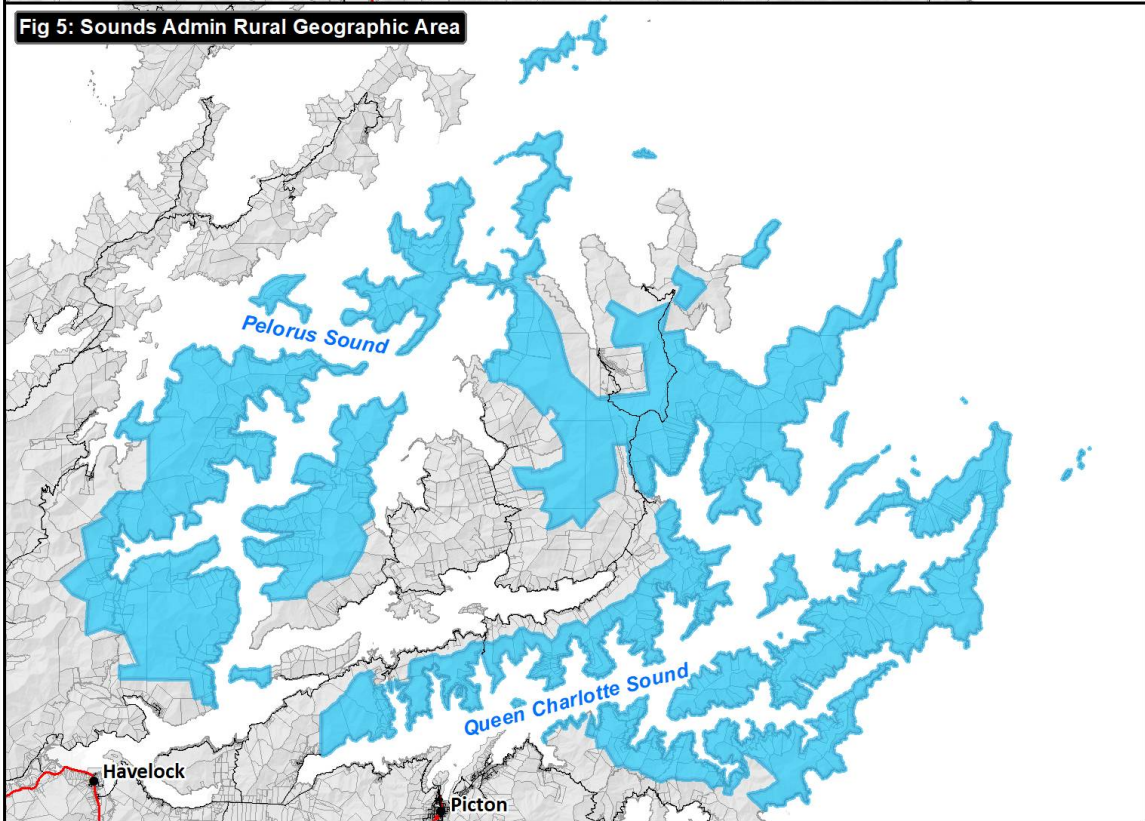


Fig 5: Sounds Admin Rural Geographic Area



Targeted Debt Servicing Rates

\$1,204,749

Grovetown Sewerage Loan Rate

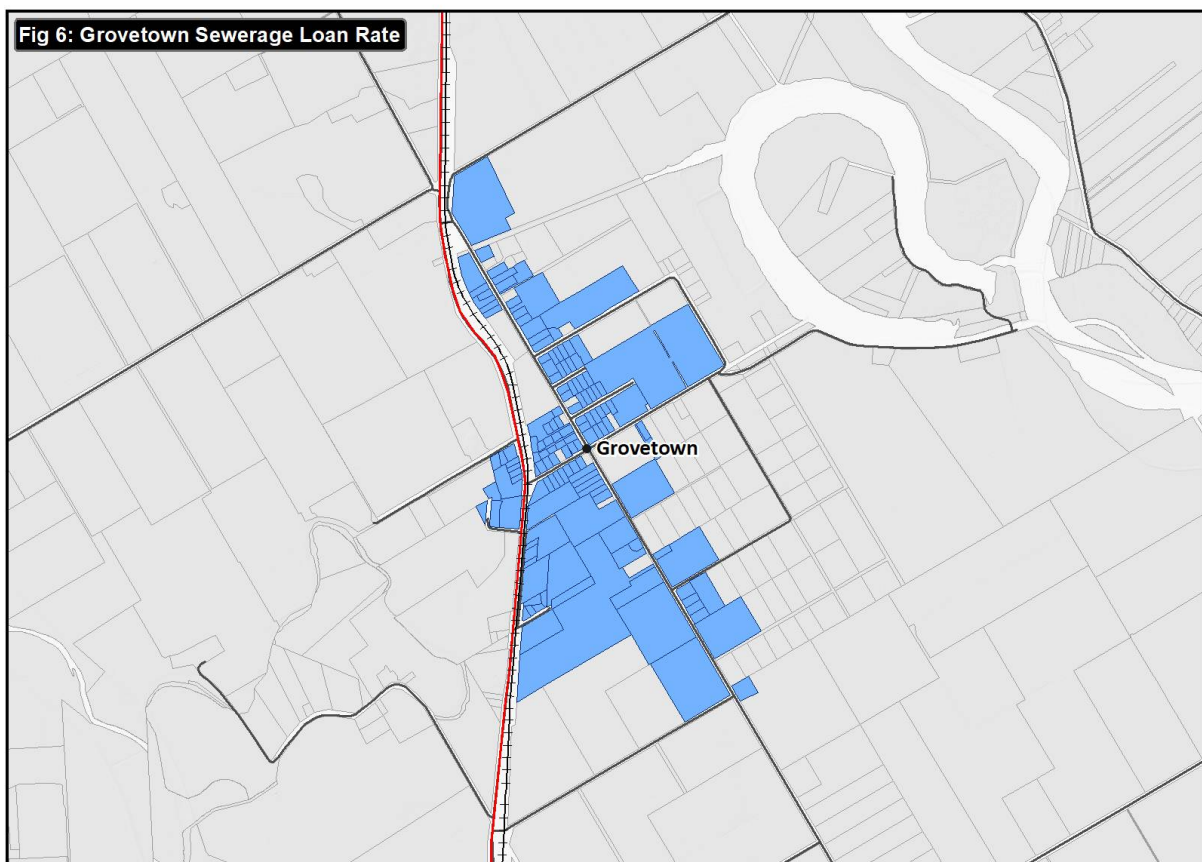
\$92,412

This targeted rate pays the debt servicing costs of the Grovetown sewerage loan scheme and is assessed on a land value basis. It is charged on properties where no lump sum contribution to the sewerage scheme was chosen (see figure 6).

Overall this rate will increase by \$42.

The loan rate will continue until 30 June 2039 when the borrowing will be fully repaid.

Per calculation	Rate in the \$
Land value	0.225572



Renwick Sewerage Loan Rate

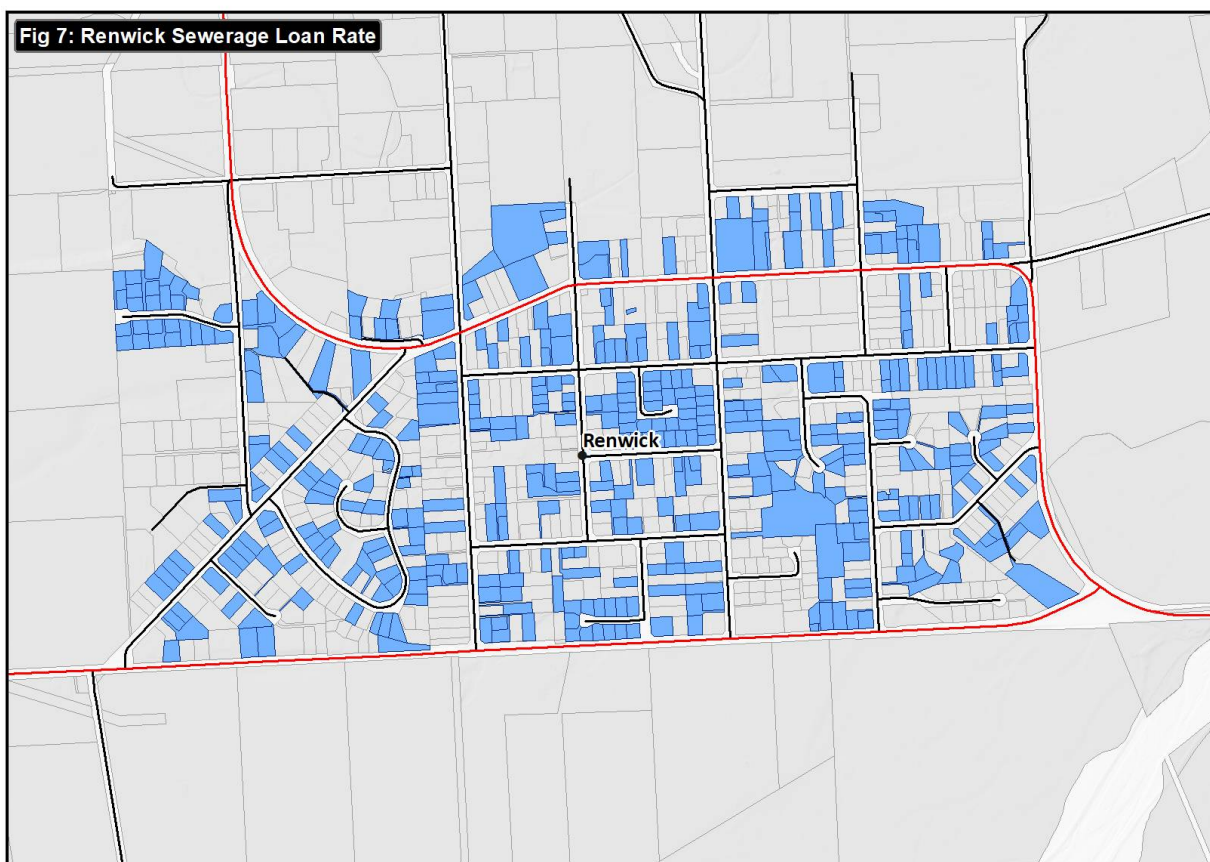
\$34,720

This targeted rate pays the debt servicing costs of the Renwick sewerage loan scheme and is assessed on a land value basis. It is charged on properties where no lump sum contribution to the sewerage scheme was chosen (see figure 7).

Overall this rate will increase by \$75.

The loan rate will continue until 30 June 2026 when the borrowing will be fully repaid.

Per calculation	Rate in the \$
Land value	0.034124



Southern Valleys' Irrigation Loan Rate

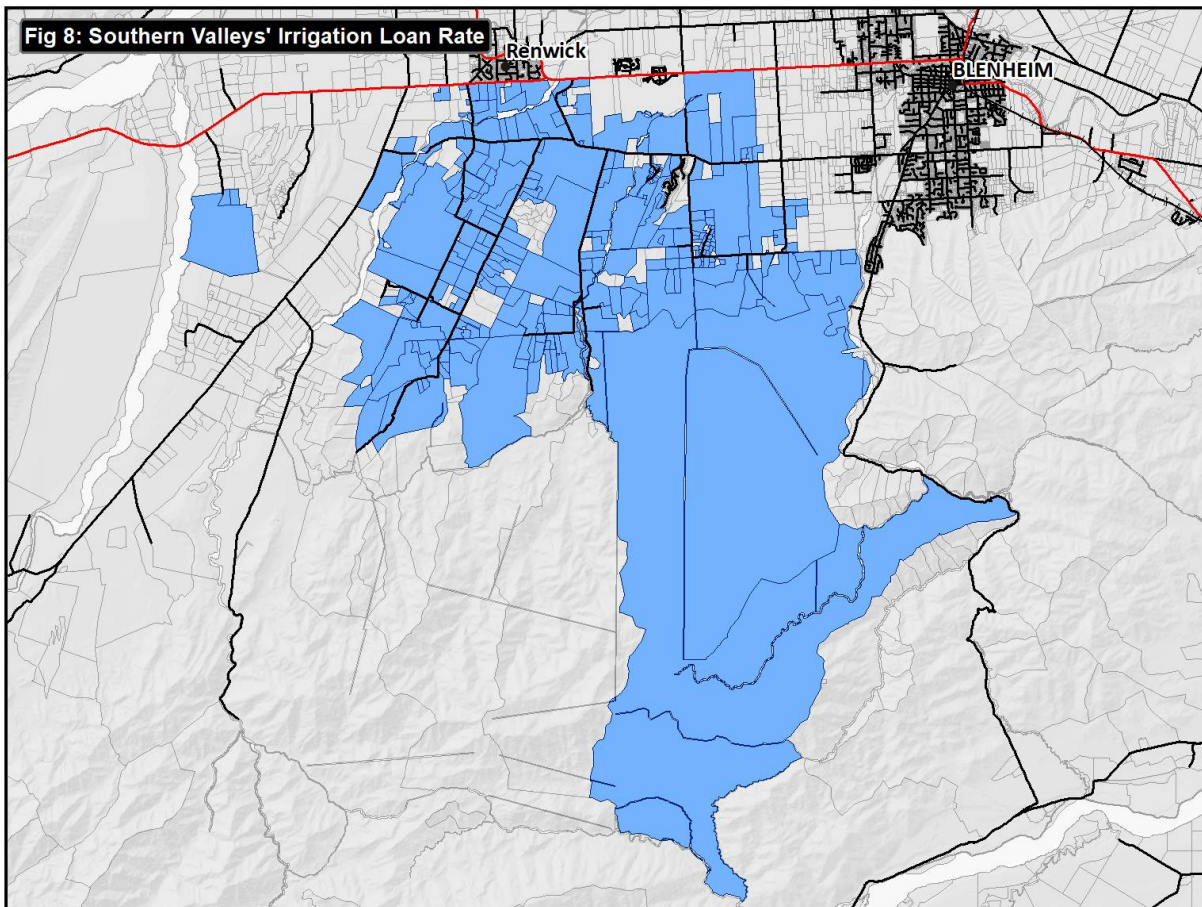
\$1,076,407

This targeted rate funds the debt servicing costs on the capital cost of the Southern Valleys' irrigation scheme. It is assessed on the basis of a fixed amount per hectare on all irrigable land on every rating unit in the special rating area (see figure 8) where no lump sum contribution to the irrigation scheme was chosen.

Overall this rate will increase by \$2,411.

The loan rate will continue until 30 June 2027 when the borrowing will be fully repaid.

Per calculation	Rate in the \$
Per hectare	289.50



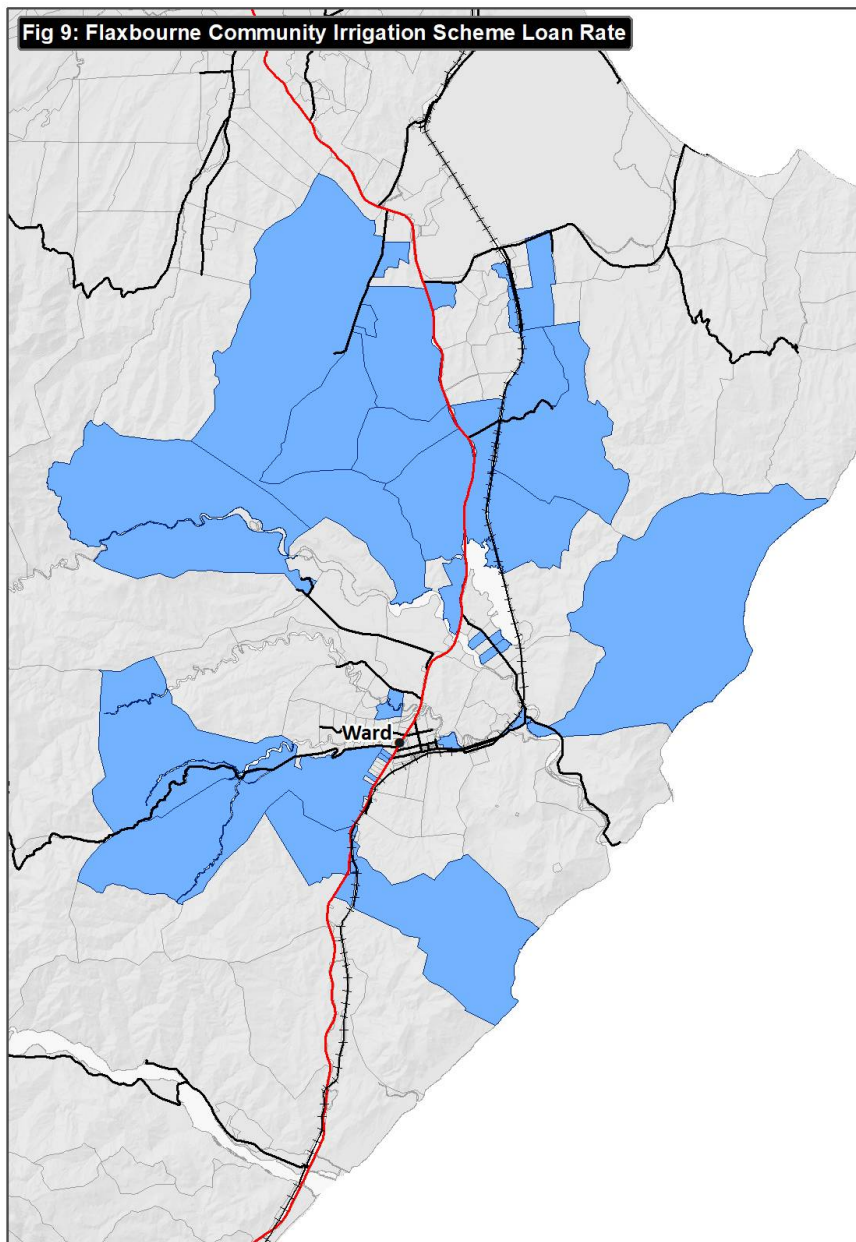
Flaxbourne Community Irrigation Scheme Loan Rate

\$1,210

This targeted rate will be used to either fund investigation costs incurred should the scheme not proceed or the total cost of the scheme should construction contracts be awarded. It is assessed on the basis of a fixed amount per hectare on all land committed to receive a base allocation of water amounting to 2,250 m³ per hectare on land identified within the Flaxbourne Special Rating Area (see figure 9).

Overall this rate will remain the same as last year. The amount of the loan rate will change as the scheme proposal is progressed.

Per calculation	Rate in the \$
Per hectare	1.00



Roading Rates and Charges

\$72,867

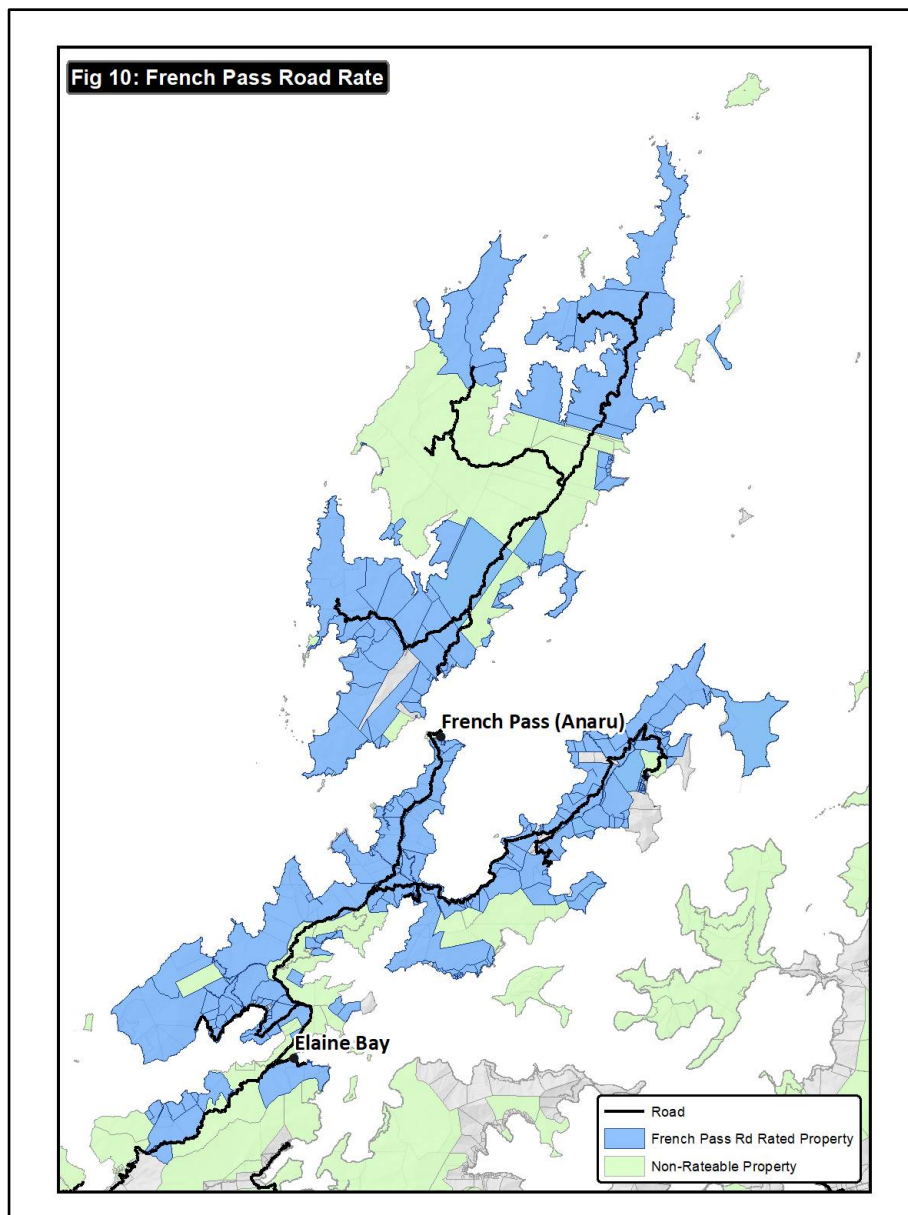
French Pass Road Charge

\$32,045

This targeted charge pays for the cost of seal extension in the French Pass rating area. It is charged on every rating unit in the area (see figure 10).

Overall this charge will remain the same as last year.

Per calculation	Rate in the \$
Per rating unit	99.00



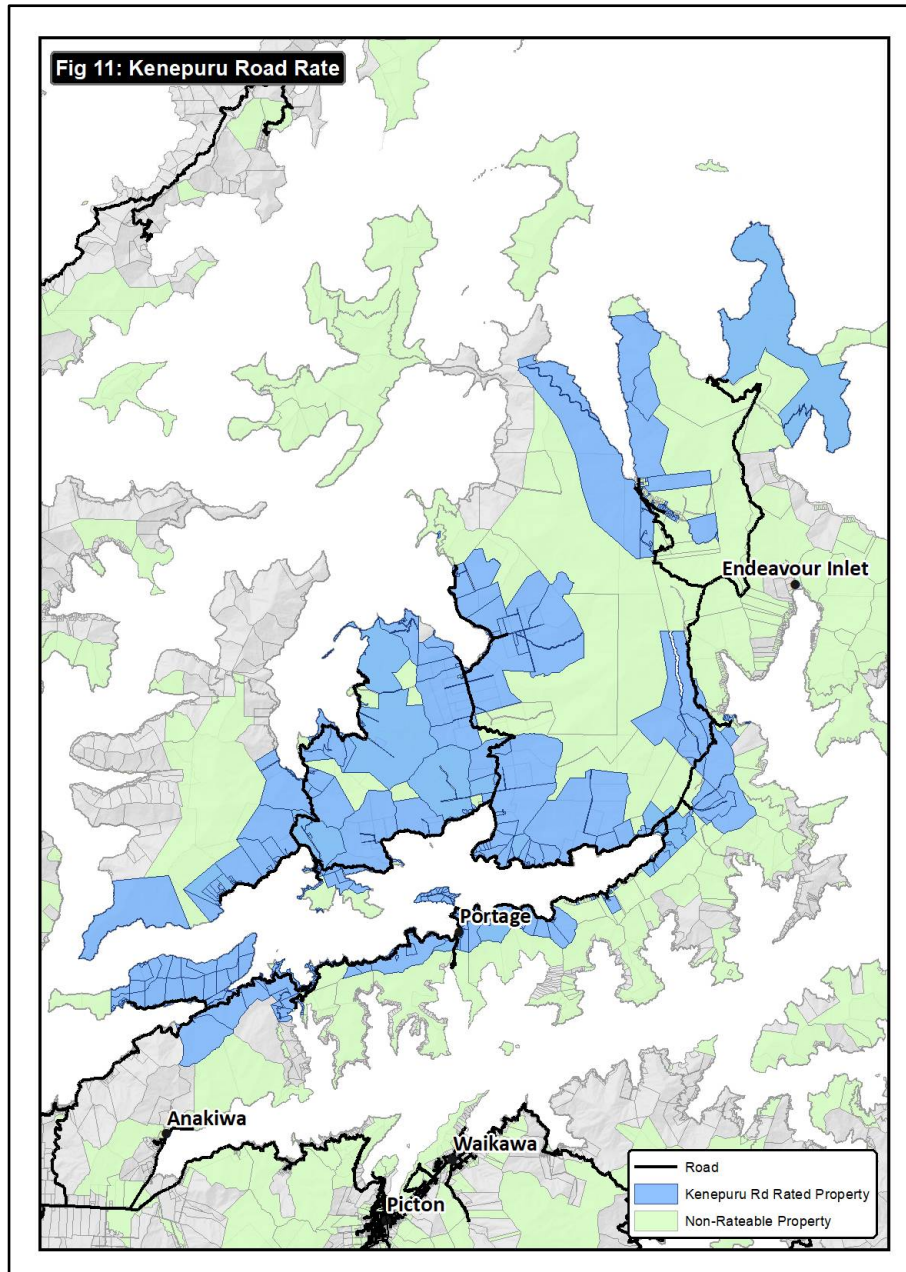
Kenepuru Road Rate

\$40,822

This targeted rate pays for the cost of roading improvements in the rating area. It is calculated on the capital value of every rating unit in the former Kenepuru Riding (see figure 11).

Overall this rate will remain the same as last year.

Per calculation	Rate in the \$
Capital value	0.009771



Wairau Valley Rivers Works Rate

\$5,686,004

This targeted rate covers the costs of river planning, control and flood protection in the Wairau Catchment and is calculated on a Capital Value basis on every rating unit in the Wairau Valley Rivers Rating Area (see figures 12-14). The differential rates in the dollar reflect the benefits derived by the defined locations of each group.

The funding requirements from each area are apportioned as follows (according to costs for that area):

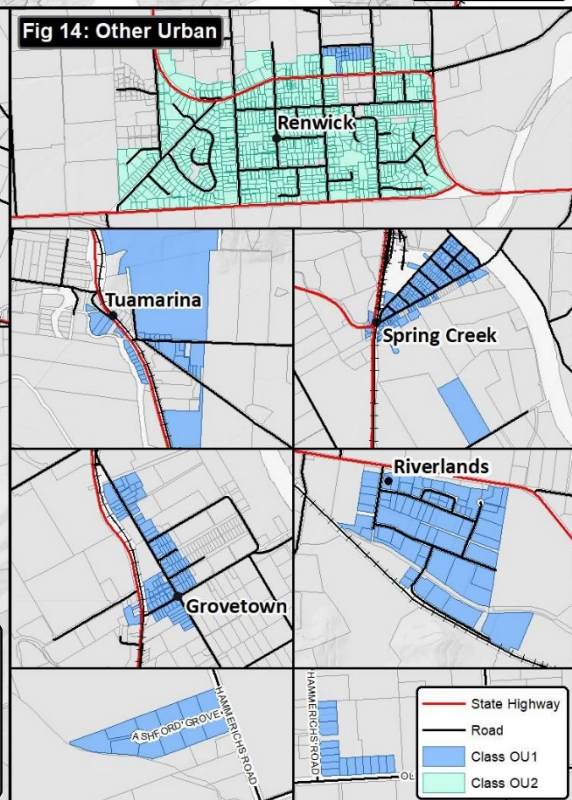
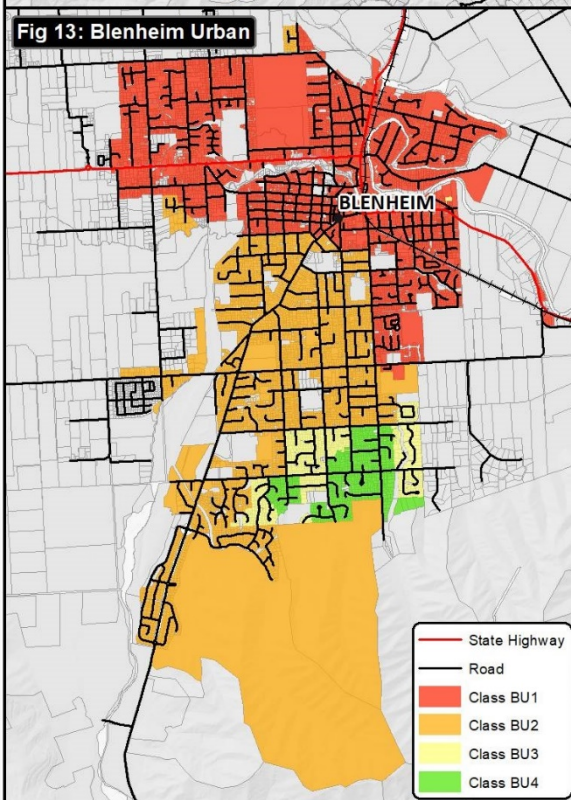
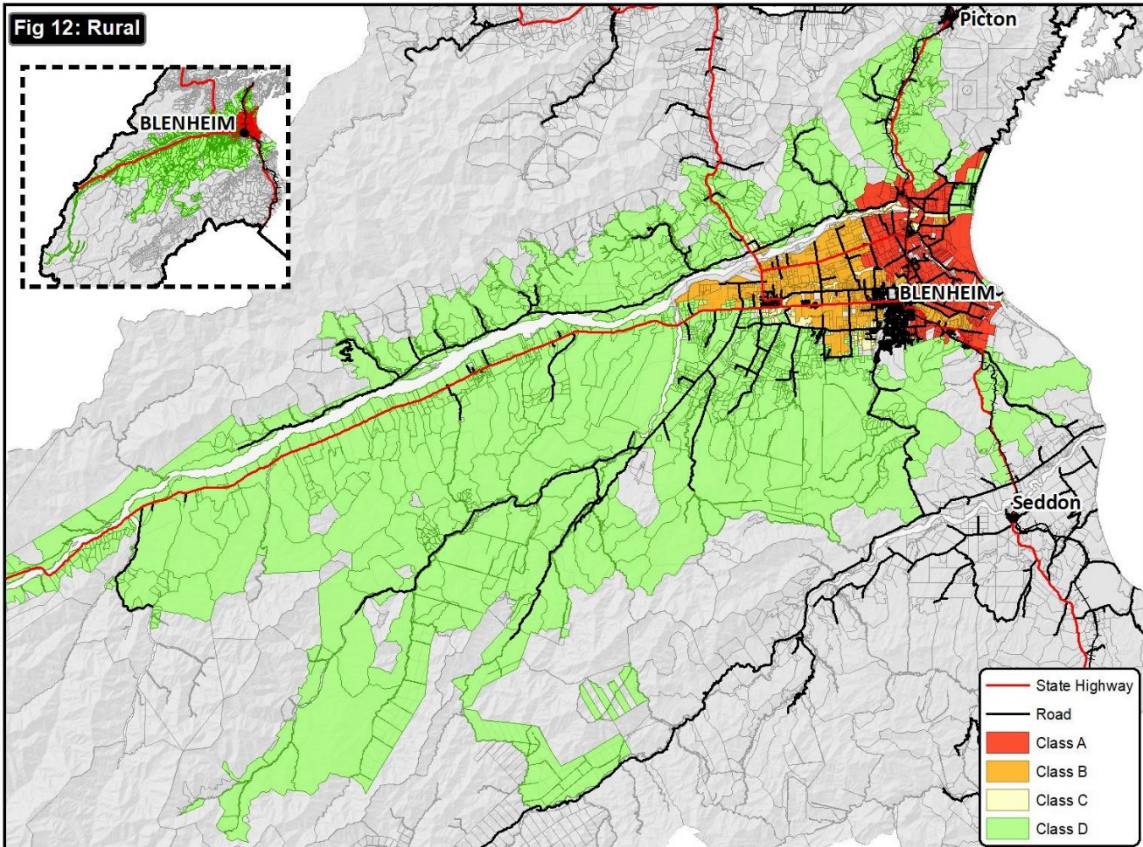
Blenheim Vicinity (Rural)	47.57%
Blenheim Urban	47.84%
Other Urban	4.59%

Overall this rate will increase by \$364,618.

Wairau Valley River Works Rates are set in the river rating areas as follows:

Rating areas	\$	Cents in the \$
Rural A Rating Units	809,025	0.061646
Rural B Rating Units	1,355,390	0.056098
Rural C Rating Units	318,357	0.041919
Rural D Rating Units	222,060	0.005549
Blenheim Urban 1 Rating Units	1,538,922	0.045852
Blenheim Urban 2 Rating Units	975,838	0.039229
Blenheim Urban 3 Rating Units	131,902	0.034135
Blenheim Urban 4 Rating Units	73,522	0.019360
Other Urban 1 Rating Units in Wairau Catchment	132,027	0.043608
Other Urban 2 Rating Units in Wairau Catchment	128,961	0.029591

Wairau Valley Rivers Rating Area



Combined Sewerage Scheme Rates and Charges

\$9,900,227

An overall increase of \$49,089 (GST excl) will occur (0.50%).

Combined Sewerage Scheme Capital Works Rate

\$1,986,168

This rate funds the capital expenditure and borrowing costs of the combined sewerage scheme and is assessed on the land value of every rating unit in the combined sewerage rating area which includes Blenheim, Picton, Havelock and Seddon (figures 15 – 18). The rate is set on a differential basis (depending on location and ability to benefit).

Overall the rate will decrease by \$236,224.

Rating Group	Levy	Cents in \$
Blenheim	1,587,285	0.042650
Havelock	46,803	0.065255
Picton	323385	0.046489
Seddon	28,695	0.07805

Combined Sewerage Rating Areas

\$7,914,059

This uniform charge funds operating costs of the combined sewerage scheme including treatment, reticulation, depreciation and other costs associated with the combined sewerage scheme improvements. Blenheim and Picton rating units with sewerage discharges where the quantity or the strength of the effluent is greater than the average domestic rating unit, will be assessed an additional trade waste charge.

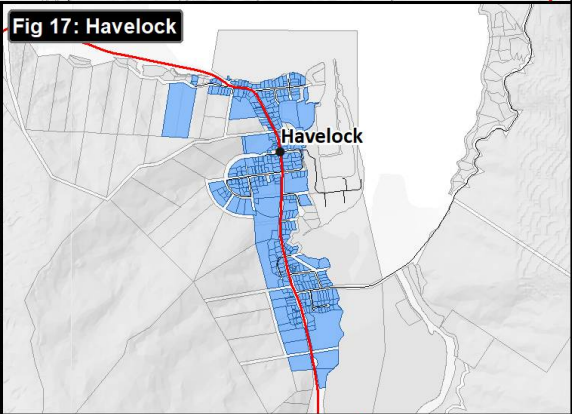
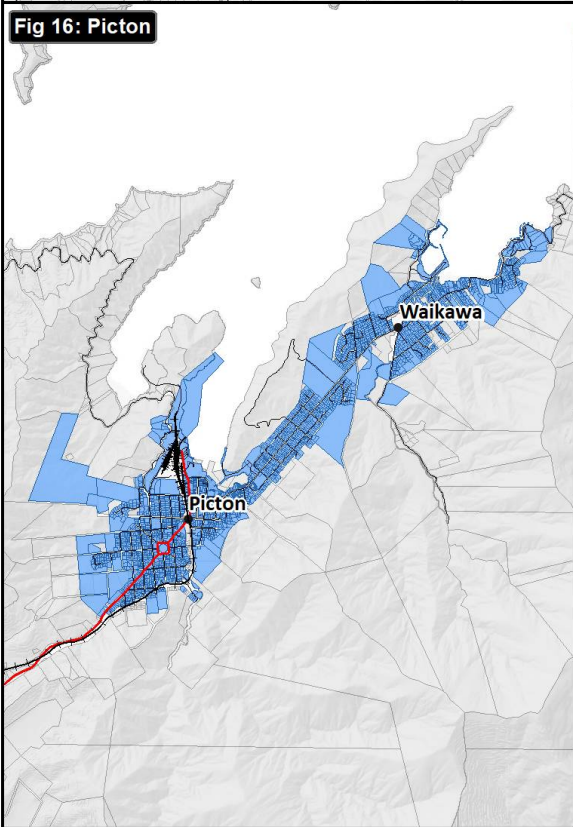
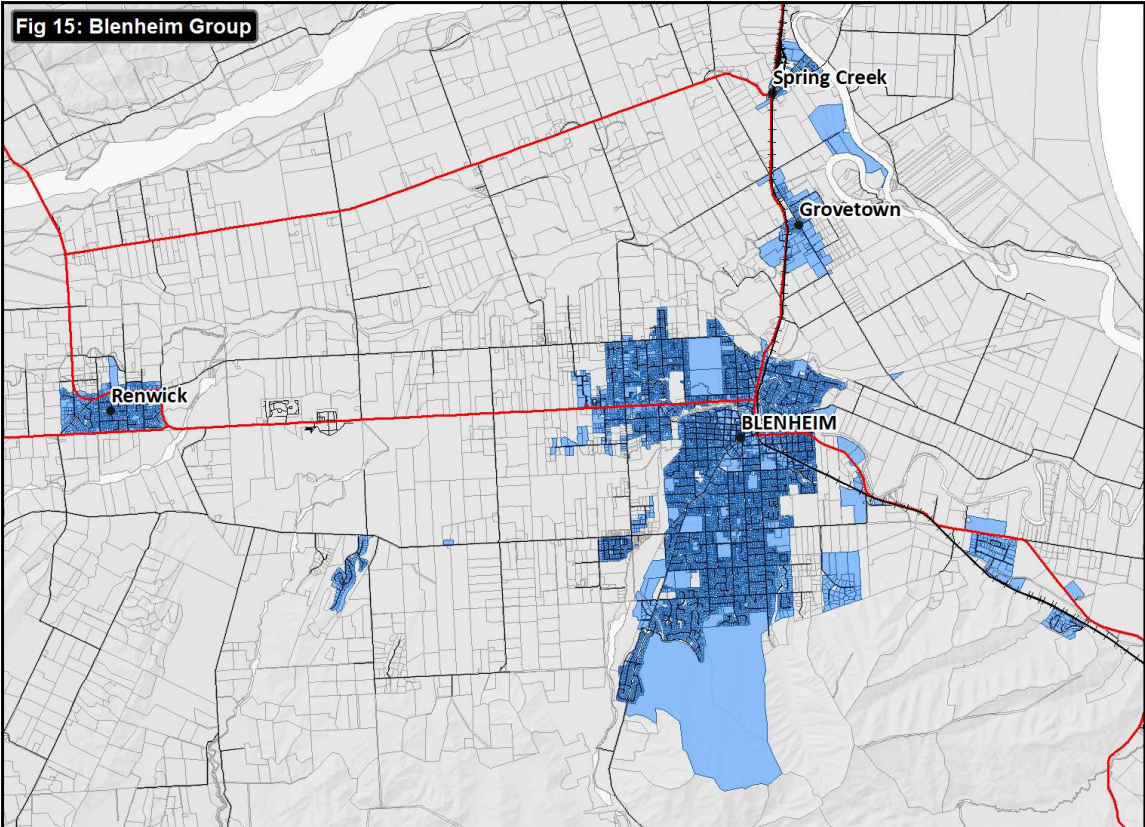
Overall the charge will increase by \$285,313.

Categories	Charge per SUIP
Connected	\$444
Serviceable	\$222

Definitions:

“Connected” refers to any separately used or inhabited part of a rating unit that is connected, either directly or indirectly, through a private drain to a public drain. “Serviced” has the same meaning.

“Serviceable” refers to any separately used or inhabited part of a rating unit situated within 30 metres of a public sewerage or storm water drain to which it is capable of being effectively connected, either directly or through a private drain, but which is not so connected.



Water Supply Rates and Charges

\$13,158,426

An overall increase of \$726,982 will occur.

Definitions:

“Serviced” or “Connected” refers to any separately used or inhabited part of a rating unit to which water is supplied.

“Serviceable” refers to any separately used or inhabited part of a rating unit to which water can be but is not supplied (being property situated within 100 metres from any part of the waterworks).

Combined Water Scheme Rates and Charges

\$9,148,670

Overall this will increase by \$216,800.

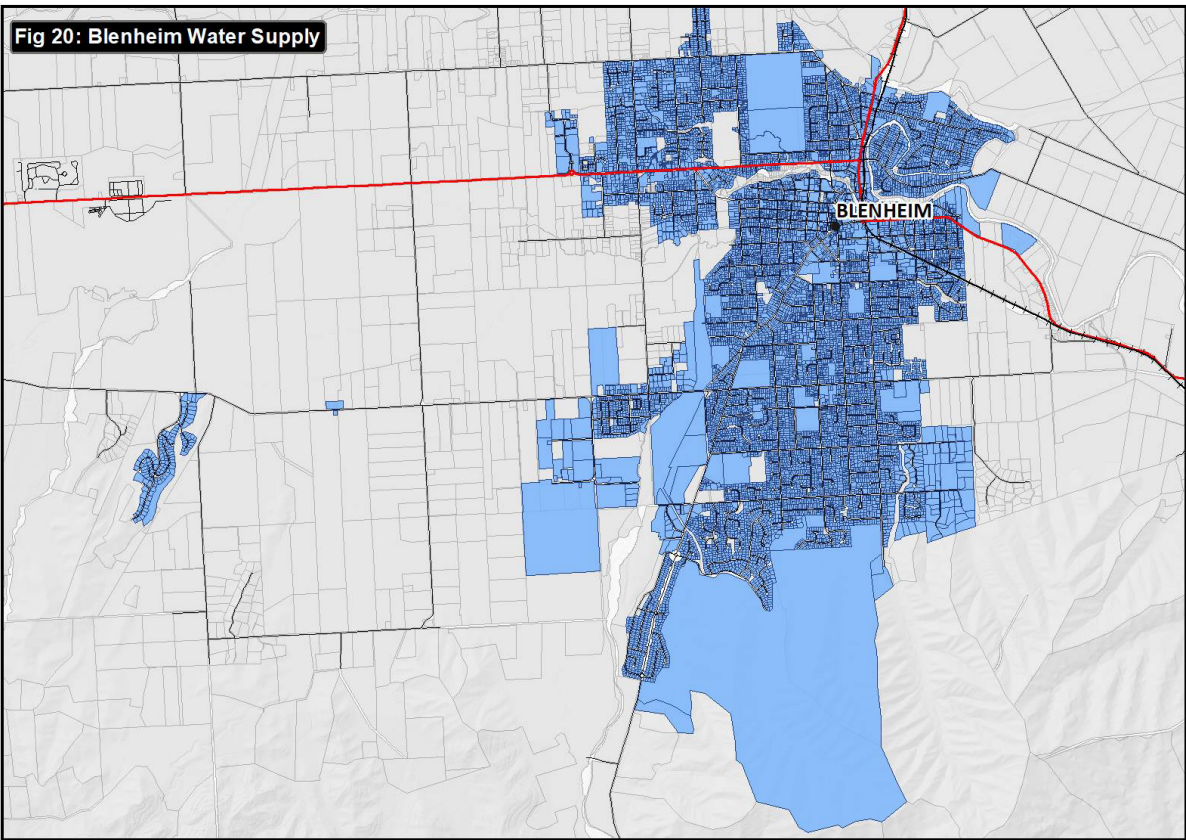
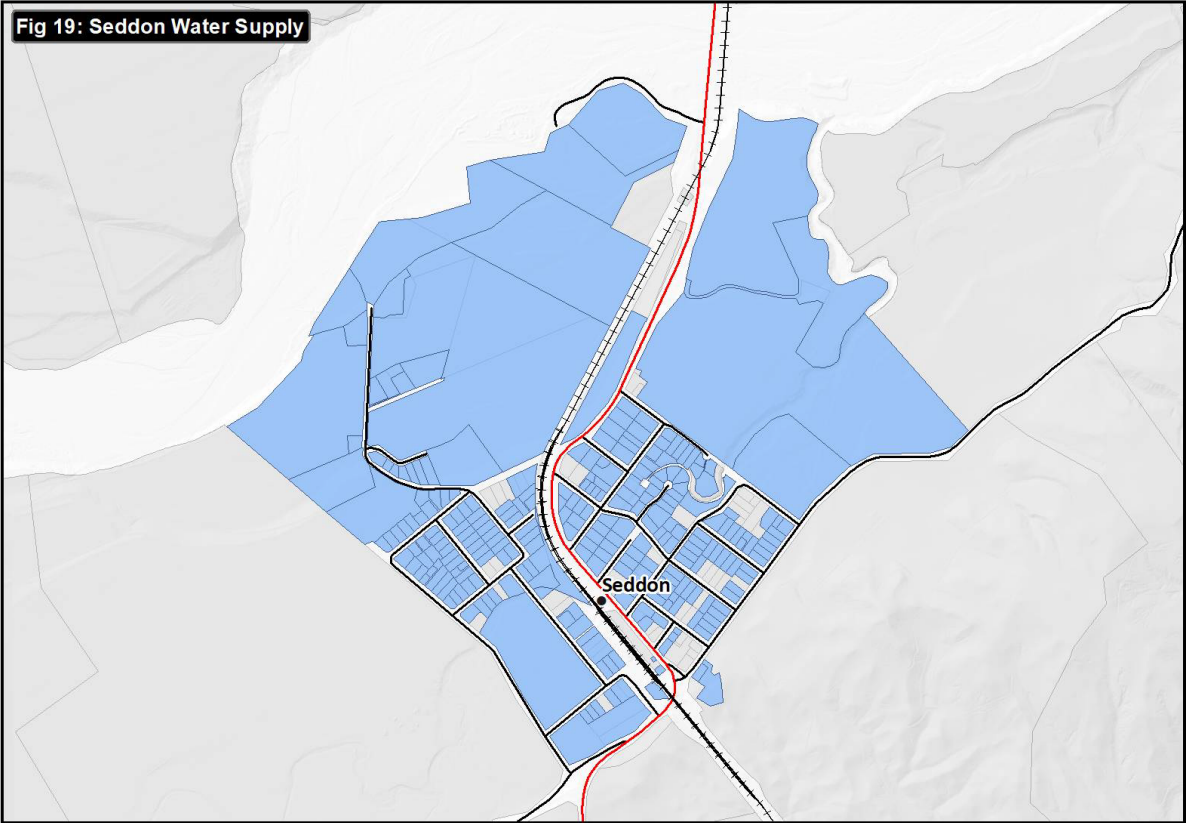
Combined Water Scheme Capital Works Rate

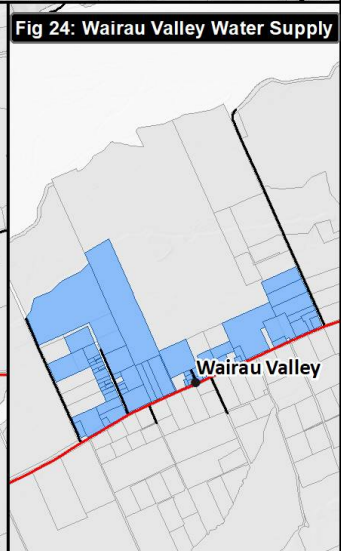
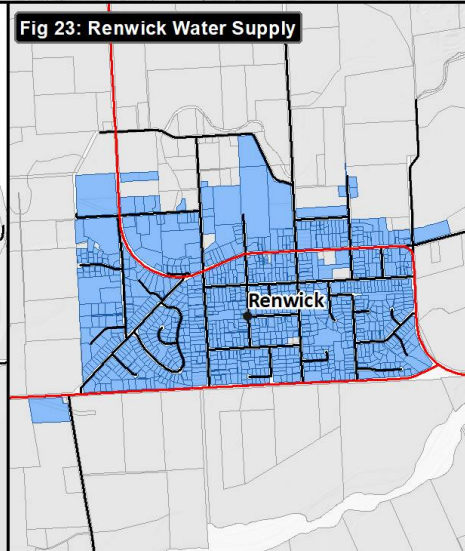
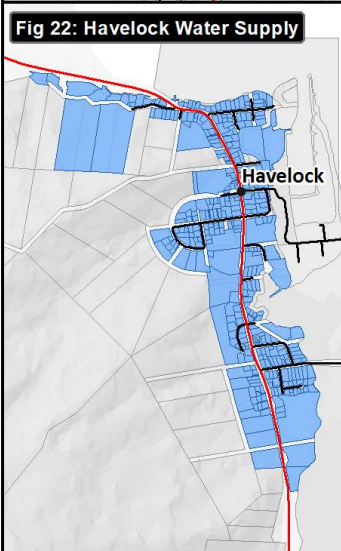
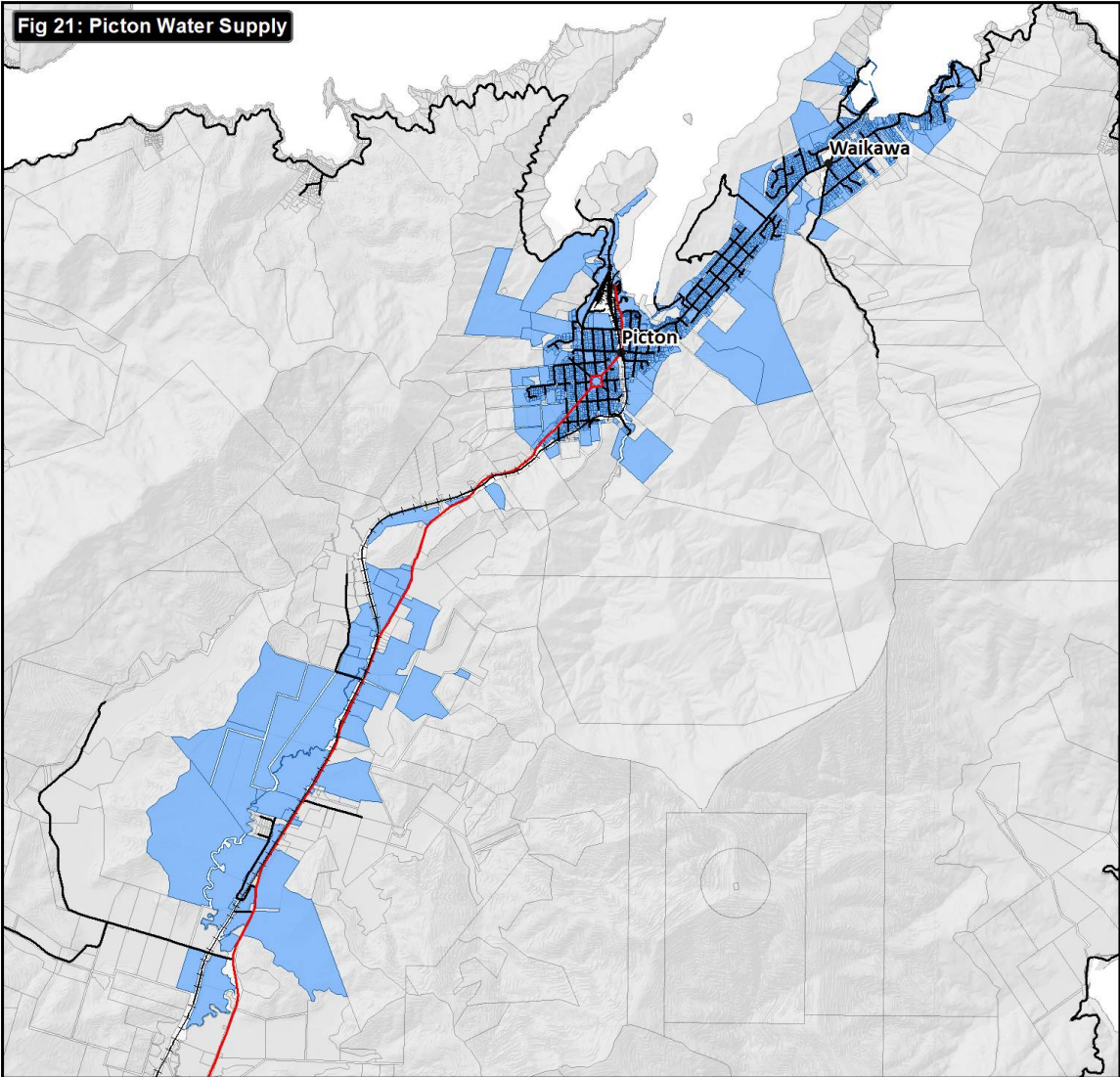
\$2,140,475

This rate funds the Capital Expenditure and Debt Servicing costs of the combined water scheme. It is assessed on the land value of every rating unit in the Combined Water Rating Area on a differential basis. The Koromiko rating units subject to the special pipeline agreement are included.

Overall this rate will increase by \$32,435.

Rating Group	Levy	Cents in \$
Blenheim	1,571,574	0.046928
Havelock	53,091	0.071800
Picton	355,325	0.051151
Koromiko	2,310	0.032380
Renwick	122,819	0.050214
Seddon	35,356	0.085878





Combined Water Scheme Charges

\$6,459,600

These charges fund the balance of expenditure other than Capital and Debt Servicing costs, including operating costs of the combined water scheme including treatment, reticulation, depreciation and other costs associated with the combined water scheme improvements.

These charges are set on a differential basis.

Overall this charge will increase by \$164,446

Blenheim Water Charges

\$4,406,618

These charges are calculated as a fixed amount on every non-metered separately used or inhabited part of a serviced rating unit in the Blenheim Water Supply Area (including the Burleigh Extension) (see figure 20); and half that amount for each non-metered separately used or inhabited part of every serviceable rating unit in the same area.

Categories	Charge per SUIP
Connected	\$352
Serviceable	\$176

Havelock Water Charges

\$72,748

This charge is for every separately used or inhabited part of a serviced residential rating unit whether connected or not in the Havelock water supply area (see figure 22).

Categories	Rate in the \$
Per SUIP	\$255

Picton Water Charges

\$1,580,777

These charges are calculated as a fixed amount on every non-metered separately used or inhabited part of a serviced rating unit in the Picton Water Supply Area (see figure 21) and half that amount on each non-metered separately used or inhabited part of every serviceable rating unit in the same area.

Categories	Charge per SUIP
Connected	\$597
Serviceable	\$299

Renwick Water Charges

\$228,262

This charge is for every separately used or inhabited part of a serviced residential rating unit whether connected or not in the Renwick water supply area (see figure 23).

Per calculation	Rate in the \$
Per SUIP	\$255

Seddon Water Charge

\$160,189

The charge will be on every separately used or inhabited part of a rating unit within the Seddon Water Supply Area (see figure 19), (excluding all commercial consumers), and any new lots created by subdivision of such rating units whether connected or not.

Per calculation	Rate in the \$
Per SUIP	\$549

Wairau Valley Water Charge

\$11,006

This charge is set to recover the net cost of operations, capital expenditure and debt servicing costs.

The charge will be for each water meter, excluding all commercial water meters, connected to a rating unit within the Wairau Valley Water Supply Area (see figure 24).

Per calculation	Rate in the \$
Per water meter	\$240

Residential Metered Water Charges

\$548,595

These charges exclude water supplied to commercial metered rating units.

Overall these charges will increase by \$19,919.

Blenheim Metered Water Charge

\$53,352

This charge is assessed on the basis of the quantity of water supplied to residential metered rating units (including the Burleigh Extension).

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 62m ³	\$88.00
Over 63m ³	\$1.41 per cubic metre

Havelock Metered Water Charge

\$109,122

This charge is assessed on the basis of the quantity of water supplied to all Havelock residential consumers where consumption exceeds 200 cubic metres per annum.

Per calculation	Rate in the \$
Per m ³	2.05

Picton Metered Water Charge

\$18,794

Ordinary Charge

A Picton Metered Water Ordinary Charge is assessed on the basis of the quantity of water supplied to residential metered rating units.

Volume	Charge
Less than or equal to 39m ³	\$149.25
Over 39m ³	\$3.87 per cubic metre

Koromiko Charge

A Picton Metered Water Koromiko charge is assessed on the basis of the quantity of water supplied to Koromiko Special Pipeline Agreement rating units.

Per calculation	Rate in the \$
Per m ³	3.10

Renwick Metered Water Charge

\$342,392

This charge is assessed on the basis of the quantity of water supplied to all Renwick residential consumers where consumption exceeds 200 cubic metres per annum.

Per calculation	Rate in the \$
Per m ³	1.14

Seddon Metered Water Charge

\$13,929

This charge is assessed on the basis of the quantity of water supplied to residential metered rating units where consumption exceeds 275 cubic metres per annum.

Per calculation	Rate in the \$
Per m ³	2.02

Wairau Valley Metered Water Charge

\$11,006

This charge is set to recover the net cost of operations, capital expenditure and debt servicing costs.

This charge is assessed on the basis of the quantity of water supplied to each residential water meter connected to a rating unit within the Wairau Valley Water Supply Area where consumption exceeds 350 cubic metres per annum.

Per calculation	Rate in the \$
Per m ³	2.69

Other Water Supply

Commercial Metered Water Charges

\$1,300,183

These water charges fund the net cost of operations.

Overall these charges will increase by \$61,344.

Blenheim Commercial Metered Water Charge

\$494,700

This charge for metered rating units is assessed on the basis of the quantity of water supplied to commercial metered connections (including the Burleigh Extension).

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$48.50
Over 50m ³	\$0.97 per cubic metre

Havelock Commercial Metered Water Charge

\$178,840

This charge for metered rating units is assessed on the basis of the quantity of water supplied to commercial metered connections

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$131.50
Over 50m ³	\$2.63 per cubic metre

Picton Commercial Metered Water Charge

\$515,630

Ordinary Charge

A Picton Metered Water Ordinary Charge is assessed for metered rating units on the basis of the quantity of water supplied to commercial metered connections (excluding connections where water is onsold).

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$152.50
Over 50m ³	\$3.06 per cubic metre

Onsold Charge

A Picton Metered Water Onsold Charge is assessed for metered rating units on the basis of the quantity of water supplied to commercial metered connections that is subsequently onsold.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 45m ³	\$152.50
Over 45m ³	\$3.37 per cubic metre

Renwick Commercial Metered Water Charge

\$68,950

This charge for metered rating units is assessed on the basis of the quantity of water supplied to commercial metered connections.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$98.50
Over 50m ³	\$1.97 per cubic metre

Seddon Commercial Metered Water Charge

\$40,920

This charge for metered rating units is assessed on the basis of the quantity of water supplied to commercial metered connections.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$185.75
Over 50m ³	\$3.72 per cubic metre

Wairau Valley Commercial Metered Water Charge

\$1,143

This charge is set to recover the net cost of operations, capital expenditure and debt servicing costs.

This charge for metered rating units is assessed on the basis of the quantity of water supplied to each commercial water meter connected to a rating unit within the Wairau Valley water supply area.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$190.25
Over 50m ³	\$3.81 per cubic metre

Rural Awatere Water Supply

\$1,096,632

The following charges fund the net cost of operations, Capital Expenditure and Debt Servicing costs.

Overall this will increase by \$100,668

Rural Awatere Water Charge

\$367,152

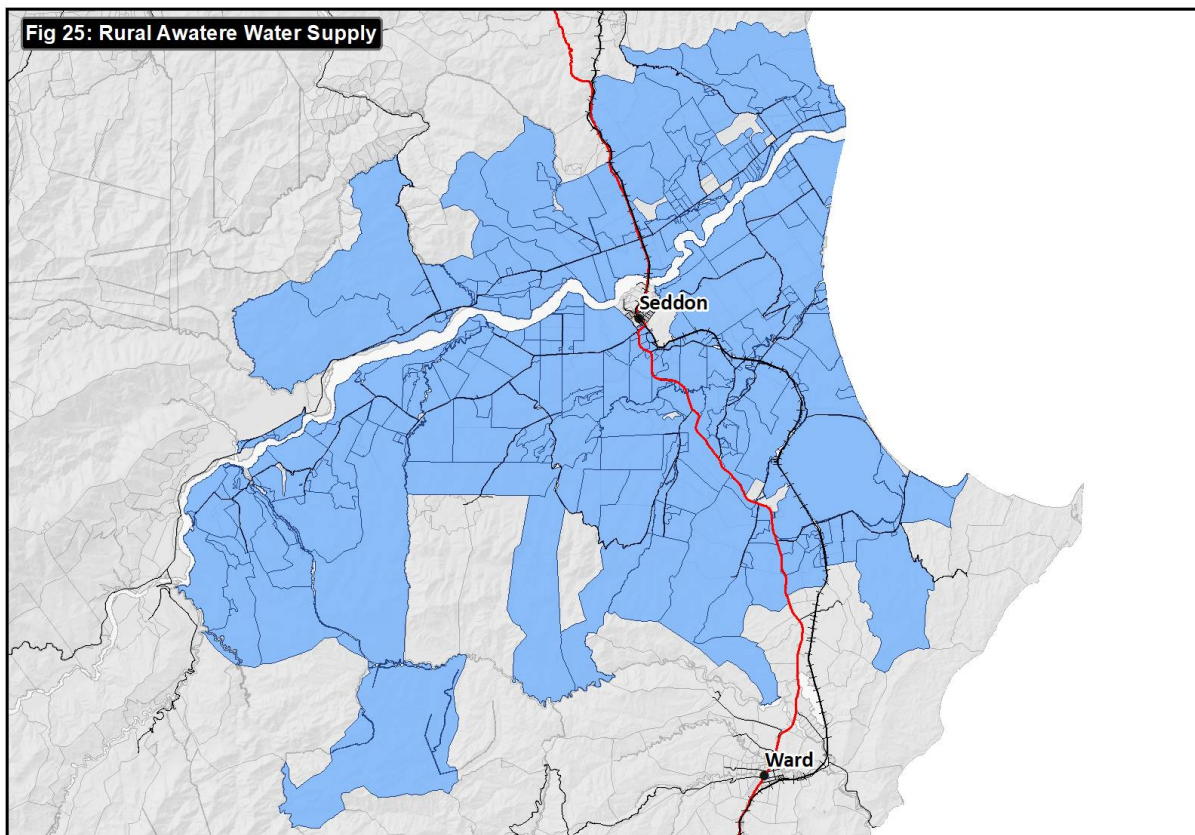
The uniform charge will increase from \$900 to \$990 on every separately used or inhabited part of a rating unit within the Rural Awatere Water Supply Area (see figure 25) and any new lots created by subdivision of such rating units whether connected or not.

Rural Awatere Metered Water Charge

\$729,480

This charge for metered rating units is assessed on the basis of the quantity of water supplied to all consumers where consumption exceeds 275 cubic metres per annum.

The metered charge will be \$2.43 per cubic metre for all usage in excess of 275 cubic metres, for all consumers on the Rural Awatere water supply.



Riverlands Water Supply

\$858,923

This charge funds the cost of operations, capital expenditure and debt servicing costs.

This charge for metered rating units is assessed on the basis of the quantity of water supplied to metered rating units.

Operating costs have increased by \$324,317.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 40m ³	\$49.50
Over 50m ³	\$1.24 per cubic metre

Southern Valleys' Irrigation Scheme

\$754,018

This charge for metered rating units is assessed on the basis of the quantity of water supplied to metered connections. This rate funds the net operating costs of the Southern Valleys' Irrigation Scheme.

Operating costs have increased by \$23,853.

Per calculation	Rate in the \$
Per m ³	0.25

Refuse and recycling charges

\$1,857,787

Overall, refuse and recycling charges will increase by \$202,658.

Residential refuse and kerbside recycling collection charges

\$1,766,907

This charge pays for the cost of residential refuse and kerbside recycling collection where Council provides or is prepared to provide the service.

This charge is a fixed amount per SUIP where Council provides the service (see figures 26-27).

Service	Charge per SUIP
Kerbside recycling	\$50
Refuse collection	\$84
Total	\$134

Refuse collection charges

\$90,880

This charge pays for the cost of refuse collection where Council provides or is prepared to provide the service.

This charge is a fixed amount per SUIP where Council provides the service (see figures 26-27).

Service	Category	Charge per SUIP
Refuse collection	Residential	\$84
Refuse collection	Commercial/industrial	\$84

Fig 26: Blenheim

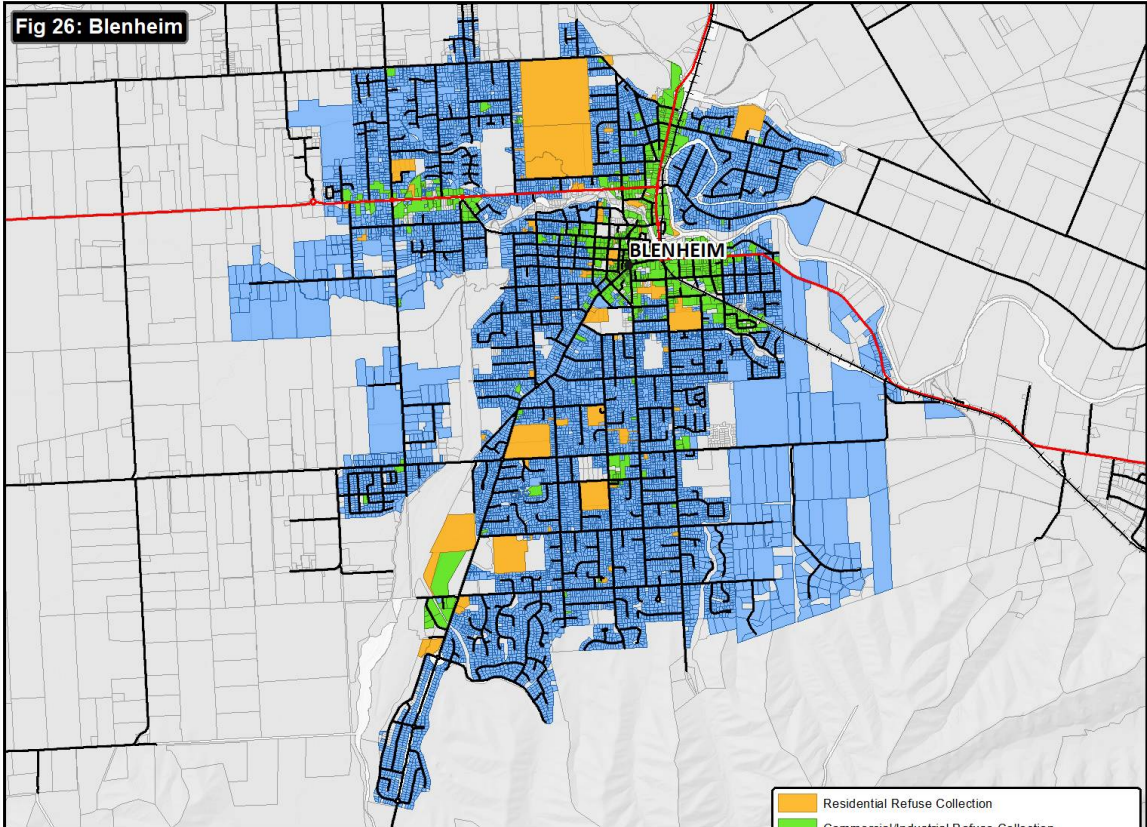
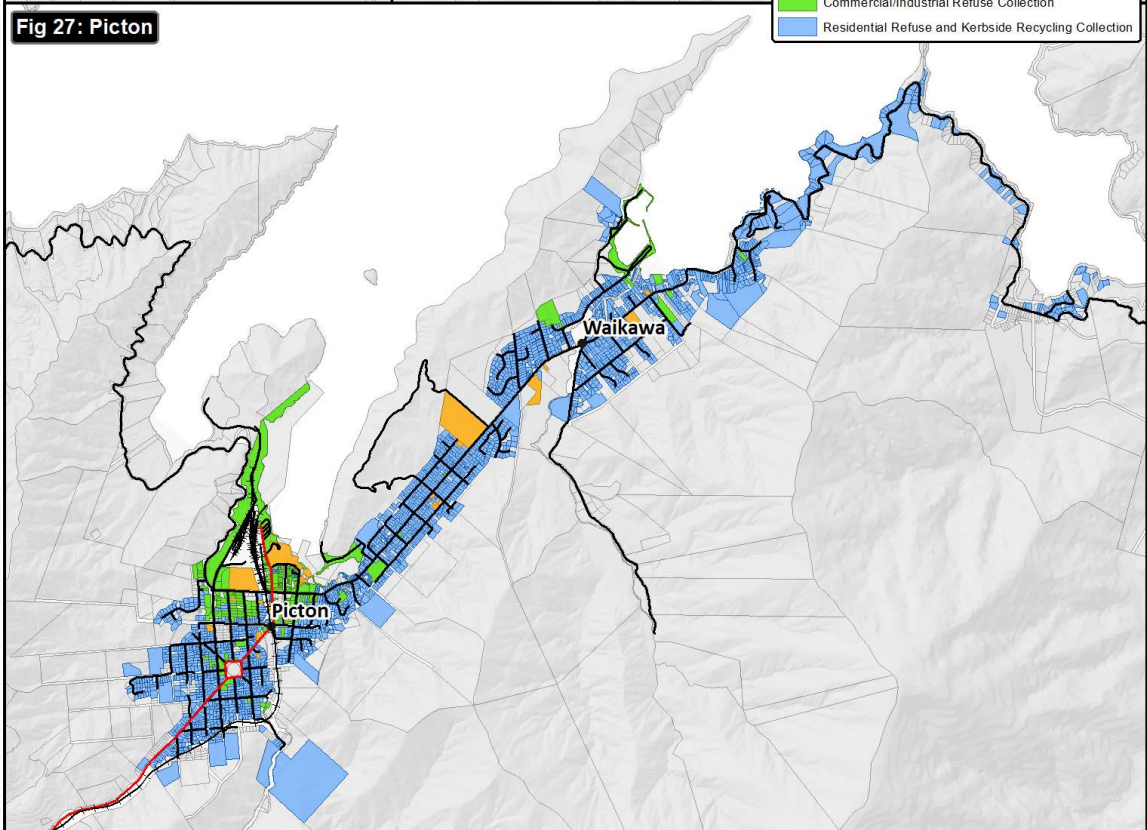


Fig 27: Picton



- Residential Refuse Collection
- Commercial/Industrial Refuse Collection
- Residential Refuse and Kerbside Recycling Collection

Energy Efficiency Rates

\$777,741

These voluntary targeted rates repay the amount of energy efficiency funding supplied (including interest and fees) for energy efficiency solutions added to residential homes. It is payable by residential ratepayers who have had assistance from Council's energy efficiency funding service.

Funding is offered for:

- Insulation
- Clean home heating (heat pumps, wood or pellet fires)
- Solar water heating
- Solar power

The rate is payable for nine years. The interest rate for the current year is 4.0%.

The rate is calculated as a percentage of the total amount to be repaid as follows:

First year rated	Final rating year	Percentage paid this year
2014-15	2022-23	16.213457
2015-16	2023-24	15.997973
2016-17	2024-25	15.789545
2017-18	2025-26	15.649303
2018-19	2026-27	15.512816
2019-20	2027-28	15.411147
2020-21	2028-29	15.311906
2021-22	2029-30	15.278583
2022-23	2030-31	15.278583

Residential pool inspections charge

\$118,912

This targeted rate funds the costs of carrying out residential pool inspections under the Building (Pools) Amendment Act 2016. It is charged on every SUIP with a residential pool.

Overall this charge will increase by \$5,094.

Per calculation	Rate in the \$
Per SUIP	98.00

Tourism Charges

\$218,500

This targeted rate is collected on behalf of Destination Marlborough to promote Marlborough as a tourist destination. It is charged as a fixed amount per SUIP where the ratepayer is engaged in tourism activities as follows:

Activity	Rating category	Charge per rating unit
Properties that are advertised for short term rental accommodation	Residential/Rural	\$237
Short term rental accommodation <30 people	Commercial	\$237
Short term rental accommodation >30 people	Commercial	\$363
Tourism activities (not included in above)	Commercial	\$264

Where a ratepayer operates in two or more of the groups above from the same rating unit, only the highest applicable group charge will be assessed.

Landscape Charges

\$4,738

A targeted landscape charge on new subdivisions (and existing subdivisions following consultation) is assessed where higher landscaping standards result in additional maintenance costs and is calculated as a fixed amount on every separately used or inhabited part of a rating unit set differentially on the following basis:

Properties with Urban level 1 landscaping standards	\$42
Properties with Urban level 2 landscaping standards	\$53
Properties with Rural level 1 landscaping standards	\$59
Properties with Rural level 2 landscaping standards	\$179

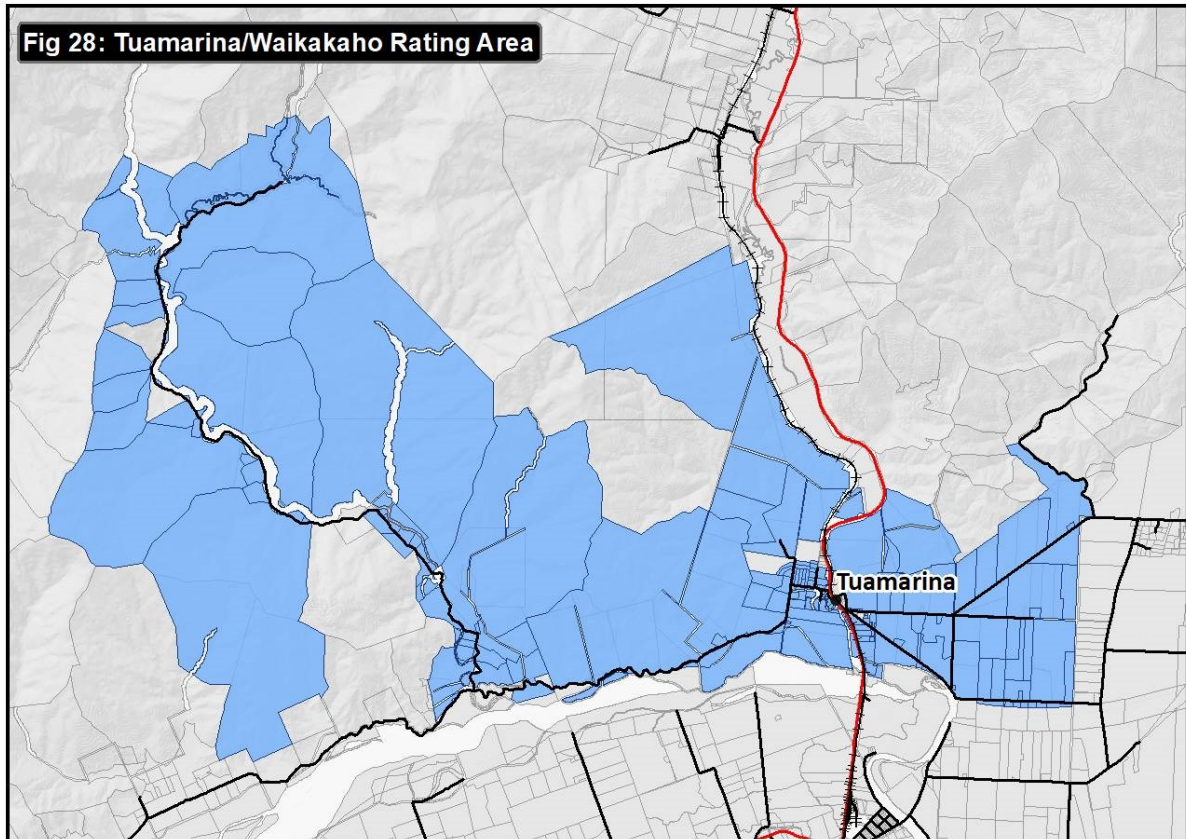
Street berms, trees and plots are included under the Community Facilities Activity.

Tuamarina/Waikakaho Hall Charge

\$2,896

This charge pays for the upkeep of the Tuamarina/Waikakaho Hall. It is payable by ratepayers in the Tuamarina/Waikakaho special rating area.

Overall this charge will increase by \$54.



Per calculation

Per rating unit

Rate in the \$

18.45

Residential rates postponement scheme

To cover costs for this scheme, the following fees and charges are set for the 2022-23 rating year. All fees and charges will be added to the approved applicant's rate account.

Initial charges	Fees and charges
Application fee	\$50.00
Contribution to the decision facilitation	\$300.00
Annual charges	
Administration fee	\$50.00
Reserve fund levy	0.25%
Interest rate	
2022-2023	4.0%

Instalments

The above rates and charges are for the period 1 July 2022 to 30 June 2023 and will become due and payable by four instalments as follows:

Instalment	Last date for payment before penalty is added
One	8 September 2022
Two	8 December 2022
Three	8 March 2023
Four	8 June 2023

Each instalment is one quarter of the annual rates for the current year.

Charges for metered water

Meter reading date between	Last date for payment before penalty is added
1 Jul 2022 –30 Sept 2022	20 Oct 2022
1 Oct 2022 – 31 Dec 2022	20 Jan 2023
1 Jan 2023 - 31 Mar 2023	20 Apr 2023
1 Apr 2023 – 30 Jun 2023	20 Jul 2023

Penalty provisions (additional charges on unpaid rates)

A penalty, equivalent in amount to 10% of the instalment amount remaining unpaid at the close of day on the “Last Date for Payment”, shall on the next day be added to that amount of unpaid rates.

A further penalty of 10% will be added to all rates and charges from previous years that remain unpaid on 30 June 2023.

All payments are allocated to the oldest debt first so if the instalment is not paid in full by the date shown a 10% penalty is added to any amount of the instalment still outstanding. All penalty charges are exempt from GST.

Penalty provisions (unpaid metered water)

A penalty, equivalent in amount to 10% of the metered water amount remaining unpaid at the close of day on the ‘last date for payment’ shall, on the next day, be added to that amount which remains unpaid.

Pursuant to sections 57/58 of the Local Government (Rating) Act 2002, a further penalty of 10% will be added to any unpaid amount from the third quarter or earlier that remain unpaid on 30 June 2023.

General revenue sources

There are some revenue sources which are not directly linked to an activity but are utilised by Council to assist in funding a number of Council activities either directly or indirectly. These include

Dividends and interest from investments \$9,502,928

This total amount is made up of:

- Internal loans interest \$6,135,928
- Interest on General Funds \$5,100
- Interest on Investments \$367,000
- Dividends \$3,000,000

These are used as follows:

- Funding specified reserves for particular purposes or events (eg: Emergency Events Reserve).
- Used to subsidise general type rates and charges by way of general revenue allocation.
- Used to fund interest and funding costs on external borrowings.

Petroleum tax \$415,000

These funds are used to subsidise general type rates and charges by way of general revenue allocation.

Contributions received from development and subdivision \$7,270,990

These are applied towards the cost of infrastructure related to the development and community facilities.

COVID-19 Rates Relief Reserve \$4,300,000

These funds are used to decrease the impact of the rates rise for the 2021-22 year.

Forestry income \$0

It is expected that no forestry income this year will be received.

Geographic Areas

The geographic areas can generally be described as follows:

Blenheim Area (BM) (Fig 3)

All of that area encompassed by the former Blenheim Borough Council together with those properties within a 1.5 km radius of that area which have a zoning of Residential or Industrial in the Wairau/Atawere Resource Management Plan (eg: includes, Burleigh, Hammerichs Road, Riverlands and Waipuna Street); as well as any properties that are connected to (or are able to be connected to) either the Blenheim Water or Blenheim Group Sewerage Schemes, but excluding properties in the Renwick, Spring Creek and Grovetown Sewerage Rating Areas; and residential/rural properties and properties in the Riverlands Industrial Estate and Cloudy Bay Business Park that have an area of greater than one hectare.

Also included in the Blenheim area are a number of properties where it was an express condition of subdivisional resource consent.

Growth areas rezoned Urban Residential 2 Greenfields will be excluded from the Blenheim Area until granting of subdivision title.

Other land rezoned Urban Residential 2 or 3 as a result of the Proposed Marlborough Environment Plan will be similarly excluded from the Blenheim Area until granting of subdivision title.

Blenheim Vicinity Area (BV) (Fig 2)

All of that area encompassed within the following general description, but excluding the Blenheim areas described above:

From just north of the Rarangi Settlement following around the foothills in a south-westerly direction; taking in the Tuamarina Settlement; to the south bank of the Wairau River and then up the Wairau south bank to the Waihopai River; up the east bank of the Waihopai River to just north of Omaka Downs; and then generally following the base of the foothills; around to include the Taylors Pass in a south easterly direction as far as the Branch River; following the boundaries of properties on the south east side of the Taylor River; then around the base of the foothills to include land between SH 1 and both sides of Redwood Pass Road to and including 393 Redwood Pass Road; then to the coast on the south of the Vernon Lagoons.

Picton Area (PN) (Fig 4)

All of that area encompassed by the former Picton Borough Council; together with the area of those properties serviced by the Picton Water or Sewerage Schemes (excluding those properties listed in the schedule below).

Schedule

Pt Lot 1 DP 6881, Pt DP 467 Waitohi Valley Blk XI Linkwater SD, Lot 1 DP 303616 Lot 1 DP 8240, Pt Sec 41 District of Waitohi, Lot 2 DP 3716, Lot 1 DP 3716, Lot 1 DP 9175, Lot 2 DP 9175, Lot 1 DP 10989, Lot 2 DP 10989, Lots 1 2 DP 1353 Lot 1 DP 1148 Pt Sec 37 Waitohi Reg Dist, Lots 2 5 DP 3183, Pt Sec 103 Waitohi Valley District Blk XV Linkwater SD, Lot 1 DP 402932 Lot 1 DP 5595 Lot 2 DP 5660 Sec 38 Pt Sec 37 Waitohi Dist, Lot 1 DP 9268, Pt Lot 1 DP 7160 , Lot 1 DP 12294, Lot 2 DP 10225 Lot 1 DP 10476, Lot 1 DP 10882, Lot 2 DP 434941 Pt DP 747 Pt Sec 25 Wairau Dist Pt Lots 1-3 DP 693 Pt Sec 12 Pt Sec 13 Blk XV Linkwater SD, Secs 105 106 Pts Sec 36 104 Waitohi Valley Dist, Lot 1 DP 6397, Lots 1 2 DP 303945, Lots 3 4 DP 303945 Sec 129 Pt 159 Picton Subn Sec 18 Blk XV Linkwater SD, Lot 1 DP 302741, Lot 1 DP 10871, Lot 1 DP 6129, Lot 1 DP 759 Lot 2 Pt Lot 1 DP 1594, Pt Sec 63-65 Picton Subn. Lots 1-9 12 DP 1086, Sec 1 SO 429571 Lot 10 DP 1086, Lot 11 DP 1086, Lot 13 DP 1086, Lot 14 DP 1086, Lot 2 DP 3080, Sec 1 SO 416848 Lot 1 DP 3080, Sec 2 SO 416848 Lot 16 DP 1086, Lot 18 DP 1086, Pt Waikawa 2C2, Lot 4 DP 11736, Lot 1 DP 335692, Lot 2 DP 344933, Lot 3 DP 11736, Lot 1 DP 11736, Lot 1 DP 344933, Lot 2 DP 404985, Lot 1 DP 424360, Lot 2 DP 424360, Lot 3 DP 424360, Lot 4 DP 424360, Lot 5 DP 424360, Waikawa 3B Blk XII Linkwater SD Blk XI Arapawa SD, Lot 1 DP 9994, Lot 1 DP 10354, Waikawa Sec A2 Waikawa West Blk XII Linkwater SD Blk XI Arapawa SD, Waikawa Sec 4B2 Waikawa West Blk XII Linkwater SD Blk XI Arapawa SD, Lot 2 DP 7961 Pts Sec 10 & Pt Sec 11 Waitohi Dist Pts Sec 100 Waitohi Dist, lot 3 DP 8884.

Also included in the Picton area are a number of properties where it was an express condition of subdivisional resource consent.

Picton Vicinity Area (PV) (Fig 4)

All of that area from the western point of Ngakuta Bay to the former Picton Borough boundary; plus all of that area from the eastern point of Waikawa Bay to Whatamango Bay; plus a corridor area from the southern boundary of the former Picton Borough to Speeds Road; excluding properties serviced by the Picton Water or Sewerage Schemes, but including the properties listed in the Schedule above.

General Rural Area (GR) (Fig 1)

All of that area administered by the former Marlborough County and excluding that part of the former County's area which has been included in either the Blenheim, Blenheim Vicinity, Picton, Picton Vicinity or Sounds Admin Rural areas.

Sounds Admin Rural (AR) (Fig 5)

All of that area with basically sea access only, which was subject to the former Marlborough County Council Empowering Act 1965.

Rates movements 2022-23

Total Rates and Charges for 22-23 are estimated at \$80,097,226 (GST exclusive). This represents an increase of \$4,099,125 (5.39%) on last year's levy.

The rating effect will be different for individual properties because of the varying effects of the recent district-wide revaluation; movements in general-type rates not impacting uniformly on all geographic rating areas; and movements in targeted separate rates (such as Sewerage and Water etc) affecting only those properties able to receive these services.

Significant contributors to the overall rates increase are as follows:

General Rates and Charges		
General Roding and Footpaths	905,417	The main increases are increased depreciation costs due to increase in assets in prior years.
Environmental Management	681,641	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.
Community Facilities	634,916	The increase is due to the employment of the new Regional Sports Hub Facilitator, a feasibility study for Lansdowne Park and repair of the Seddon pool. There are also additional costs for the District's reserves and public conveniences.
Solid Waste Management	435,591	The income from the Green waste dump fees has decreased due to lower actual fees than budgeted. There has also been an increase in the operating costs of the recycling collections.
Library	267,945	The main increase is due to increased depreciation costs and internal interest due to the new library building.
Regional development	100,000	Government funding was previously provided for the Economic Portfolio Manager role. This funding has ceased, with the position continuing.
Democratic Process	98,513	The main increase is due to additional costs related to the October 2022 local body elections.
General Revenues	(300,000)	Increase in the COVID-19 Rates Relief Reserve.
Targeted Rates and Charges:		
Awatere & Riverlands water supplies	369,553	Additional costs due to the Riverlands new water treatment plant including treatment costs.
Energy Efficiency	84,762	An increase is expected in the energy efficiency loan repayments.

Indicative impact on benchmark properties

Council uses Benchmark Properties in different geographic areas to illustrate the effect of its rating proposals. The rating effect on individual properties varies because movements in general-type rates do not impact uniformly on Council's geographic rating areas and movements in targeted separate rates (such as Sewerage and Water) affect only properties in those rating areas.

Benchmark Property	Land Value	Capital Value	21-22 Actual Rate Levy	22-23 Final Plan Rate Levy	Total \$ Rate Mov	Total % Rate Mov
01-Blenheim Residential	280,000	510,000	2,985.45	3,088.26	102.81	3.44%
02-Blenheim Residential	270,000	465,000	3,023.43	3,130.28	106.85	3.53%
03-Blenheim Residential	300,000	620,000	3,087.49	3,192.88	105.39	3.41%
04-Blenheim Residential	315,000	750,000	3,360.16	3,479.23	119.07	3.54%
05-Blenheim Residential	295,000	620,000	3,183.22	3,295.23	112.01	3.52%
06-Blenheim Vacant Section	280,000	280,000	2,486.93	2,567.36	80.43	3.23%
07-Blenheim Commercial	134,000	580,000	3,347.90	3,500.00	152.10	4.54%
08-Blenheim Commercial	425,000	1,210,000	6,560.39	6,873.76	313.37	4.78%
09-Picton Residential	220,000	540,000	3,129.71	3,227.17	97.46	3.11%
10-Picton Residential	270,000	510,000	3,384.87	3,486.30	101.43	3.00%
11-Picton Vacant Section	180,000	180,000	2,295.58	2,365.87	70.29	3.06%
12-Picton Commercial	305,000	345,000	4,349.08	4,550.74	201.66	4.64%
13-Picton Motels (19 units)	730,000	1,390,000	8,240.74	8,616.51	375.77	4.56%
14-Blenheim Vicinity	1,460,000	2,830,000	6,872.48	7,257.93	385.45	5.61%
15-Blenheim Vicinity	950,000	1,990,000	4,405.17	4,654.46	249.29	5.66%
16-Blenheim Vicinity	9,540,000	16,100,000	33,059.41	34,855.77	1,796.36	5.43%
17-Blenheim Vicinity	2,010,000	3,980,000	8,882.78	9,377.55	494.77	5.57%
18-Blenheim Vicinity	9,100,000	15,650,000	32,844.35	34,631.70	1,787.35	5.44%
19-Renwick Residential	240,000	500,000	2,387.24	2,501.31	114.07	4.78%
20-Renwick Residential	235,000	425,000	2,429.38	2,541.55	112.17	4.62%
21-Spring Creek Residential	230,000	455,000	2,053.27	2,145.77	92.50	4.50%
22-Grovetown Residential * 1	315,000	410,000	2,286.61	2,385.34	98.73	4.32%
23-Grovetown Residential * 2	370,000	615,000	3,366.14	3,477.07	110.93	3.30%
24-Rarangi Residential	365,000	1,200,000	1,723.10	1,825.93	102.83	5.97%
25-Picton Vicinity	1,790,000	2,125,000	5,356.38	5,632.18	275.80	5.15%
26-Ngakuta Bay - bach	235,000	575,000	1,263.82	1,332.80	68.98	5.46%
27-General Rural - French Pass	2,010,000	2,205,000	5,743.10	6,091.43	348.33	6.07%
28-General Rural - Manaroa	4,360,000	5,570,000	12,920.91	13,677.08	756.17	5.85%
29-General Rural - Opouri Valley	2,780,000	3,520,000	7,592.51	8,055.51	463.00	6.10%
30-General Rural - on Awatere Water	2,130,000	2,710,000	6,847.75	7,303.95	456.20	6.66%
31-Havelock Residential	205,000	520,000	2,036.85	2,136.22	99.37	4.88%
32-Seddon Residential	134,000	355,000	3,512.83	3,591.38	78.55	2.24%
34-Sounds Admin Rural - farm	5,350,000	6,360,000	8,128.87	8,644.55	515.68	6.34%
35-Sounds Admin Rural - bach	190,000	415,000	696.91	748.21	51.30	7.36%
36-Sounds Admin Rural - bach	320,000	575,000	867.22	928.98	61.76	7.12%

*1 This property opted to make a lump sum payment for the Grovetown sewerage scheme.

*2 This property opted to pay the Grovetown sewerage loan rate which will continue until 2039, in lieu of the lump sum payment.

Appendices



Council committees and members

For this term of Council, the following Committee structure (and membership) was put into place on 31 October 2019. It has three standing committees, a joint committee with Kaikoura District Council, three statutory committees and eleven sub-committees. Pursuant to Section 41(a)(5) of the Local Government Act 2002 the Mayor is a member of each Committee of Council.

Assets & Services Committee

This Committee is responsible for all infrastructure including roads; road safety (including walking and cycling strategies); parking; sewerage; water; stormwater; rivers and drainage; waste management (including recycling); reserves; halls; cemeteries; public conveniences; and civil defence and emergency management.

Clr Nadine Taylor – Chairperson
Clr Michael Fitzpatrick - Deputy
Clr Jenny Andrews
Clr Cynthia Brooks
Clr Brian Dawson
Clr Francis Maher
Clr Mark Peters
Mayor John Leggett
Iwi representative - Richard Hunter

Civil Defence Emergency Management Group (Statutory Committee)

The delegation to act as this Group (formed in accordance with the Civil Defence and Emergency Management Act 2002) is given to the Assets and Services Committee. The Assets and Services Committee (acting as the Group) is responsible for overseeing the development, maintenance, monitoring and evaluation, and implementation of the Group Plan required by section 17(1)(i) of the Civil Defence and Emergency Management Act 2002.

Clr Nadine Taylor – Chairperson
Clr Michael Fitzpatrick - Deputy
Clr Jenny Andrews
Clr Cynthia Books
Clr Brian Dawson
Clr Francis Maher
Clr Mark Peters
Mayor John Leggett
Iwi representative - Richard Hunter

Parking Sub-Committee

The focus of this Sub-Committee is Council's parking portfolio.

Clr Brian Dawson – Chairperson
Clr Michael Fitzpatrick
Clr Francis Maher

Regional Transport Committee (Statutory Committee)

This Committee prepares for approval by Council the Regional Land Transport Plan [the Plan], or any variations to the Plan and provides Council with any advice and assistance in relation to its transport responsibilities. The Committee must adopt a policy that determines significance in respect of variations made to the Plan (under s18D of the Land Transport Management Act 2003 [the Act]) and the activities that are included in the Plan (under s16 of the Act).

Membership of the Committee (refer s105 of the Act) is limited to four persons representing Council; and one person representing the New Zealand Transport Agency.

Clr Francis Maher – Chairperson
Clr Michael Fitzpatrick – Deputy
Clr Brian Dawson
Clr Nadine Taylor
New Zealand Transport Agency representative
– Jim Harland

Conduct Review Committee

This Committee is established per the Code of Conduct. The Committee manages compliance with the Code of Conduct and with any statutory obligations.

Independent Chairperson – to be advised

Clr Jenny Andrews

Clr David Oddie

Clr Mark Peters

Mayor John Leggett

District Licensing Committee (Statutory Committee)

This Committee considers and determines applications, pursuant to the Sale and Supply of Alcohol Act 2012 [the Act], for: licences and manager's certificates; renewals of licences and manager's certificates; temporary authorities to carry on the sale and supply of alcohol in accordance with s136 of the Act; the variation, suspension, or cancellation of special licences; the variation of licences (other than special licences) unless the application is brought under s280 of the Act; with the leave of the chairperson for the licensing authority, to refer applications to the licensing authority; and conduct inquiries and to make reports as may be required of it by the licensing authority under s175 of the Act. This Committee is also responsible for hearing and deciding on applications to Council's Gambling Venue Policy pursuant to the Gambling Act 2003.

Mayor John Leggett – Chairperson

Two members appointed by the Chairperson from the following:

Clr Nadine Taylor – Deputy

Members from the community (Christine McNeil, Graeme Barsanti, Hamish Beard, Liz Hawthorne, Lynette Rayner, Margaret McHugh)

Environment Committee

This Committee is responsible for environmental science and monitoring; monitoring of consents; enforcement and prosecution policies; biosecurity; animal control; building control; resource consent processing; dangerous goods; fencing of swimming pools; food and health monitoring; and harbour management.

Mayor John Leggett – Chairperson

Clr Gerald Hope – Deputy

Clr David Oddie – Deputy

Clr Jamie Arbuckle

Clr David Croad

Clr Barbara Faulls

Clr Thelma Sowman

Iwi representative – to be advised

Rural representative – to be advised

Animal Control Sub-Committee

This Sub-Committee has responsibility for animal control including administration and dealing with any right of objection to Council in terms of the Dog Control Act 1996.

Clr Jamie Arbuckle – Chairperson

Clr Barbara Faulls

Clr Thelma Sowman

Resource Hearing Sub-Committee

This Committee makes decisions on applications for resource consents (each consent is heard by a Committee made up of a Chairperson and two members).

Clr David Oddie – Chairperson

Clr Jamie Arbuckle

Clr David Croad

Clr Barbara Faulls

Mayor John Leggett

Marlborough Regional Forestry (Joint Committee)

Marlborough Regional Forestry is a joint committee of Marlborough District Council and the Kaikoura District Council. Council owns 88.62% of the forestry estate and Kaikoura District Council owns the remaining 11.38%. The primary aim of production forest management is to create a resource that will maximise utilisation and provide the best financial return from the predominantly radiata pine forests.

Clr Gerald Hope – Chairperson
Clr Francis Maher
Kaikoura District Council representative
Forestry representative – Megan McKendry

Planning Finance & Community Committee

This Committee is responsible for the Marlborough Environment Plan; implementation of Growing Marlborough and 'Smart and Connected' Economic Development Strategies; CBD and Small Township Revitalisation programmes; Destination Marlborough; Picton Forum; Sounds Advisory Group; Long Term Plan; Annual Plan; Annual Report; audit issues; Council Subsidiaries; risk management; community and social issues; youth, elderly and access issues; culture and heritage; social policies (ie; gaming, local alcohol and psychoactive substances policies); grants and donations; sister cities; libraries; customer services; democratic process; general administration; health and safety; and property management.

Clr Mark Peters – Chairperson
Clr David Croad – Deputy
Clr Jenny Andrews
Clr Jamie Arbuckle
Clr Cynthia Brooks
Clr Brian Dawson
Clr Barbara Faulls
Clr Michael Fitzpatrick
Clr Gerald Hope
Clr Francis Maher
Clr David Oddie
Clr Thelma Sowman
Clr Nadine Taylor
Mayor John Leggett
Iwi representative – to be advised

Audit and Risk Sub-Committee

The focus of this Sub-Committee is to oversee the audit of Council's Annual Report and Annual/Long Term Plan and consider and report as necessary on the findings of any audit management report.

Ian Marshall CA (Independent External Member) – Chairperson
Clr David Croad
Clr David Oddie
Clr Mark Peters
Clr Nadine Taylor
Mayor John Leggett

Commercial Events Fund Sub-Committee

This Sub-Committee evaluates and approve the funding applications for the Commercial Events Fund.

Clr Michael Fitzpatrick – Chairperson
Clr Jamie Arbuckle
Clr Barbara Faulls
Clr Thelma Sowman

Grants Sub-Committee

This Sub-Committee carries out Council's partnership with Creative New Zealand and SPARC (Sport and Recreation New Zealand) to ensure local arts funding and rural travel funding are available to the Marlborough area. The Sub-Committee has delegated authority for the allocation of funds under both schemes. In addition the Sub-Committee has delegated authority for consideration of Marlborough District Council Community Grants and Council's Arts and Heritage Grants, with recommendations being made to Council for consideration.

Clr Jenny Andrews – Chairperson
Clr Cynthia Brooks
Clr Thelma Sowman
Sports Trust appointee – Karen Hartshorne
Arts Sector appointee – Kate Parker
Four community representatives – Deborah Dalliessi, Graham Haymes, Sally Wadworth, Vacancy
Two iwi representatives – to be advised

Housing for Seniors Sub-Committee

The focus of this Sub-Committee is Council's Housing for Seniors portfolio.

Clr Cynthia Brooks – Chairperson

Clr Jenny Andrews

Clr Gerald Hope

Clr Mark Peters

Clr Michael Fitzpatrick

Grey Power Marlborough representative – Mr Philip Hunnisett

Sister City Sub-Committee

This Sub-Committee manages Council's Sister City activities and strives to involve greater community participation and sponsorship in the programme.

Clr Gerald Hope – Chairperson

Clr Barbara Faulls

Clr Thelma Sowman

Community representatives – Bill Floyd, Cathie Bell, Fiona Fenwick, Lily Stuart, Margaret Western, Peter Watt, Zoe Gray

Council has two sister cities, Tendo and Otari in Japan, and a sister region with Ningxia in China.

Small Townships Programme Sub-Committee

This Sub-Committee has delegated authority to develop criteria to assess project prioritisation using the Smart and Connected framework; approve all Small Township Fund projects; and monitor implementation of all Small Township Fund projects.

Clr Cynthia Brooks – Chairperson

Clr Jamie Arbuckle

Clr Barbara Faulls

Appointment of Councillors and Staff to Subsidiaries

MDC Holdings Limited and Marlborough Airport Limited

Mayor John Leggett – Director

Chief Executive – Mark Wheeler – Director

Chair of Planning Finance and Community

Committee – Clr Mark Peters – Director,

Clr David Oddie – Director

Te Ao Māori Sub-Committee

The aim of this Sub-Committee is to improve Council's access to cultural advice and long-term partnerships with Māori, with its focus on:

- Increasing access to knowledge and education for Councillors and staff in Te Ao Māori and tikanga, iwi across Te Tau Ihu and Te Tiriti o Waitangi;
- Creating a visible Māori presence in Council buildings through artwork and bi-lingual signage;
- Developing opportunities to increase Council engagement with Te Tau Ihu iwi; and
- Development of a structure within Council to plan and manage this work.

Mayor John Leggett – Chairperson

Clr Cynthia Brooks

Clr David Croad

Clr Mark Peters

Clr Nadine Taylor

Iwi representatives (to be advised)

Youth Sub-Committee

The focus of this Sub-Committee is issues related to youth in the community.

Mayor John Leggett – Chairperson

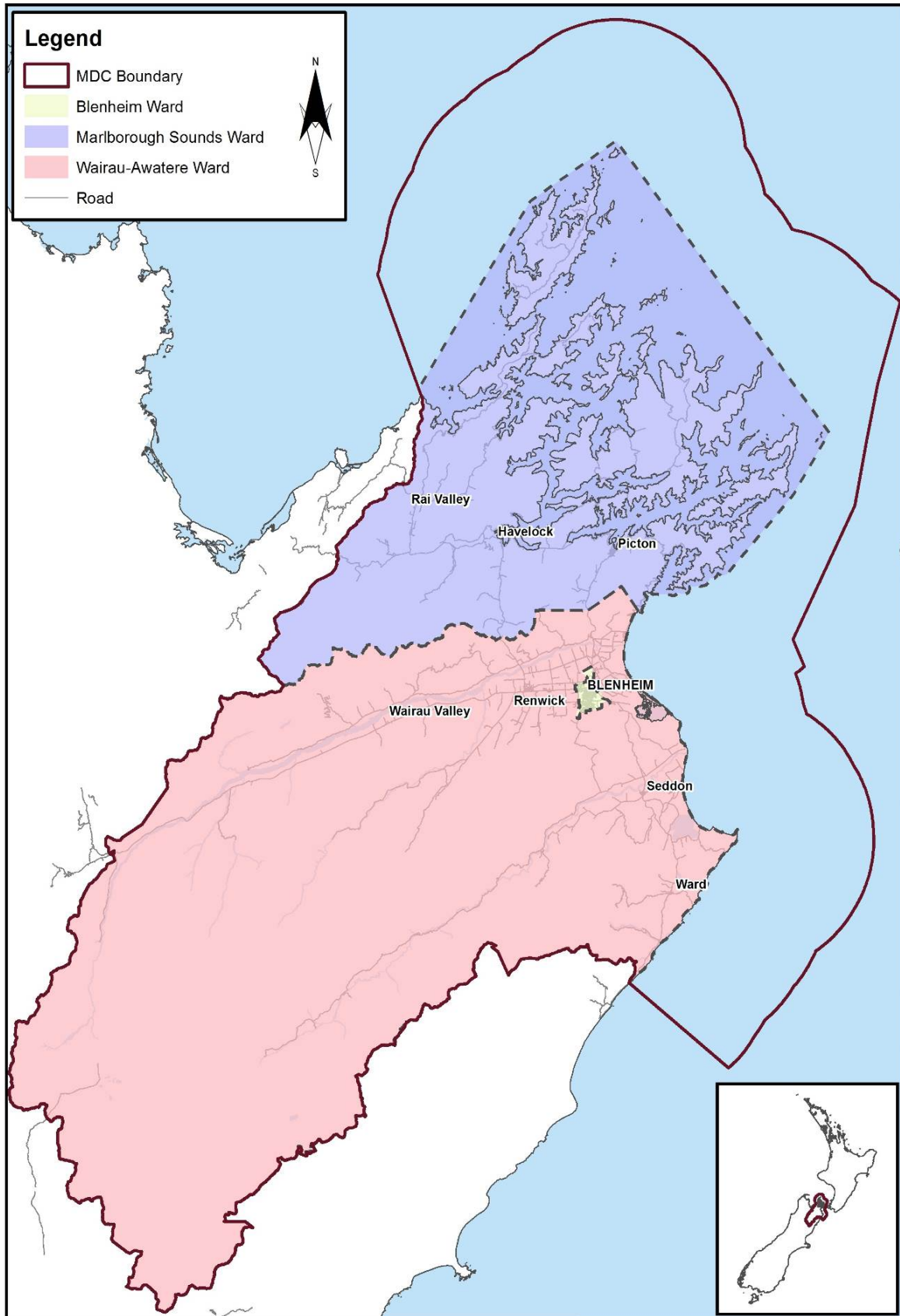
Clr Jenny Andrews

Clr Thelma Sowman

Port Marlborough NZ Limited

Chief Financial Officer – Martin Fletcher – Director

Ward boundaries



Council staff structure

Mark Wheeler
CHIEF EXECUTIVE

Martin Fletcher

Chief Financial Officer

Finance and Accounting
Financial Performance (overall)
Functional Reviews
Funding Policy
Marlborough Regional Forestry
Policy Issues
Strategic Planning
Subsidiaries
Treasury Management

Robert Foitzik

General Counsel

Contracts Management
Corporate Legal Services
Council Solicitor
Employment Relations Advice
External Legal Providers
Legislative Compliance
Other LAGOIMA Requests
Privacy and Disclosure
Risk and Insurance

Stacey Young

Chief Information Officer & Manager It Department

Corporate Systems
Cybersecurity and Infrastructure
Digital Service Delivery
Information and Data Governance and Management
Information Technology
Land Information Memorandums
Records
Web and Digital Services

Gina Ferguson

Consents & Compliance Group Manager

Animal Control
Alcohol Licensing
Building Control
Compliance, Monitoring and Enforcement
Environmental Health
Hazardous Substances and New Organisms
Noise Control
Pollution Response
Resource Consents

Dean Heiford

Manager Economic, Community & Support Services Department

Arts, Culture and Heritage
Community Development
Corporate Issues
Customer Service Centres
Democratic Process
Economic Development
General Administration
Grants and Donations
Human Resources
Libraries
Marlborough Award
Marlborough Airport Ltd
Office Services
Regional Events
Regional Tourism
Sister Cities

Hans Versteegh

Environmental Science & Policy Group Manager

Biosecurity (Animal and Plant Pests)
Environmental Monitoring
Environmental Policy
Flood Forecasting
Harbours

Glyn Walters

Communications Manager

Communications and Engagement
Council News Publishing
Emergency Public Information
Internal Communications
Media Relations
Social Media, Photography and Videography

Jamie Lyall**Manager Property & Community Facilities
Department**

Cemeteries
Central Business District
Civic Projects
Commercial Development
Halls and Museums
Parking
Property
Public Conveniences
Reserves
Senior Housing
Small Townships
Sports Parks
Strategic Acquisitions
Swimming Pools

Richard Coningham**Manager Assets & Services Department**

Civil Defence and Emergency Management
Climate Change
Land Transport
Recycling
Rivers and Drainage
Sewerage
Stormwater
Waste Management
Water

Kaihautū (Māori Partnerships)

To be appointed

MDC directory

Contact details

PO Box 443, Blenheim 7240

Telephone: (03) 520 7400

Email: mdc@marlborough.govt.nz

Web: www.marlborough.govt.nz

Addresses

District Administration Building

15 Seymour Street, Blenheim 7201

Picton Service Delivery Centre (includes Library)

2 Dublin Street, Picton 7220

Harbour Control

Mariner's Mall, Picton

Marlborough Library

Corner Arthur and Seymour Streets, Blenheim

Works and Operations Depot

Wither Road, Blenheim

Reserves Depot

Pollard Park, Blenheim

Bankers

Bank of New Zealand, Blenheim

Westpac, Blenheim

Auditor

Julian Tan, Audit New Zealand, Wellington on behalf of the Auditor General

General statistics

Population
(Census count June 2018) 48,700

District Area 17,517 square kilometres

as at 30 June 2021

Rateable Land Value \$11,528,319,750

Rateable Capital Value \$23,071,023,210

Number of Rate Assessments 26,728

as at 30 June 2020

Rateable Land Value \$9,230,536,400

Rateable Capital Value \$19,866,979,500

Number of Rate Assessments 26,913

Forecast number of total rateable properties

Forecast growth in the number of rateable properties has been based on the projection of 170 units per annum in the Development Contributions Policy.

Glossary of terms

Accruals

Expenses incurred during the current year for which invoices have not yet been processed.

Activity

A good or service provided by, or on behalf of, a local authority or a Council-controlled organisation eg: water supply, transport networks.

Allotment

Has the meaning given to it in S218(2) of the Resource Management Act 1991.

Allotment Area

Is the total land area of an allotment.

AP 2022-23

The revised budget for the 2022-23 year.

Applicant

Is the person/persons that apply for resource consent, building consent or service connection.

Asset Management Plan

Council documents outlining how each main asset class will be managed, upgraded and expanded as required.

Asset Sales

Refers to the sale of MDC assets eg: cars, property.

Borrowings

The amount of external loans.

Capital Expenditure

The cost of capital works for network infrastructure, reserves and community infrastructure and other assets.

Catchment

The area served by a particular infrastructure investment.

Charge

These are referred to in the Local Government (Rating) Act 2002 as targeted rates and are calculated as a fixed amount per rating unit.

Commercial

Any activity involving commercial transactions, or providing commercial or administrative services, and includes, non-school activities, offices and banks; but excludes premises or

activities involving industrial manufacture or production and retail trade.

Community Facilities

Reserves, network infrastructure, or community infrastructure for which development contributions may be required in accordance with S199 of the Local Government Act 2002.

Community Infrastructure

The following assets when owned, operated or controlled by a territorial authority:

- (a) Community centres or halls for the use of a local community or neighbourhood and the land on which they are or will be situated.
- (b) Play equipment that is located on a neighbourhood reserve.
- (c) Toilets for use by the public.

Community Outcomes

The outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions.

CV

Capital value.

Departmental Management

Allocation of Departmental Manager costs to activities.

Development

- (a) Any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but
- (b) Does not include the pipes or lines of a network utility operator.
- (c) Toilets for use by public.

Development Contribution

A contribution:

- (a) provided for in a development contributions policy included in the LTP of a territorial authority; and
- (b) calculated in accordance with the methodology; and comprising-
 - (i) money; or

- (ii) land, including a reserve or esplanade reserve (other than in relation to a subdivision consent), but excluding Māori land within the meaning of Te Ture Whenua Māori Act 1993, unless that Act provides otherwise; or
- (iii) both.

Development Contributions Policy

The policy on development contributions adopted under section 102(1).

District

The district of a territorial authority.

District Plan

The District Plan of Marlborough District Council.

District-Wide

Applies to every property in the district.

Equity

Represents the net worth of the MDC if all assets were sold for the values recorded and the liabilities were extinguished.

Financial Contributions

Has the same meaning as financial contributions in S108(9)(a)-(c) of the Resource Management Act 1991.

Financial Strategy

Council's Financial Strategy included in the LTP.

FY

Financial year.

General Revenues Applied

Share of revenues generated by Council as a whole as compared to a specific activity eg: interest and dividends.

Geographic Areas

The district is divided up into six geographic areas for the purpose of funding general works and services. The geographic areas are Blenheim, Blenheim Vicinity, Picton, Picton Vicinity, General Rural and Sounds Admin Rural.

Goods and Services Tax (GST)

Goods and services tax under the Goods and Services Tax Act 1985.

Greenfields Area

Are defined as those areas where building capacity exists on the perimeter of the city.

Gross Floor Area (GFA)

For the purposes of development contributions, the sum of the area of all floors of all buildings on any site measured from the exterior faces of the exterior walls, or from the centre lines of walls separating two abutting buildings but excluding:

- carparking;
- loading docks;
- vehicle access and manoeuvring areas/ramps;
- plant and equipment enclosures on the roof;
- service station canopies;
- pedestrian circulation space in an enclosed retail shopping centre;
- any foyer/Lobby or a primary means of access to an enclosed retail shopping centre, which is accessed directly from a public place.

Household Equivalent Unit (HEU)

An average residential dwelling occupied by a household of average size.

Impervious Surface Area

For the purpose of development contribution Impervious Surface Area (ISA) means the area of any site which is not capable of absorbing water and includes any area which:

- falls within the definition of coverage;
- is covered by decks;
- is occupied by swimming pools;
- is used for parking, manoeuvring or loading of motor vehicles;
- is paved with a continuous surface with a run-off coefficient of greater than 0.45.

Increase (Decrease) in Reserves

Increase in reserves are generally surpluses on operations. Decrease from reserves assist to fund capital expenditure.

Industrial

Means:

- (a) any premises used for any industrial or trade purposes; or
- (b) any premises used for the storage, transfer, treatment, or disposal of waste materials or for other waste-management purposes, or used for composting organic materials; or
- (c) any other premises from which containment is discharged in connection with any other industrial or trade process; or
- (d) any activity where people use materials and physical effort to:
 - extract or convert natural resources;

- produce goods or energy from natural or converted resources;
- repair goods;
- store goods. (ensuing from an industrial process).

Infrastructural Assets

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.

Infrastructure Strategy

Council's Strategy setting out the principal long term (30 years) infrastructure requirements of the District.

LGA

The Local Government Act 2002.

LIDAR

A remote sensing method to measure the land surface area.

Loans/Debt

The raising of internal loans for capital items, such as a sewerage or water scheme.

Local Authority

A regional council or territorial authority.

LTP

2021-31 Long Term Plan.

LV

Land value.

MEP

The Marlborough Environment Plan

Network Infrastructure

The provision of roads and other transport, water, wastewater, and stormwater collection and management.

Network Utility Operator

Has the meaning given to it by section 166 of the RMA.

Non-Residential Development

Any activity in a non-residentially zoned area, excluding rural areas, or where the predominant activity is not residential or rural.

Operational Assets

Tangible assets that are generally regarded as tradable, such as buildings and improvements,

library books, office equipment, plant and machinery, land and forestry crops.

Other Revenue

Revenue specifically generated by the activity.

Overhead Allocation

The allocation of Customer Services, Office Services, Human Resources, General Management, Information Management Services and Corporate Finance net costs.

PMEP

The Proposed Marlborough Environment Plan

Prepayments

Amounts paid to creditors by the MDC in the current year that relate to future years.

Property Value

For rating purposes this refers to either the "land" or "capital" value of a property.

Public Debt

The amount of borrowed funds that the MDC owes to external parties.

Public Equity

Represents the net worth of the MDC if all assets were sold for the values recorded and the liabilities were extinguished.

Rate/Rates

The Local Government (Rating) Act 2002 defines Rate –

- means a general rate, a targeted rate, or a uniform annual general charge that is set in accordance with subpart 2 of Part 1; and
- includes a penalty added to a rate in accordance with section 58; but
- does not include a lump sum contribution.

Residential Development

Any activity in a residentially zoned area or where the predominant activity is not non-residential or rural.

Resource Management Plan

The Wairau/Awatere Resource Management Plan and the Marlborough Sounds Resource Management Plan.

RMA

The Resource Management Act 1991.

Section Management

Allocation of Section Manager costs when they are responsible for more than one activity.

Service Catchment

The same as catchment.

Service Connection

A physical connection to a service provided by, or on behalf of, a territorial authority.

Statement of Cashflows

Describes the cash effect of transactions and is broken down into three components: operating, investing and financing activities.

Statement of Comprehensive Revenue and Expense

Can also be referred to as the Income Statement, Profit and Loss Statement, or the Operating Statement. It shows the financial results of various MDC activities at the end of each period as either a surplus or deficit. It does not include asset purchases or disposals.

Statement of Financial Position

Shows the assets, liability and equity at the end of each period. It can also be referred to as the Balance Sheet.

Subdivision

Has the same meaning as section 218 of the Resource Management Act 1991.

Subsidies

Amounts received from other agencies for the provision of services, eg: NZTA roading subsidies.

Third Party Funds

Funding or subsidy, either in full or in part, from a third party eg: subsidies for the roading network.

Transfer to/from Reserves and Capex transfer from Reserves

Transfers of funds to reserves are generally surpluses on operations. Transfers from reserves assist to fund projects/expenditure that meet the purpose of the reserve. Capex transfers from reserves assist to fund capital expenditure.

Unit of Demand

The measure of demand for community facilities.

User Charges

The charges levied for use of MDC services eg: building consent fees, health inspections.

Working Capital

This is the remainder left when the value of current liabilities is deducted from the value of current assets. It is a measure used to indicate the short-term solvency of an entity.

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