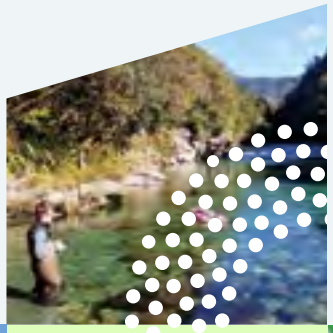

TASMAN'S 10-YEAR PLAN 2024–2034

Volume Two

INCLUDING ANNUAL PLAN 2024/2025

tasman district council

Te Kaunihera o te tai o Aorere

CONTENTS

How to find your way around Tasman's 10-Year Plan 2024-2034

Volume One

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- The Council's vision, purpose, community outcomes and strategic priorities
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Volume Two

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FUNDING IMPACT STATEMENT

FUNDING IMPACT STATEMENT

This Funding Impact Statement should be read in conjunction with the Council's Revenue and Financing Policy.

Rates are set under the Local Government (Rating) Act 2002 ("the Act") as at 1 July each year.

The rates in this Funding Impact Statement are GST inclusive (unless otherwise stated.)

All the rates set out in the Funding Impact Statement for the 2024/2025 year are intended to be assessed on the same basis for each year covered by the 10-Year Plan except those that are stated in the revenue and financing policy as finishing in the 10 year period.

RATING AREA MAPS

The targeted rates which are set based on where the land is situated, as opposed to district-wide rates, have unique rating area maps which are included in this document. Rating units that fall fully or partially in the map area of a rate will be charged the applicable rate.

RATING UNIT: DEFINITION

The Rating Unit is determined by the Valuer General. It is generally a property which has one Record of Title but can include two or more Records of Titles or part Records of Title, for example, dependant on whether the land is owned by the same person or persons and are used jointly as a single unit and are adjacent.

RATING DIVISIONS

The Council will consider applications from ratepayers to apply rating divisions to a rating unit as per Section 27(5) of the Act, where there are different rating treatments for each part of a rating unit resulting from:

- The inclusion of different parts in different differential rating categories (see section 27(4)(b)(i) and (ii));
- The application of Part 1 or Part 2 of Schedule 1 to one or more parts of the rating unit;
- The application of a remission policy, a postponement policy, or a rates relief policy for Māori freehold land to one or more parts of the rating unit; and
- One or more separate rating areas being divided from a rating unit under section 98A.

RATING BASE INFORMATION

Clause 15A of Schedule 10 of the Local Government Act 2002 requires Council to disclose its projected number of rating units at the end of the preceding financial year. The projected capital value and land value are also disclosed below.

	2023/2024 ACTUAL	2024/2025 PROJECTED	2025/2026 PROJECTED	2026/2027 PROJECTED	2027/2028 PROJECTED
Rateable rating units	26,060	26,499	26,938	27,377	27,866
Non rateable rating units	1,700	1,700	1,700	1,700	1,700
Total rating units	27,760	28,199	28,638	29,077	29,566

	2028/2029 PROJECTED	2029/2030 PROJECTED	2030/2031 PROJECTED	2031/2032 PROJECTED	2032/2033 PROJECTED	2033/2034 PROJECTED
Rateable rating units	28,354	28,843	29,331	29,820	30,308	30,797
Non rateable rating units	1,700	1,700	1,700	1,700	1,700	1,700
Total rating units	30,054	30,543	31,031	31,520	32,008	32,497

STATISTICS	PROJECTED FIGURES AT 1 JULY 2024		
	RATEABLE	NON RATEABLE	TOTAL RATING UNITS
Capital value (note last general revaluation was in late 2023)	$28,701,666,900	$236,431,000	28,938,097,900
Land value (note last general revaluation was in late 2023)	$15,535,517,125	$67,586,000	15,603,103,125
Rating units	26,060	1,700	27,760

Funds raised by uniform charges, which include the UAGC and any targeted rate set as a uniform fixed amount per rating unit (excluding water and wastewater) cannot exceed 30% of the total rates revenue. The Council is projecting to set its uniform charges at 17% for the 2024/25 year, which is below the maximum allowed level.

FUNDING IMPACT STATEMENT

DESCRIPTION OF EACH RATE

GENERAL RATE

	DIFFERENTIAL CATEGORY
GENERAL RATE	
The general rate funds activities that provide a general benefit across the entire District or which are not economic to fund separately. These activities include: environmental management, public health and safety, transportation, roads and footpaths, coastal structures, water supply, solid waste, flood protection and river control works, community development, governance, and council enterprises. *The capital values are assessed by independent valuers. Their results are audited by the Office of the Valuer General.*	
UNIFORM ANNUAL GENERAL CHARGE (UAGC)	
Funding the same activities as the general rate. *The purpose of setting the UAGC is to ensure that every ratepayer makes a minimum contribution to the Council's activities.*	

TARGETED RATES

Targeted rates are applied to specific groups of ratepayers who receive a specific service.
The Council will not accept lump sum contributions (as defined by Section 117A of the Act) in respect of any targeted rate.

	DIFFERENTIAL CATEGORY
1 STORMWATER RATE	
(Funding the Stormwater activities including operating, maintaining and improving the stormwater infrastructure assets.) *Ratepayers in the Urban Drainage Rating Area receive greater benefit from stormwater infrastructure or cause the need for stormwater infrastructure. For this reason the Council has determined that a differential charge will be applied as follows:*	
**Urban Drainage Area – Stormwater Differential – A differential of 1 will apply.*	Urban Drainage Area – Stormwater Differential
**Balance of the District – General Drainage Stormwater Differential – A differential of 0.105 will apply.*	Balance of the District – General Drainage Stormwater Differential

FUNDING IMPACT STATEMENT

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Every rateable rating unit in the District		Rate in the $ of Capital Value	0.2043 cents	57,836
Every rateable rating unit in the District		Fixed amount per Rating Unit	$394.00	10,210

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Every rateable rating unit in the District which has a land value				
Rating units in the Stormwater Urban Drainage Rating Area	A1 – A15	Rate in the $ of Capital Value	0.0468 cents	6,690
Rating units with land value, that are not in the Stormwater Urban Drainage Rating Area	Balance of District	Rate in the $ of Capital Value	0.0049 cents	658

FUNDING IMPACT STATEMENT

TARGETED RATES (CONT.)

	DIFFERENTIAL CATEGORY
2 WATER SUPPLY RATES	
2.1 WATER SUPPLY RATES – URBAN WATER SUPPLY METERED CONNECTIONS AND RURAL WATER EXTENSIONS TO URBAN WATER SCHEMES ("THE CLUB") *Ratepayers on the Urban Water Supply with a metered connection pay both the volumetric charge and the service charge. The portion of revenue allocated to the service charge for rates is determined by taking 36% of the total revenue required for the urban water supply including the portion billed to other users as charges but excluding the rural water extensions to urban water scheme revenue, and then deducting the portion recovered through charges. The Club comprises those rating units with connections to the relevant urban water supply schemes.* *Ratepayers on the Urban Water Supply with a water restrictor pay the Rural Water Extensions to Urban Water Schemes rate.*	
2.1 (a) Water Supply – Urban Water Supply Metered Connections (excluding Motueka Water Supply): Volumetric charge (Funding the urban water supply (excluding Motueka) including operating, maintaining and improving the infrastructure assets relating to water supply.) *This water rate will be billed separately from the rates invoice.*	
2.1 (b) Water Supply – Urban Water Supply Metered Connections (excluding Motueka Water Supply): Service Charge (Funding the urban water supply (excluding Motueka) including operating, maintaining and improving the infrastructure assets relating to water supply.)	
2.1 (c) Water Supply – Rural Water Extensions to Urban Water Schemes (Funding the urban water supply (excluding Motueka) including operating, maintaining and improving the infrastructure assets relating to water supply.) *The 1m^3 base rate is set at 80% of the Urban Metered Connections volumetric rate multiplied by 365.* *The extensions that will be charged this rate are: Best Island Water Supply, Māpua/Ruby Bay Water Supply, Brightwater/Hope Water Supply, Richmond Water Supply, Wakefield Water Supply, and any others which are referred to as the Other Rural Water Supply Extensions.*	

FUNDING IMPACT STATEMENT

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Provision of service being the supply of metered water to those rating units in the District which have metered water connections, excluding those connected to the Motueka Water Supply		Per m^3 of water supplied	$3.56	8,593
Provision of a service being a connection to a metered water supply by rating units in the District, excluding those connected to the Motueka Water Supply		Fixed amount per connection (meter)	$437.99	5,258
Provision of a service being a connection to a supply of water via a rural extension to urban schemes through a lowflow restricted water connection		Extent of provision of service: $1m^3$/day (based on water restrictor volume) e.g. $2m^3$/day restrictor volume will be charged at two times the listed annual rate	$1,038.70	1,273

FUNDING IMPACT STATEMENT

TARGETED RATES (CONT.)

	DIFFERENTIAL CATEGORY
2.2 WATER SUPPLY RATES – MOTUEKA WATER SUPPLY METERED CONNECTIONS	
Ratepayers on the Motueka Water Supply with a metered connection pay both a volumetric water supply charge and a service charge. The portion of revenue allocated to the service charge is determined by taking 36% of the total revenue required for the Motueka water supply and the Motueka firefighting water supply less the rates recovered by the Motueka firefighting water supply rate. *The existing Motueka Water Supply account will continue to operate separately to the Urban Water Supply – Club account. This means that the water charges for the existing connected Motueka water users will have a different cost structure. As renewals and capital upgrades are required, these will be reflected in the water supply charges.*	
2.2 (a) Water Supply – Motueka Water Supply Metered Connections: Volumetric Charge (Funding the Motueka Water Supply including operating, maintaining and improving the infrastructure assets relating to water supply.) *This water rate will be billed separately from the rates invoice.*	
2.2 (b) Water Supply – Motueka Water Supply Metered Connections: Service Charge (Funding the Motueka Water Supply including operating, maintaining and improving the infrastructure assets relating to water supply.)	
2.3 WATER SUPPLY – RURAL CONNECTIONS	
2.3 (a) Water Supply – Dovedale Rural Water Supply (Funding the Dovedale Rural Water Supply including operating, maintaining and improving the infrastructure assets relating to water supply.) *The Council has determined that a differential charge will be applied:*	
**Dovedale Differential A – includes the supply of water for up to and including the first 2m³ per day. This rate is charged based on the extent of provision of service using the size of restrictor volume, with a base of 1m³ per day. A differential of 1 per 1m³ per day will apply.* *For example, rating units with a 2m³ per day restrictor volume will be billed two of the Differential A charge.*	Dovedale Differential A
**Dovedale Differential B – includes the supply of water greater than 2m³ per day. This rate is charged based on the extent of provision of service using the size of restrictor volume, with a base of 1m³ per day. A differential of 0.77 per 1m³ per day will apply.* *For example, rating units with a 3m³ per day restrictor volume will be billed two of the Differential A charge and one of the Differential B charge.*	Dovedale Differential B

FUNDING IMPACT STATEMENT

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Provision of service being the supply of metered water to rating units connected to the Motueka Water Supply		Per m^3 of water supplied	$3.39	838
Provision of service being a connection to the Motueka Water Supply		Fixed amount per connection (meter)	$100.49	141
Provision of a service being a connection to the Dovedale Rural Water Supply through a lowflow restricted water connection				
		Extent of provision of service: $1m^3$/day up to $2m^3$/day (based on water restrictor volume).	$999.24	492
		Extent of provision of service: $1m^3$/day above $2m^3$/day (based on water restrictor volume).	$776.85	282

FUNDING IMPACT STATEMENT

TARGETED RATES (CONT.)

	DIFFERENTIAL CATEGORY
2.3 (b) Water Supply – Redwood Valley Rural Water Supply (Funding the Redwood Valley Rural Water Supply including operating, maintaining and improving the infrastructure assets relating to water supply.)	
2.3 (c) Water Supply – Eighty Eight Valley Rural Water Supply (Funding the Eighty Eight Valley Rural Water Supply including operating, maintaining and improving the infrastructure assets relating to water supply.)	
2.3 (d) Water Supply – Eighty Eight Valley Rural Water Supply – Service Charge (Funding the Eighty Eight Valley Rural Water Supply including operating, maintaining and improving the infrastructure assets relating to water supply.)	
2.3 (e) Water Supply – Hamama Rural Water Supply – Variable Charge (Funding the Hamama Rural Water Supply including operating, maintaining and improving the infrastructure assets relating to water supply.)	
2.3 (f) Water Supply – Hamama Rural Water Supply – Service Charge (Funding the Hamama Rural Water Supply including operating, maintaining and improving the infrastructure assets relating to water supply.)	
2.3 (g) Water Supply – Hamama Rural Water Supply – Fixed Charge based on set land value (Funding the Hamama Rural Water Supply including operating, maintaining and improving the infrastructure assets relating to water supply.)	

FUNDING IMPACT STATEMENT

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Provision of a service being a connection to the Redwood Valley Rural Water Supply through a lowflow restricted water connection		Extent of provision of service: 1m³/day (based on water restrictor volume) e.g. 2m³/day restrictor volume will be charged at two times the listed annual rate	$699.86	721
Provision of a service being a connection to the Eighty Eight Valley Rural Water Supply through a lowflow restricted water connection		Extent of provision of service: 1m³/day (based on water restrictor volume) e.g. 2m³/day restrictor volume will be charged at two times the listed annual rate	$499.97	241
Provision of a service being a connection to the Eighty Eight Valley Rural Water Supply through a lowflow restricted water connection		Fixed amount per rating unit	$531.38	86
Provision of a service being a connection to the Hamama Rural Water Supply		Rate in the $ of Land Value	0.0458 cents	12
Provision of a service being a connection to the Hamama Rural Water Supply		Fixed amount per rating unit	$311.30	9
Rating units in the Hamama Rural Water Supply Rating Area	B1	Rate in the $ of set land value (which is the land value at the time capital works were completed in 2005)	0.1650 cents	9

TARGETED RATES (CONT.)

	DIFFERENTIAL CATEGORY
2.4 WATER SUPPLY FIREFIGHTING	
2.4 (a) Water Supply: Motueka Firefighting (Funding the Motueka Township firefighting water supply.) The Water Supply: Motueka Firefighting rate recovers a portion of the total costs of the Water Supply: Motueka Firefighting and Motueka Water Supply: Service Charge. This is set at 70% of the total revenue requirement because the costs of providing firefighting capacity are a significant portion of the total costs of running the water supply.	
2.4 (b) Water Supply: Tākaka Firefighting – Capital (Funding the Tākaka CBD firefighting water supply capital costs.) *The amount of revenue planned to be raised by each of the differentials is shown.*	
	Tākaka CBD Differential
	Tākaka Residential Differential
	Tākaka Balance of Golden Bay Ward Differential
2.4 (c) Water Supply: Tākaka Firefighting – Operating (Funding the Tākaka CBD firefighting water supply operating costs.)	
2.5 WATER SUPPLY – DAMS	
2.5 (a) Water Supply – Dams: Wai-iti Valley Community Dam (Funding the costs of the Wai-iti Valley Community Dam.) *Water is only released from the dam when low flows are reached.*	

FUNDING IMPACT STATEMENT

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Rating units in the Motueka Firefighting Water Supply Rating Area	C1	Fixed amount per Rating Unit	$95.74	330
Every Rating Unit in the Golden Bay Ward	D1 – D3			
Rating units in the Tākaka Firefighting Water Supply Commercial CBD Rating Area	D1	Rate in the $ of Capital Value	0.0448 cents	37
Rating units in the Tākaka Firefighting Water Supply Residential Rating Area	D2	Fixed amount per Rating Unit	$32.54	15
Rating units in the Tākaka Firefighting Water Supply Rest of Golden Bay Rating Area	D3	Fixed amount per Rating Unit	$10.06	30
Rating units in the Tākaka Firefighting Water Supply Commercial CBD Rating Area and Tākaka Firefighting Water Supply Residential Rating Area	D1, D2	Fixed amount per Rating Unit	$21.53	13
Where land is situated and the provision of service and the activities controlled under the Tasman Resource Management Plan under the Resource Management Act 1991. This rate will apply to those rating units in the Wai-iti Dam Rating Area that are permit holders under the Resource Management Act 1991 because they are able to use the amount of augmented water as permitted by their resource consent and apply it to the land in accordance with the amount and rate specified in the resource consent	E1	Extent of provision of service: charged at $ per hectare as authorised by water permits granted under the Resource Management Act 1991	$212.21	188

FUNDING IMPACT STATEMENT

TARGETED RATES (CONT.)

	DIFFERENTIAL CATEGORY
3 WASTEWATER RATE	
(Funding the Wastewater activities including providing and managing wastewater treatment facilities and sewage collection and disposal.) *In respect of rating units used primarily as a residence for one household, the rating unit will be treated as having no more than one toilet.* *The costs associated with wastewater are lower per pan the more pans that are present. For this reason the Council has determined that a differential charge will be applied as follows:*	
**One toilet or urinal. A differential of 1 is set.*	First toilet or urinal ("pan")
**2 – 10 toilets or urinals. A differential of 0.75 is set.*	2nd – 10th toilets or urinals ("pans")
**11 or more toilets or urinals. A differential of 0.5 is set.*	11th or more toilets or urinals ("pans")
For example, a non-residential property with 12 pans would pay one of the first pan charge, nine of the 2nd – 10th pans charge, and two of the 11th or more pans charge.	
4 REGIONAL RIVER WORKS RATE	
(Funding Rivers activities – river works including maintaining rivers in order to promote soil conservation and mitigate damage caused by floods and riverbank erosion and to maintain quality river control and flood protection schemes.) *The river works benefits are not equal throughout the District. For this reason the Council has determined that a differential charge will be applied.* *The differentials are planned so that the Area X Differential and Area Y Differential will be charged at the same rate, and the total amount of rates planned to be generated by the combined Area X Differential and Area Y Differential is the same as the planned rates generated for the Area Z Differential.*	River Rating Area X Differential River Rating Area Y Differential River Rating Area Z Differential

FUNDING IMPACT STATEMENT

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Provision of a service. The provision of service is measured by the number of toilets and/or urinals ("pans") connected either directly or by private drain to a public wastewater system with a minimum of one pan being charged per connected rating unit.				
		Uniform charge in the $ for each toilet or urinal (pan)	$766.93	11,894
		Uniform charge in the $ for each toilet or urinal (pan)	$575.20	1,811
		Uniform charge in the $ for each toilet or urinal (pan)	$383.47	974
Every rateable rating unit in the District				
Rating units in the River Rating Area X	F1, F2	Rate in the $ of Capital Value	0.0338 cents	998
Rating units in the River Rating Area Y	F1, F2	Rate in the $ of Capital Value	0.0338 cents	772
Rating units in the River Rating Area Z	F2	Rate in the $ of Land Value	0.0141 cents	1,770

TARGETED RATES (CONT.)

	DIFFERENTIAL CATEGORY
5 MOTUEKA BUSINESS RATE	
(Funding Governance activities – providing a grant to Our Town Motueka to fund promotion of the Motueka business area.) *The promotion of the Motueka business area has a greater benefit for those businesses that are closer to the CBD. For this reason the Council has determined that a differential charge will be applied.* *The differentials are planned to generate two times the total amount of rates from the Area A Differential than the Area B Differential.*	Motueka Business Area A Differential Motueka Business Area B Differential
6 RICHMOND BUSINESS RATE	
(Funding Governance activities – providing a grant to Richmond Unlimited to fund promotion of the Richmond business area.)	

FUNDING IMPACT STATEMENT

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Where the land is situated being rateable rating units in the Motueka Business Rating Area A and B and the use to which the land is put. The land usage categories as set out in the Rating Valuations Rules 2008 for actual property use that will be charged for this rate include: Commercial, industrial, multi-use commercial/industrial, residential – public communal/multi-use, lifestyle – multi-use, transport, utility services – communications, community services – medical and allied, and recreational	G1, G2			
This will apply to properties with land use categories as listed above for rateable rating units in Motueka Business Rating Area A	G1, G2	Rate in the $ of Capital Value	0.0377 cents	47
This will apply to properties with land use categories as listed above for rateable rating units in Motueka Business Rating Area B	G1	Rate in the $ of Capital Value	0.0188 cents	23
Where the land is situated being rateable rating units in the Richmond Business Rating Area and the use to which the land is put. The land usage categories as set out in the Rating Valuations Rules 2008 for actual property use that will be charged for this rate include: Commercial, industrial, multi-use commercial/industrial, residential – public communal/multi-use, lifestyle – multi-use, transport, utility services – communications, community services – medical and allied, and recreational	H1	Rate in the $ of Capital Value	0.0377 cents	140

TARGETED RATES (CONT.)

	DIFFERENTIAL CATEGORY
7 MĀPUA STOPBANK RATE	
(Funding the costs of Coastal Assets activities – the capital costs of the Māpua Stop Bank and the operating and other costs of the Ruby Bay and Māpua Stop Banks and coastal studies.)	
8 TORRENT BAY REPLENISHMENT RATE	
(Funding the costs of Coastal Assets activities – reinstating and maintaining the beach at Torrent Bay.)	
The replenishment has a benefit to the rating units in the Torrent Bay area, with a higher degree of benefits for those that are closer to the foreshore. For this reason the Council has determined that a differential charge will be applied.	Torrent Bay Area A Differential
The differentials are set to generate the same amount of planned rates from Torrent Bay Area A Differential and Torrent Bay Area B Differential. There are significantly more rating units in Area B than in Area A which means those individual rating units in Area A will be contributing more for the higher degree of benefits they receive.	Torrent Bay Area B Differential
9 DISTRICT FACILITIES RATE	
(Funding Community Development activities including part of the costs of capital and operating funding for large, community, recreational, sporting or cultural District projects which have met defined criteria, and will provide benefit to the residents of Tasman District.)	
10 SHARED FACILITIES RATE	
(Funding Community Development activities including part of the costs of capital and operating funding for large, community, recreational, sporting or cultural regional projects which have met defined criteria, and will provide benefit to the residents of Tasman District and Nelson City.)	
11 MUSEUMS FACILITIES RATE	
(Funding Community Development museum activities including contributing to the capital and operating costs of the Regional Museum, and the Council's District museums.)	

FUNDING IMPACT STATEMENT

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Rating units in the Māpua Stopbank Rating Area	I1	Fixed amount per Rating Unit	$44.70	58
Rating units in the Torrent Bay Rating Area A and B	J1 – J2			
Rating units in the Torrent Bay Rating Area A	J1	Fixed amount per Rating Unit	$857.52	10
Rating units in the Torrent Bay Rating Area B	J2	Fixed amount per Rating Unit	$270.79	10
Every rateable rating unit in the District		Fixed amount per Rating Unit	$139.34	3,611
Every rateable rating unit in the District		Fixed amount per Rating Unit	$65.86	1,707
Every rateable rating unit in the District		Fixed amount per Rating Unit	$79.35	2,056

FUNDING IMPACT STATEMENT

TARGETED RATES (CONT.)

	DIFFERENTIAL CATEGORY
12 REFUSE / RECYCLING RATE	
(Funding Waste Management and Minimisation activities including kerbside recycling, rubbish collection and other waste related activities.)	
13 MĀPUA REHABILITATION RATE	
(Funding costs of Environmental Management activities – interest and loans and holding costs associated with the former Fruit Grower Chemical Company site.)	
14 GOLDEN BAY COMMUNITY BOARD RATE	
(Funding Governance activities – the costs of the Golden Bay Community Board and specific projects that the Board wishes to undertake in the Golden Bay Ward.)	
15 MOTUEKA COMMUNITY BOARD RATE	
(Funding Governance activities – the costs of the Motueka Community Board and specific projects that the Board wishes to undertake in the Motueka Ward.)	
16 WARM TASMAN RATE	
(Funding the costs of Environmental Management activities – the Warm Tasman Scheme.)	

FUNDING IMPACT STATEMENT

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Rating units in the Refuse-Recycling Rating Area	K1 – K16	Fixed amount per Rating Unit	$152.54	3,389
Every rateable rating unit in the District		Fixed amount per Rating Unit	$4.53	118
Rating units in the Golden Bay Community Board Rating Area, which is the Golden Bay Ward	L1	Fixed amount per Rating Unit	$15.63	55
Rating units in the Motueka Community Board Rating Area, which is the Motueka Ward	M1	Fixed amount per Rating Unit	$15.36	90
Provision of service which occurs when homeowners apply and are approved into the scheme which results in the installation of a wood burner and/or insulation into their property		Extent of provision of service: calculated per $ of the total cost of the installed works and the administration fee charged over a nine year period including GST and interest	$0.1467	2

TARGETED RATES (CONT.)

	DIFFERENTIAL CATEGORY
17 WAIMEA COMMUNITY DAM – ENVIRONMENTAL AND COMMUNITY BENEFITS RATES	
The Council utilises two targeted rates to fund the Council's rates contribution for environmental and community benefits associated with the Waimea Community Dam. The Districtwide rate is set to fund 70% of the environmental and community benefit cost to be funded through rates less the amount recovered through charges. In addition those rating units within the Zone of Benefit (ZOB) will fund the remaining 30% of the revenue less the amount recovered through charges because properties with a closer proximity to the water supplied by the dam will have a greater benefit than those farther away.	
17.1 WAIMEA COMMUNITY DAM – ENVIRONMENTAL AND COMMUNITY BENEFITS DISTRICT-WIDE RATE	
(Funding the costs of the water supply activity – Council's contribution for the environmental and community benefits associated with the Waimea Community Dam.)	
17.2 WAIMEA COMMUNITY DAM – ENVIRONMENTAL AND COMMUNITY BENEFITS ZOB RATE	
(Funding the costs of the water supply activity – Council's contribution for the environmental and community benefits associated with the Waimea Community Dam.)	

FUNDING IMPACT STATEMENT

CATEGORIES OF LAND ON WHICH RATE IS SET	MAP REF. (IF APPLICABLE)	FACTORS	2024/2025 RATE (GST INC)	2024/2025 TOTAL RATE ($000, GST INC)
Every rateable rating unit in the District		Fixed amount per Rating Unit	$107.09	2,775
Every rateable rating unit in the Waimea Community Dam Zone of Benefit Rating Area	N1	Rate in the $ of Capital Value	0.0097 cents	1,159
TOTAL INCLUDING GST				**127,431**
TOTAL EXCLUDING GST				**110,810**
Plus: Rates penalties net of GST				428
Less: Rates remissions net of GST				(415)
TOTAL RATES INCLUDING RATES PENALTIES AND NET OF RATES REMISSIONS INCLUDING GST				**127,446**
TOTAL RATES INCLUDING RATES PENALTIES AND NET OF RATES REMISSIONS EXCLUDING GST				**110,823**

ASSESSMENT AND INVOICING

For rates other than volumetric metered water rates, rates are set as at 1 July each year and the Council invoices rates quarterly, with the instalment invoice dates being 25 July, 25 October, 25 January and 25 April. Each instalment is one quarter of the total annual rates payable for the year. Rates are due and payable to the Tasman District Council. The 2024/2025 rates instalments due dates for payment are:

INSTALMENT 1 DUE DATE	20 AUG 2024
INSTALMENT 2 DUE DATE	20 NOV 2024
INSTALMENT 3 DUE DATE	20 FEB 2025
INSTALMENT 4 DUE DATE	20 MAY 2025

Volumetric metered water rates are invoiced separately from other rates. Invoices for the majority of users are issued six monthly and invoices for larger industrial users are issued monthly. The 2024/25 due dates for payment are as follows:

METERS INVOICED IN JUNE: 22 JUL 2024

(may include but is not limited to meters in Murchison, Upper Tākaka, Pōhara, Collingwood and meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN JULY: 20 AUG 2024

(may include but is not limited to meters in Hope, Brightwater, Wakefield, Tapawera, meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN AUGUST: 20 SEP 2024

(may include but is not limited to meters in Māpua, meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN SEPTEMBER: 21 OCT 2024

(may include but is not limited to meters in Motueka, Kaiteriteri, Riwaka, meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN OCTOBER: 20 NOV 2024

(may include but is not limited to meters in Richmond, meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN NOVEMBER: 20 DEC 2024

(may include but is not limited to meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN DECEMBER: 20 JAN 2025

(may include but is not limited to meters in Murchison, Upper Tākaka, Pōhara, Collingwood and meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN JANUARY: 20 FEB 2025

(may include but is not limited to meters in Hope, Brightwater, Wakefield, Tapawera, meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN FEBRUARY: 20 MAR 2025

(may include but is not limited to meters in Māpua, meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN MARCH: 22 APR 2025

(may include but is not limited to meters in Motueka, Kaiteriteri, Riwaka, meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN APRIL: 20 MAY 2025

(may include but is not limited to meters in Richmond, meters W00898, W00897, W00906, W45268, W00910, W00899)

METERS INVOICED IN MAY: 23 JUN 2025

(may include but is not limited to meters W00898, W00897, W00906, W45268, W00910, W00899)

Payments received will be applied to the oldest outstanding amounts first.

FUNDING IMPACT STATEMENT

PENALTIES

For rates other than volumetric metered water rates, under Section 57 and 58 of the Local Government (Rating) Act 2002, the Council prescribes a penalty of ten percent (10%) of the amount of rate instalments remaining unpaid after the due date to be added on the following dates:

INSTALMENT 1 PENALTY DATE	21 AUG 2024
INSTALMENT 2 PENALTY DATE	21 NOV 2024
INSTALMENT 3 PENALTY DATE	21 FEB 2025
INSTALMENT 4 PENALTY DATE	21 MAY 2025

For volumetric metered water rates, a penalty of 10 percent (10%) will be added to the amount of metered water rates remaining unpaid after the due date to be added on the following dates:

METERS INVOICED IN JUNE: 23 JUL 2024

METERS INVOICED IN JULY: 21 AUG 2024

METERS INVOICED IN AUGUST: 23 SEP 2024

METERS INVOICED IN SEPTEMBER: 22 OCT 2024

METERS INVOICED IN OCTOBER: 21 NOV 2024

METERS INVOICED IN NOVEMBER: 23 DEC 2024

METERS INVOICED IN DECEMBER: 21 JAN 2025

METERS INVOICED IN JANUARY: 21 FEB 2025

METERS INVOICED IN FEBRUARY: 21 MAR 2025

METERS INVOICED IN MARCH: 23 APR 2025

METERS INVOICED IN APRIL: 21 MAY 2025

METERS INVOICED IN MAY: 24 JUN 2025

On 10 July 2024, a further penalty of five percent (5%) will be added to rates (including previously applied penalties) that remain unpaid from previous years on 9 July 2024. On 10 January 2025, a further penalty of five percent (5%) will be added to any portion of previous years rates (including previously applied penalties) still remaining unpaid on 9 January 2025.

The above penalties will not be charged on a rating unit where Council has agreed to a programme for payment of rate arrears or where a direct debit programme is in place and payments are being honoured, in accordance with the Council's Rates Remission Policy.

RATES IMPACT ON EXAMPLE PROPERTIES

The Council uses example properties with different rating mixes and a range of property values to illustrate the impact of its rating policies.

The general rate applies to every rateable rating unit in the District. Targeted rates are applied to rating units depending on how each targeted rate is set, as detailed in this document.

To demonstrate rates changes between the 2023/2024 year and the rates for the 2024/2025 year, a selection of 29 properties from the District have been set out below.

These properties are examples and do not cover all situations for all of the rateable properties in the District.

More information on the rates for a particular property can be found on the Council's website www.tasman.govt.nz.

The following table is GST inclusive. It covers the total rates increases including both the increases in the general and targeted rates. Metered water has been included using set volumes for the example properties in the previous year.

Depending on particular circumstances and the effect of specific targeted rates, individual circumstances will vary from these examples.

The overall rates change for these properties ranges from -11.06% to 38.21%.

RATING PROPERTY DESCRIPTION	CV AS AT 2020	CV AS AT 2023
Residential – Tākaka	$465,000	$620,000
Residential – Murchison, with 131m^3 of water, Urban Water Supply Metered Connections	$265,000	$420,000
Residential – Māpua (no Council supplied wastewater/metered water)	$770,000	$940,000
Residential – Māpua, with 153m^3 of water, Urban Metered Water Supply	$590,000	$720,000
Residential – Kaiteriteri, with 149m^3 of water, Urban Water Supply Metered Connections	$910,000	$1,330,000
Residential – Brightwater, with 117m^3 of water, Urban Water Supply Metered Connections	$610,000	$700,000
Residential – Wakefield, with 185m^3 of water, Urban Water Supply Metered Connections	$690,000	$780,000
Residential – Motueka, with 87m^3 of water, Motueka Water Supply Metered Connections	$590,000	$640,000
Residential – Richmond (Waimea Village), with 29m^3 of water, Urban Water Supply Metered Connections	$385,000	$430,000
Residential – Richmond, with 103m^3 of water, Urban Water Supply Metered Connections	$800,000	$880,000
Residential – Richmond, with 181m^3 of water, Urban Water Supply Metered Connections	$1,375,000	$1,540,000

% CV INCREASE FROM 2020 TO 2023	2023/2024 ACTUAL RATES	2024/2025 RATES	$ CHANGE FROM 2023/2024	% CHANGE FROM 2023/2024
33.3%	$3,040	$3,546	$506	16.64%
58.5%	$2,903	$3,536	$633	21.81%
22.1%	$2,819	$3,125	$307	10.89%
22.0%	$4,200	$4,685	$485	11.56%
46.2%	$5,032	$6,112	$1,080	21.46%
14.8%	$4,224	$4,626	$402	9.52%
13.0%	$4,478	$4,814	$336	7.50%
8.5%	$3,739	$3,884	$145	3.88%
11.7%	$3,138	$3,408	$270	8.61%
10.0%	$4,609	$4,872	$263	5.72%
12.0%	$6,559	$6,892	$333	5.08%

FUNDING IMPACT STATEMENT

RATING PROPERTY DESCRIPTION	CV AS AT 2020	CV AS AT 2023
Dairy Farm – Collingwood-Bainham	$7,020,000	$7,020,000
Forestry – Lakes Murchison	$1,290,000	$1,910,000
Horticultural – Richmond with 177m^3 of water, Urban Water Supply Metered Connections	$1,110,000	$1,360,000
Horticultural – Ngatimoti	$1,205,000	$1,470,000
Horticultural – Hope in WCD EURA	$2,690,000	$3,390,000
Pastoral Farming – Wakefield, with Water Supply Dams, Wai-iti Valley Community Dam	$2,810,000	$3,210,000
Pastoral Farming – Upper Moutere	$1,230,000	$1,485,000
Lifestyle – Hope in WCD EURA with 2m^3/day restrictor, Rural Water Extension to Urban Water Scheme	$1,060,000	$1,350,000
Lifestyle – Hope in WCD EURA with 2m^3/day restrictor, Rural Water Extension to Urban Water Scheme	$1,230,000	$1,460,000
Lifestyle – Wakefield, with 3m^3/day restrictor, Eighty Eight Valley Rural Water Supply	$2,370,000	$2,900,000
Lifestyle – East Tākaka	$810,000	$1,130,000
Lifestyle – Neudorf, with 2m^3/day restrictor, Dovedale Rural Water Supply	$530,000	$680,000
Lifestyle – Tasman with 2m^3/day restrictor, Rural Water Extension to Urban Water Scheme	$1,020,000	$1,230,000
Lifestyle – Bronte, with 3m^3/day restrictor, Redwood Valley Rural Water Supply	$1,690,000	$2,140,000
Commercial – Queen St, Richmond, with 343m^3 of water, Urban Water Supply Metered Connections	$1,470,000	$1,630,000
Commercial – High St, Motueka	$1,650,000	$1,750,000
Industrial – Cargill Place, Richmond, with 51m^3 of water, Urban Water Supply Metered Connections	$1,000,000	$1,240,000
Utility	$83,200,000	$133,210,000

FUNDING IMPACT STATEMENT

% CV INCREASE FROM 2020 TO 2023	2023/2024 ACTUAL RATES	2024/2025 RATES	$ CHANGE FROM 2023/2024	% CHANGE FROM 2023/2024
0%	$18,796	$16,718	($2,079)	(11.06%)
48.1%	$3,902	$5,045	$1,143	29.29%
22.5%	$4,578	$5,105	$527	11.50%
22.0%	$3,647	$4,001	$354	9.70%
26.0%	$7,665	$8,655	$990	12.92%
14.2%	$10,425	$10,288	($137)	(1.32%)
20.7%	$3,710	$4,049	$339	9.14%
27.4%	$5,364	$6,113	$750	13.98%
18.7%	$5,766	$6,316	$550	9.53%
22.4%	$8,471	$9,069	$598	7.05%
39.5%	$2,672	$3,243	$572	21.40%
28.3%	$3,760	$4,275	$515	13.71%
20.6%	$5,258	$5,828	$571	10.85%
26.6%	$7,058	$7,935	$878	12.44%
10.9%	$10,137	$10,666	$529	5.22%
6.1%	$7,839	$8,041	$202	2.58%
24.0%	$5,036	$5,634	$598	11.87%
60.1%	$197,476	$272,938	$75,462	38.21%

FUNDING IMPACT STATEMENT

The following table shows the breakdown of the rates for the example properties for 2024/2025:

	GENERAL RATES	DISTRICT-WIDE TARGETED RATES (1)	STORM-WATER RATE	WASTE-WATER RATE	REGIONAL RIVER WORKS RATE	REFUSE/ RECYCLING RATE	COMMUNITY BOARD RATE (2)
Residential – Tākaka	$1,661	$289	$290	$767	$210	$153	$16
Residential – Murchison, with 131m^3 of water, Urban Water Supply Metered Connections	$1,252	$289	$197	$767	$20	-	-
Residential – Māpua (no Council supplied wastewater/ metered water)	$2,314	$289	$46	-	$80	$153	-
Residential – Māpua, with 153m^3 of water, Urban Metered Water Supply	$1,865	$289	$337	$767	$71	$153	-
Residential – Kaiteriteri, with 149m^3 of water, Urban Water Supply Metered Connections	$3,111	$289	$622	$767	$79	$153	$15
Residential – Brightwater, with 117m^3 of water, Urban Water Supply Metered Connections	$1,824	$289	$328	$767	$237	$153	-

FUNDING IMPACT STATEMENT

WATER SUPPLY FIRE-FIGHTING RATE (3)	MĀPUA STOPBANK RATE	BUSINESS RATE (4)	WATER SUPPLY – DAMS: WAI-ITI VALLEY COMMUNITY DAM RATE	WATER SUPPLY RATE (5)	WAIMEA COMMUNITY DAM – ENVIRONMENTAL AND COMMUNITY BENEFITS ZOB RATE	TOTAL RATES
$54	-	-	-	-	$107	$3,546
-	-	-	-	$904	$107	$3,536
-	$45	-	-	-	$198	$3,125
-	$45	-	-	$983	$177	$4,685
-	-	-	-	$968	$107	$6,112
-	-	-	-	$855	$175	$4,626

FUNDING IMPACT STATEMENT

	GENERAL RATES	DISTRICT-WIDE TARGETED RATES (1)	STORM-WATER RATE	WASTE-WATER RATE	REGIONAL RIVER WORKS RATE	REFUSE/ RECYCLING RATE	COMMUNITY BOARD RATE (2)
Residential – Wakefield, with 185m^3 of water, Urban Water Supply Metered Connections	$1,988	$289	$365	$767	$49	$153	-
Residential – Motueka, with 87m^3 of water, Motueka Water Supply Metered Connections	$1,702	$289	$300	$767	$61	$153	$15
Residential – Richmond (Waimea Village), with 29m^3 of water, Urban Water Supply Metered Connections	$1,272	$289	$201	$767	$35	$153	-
Residential – Richmond, with 103m^3 of water, Urban Water Supply Metered Connections	$2,192	$289	$412	$767	$63	$153	-
Residential – Richmond, with 181m^3 of water, Urban Water Supply Metered Connections	$3,540	$289	$721	$767	$83	$153	-

FUNDING IMPACT STATEMENT

	WATER SUPPLY FIRE-FIGHTING RATE (3)	MĀPUA STOPBANK RATE	BUSINESS RATE (4)	WATER SUPPLY – DAMS: WAI-ITI VALLEY COMMUNITY DAM RATE	WATER SUPPLY RATE (5)	WAIMEA COMMUNITY DAM – ENVIRONMENTAL AND COMMUNITY BENEFITS ZOB RATE	TOTAL RATES
	-	-	-	-	$1,097	$107	$4,814
	$96	-	-	-	$395	$107	$3,884
	-	-	-	-	$541	$149	$3,408
	-	-	-	-	$805	$192	$4,872
	-	-	-	-	$1,082	$256	$6,892

FUNDING IMPACT STATEMENT

	GENERAL RATES	DISTRICT-WIDE TARGETED RATES (1)	STORM-WATER RATE	WASTE-WATER RATE	REGIONAL RIVER WORKS RATE	REFUSE/ RECYCLING RATE	COMMUNITY BOARD RATES (2)
Dairy Farm – Collingwood-Bainham	$14,736	$289	$344	-	$1,216	-	$16
Forestry – Lakes Murchison	$4,296	$289	$94	-	$259	-	-
Horticultural – Richmond, with 177m^3 of water, Urban Water Supply Metered Connections	$3,172	$289	$67	-	$117	$153	-
Horticultural – Ngatimoti	$3,397	$289	$72	-	$120	-	$15
Horticultural – Hope in WCD EURA	$7,320	$289	$166	-	$292	$153	-
Pastoral Farming – Wakefield, with Water Supply Dams, Wai-iti Valley Community Dam-8	$6,952	$289	$157	-	$1,085	-	-
Pastoral Farming – Upper Moutere	$3,428	$289	$73	-	$152	-	-
Lifestyle – Hope in WCD EURA with 2m^3/ day restrictor, Rural Water Extension to Urban Water Scheme	$3,152	$289	$66	-	$138	$153	-

FUNDING IMPACT STATEMENT

WATER SUPPLY FIRE-FIGHTING RATES (3)	MĀPUA STOPBANK RATE	BUSINESS RATES (4)	WATER SUPPLY – DAMS: WAI-ITI VALLEY COMMUNITY DAM RATE	WATER SUPPLY RATES (5)	WAIMEA COMMUNITY DAM – ENVIRONMENTAL AND COMMUNITY BENEFITS ZOB RATE	TOTAL RATES
$10	-	-	-	-	$107	$16,718
-	-	-	-	-	$107	$5,045
-	-	-	-	$1,068	$239	$5,105
-	-	-	-	-	$107	$4,001
-	-	-	-	-	$436	$8,655
-	-	-	$1,698	-	$107	$10,288
-	-	-	-	-	$107	$4,049
-	-	-	-	$2,077	$238	$6,113

FUNDING IMPACT STATEMENT

	GENERAL RATES	DISTRICT-WIDE TARGETED RATES (1)	STORM-WATER RATE	WASTE-WATER RATE	REGIONAL RIVER WORKS RATE	REFUSE/ RECYCLING RATE	COMMUNITY BOARD RATE (2)
Lifestyle – Hope in WCD EURA with 2m³/ day restrictor, Rural Water Extension to Urban Water Scheme	$3,377	$289	$72	-	$100	$153	-
Lifestyle – Wakefield, with 3m³/ day restrictor, Eighty Eight Valley Rural Water Supply	$6,319	$289	$142	-	$180	-	-
Lifestyle – East Tākaka	$2,703	$289	$55	-	$63	-	$16
Lifestyle – Neudorf, with 2m³/ day restrictor, Dovedale Rural Water Supply	$1,783	$289	$33	-	$64	-	-
Lifestyle – Tasman, with 2m³/ day restrictor, Rural Water Extension to Urban Water Scheme	$2,907	$289	$60	-	$116	$153	-
Lifestyle – Bronte, with 3m³/day restrictor, Redwood Valley Rural Water Supply	$4,766	$289	$105	-	$209	$153	-

FUNDING IMPACT STATEMENT

	WATER SUPPLY FIRE-FIGHTING RATE (3)	MĀPUA STOPBANK RATE	BUSINESS RATE (4)	WATER SUPPLY – DAMS: WAI-ITI VALLEY COMMUNITY DAM RATE	WATER SUPPLY RATE (5)	WAIMEA COMMUNITY DAM – ENVIRONMENTAL AND COMMUNITY BENEFITS ZOB RATE	TOTAL RATES
	-	-	-	-	$2,077	$249	$6,316
	-	-	-	-	$2,031	$107	$9,069
	$10	-	-	-	-	$107	$3,243
	-	-	-	-	$1,998	$107	$4,275
	-	-	-	-	$2,077	$226	$5,828
	-	-	-	-	$2,100	$315	$7,935

FUNDING IMPACT STATEMENT

	GENERAL RATES	DISTRICT-WIDE TARGETED RATES (1)	STORM-WATER RATE	WASTE-WATER RATE	REGIONAL RIVER WORKS RATE	REFUSE/ RECYCLING RATE	COMMUNITY BOARD RATE (2)
Commercial – Queen Street, Richmond, with 343m^3 of water, Urban Water Supply Metered Connections	$3,724	$289	$763	$3,068	$131	$153	-
Commercial – High Street, Motueka	$3,969	$289	$819	$1,342	$592	$153	$15
Industrial – Cargill Place, Richmond, with 51m^3 of water, Urban Water Supply Metered Connections	$2,927	$289	$580	$767	$71	$153	-
Utility	$272,542	$289	-	-	-	-	-

(1) Includes District Facilities Rate, Shared Facilities Rate, Museums Facilities Rate, Māpua Rehabilitation Rate and Waimea Community Dam – Environmental and Community Benefits Districtwide Rate

(2) Includes Golden Bay Community Board Rate and Motueka Community Board Rate

(3) Includes Water Supply: Motueka Firefighting, Water Supply: Tākaka Firefighting – Capital, and Water Supply: Tākaka Firefighting – Operating

(4) Includes Motueka Business Rate and Richmond Business Rate

(5) Includes Water Supply – Urban Water Supply Metered Connections: Volumetric Charge, Water Supply – Urban Water Supply Metered Connections: Service Charge, Water Supply – Rural Water Extensions to Urban Water Schemes, Water Supply – Motueka Water Supply Metered Connections: Volumetric Charge, Water Supply – Motueka Water Supply Metered Connections: Service Charge, Water Supply – Dovedale Rural Water Supply, Water Supply – Redwood Valley Rural Water Supply, Water Supply – Eighty Eight Valley Rural Water Supply – Variable Charge, Water Supply – Eighty Eight Valley Rural Water Supply – Service Charge

FUNDING IMPACT STATEMENT

WATER SUPPLY FIRE-FIGHTING RATE (3)	MĀPUA STOPBANK RATE	BUSINESS RATE (4)	WATER SUPPLY – DAMS: WAI-ITI VALLEY COMMUNITY DAM RATE	WATER SUPPLY RATE (5)	WAIMEA COMMUNITY DAM – ENVIRONMENTAL AND COMMUNITY BENEFITS ZOB RATE	TOTAL RATES
-	-	$615	-	$1,659	$265	$10,666
$96	-	$660	-	-	$107	$8,041
-	-	-	-	$620	$227	$5,634
-	-	-	-	-	$107	$272,938

The following rates are not presented in the above examples:

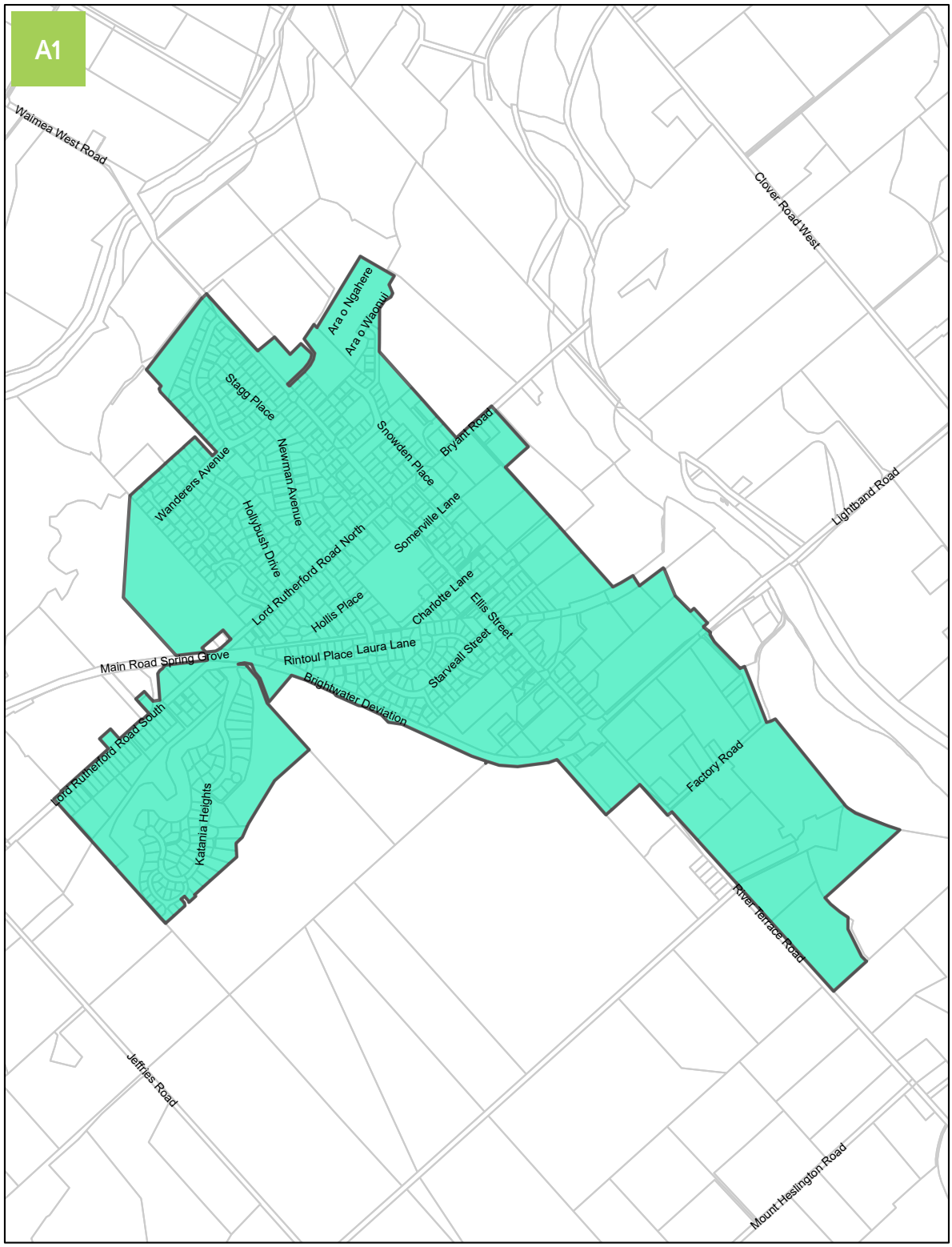
- Water Supply – Hamama Rural Water Supply – Variable Charge
- Water Supply – Hamama Rural Water Supply – Service Charge
- Water Supply – Hamama Rural Water Supply – Fixed Charge based on set land value
- Ruby Bay Stopbank Rate
- Torrent Bay Replenishment Rate
- Warm Tasman Rate

RATING MAPS

If a ratepayer cannot clearly identify from these maps which category their rating unit is in, this can be clarified by contacting the Council.

FUNDING IMPACT STATEMENT

RATING MAP NAME	MAP REFERENCE
RICHMOND BUSINESS RATING AREA	H1 (page 69)
MĀPUA STOPBANK RATING AREA	I1 (page 70)
TORRENT BAY RATING AREA A	J1 (page 71)
TORRENT BAY RATING AREA B	J2 (page 72)
REFUSE – RECYCLING RATING AREA:	
Brightwater – Waimea	K1 (page 73)
Collingwood	K2 (page 74)
Kaiteriteri	K3 (page 75)
Korere Tophouse	K4 (page 76)
Ligar Bay – Tata Beach	K5 (page 77)
Mārahau	K6 (page 78)
Motueka	K7 (page 79)
Moutere	K8 (page 80)
Pōhara	K9 (page 81)
Richmond	K10 (page 82)
Riwaka	K11 (page 83)
St Arnaud	K12 (page 84)
Tākaka	K13 (page 85)
Tapawera	K14 (page 86)
Upper Tākaka	K15 (page 87)
Wakefield	K16 (page 88)
GOLDEN BAY COMMUNITY BOARD RATING AREA	L1 (page 89)
MOTUEKA COMMUNITY BOARD RATING AREA	M1 (page 90)
WAIMEA COMMUNITY DAM ZONE OF BENEFIT RATING AREA	N1 (page 91)



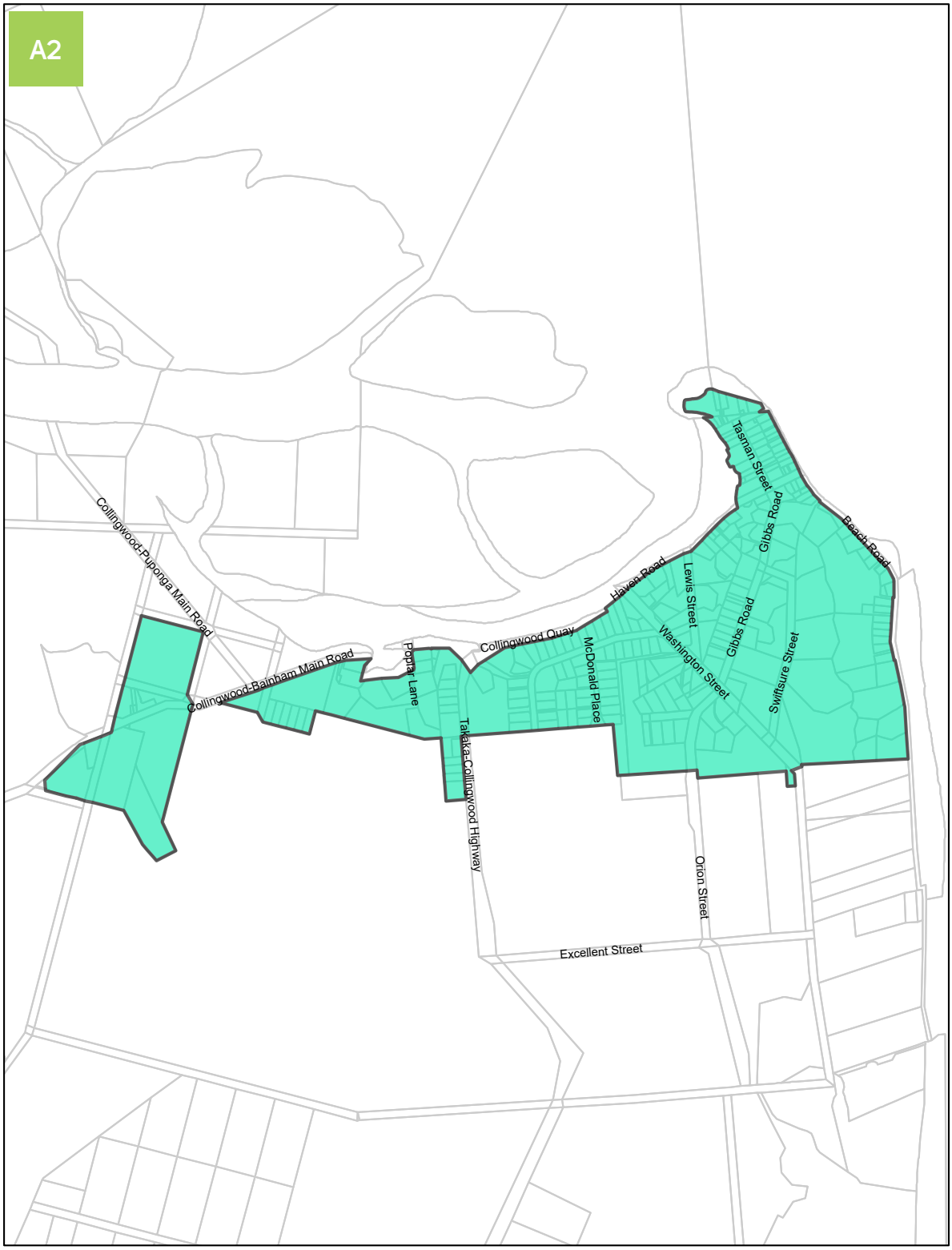
Stormwater Urban Drainage Rating Area
Brightwater

tasman district council
Te Kaunihera o te tai o Aorere

0 750 m

N

1:13,000



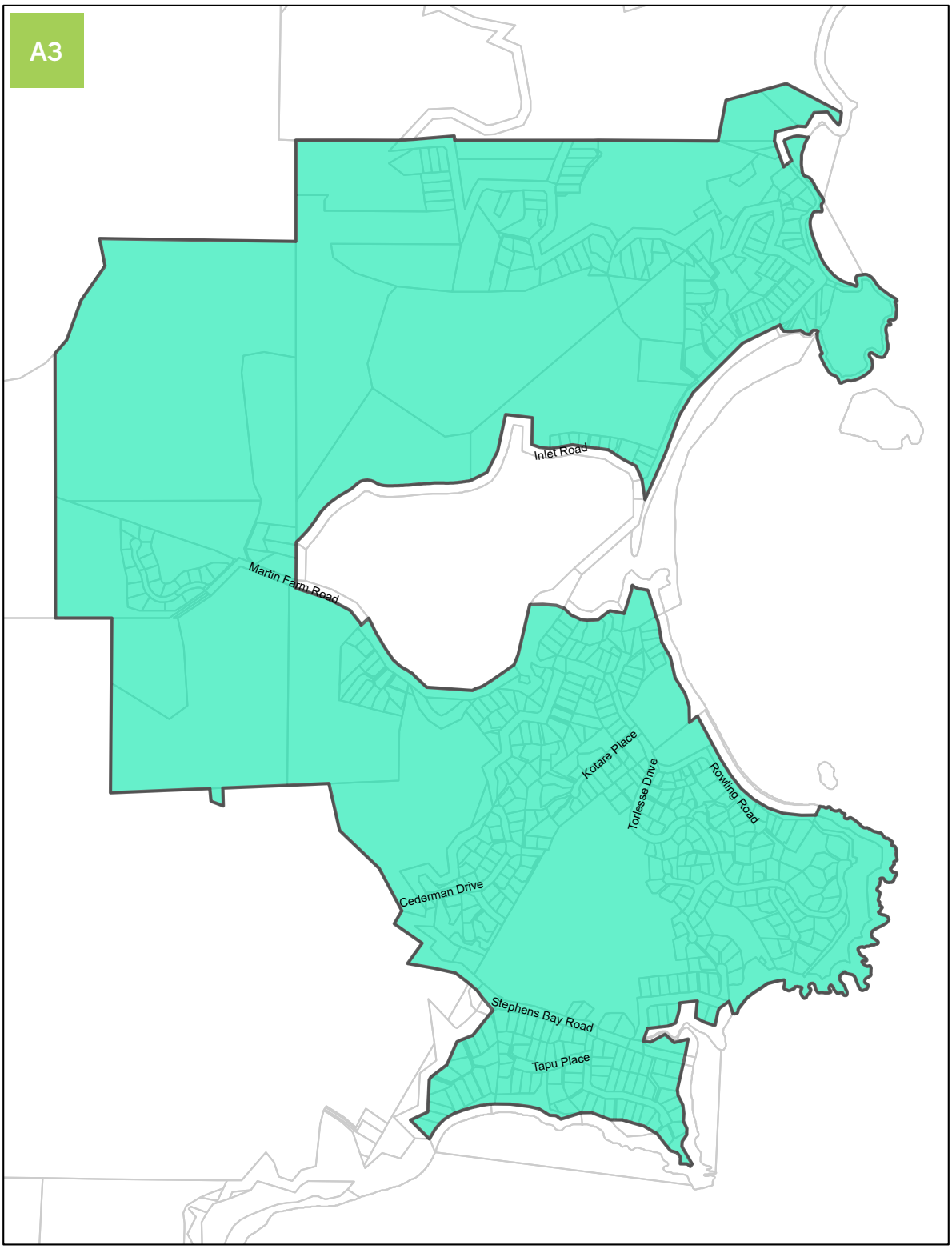
Stormwater Urban Drainage Rating Area
Collingwood

tasman district council
Te Kaunihera o te tai o Aorere

0 750 m

N

1:12,000



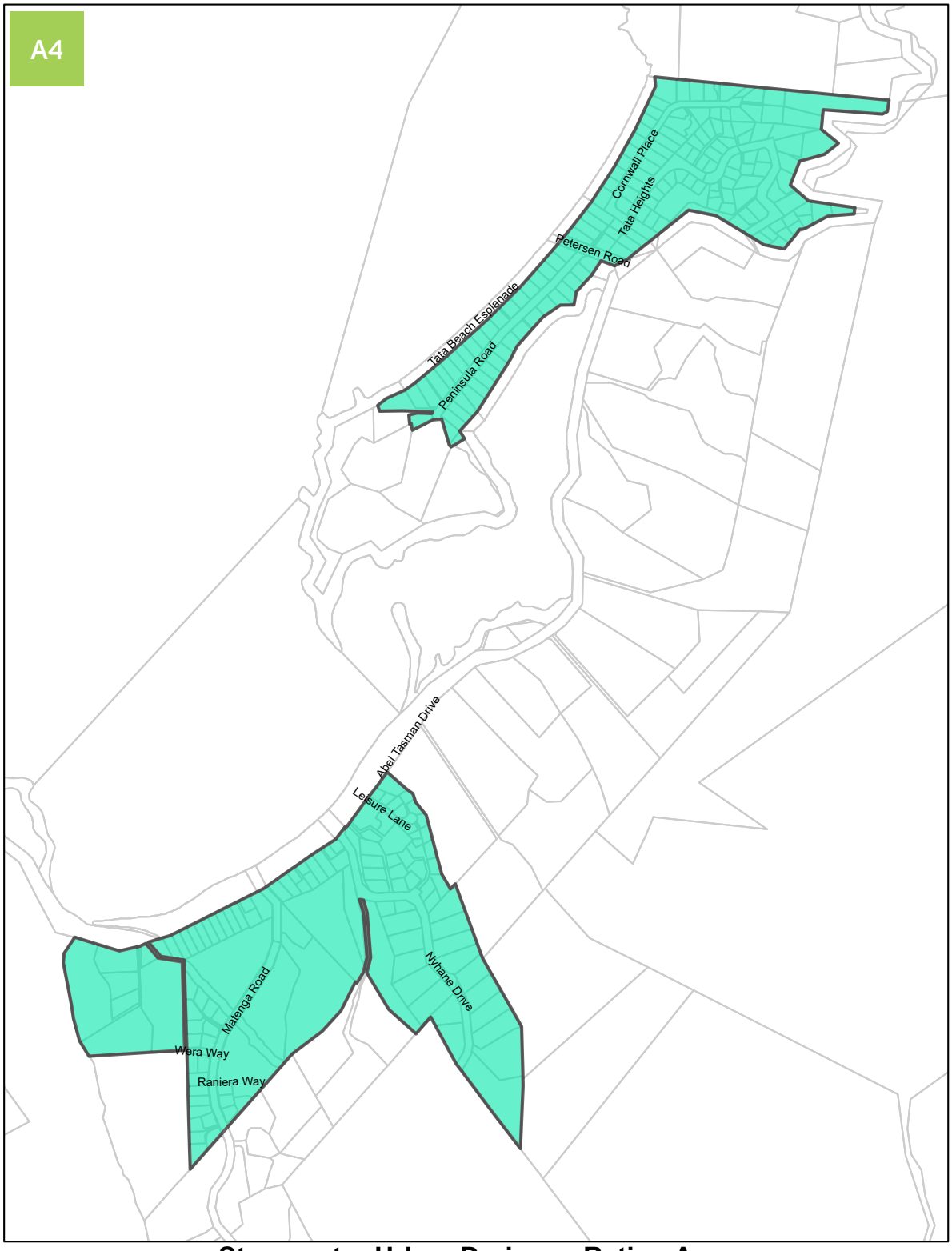
Stormwater Urban Drainage Rating Area
Kaiteriteri

tasman district council
Te Kaunihera o te tai o Aorere

0 500 m

N

1:10,000



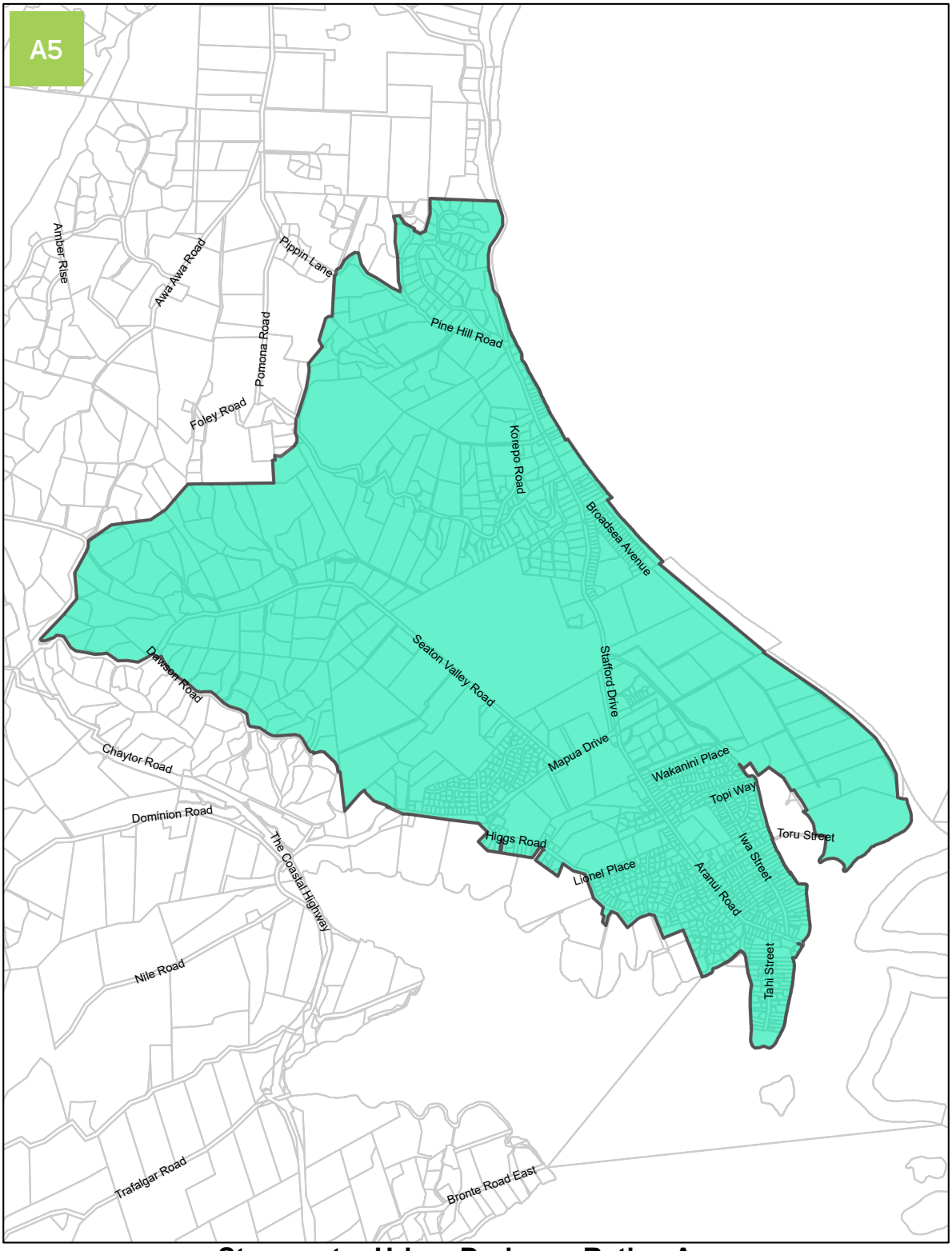
Stormwater Urban Drainage Rating Area
Ligar Bay - Tata Beach

tasman district council
Te Kaunihera o te tai o Aorere

0 500 m

N

1:9,000



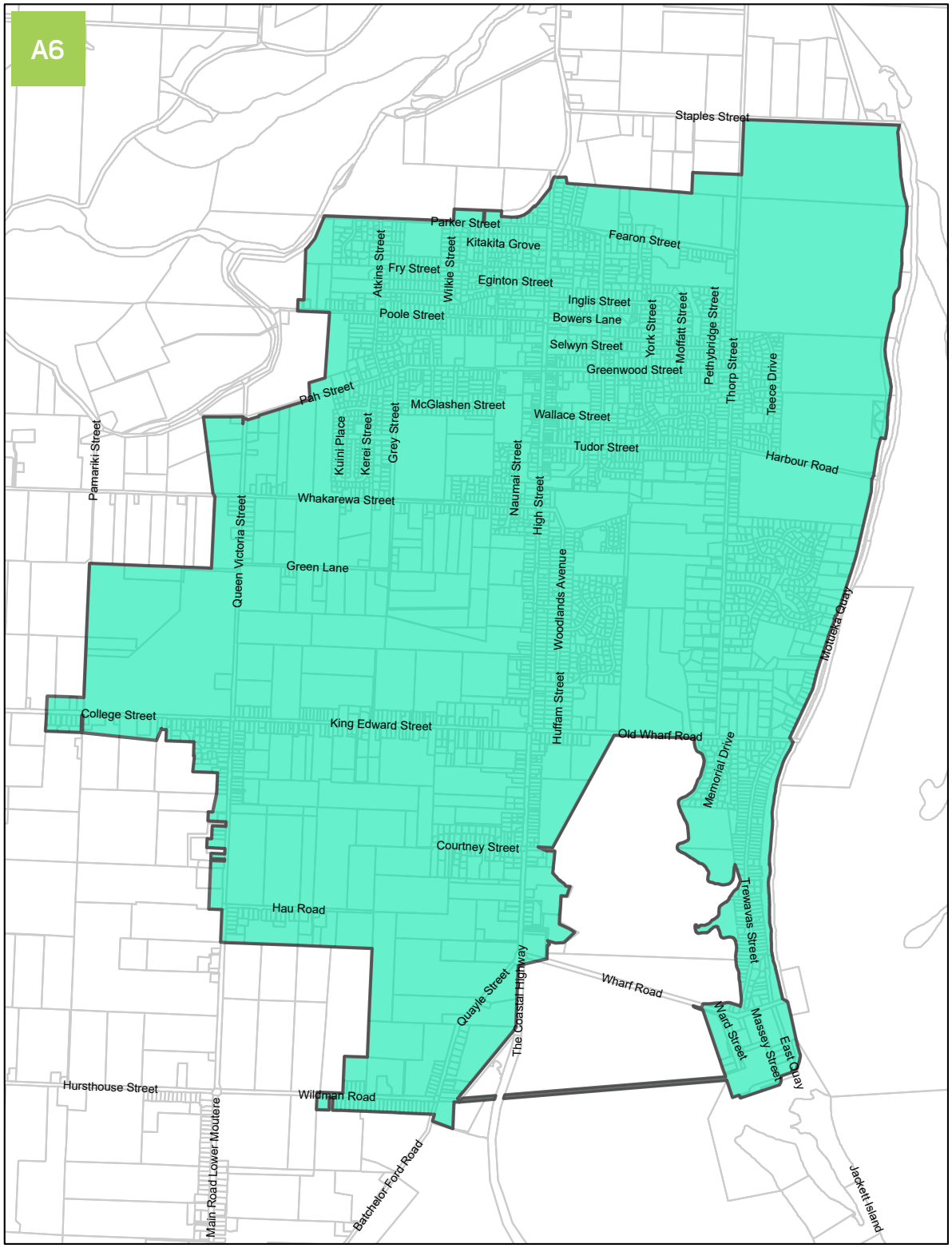
Stormwater Urban Drainage Rating Area
Mapua - Ruby Bay

tasman district council
Te Kaunihera o te tai o Aorere

0 m 1,500

N

1:24,000



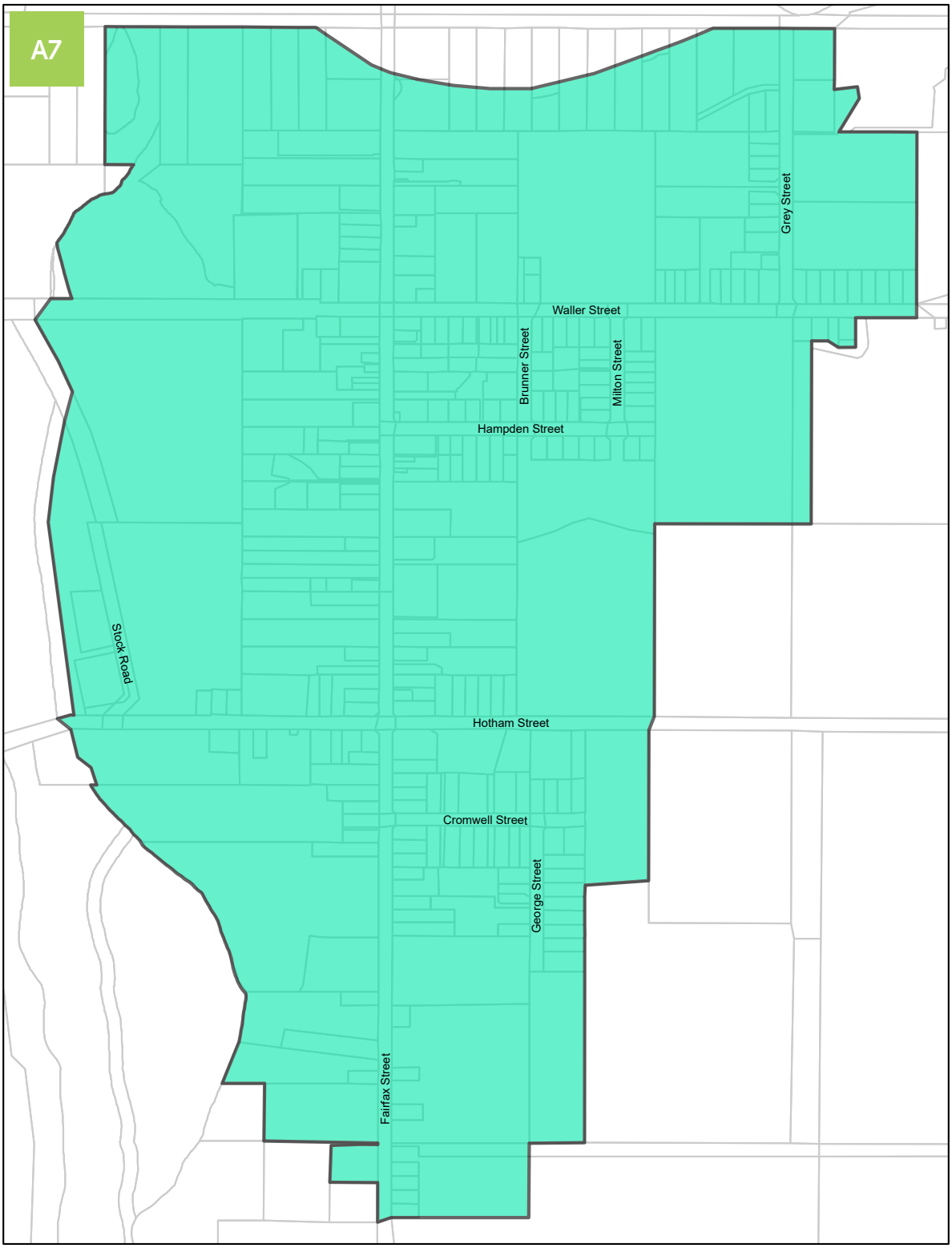
Stormwater Urban Drainage Rating Area
Motueka

tasman district council
Te Kaunihera o te tai o Aorere

0 m 1,250

N

1:21,000



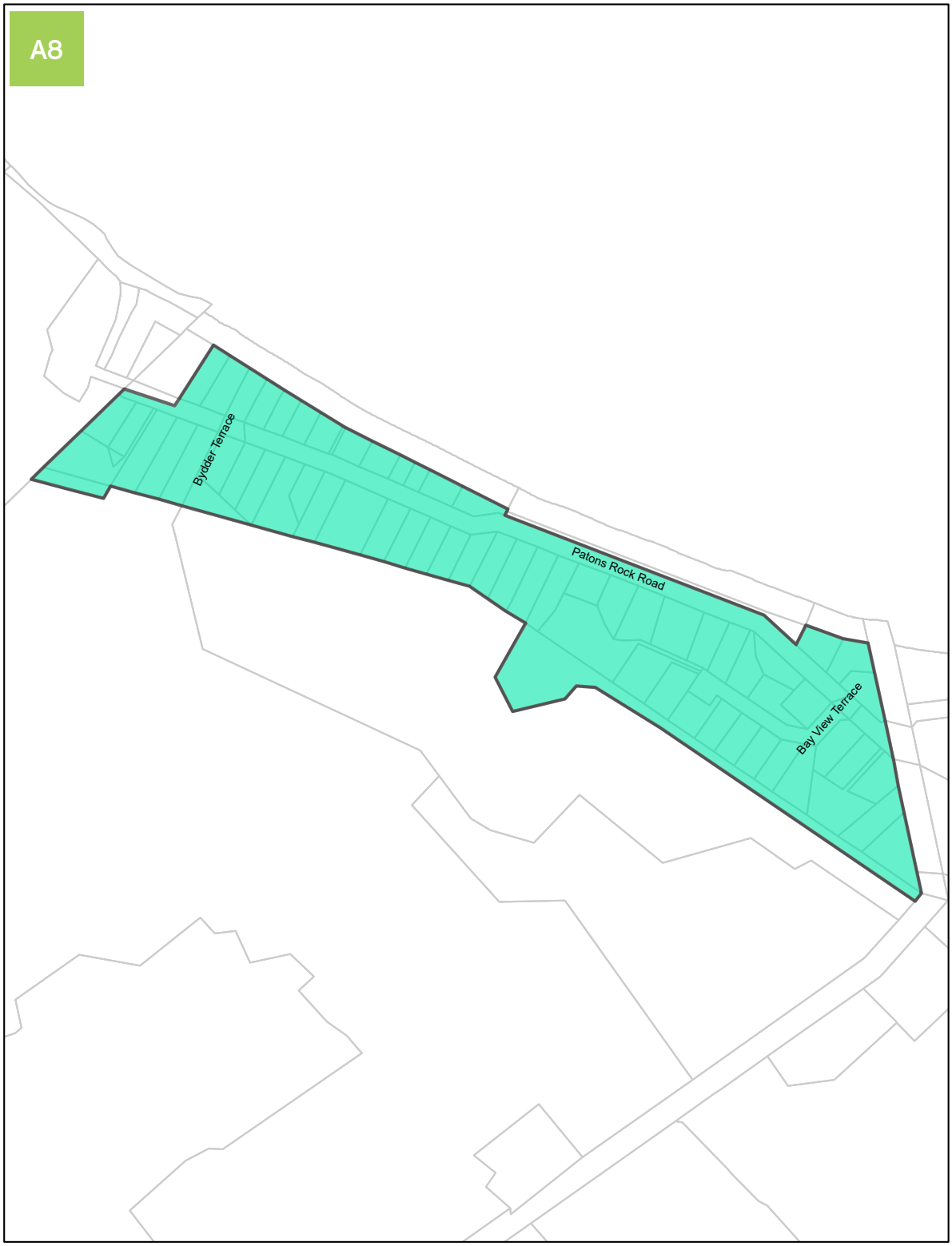
Stormwater Urban Drainage Rating Area
Murchison

N

0 m 250

1:7,000

tasman district council
Te Kaunihera o te tai o Aorere



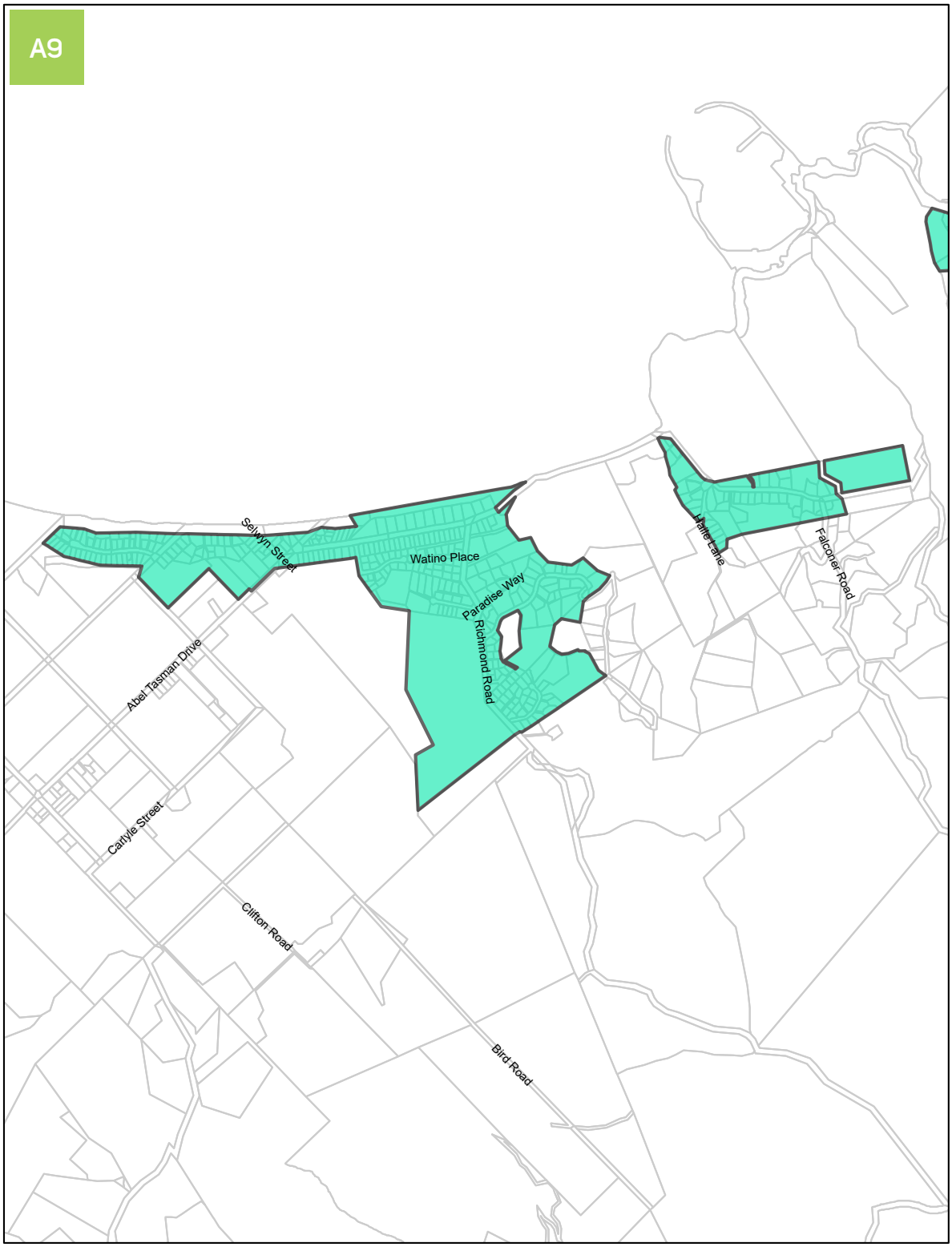
Stormwater Urban Drainage Rating Area
Patons Rock

tasman district council
Te Kaunihera o te tai o Aorere

0 250 m

N

1:4,000



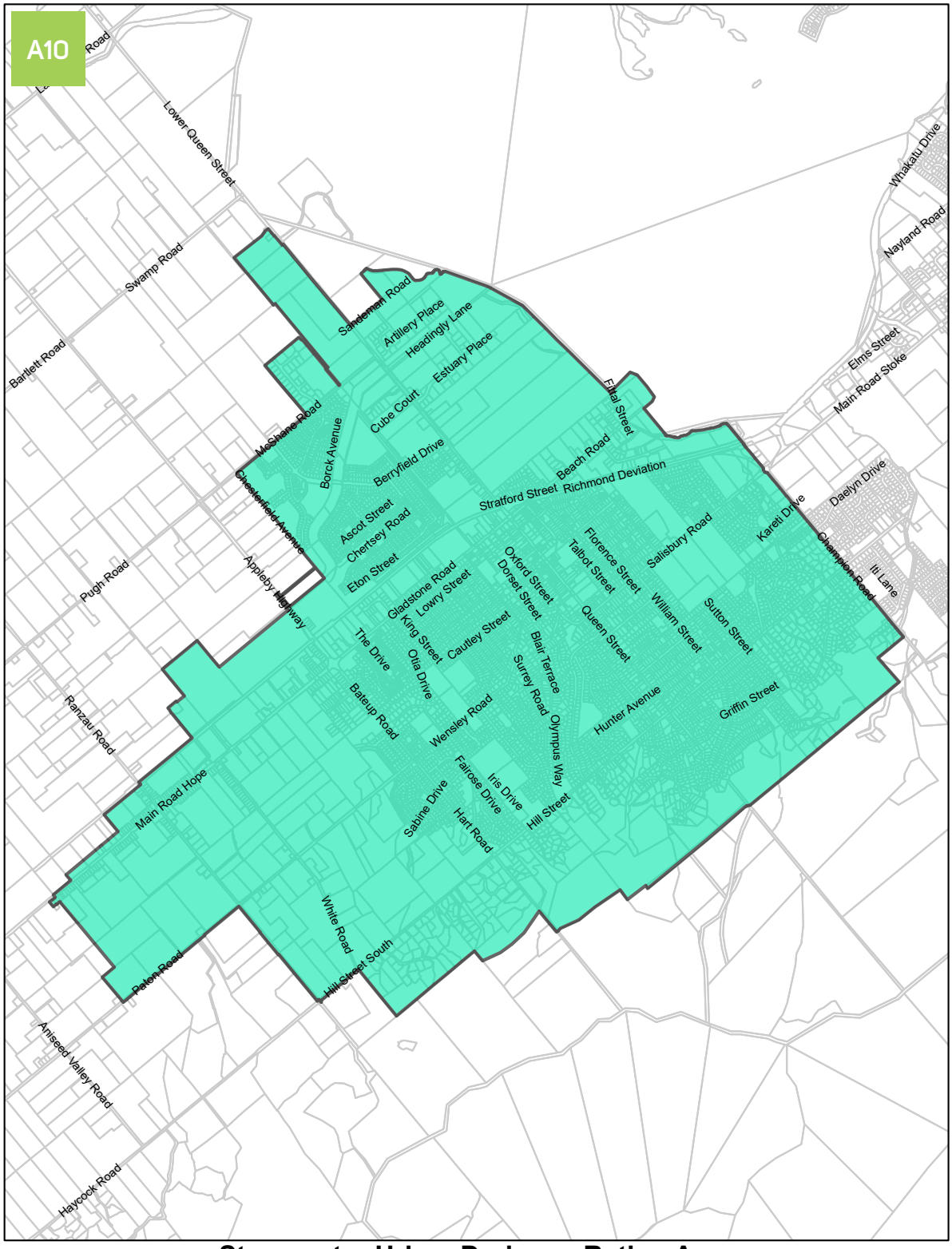
Stormwater Urban Drainage Rating Area
Pōhara

tasman district council
Te Kaunihera o te tai o Aorere

0 m 1,000

N

1:17,000



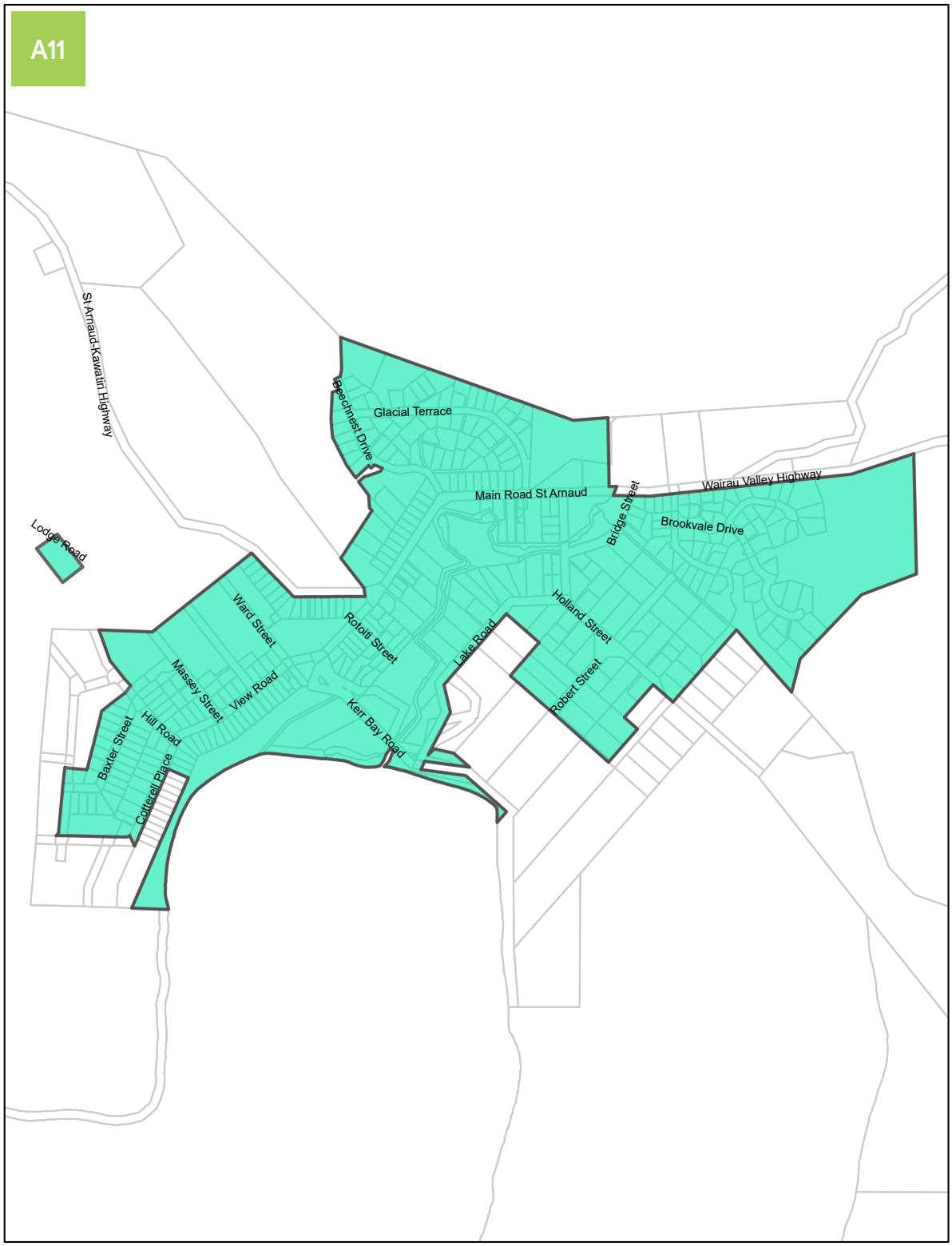
Stormwater Urban Drainage Rating Area
Richmond

tasman district council
Te Kaunihera o te tai o Aorere

0 m 2,000

N

1:32,000



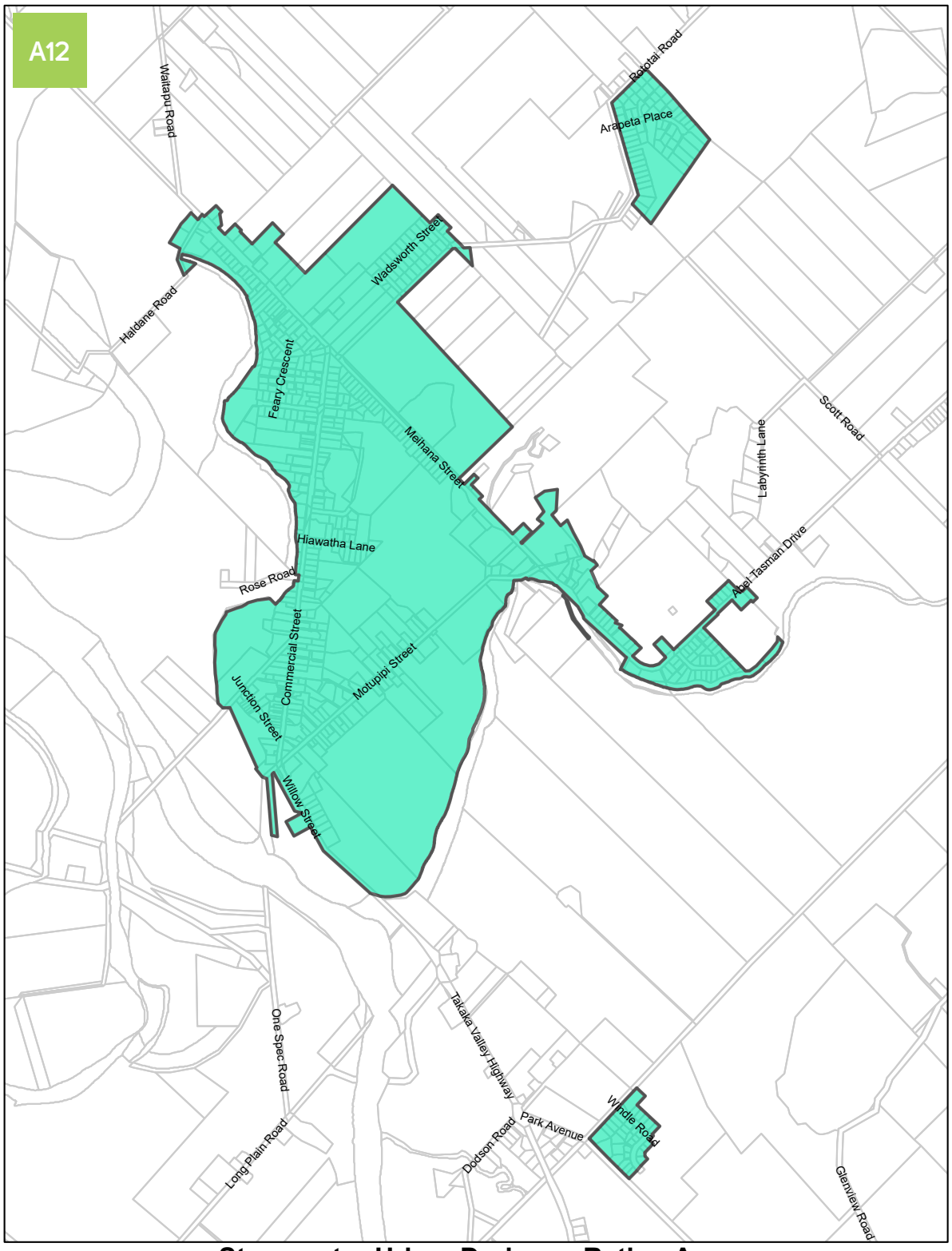
Stormwater Urban Drainage Rating Area
St Arnaud

tasman district council
Te Kaunihera o te tai o Aorere

0 500 m

N

1:11,000



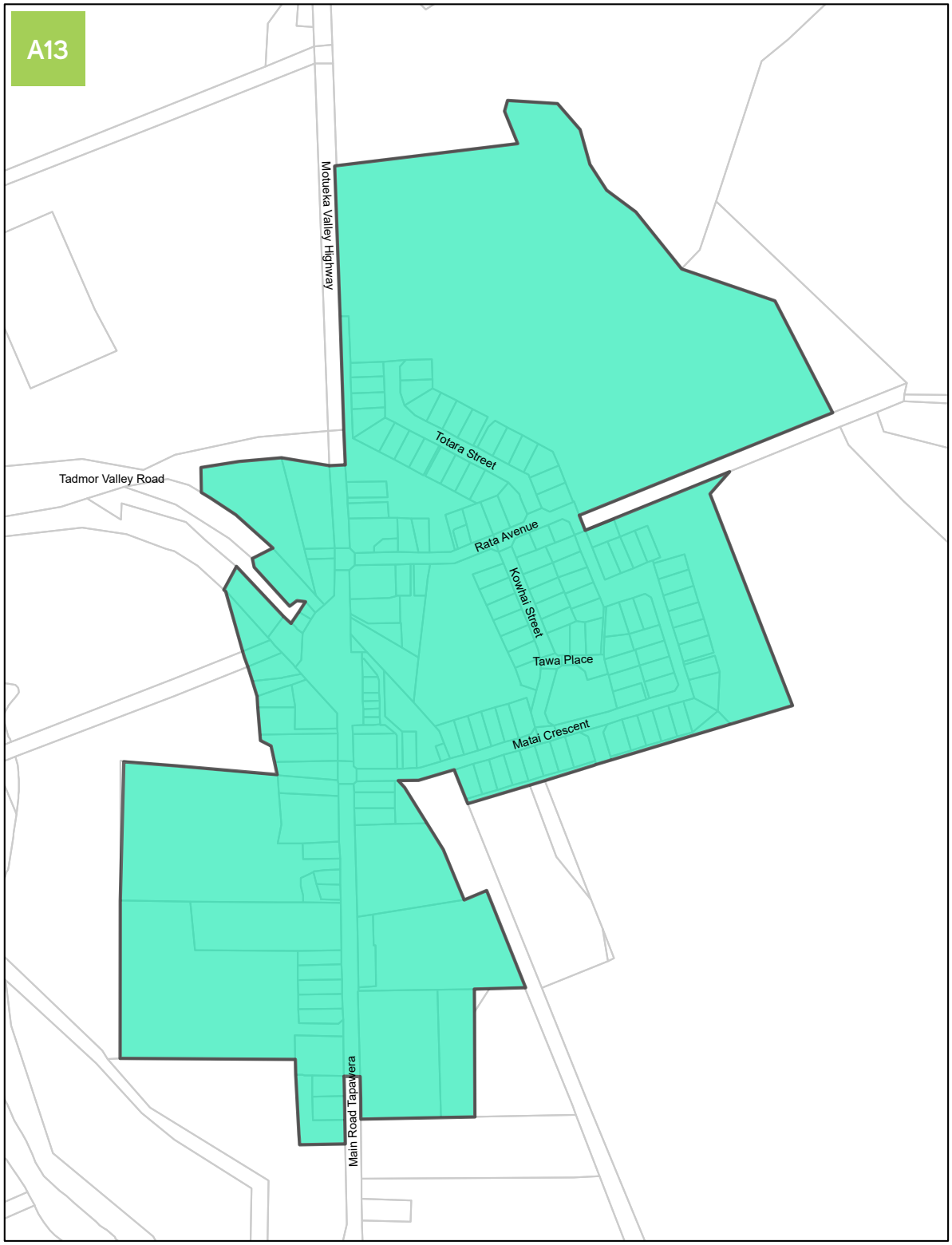
Stormwater Urban Drainage Rating Area
Tākaka

tasman district council
Te Kaunihera o te tai o Aorere

0 1,000 m

N

1:16,000

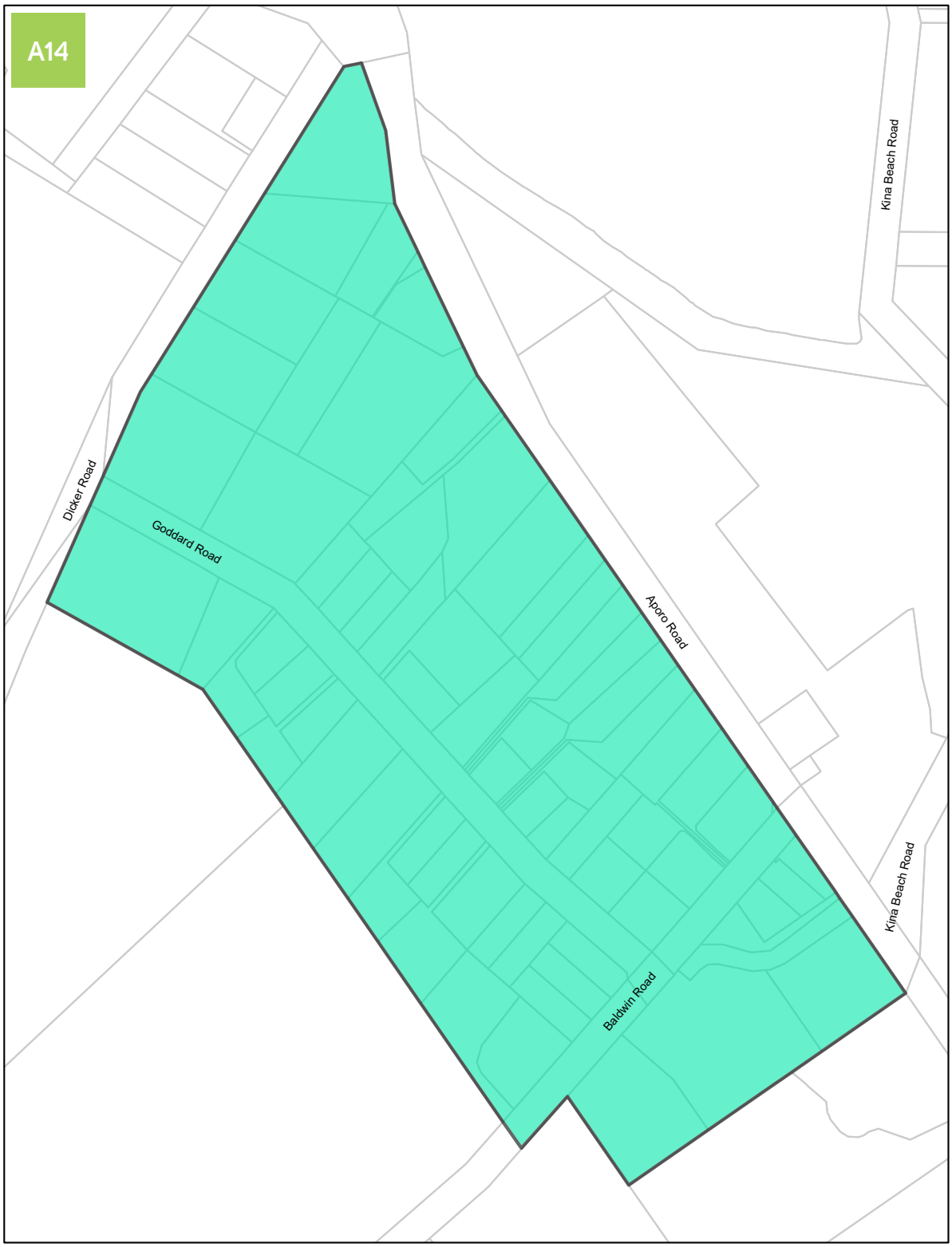


Stormwater Urban Drainage Rating Area
Tapawera

tasman district council
Te Kaunihera o te tai o Aorere

0 m 250

N
1:6,000



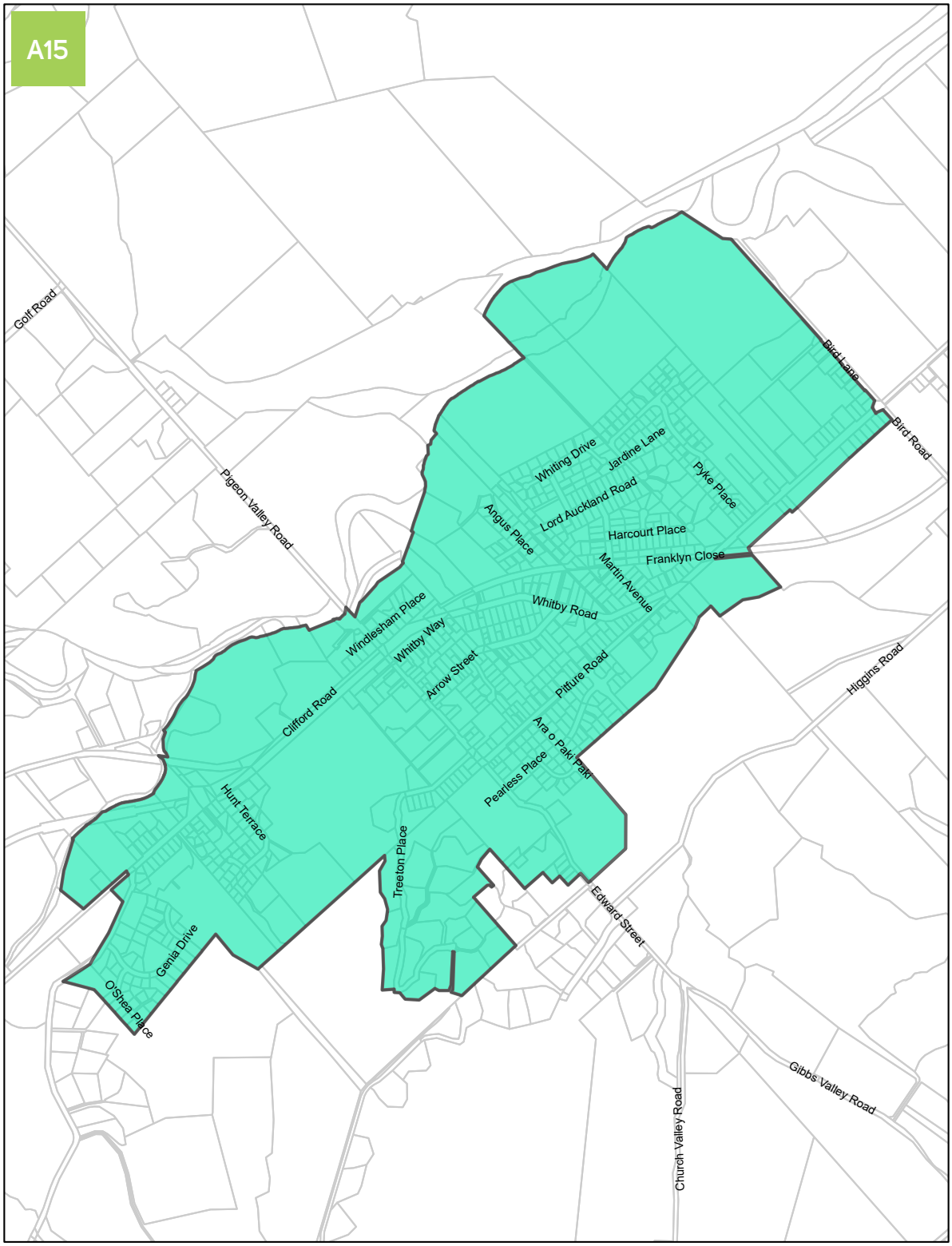
Stormwater Urban Drainage Rating Area
Tasman

tasman district council
Te Kaunihera o te tai o Aorere

0 m 250

N

1:3,000



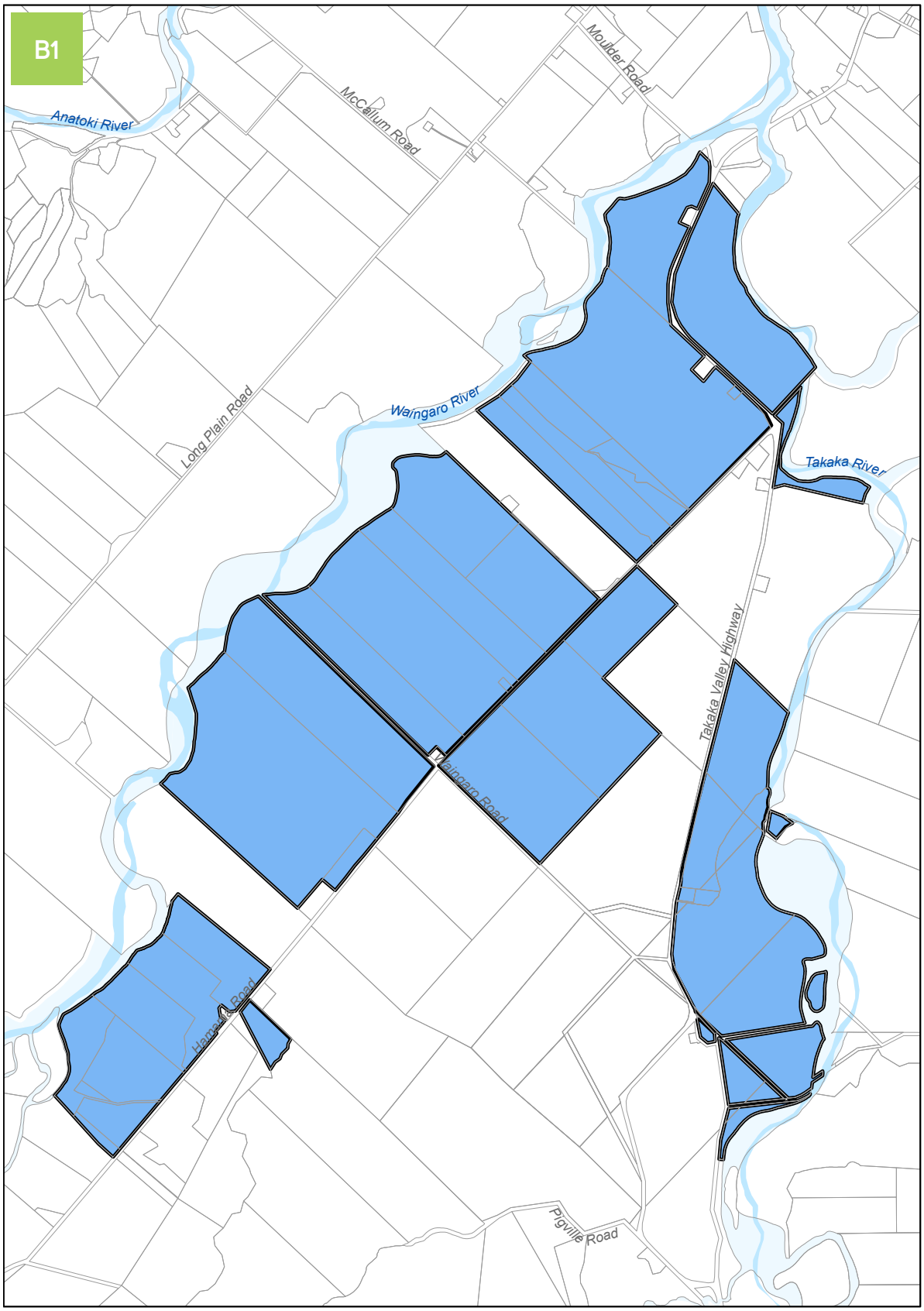
Stormwater Urban Drainage Rating Area
Wakefield

tasman district council
Te Kaunihera o te tai o Aorere

0 m 750

N

1:14,000



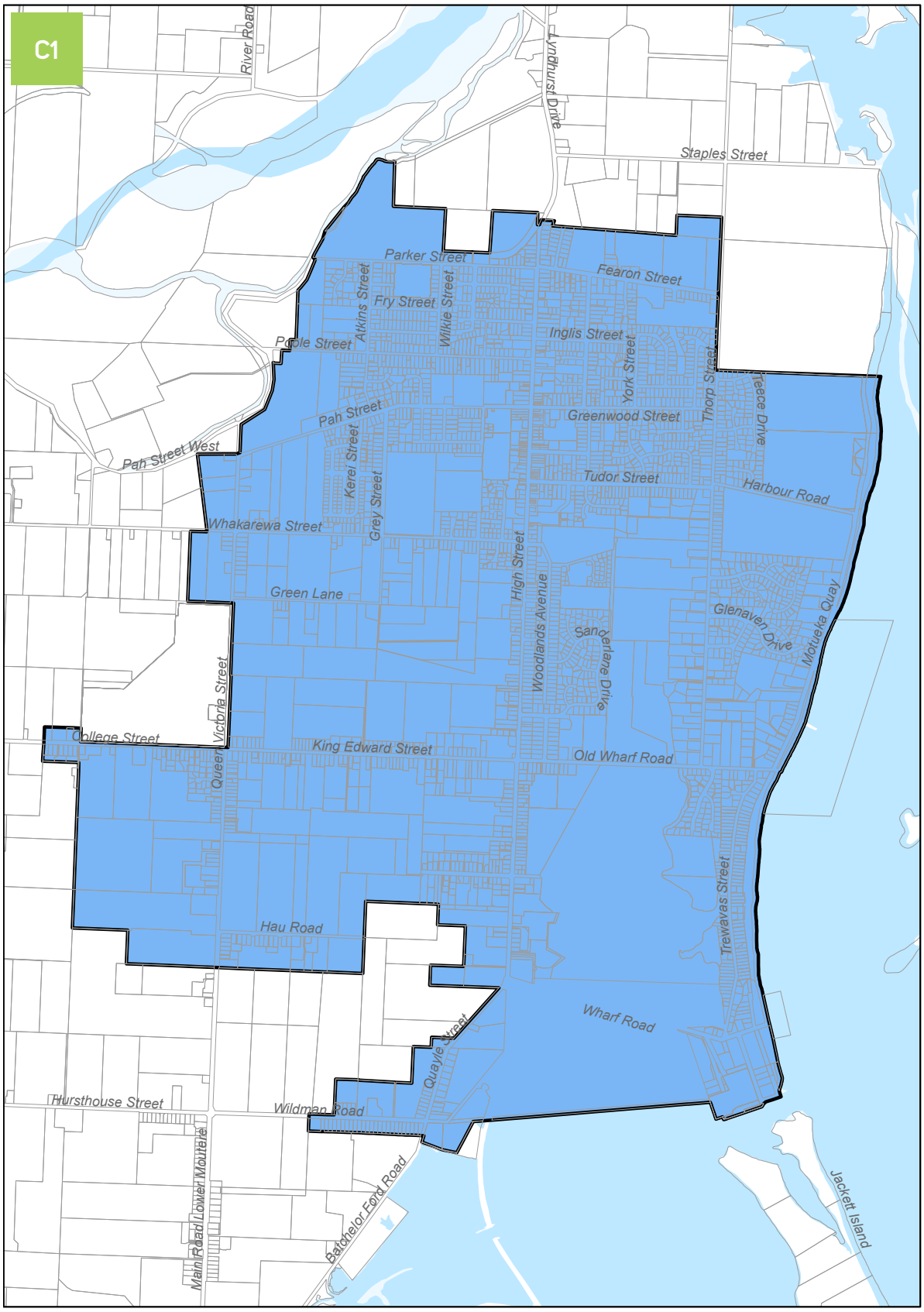
tasman district council
Te Kaunihera o te tai o Aorere

Hamama
Rural Water Supply Rating Area

0 575 1,150 1,725 2,300 m

N

1:25,000

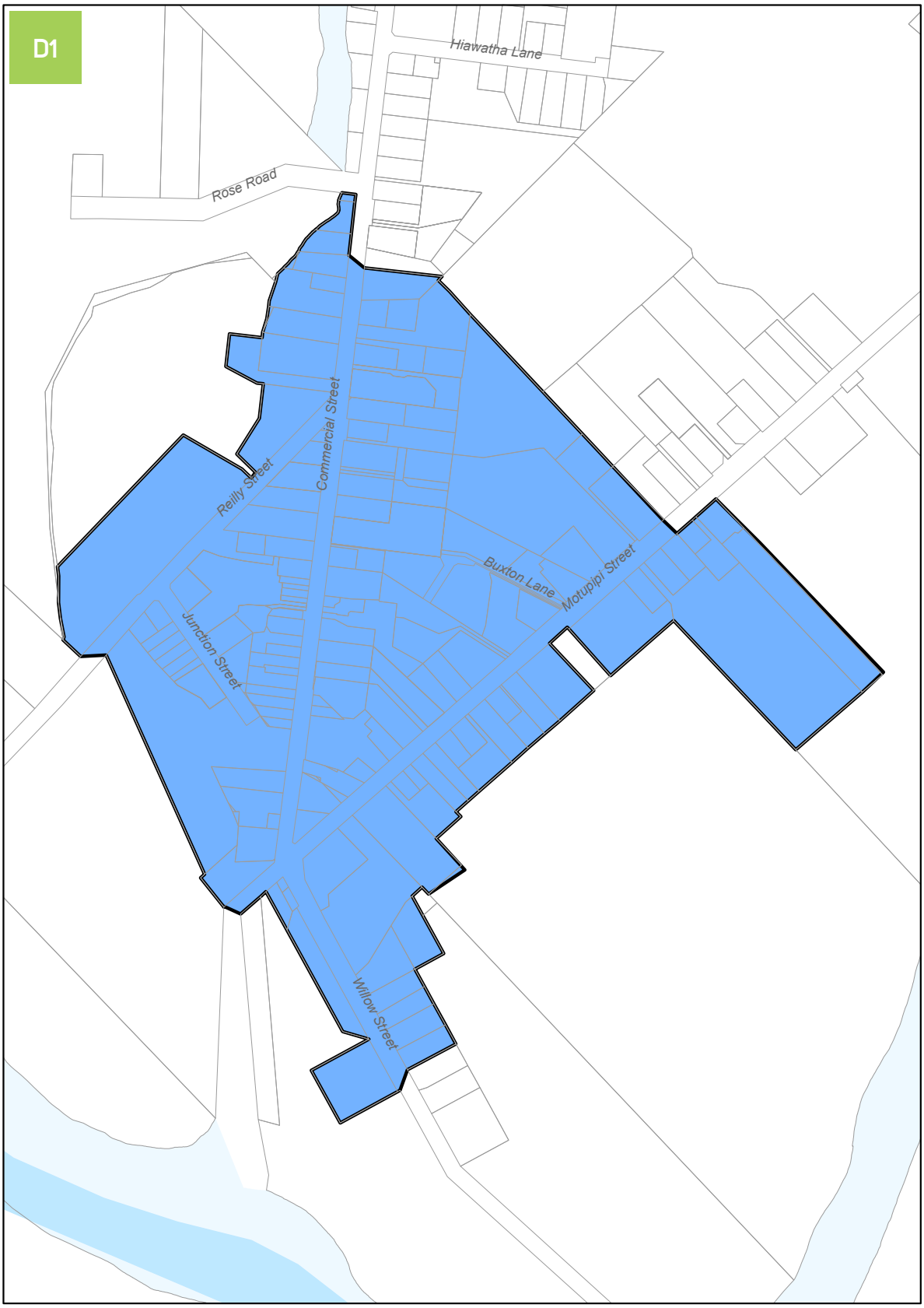


Motueka
Firefighting Water Supply Rating Area

0 510 1,020 1,530 2,040 m

N

1:22,000



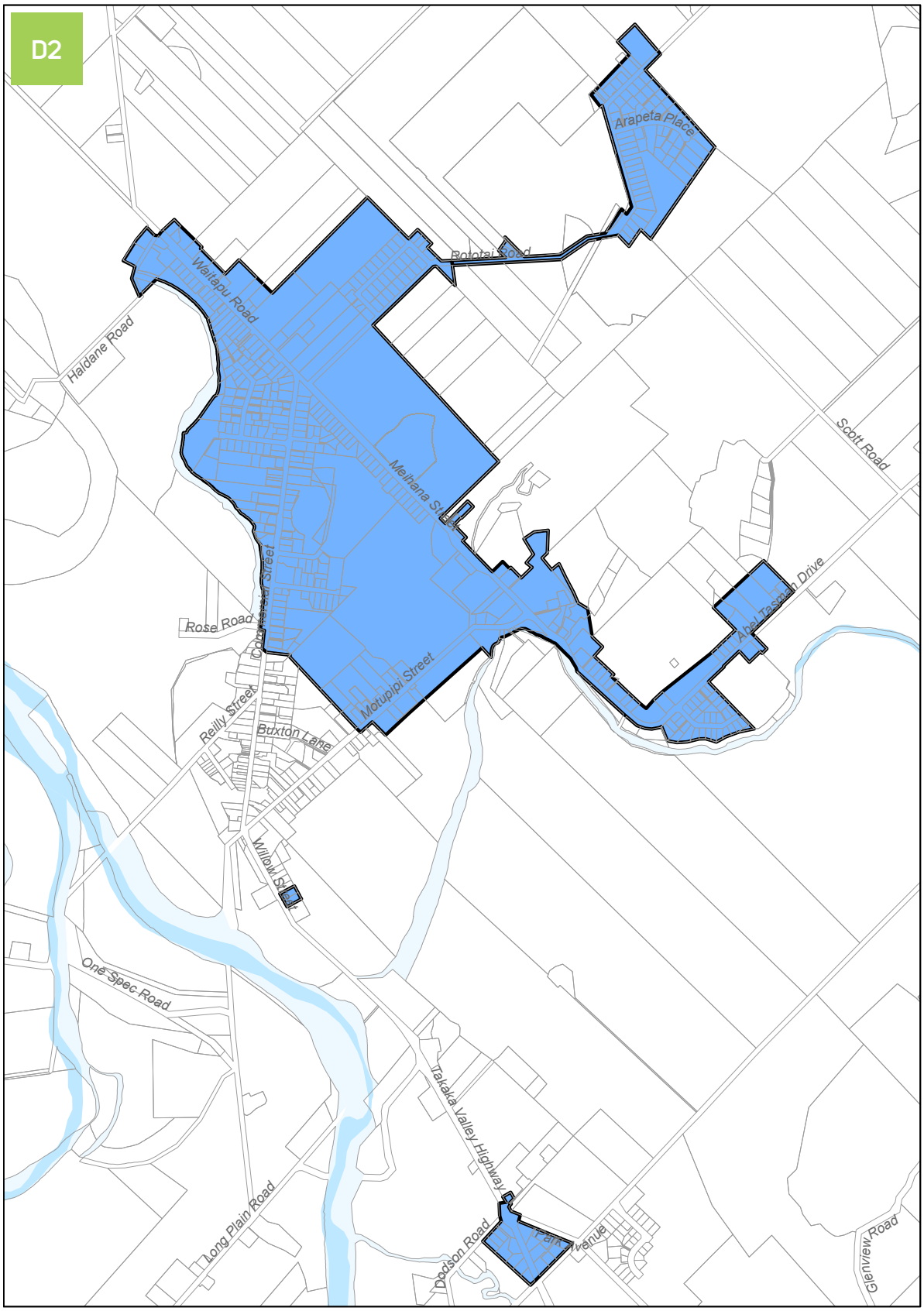
tasman district council
Te Kaunihera o te tai o Aorere

Tākaka Firefighting Water Supply
Commercial CBD Rating Area

0 100 200 300 400 m

N

1:4,500

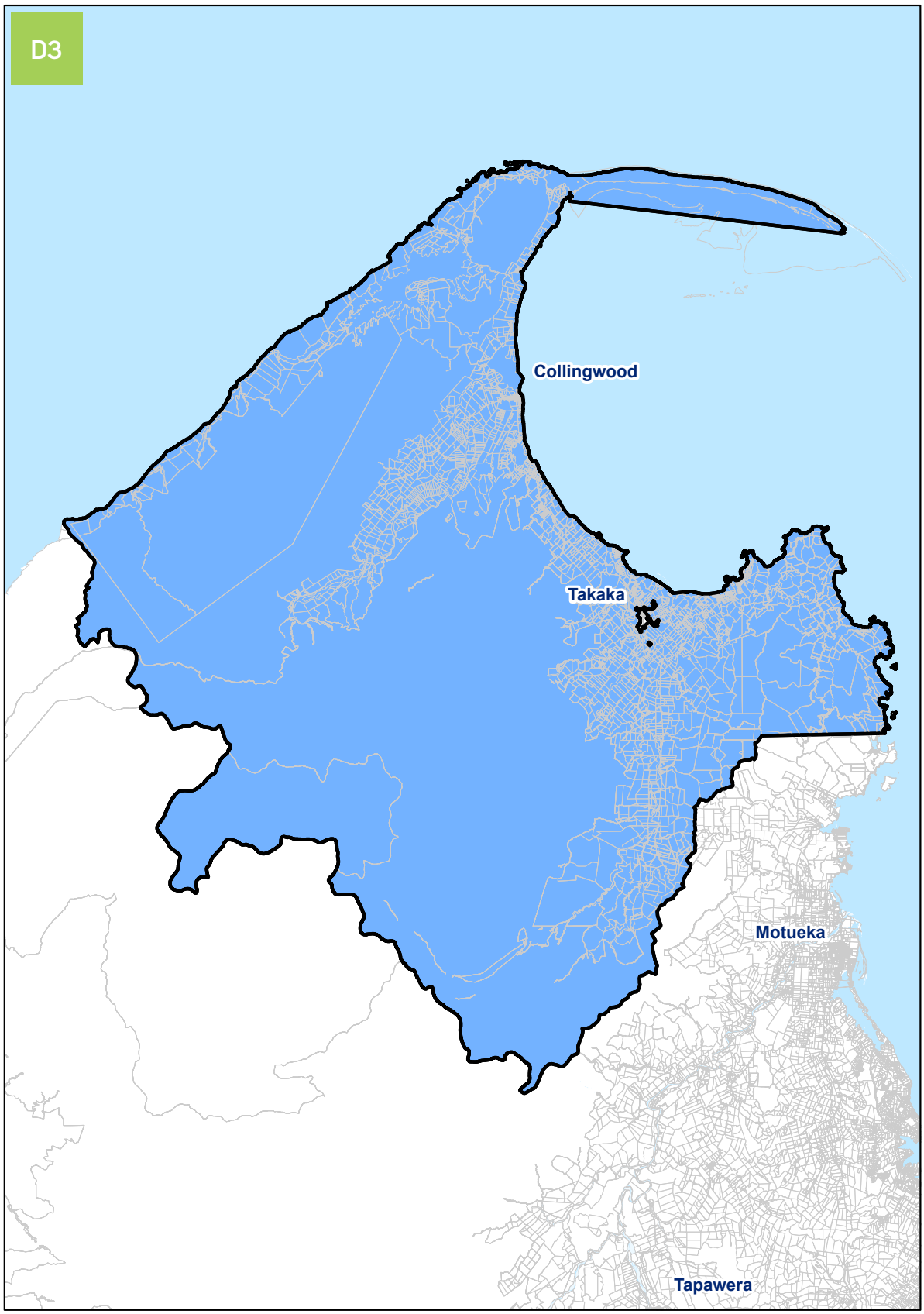


Tākaka Firefighting Water Supply
Residential Rating Area

0 350 700 1,050 1,400 m

N

1:15,000



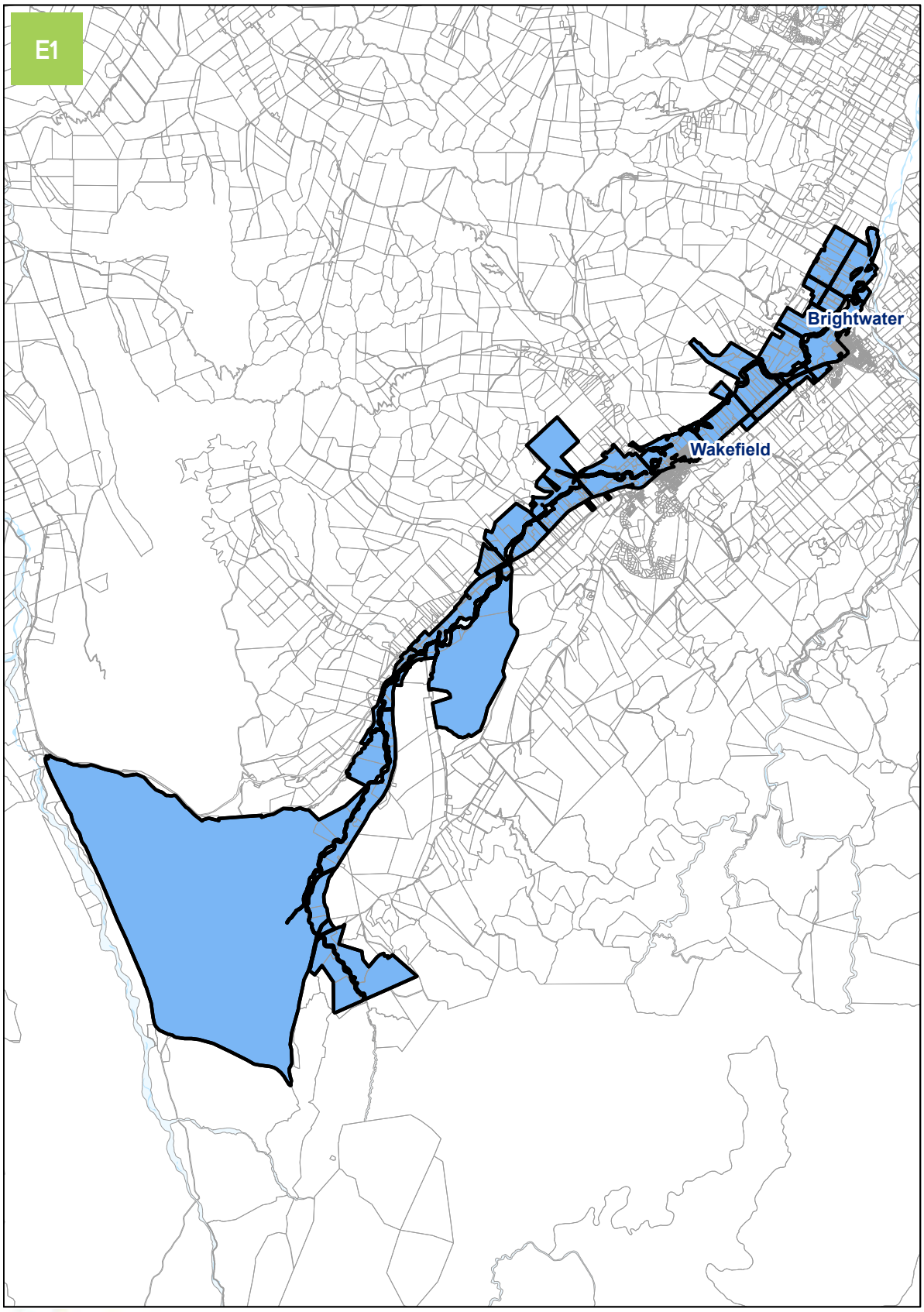
tasman district council
Te Kaunihera o te tai o Aorere

Tākaka Firefighting Water Supply
Rest of Golden Bay Rating Area

0 10 20 30 40 km

N

1:423,100



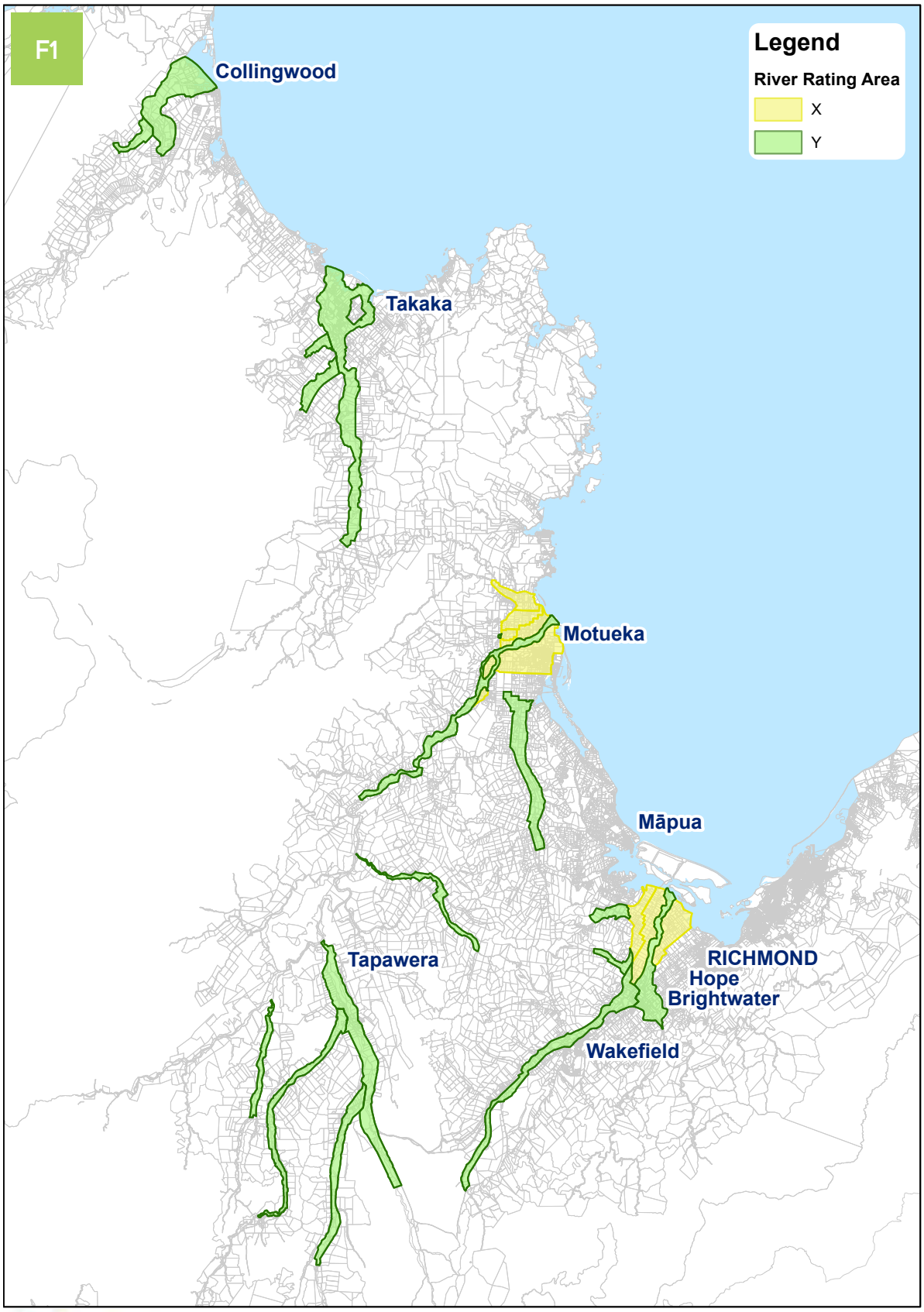
Wai-iti Dam Rating Area

tasman district council
Te Kaunihera o te tai o Aorere

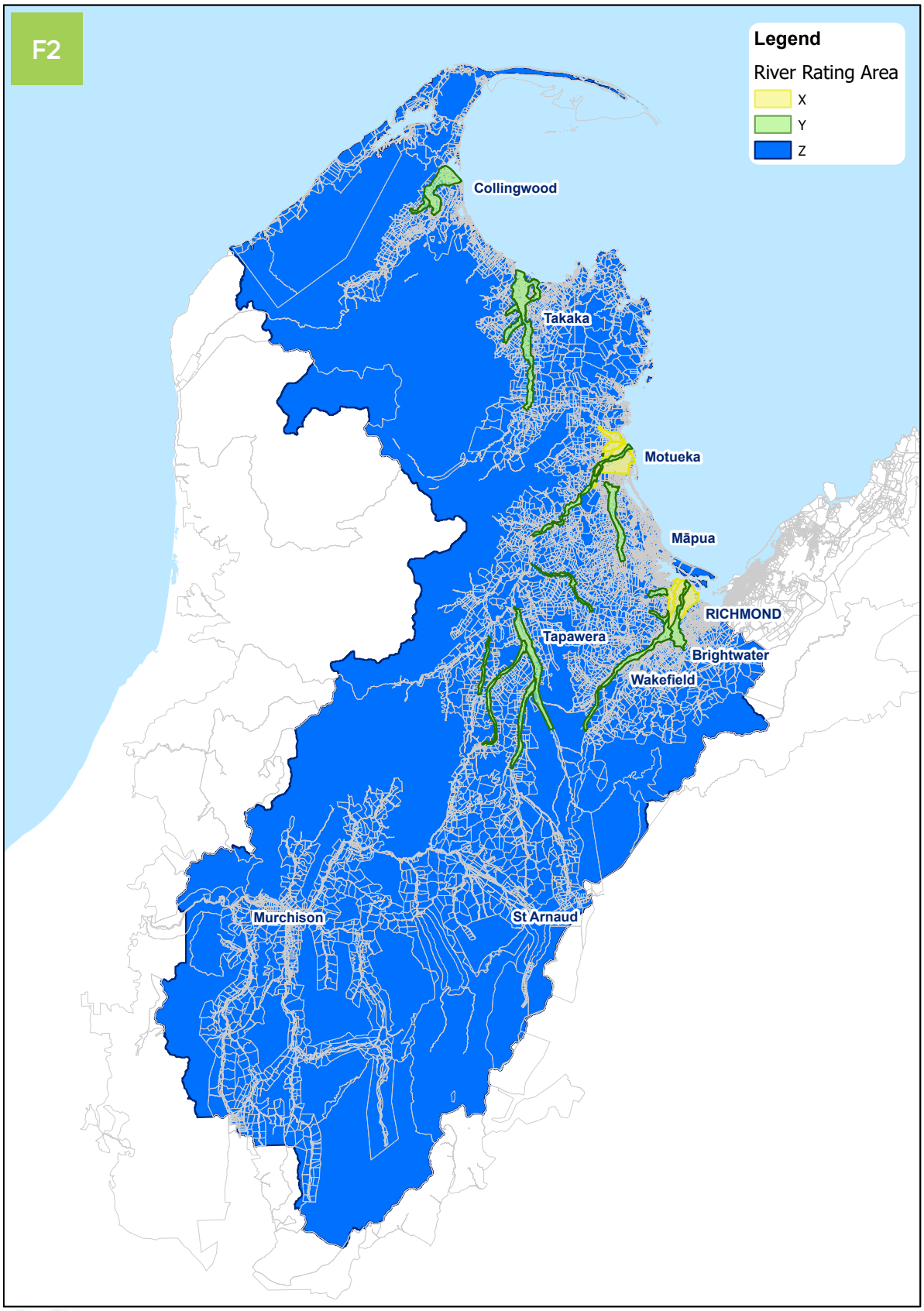
0 3 6 9 12 km

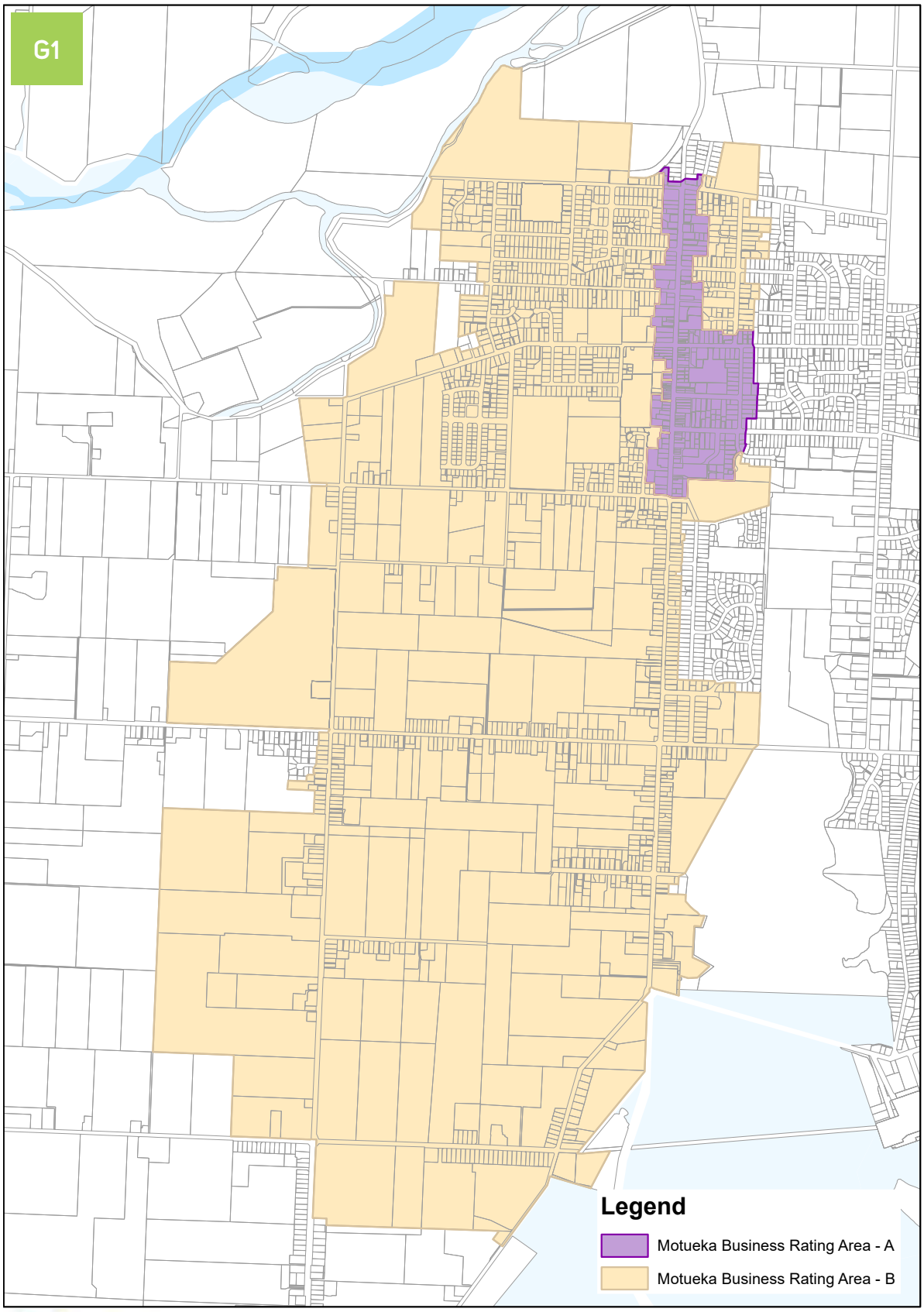
N

1:133,30(



River Rating Area X & Y


F2
Legend
River Rating Area
X
Y
Z
Collingwood
Takaka
Motueka
Māpua
RICHMOND
Tapawera
Brightwater
Wakefield
Murchison
St Arnaud
River Rating Area X, Y & Z
tasman district council
Te Kaunihera o te tai o Aorere
0
20
40
60
80
km
N
1:832,000



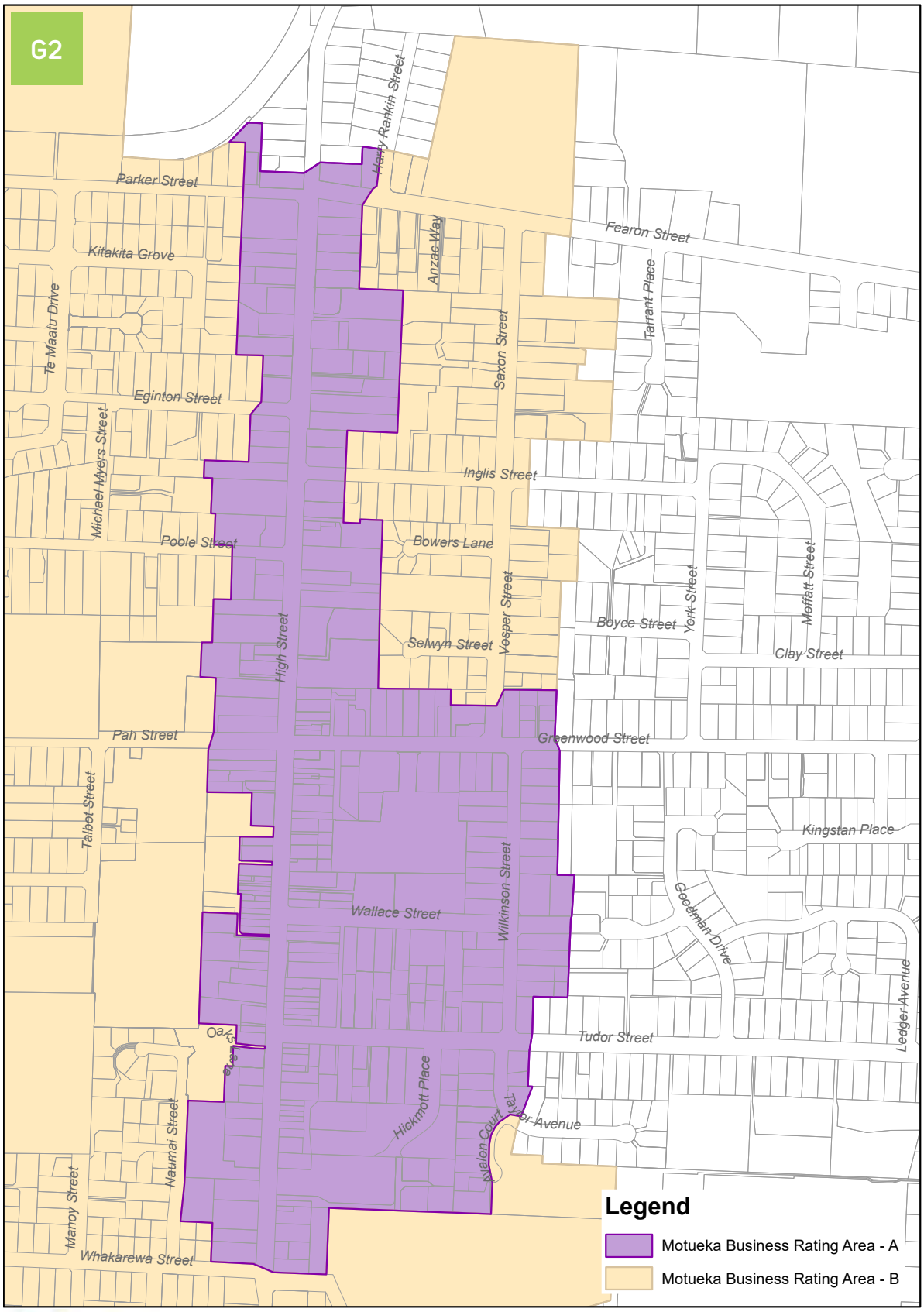
Motueka Business Rating Area A & B

tasman district council
Te Kaunihera o te tai o Aorere

0 500 1,000 1,500 2,000 m

N

1:19,500



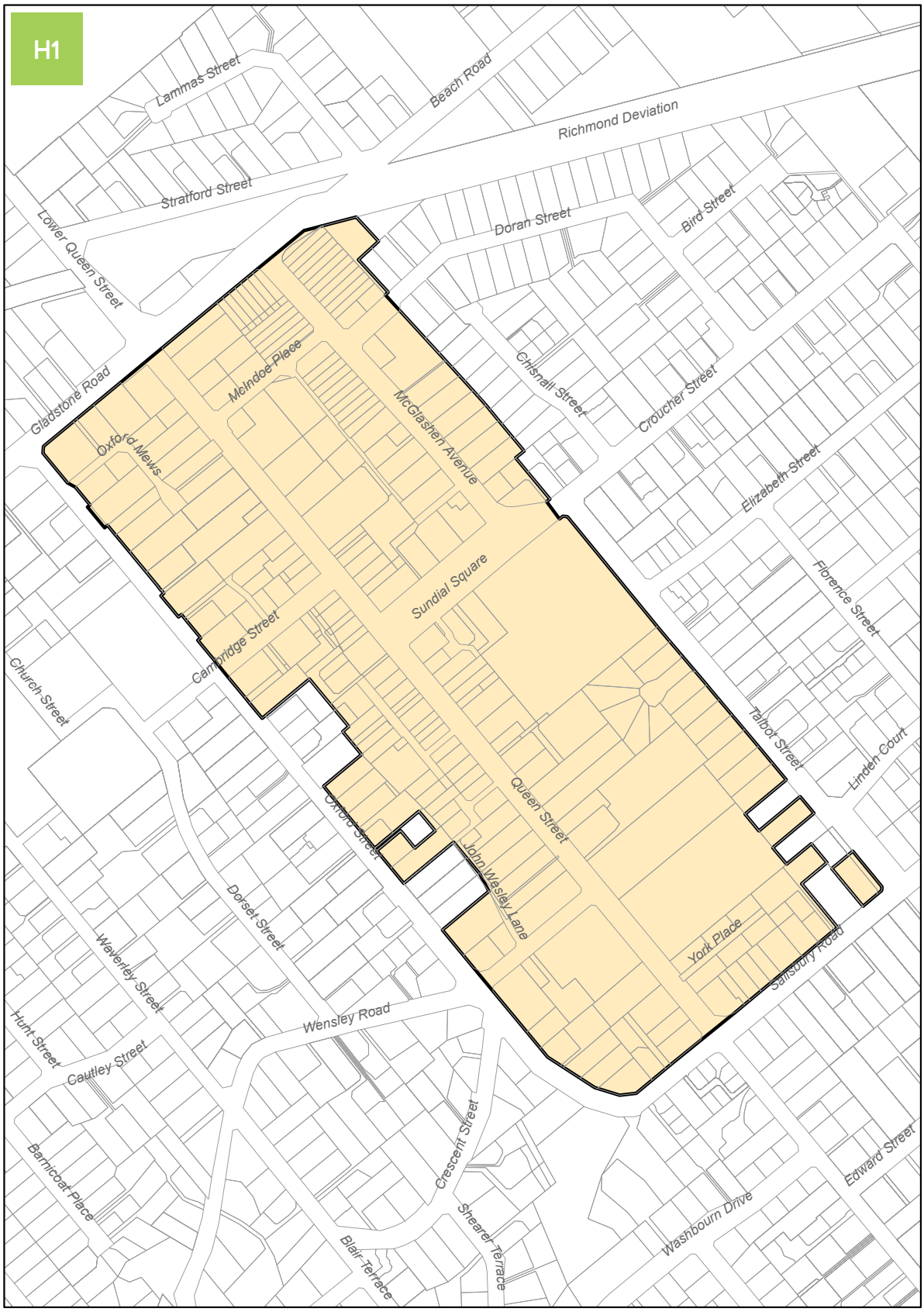
Motueka Business Rating Area A & B - Detail Map

tasman district council
Te Kaunihera o te tai o Aorere

0 150 300 450 600 m

N

1:5,600



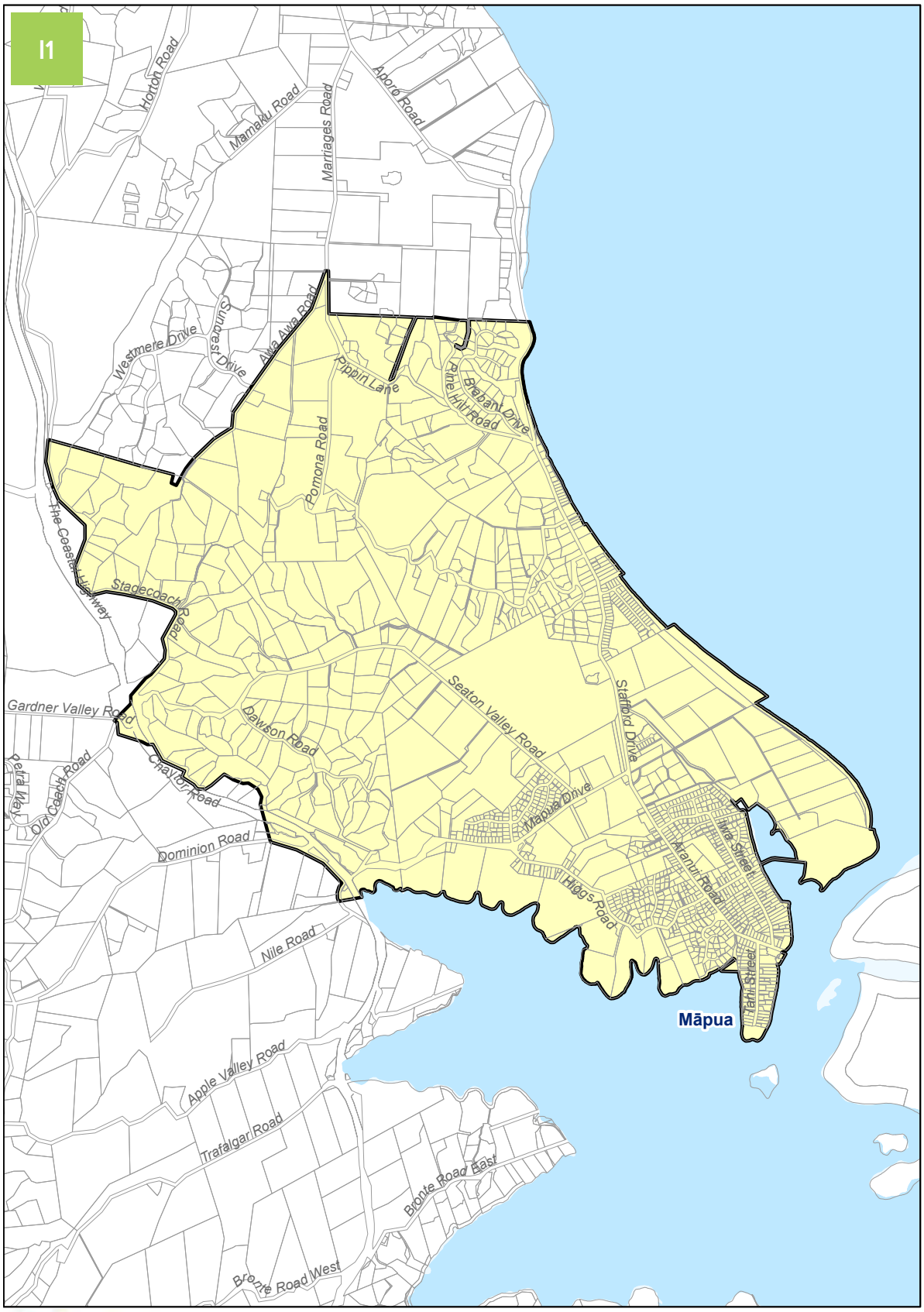
Richmond Business Rating Area

tasman district council
Te Kaunihera o te tai o Aorere

0 100 200 300 400 m

N

1:4,600

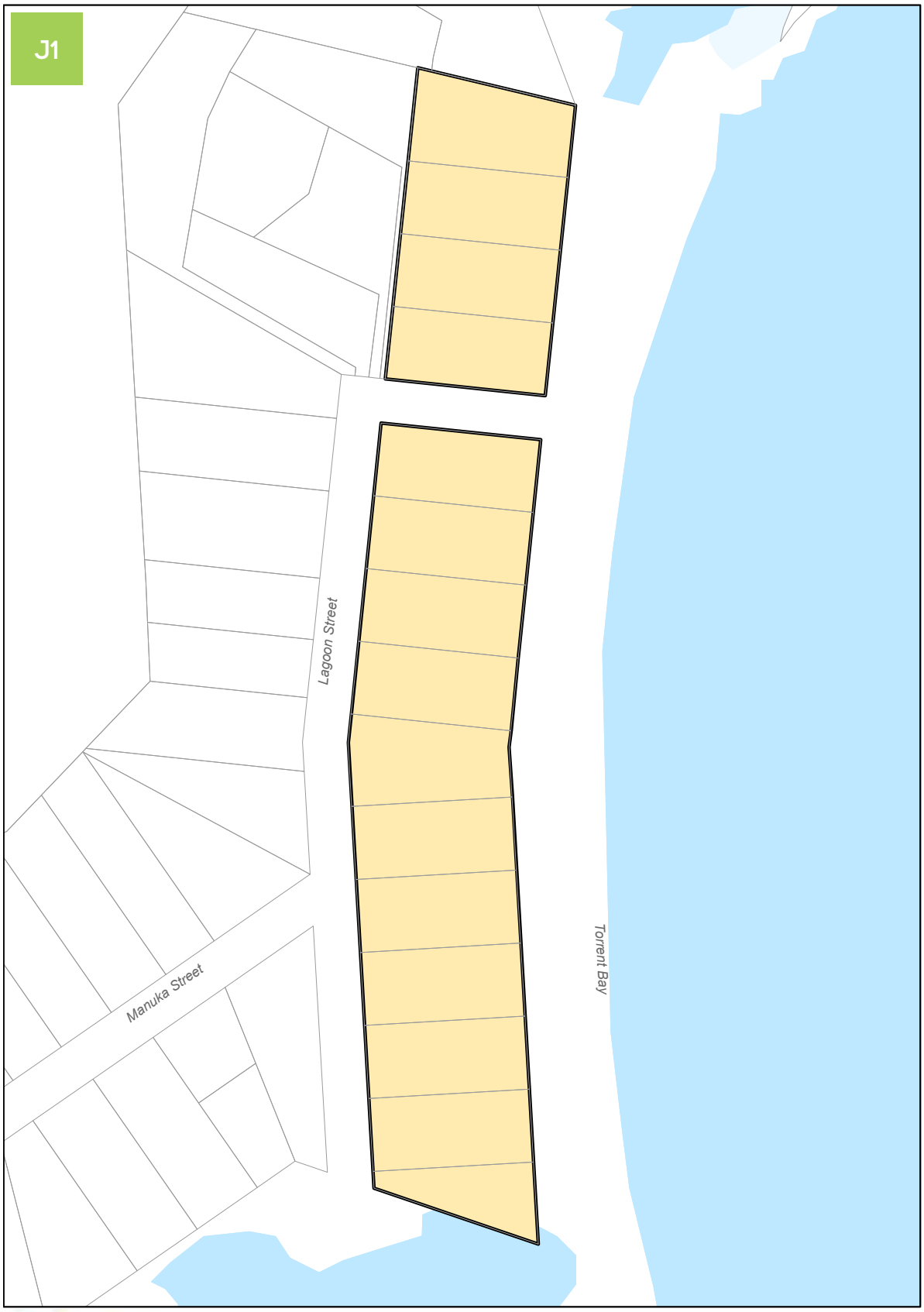


Māpua Stopbank Rating Area

0 500 1,000 1,500 2,000 m

N

1:28,950



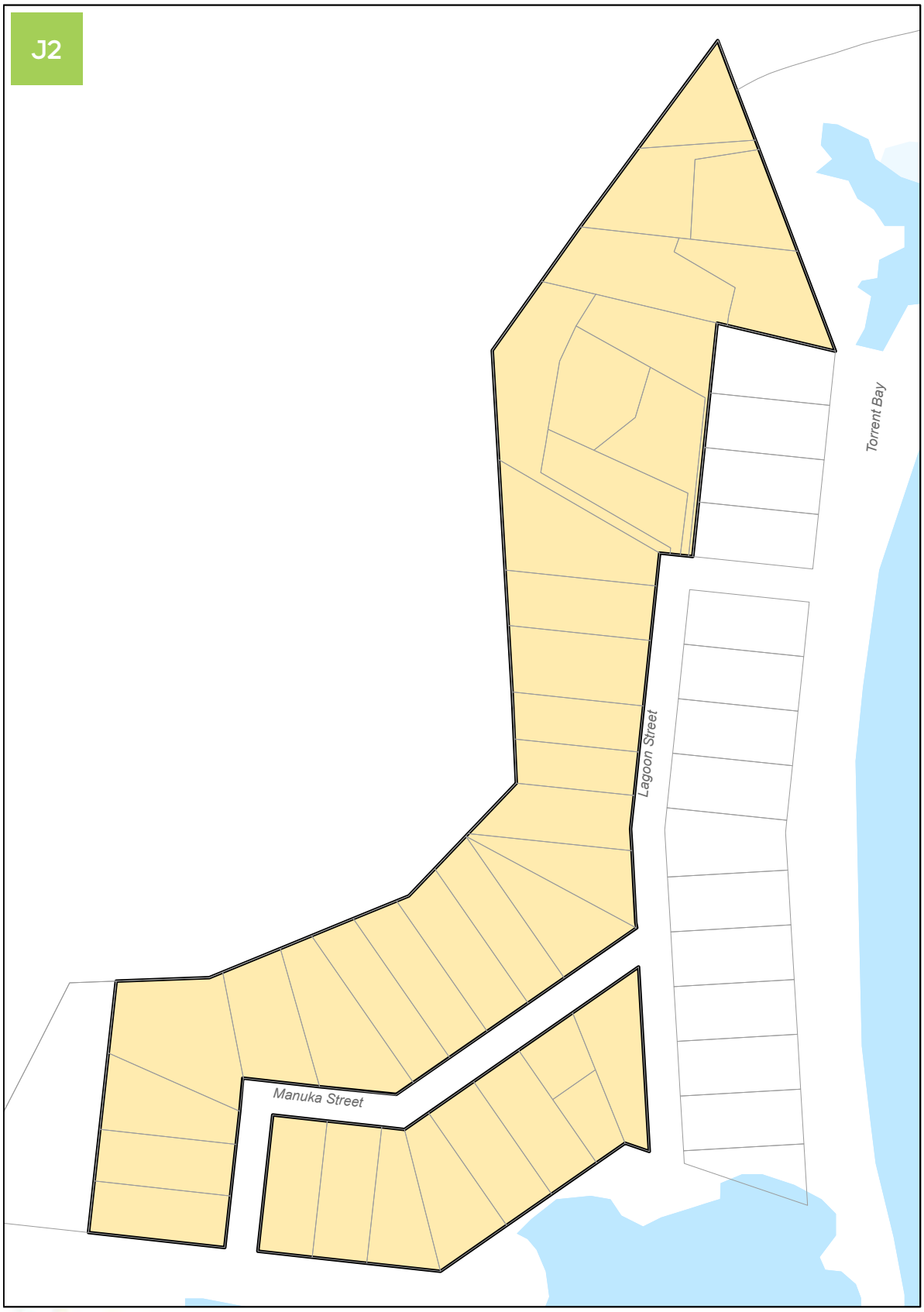
Torrent Bay Rating Area A

tasman district council
Te Kaunihera o te tai o Aorere

0 30 60 90 120 m

N

1:1,350



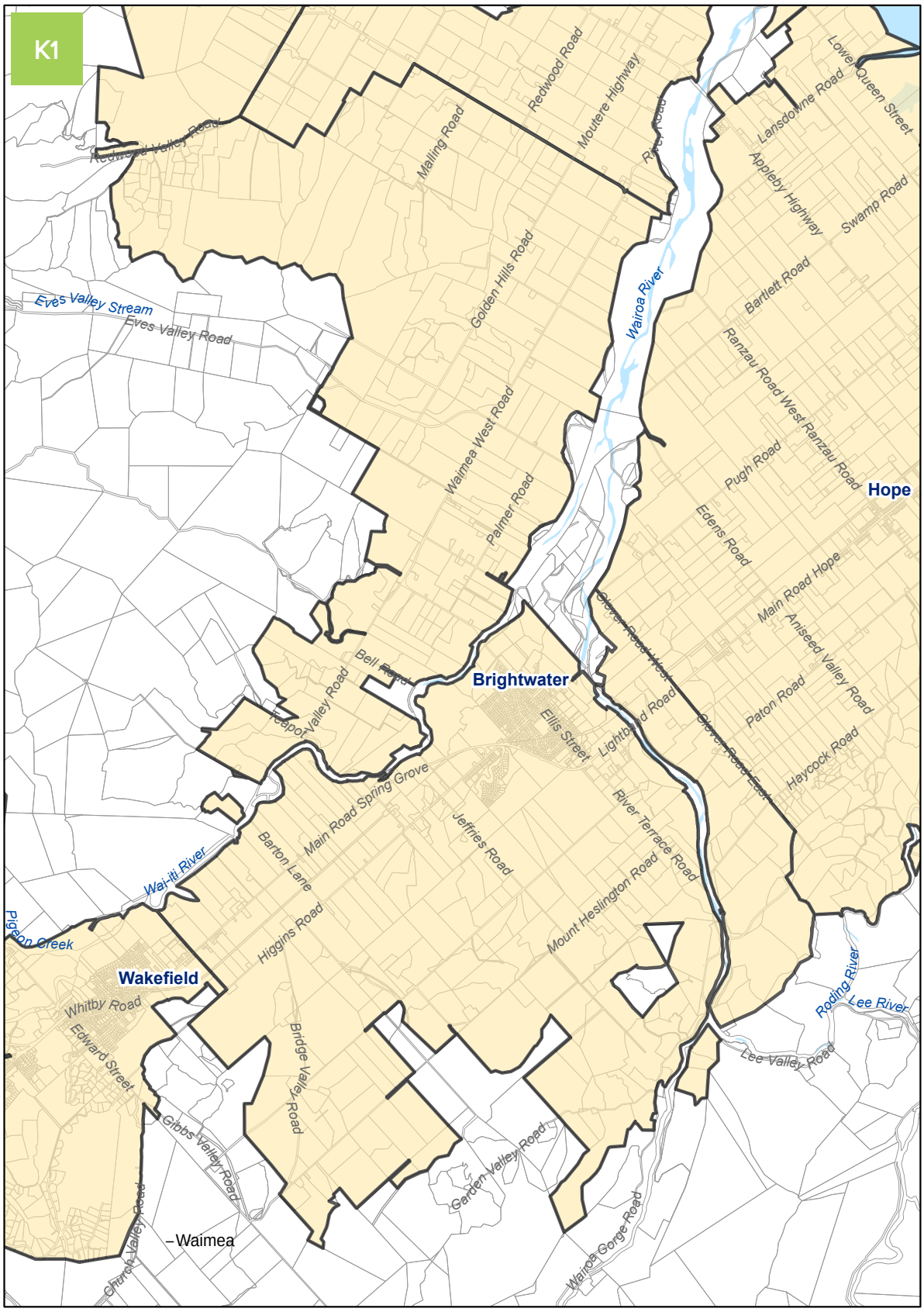
Torrent Bay Rating Area B

tasman district council
Te Kaunihera o te tai o Aorere

0 30 60 90 120 m

N

1:1,800

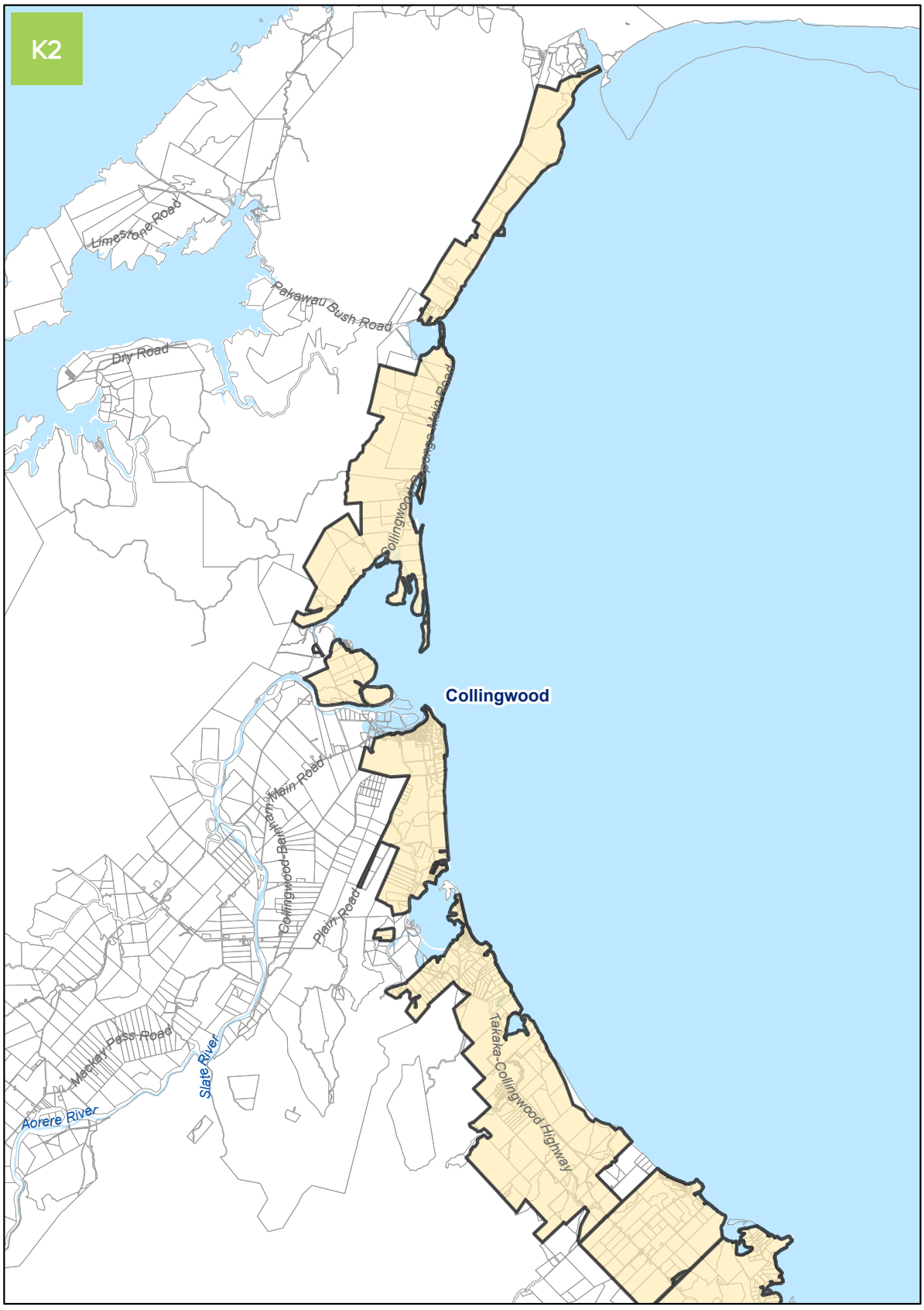


Refuse - Recycling Rating Area
Brightwater - Waimea

0 1 2 km

N

1:56,000



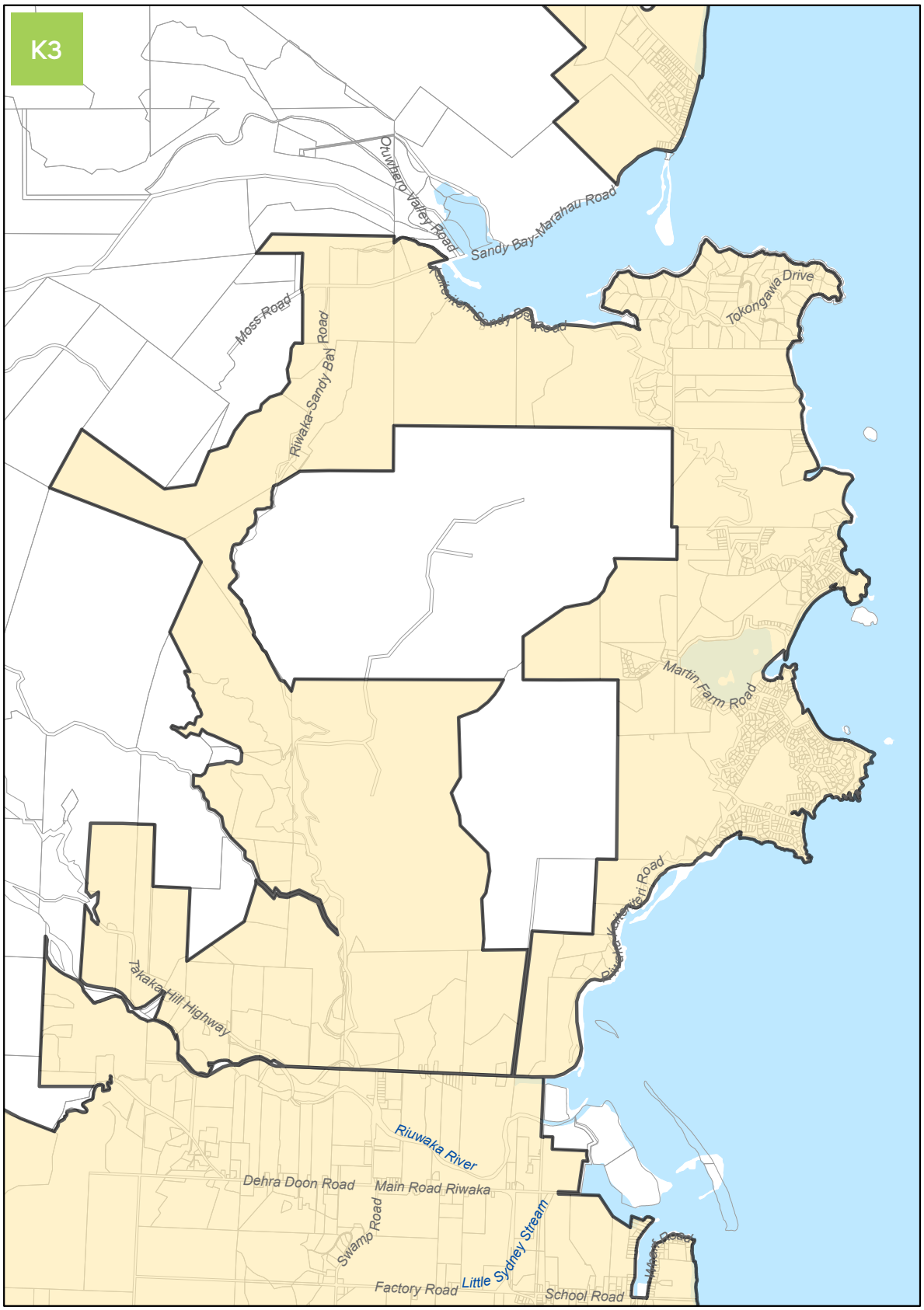
Refuse - Recycling Rating Area
Collingwood

0 1 2 3 4 5 km

N

1:128,000

tasman district council
Te Kaunihera o te tai o Aorere



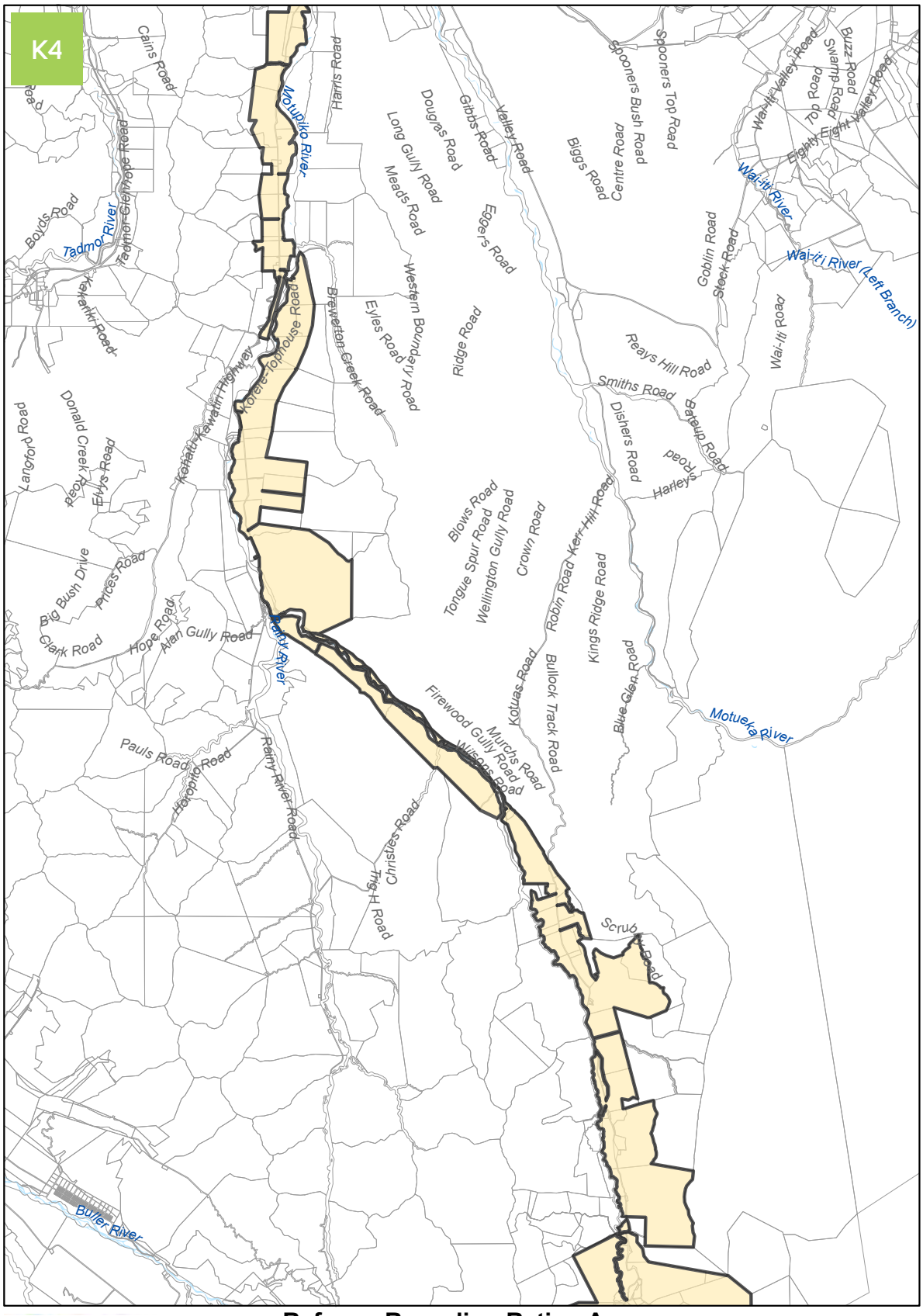
Refuse - Recycling Rating Area
Kaiteriteri

tasman district council
Te Kaunihera o te tai o Aorere

0 1 km

N

1:32,000



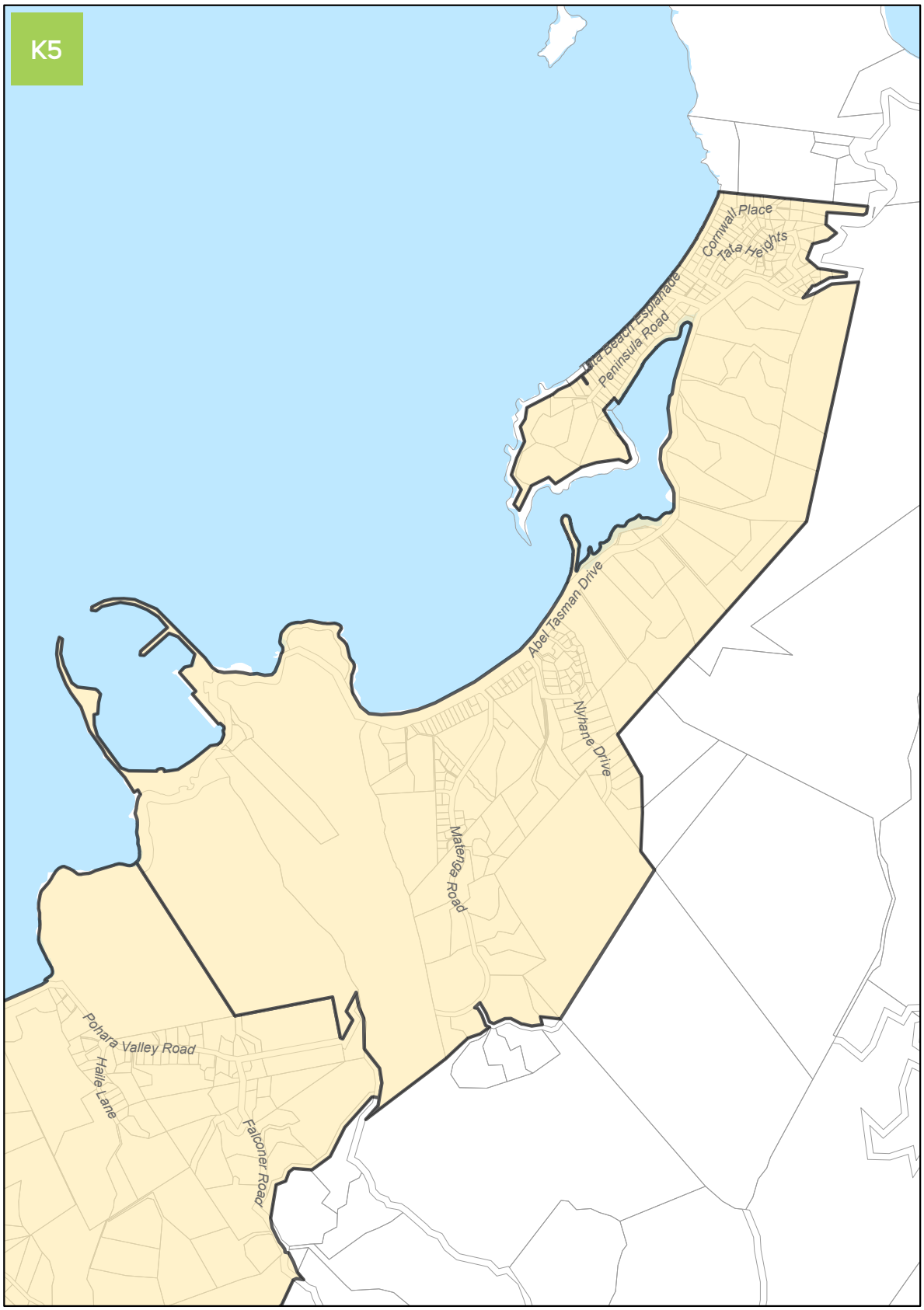
Refuse - Recycling Rating Area
Korere Tophouse

tasman district council
Te Kaunihera o te tai o Aorere

0 1 2 3 4 5 km

N

1:119,000



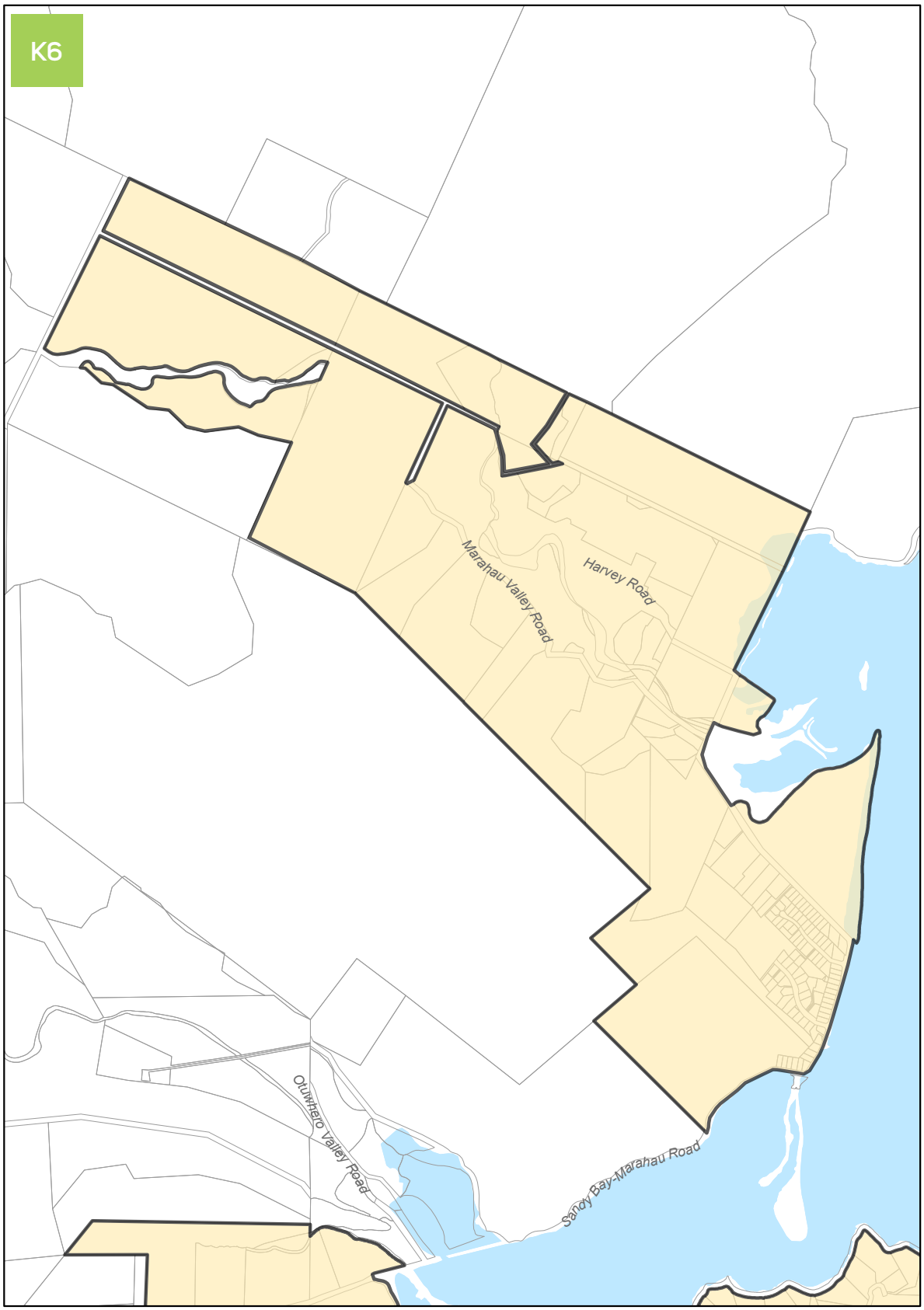
Refuse - Recycling Rating Area
Ligar Bay - Tata Beach

tasman district council
Te Kaunihera o te tai o Aorere

0 1 km

N

1:15,000



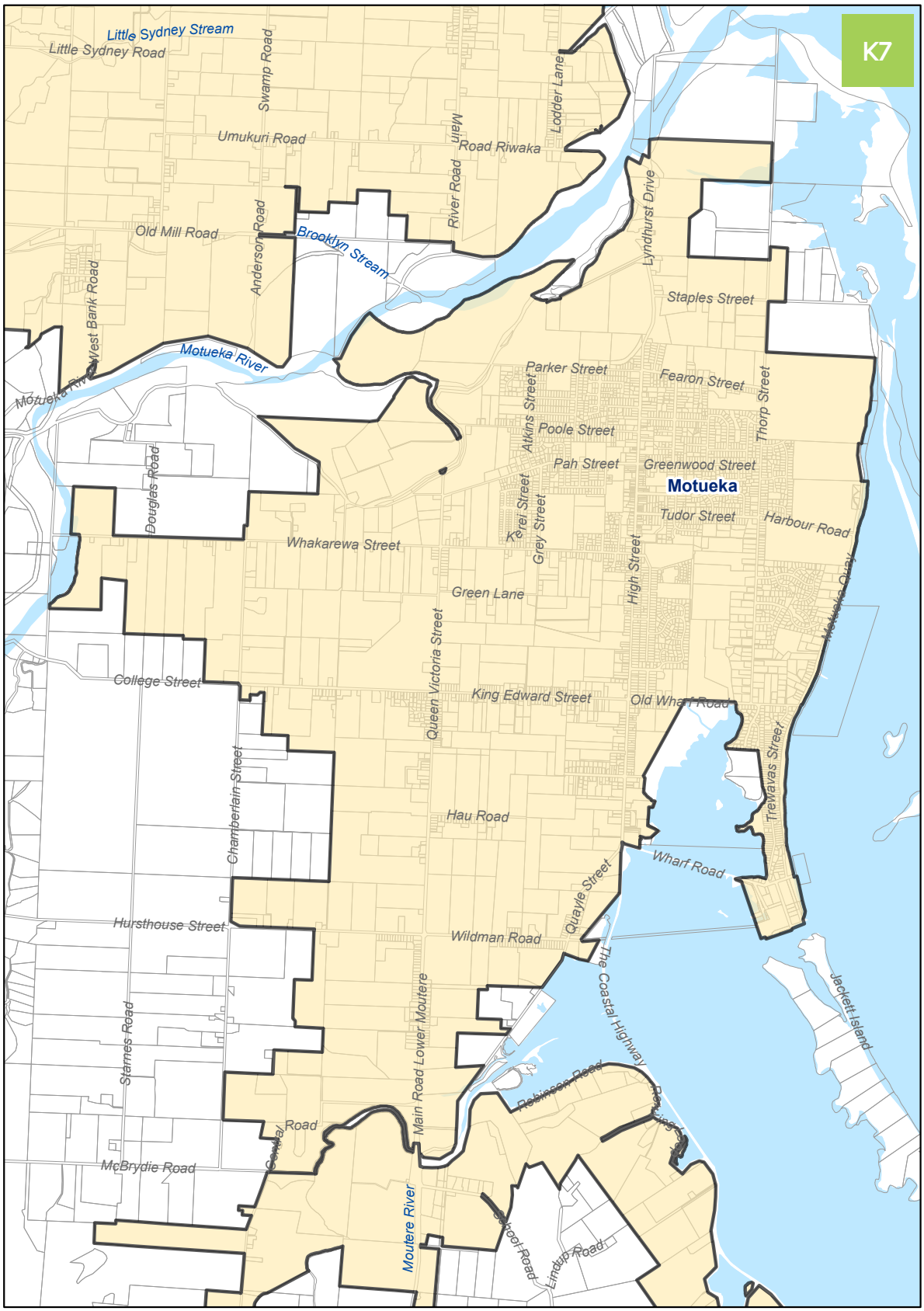
Refuse - Recycling Rating Area
Mārahau

tasman district council
Te Kaunihera o te tai o Aorere

0 1 km

N

1:18,000



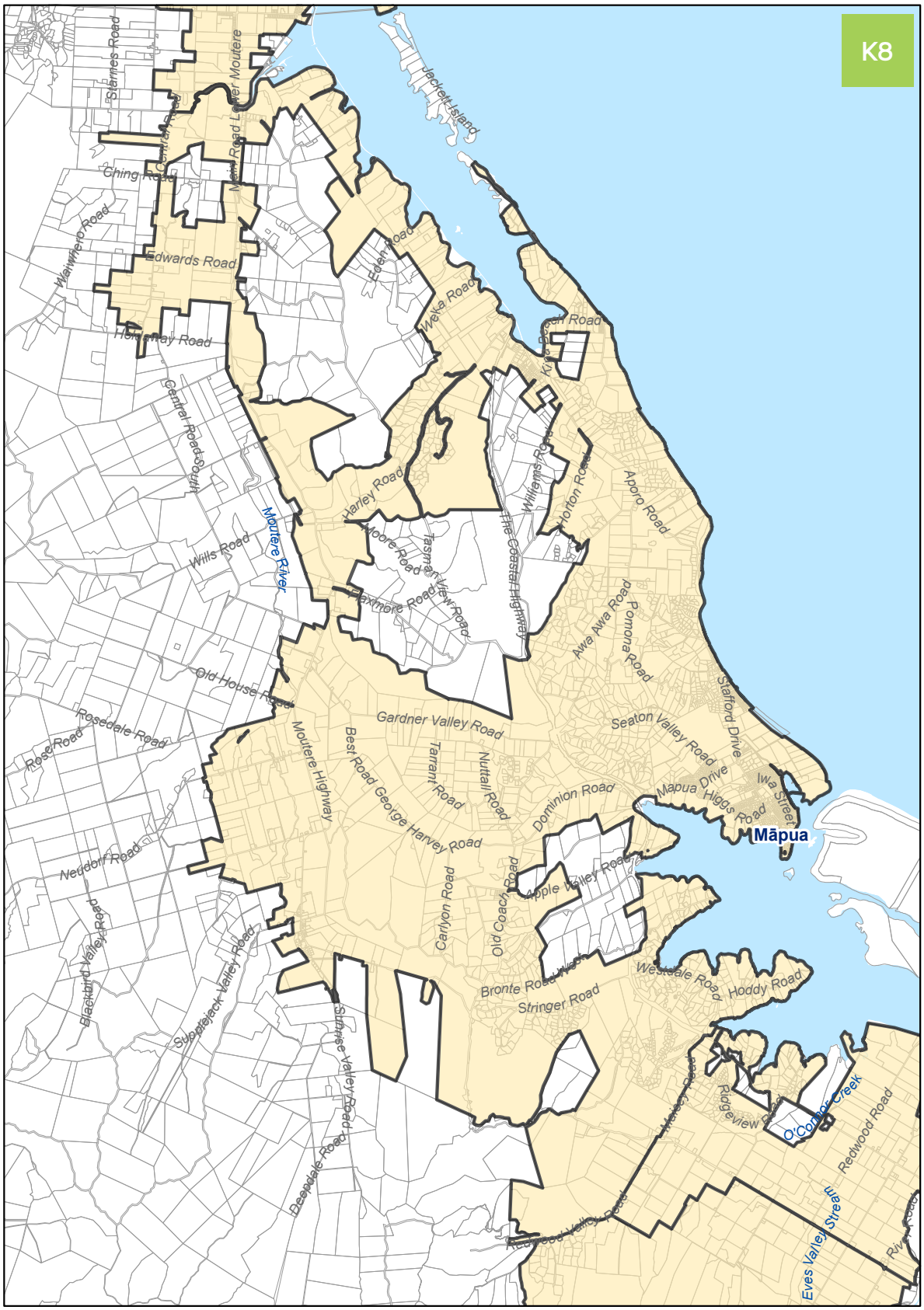
Refuse - Recycling Rating Area
Motueka

tasman district council
Te Kaunihera o te tai o Aorere

0 1 km

N

1:33,000

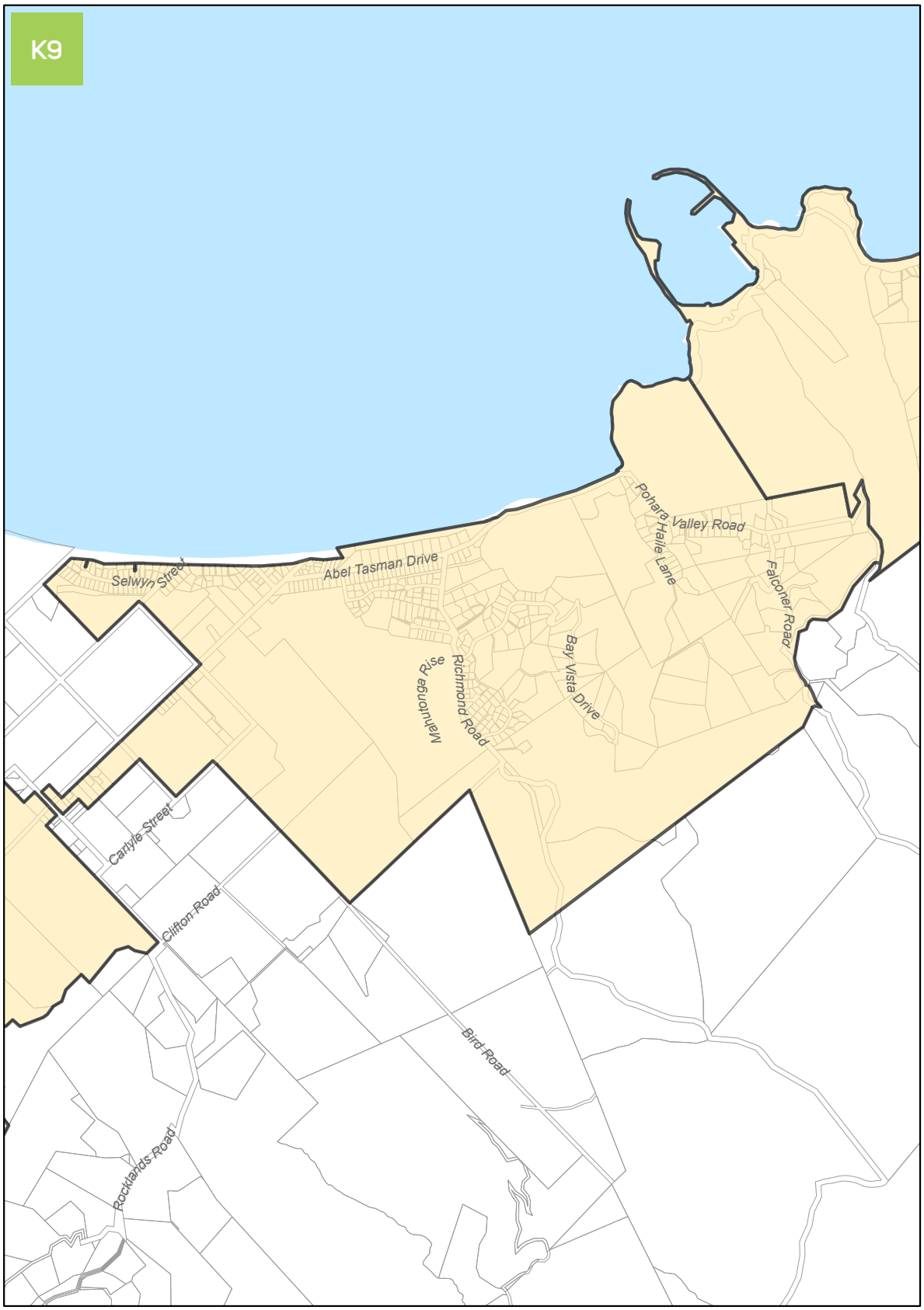


Refuse - Recycling Rating Area
Motueka

0 1 2 3 km

N

1:79,000



Refuse - Recycling Rating Area
Pōhara

tasman district council
Te Kaunihera o te tai o Aorere

0 1 km

N

1:19,000

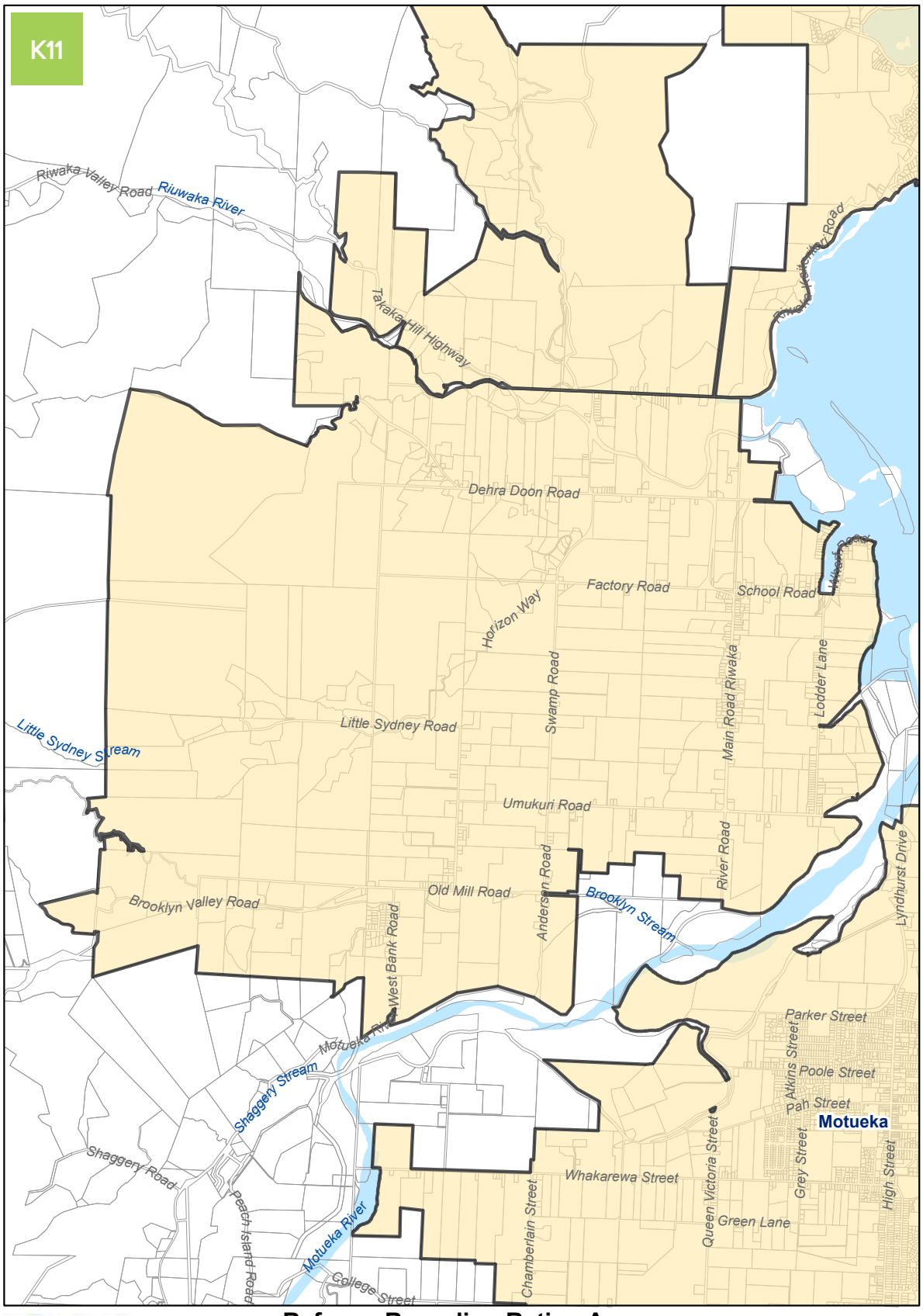
Refuse - Recycling Rating Area
Richmond

tasman district council
Te Kaunihera o te tai o Aorere

0 1 2 3 km

N

1:75,000



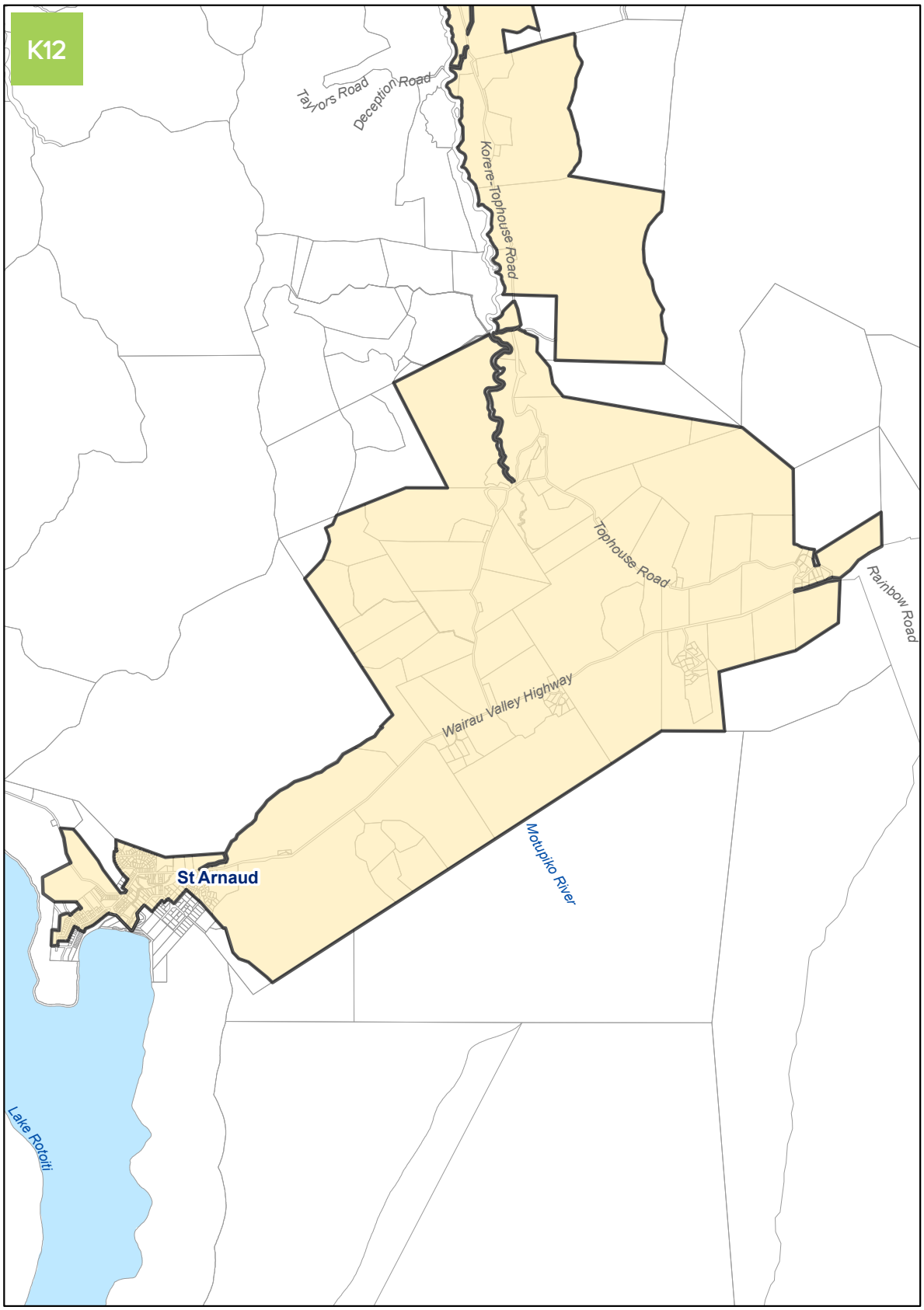
Refuse - Recycling Rating Area
Riwaka

tasman district council
Te Kaunihera o te tai o Aorere

0 1 km

N

1:36,000



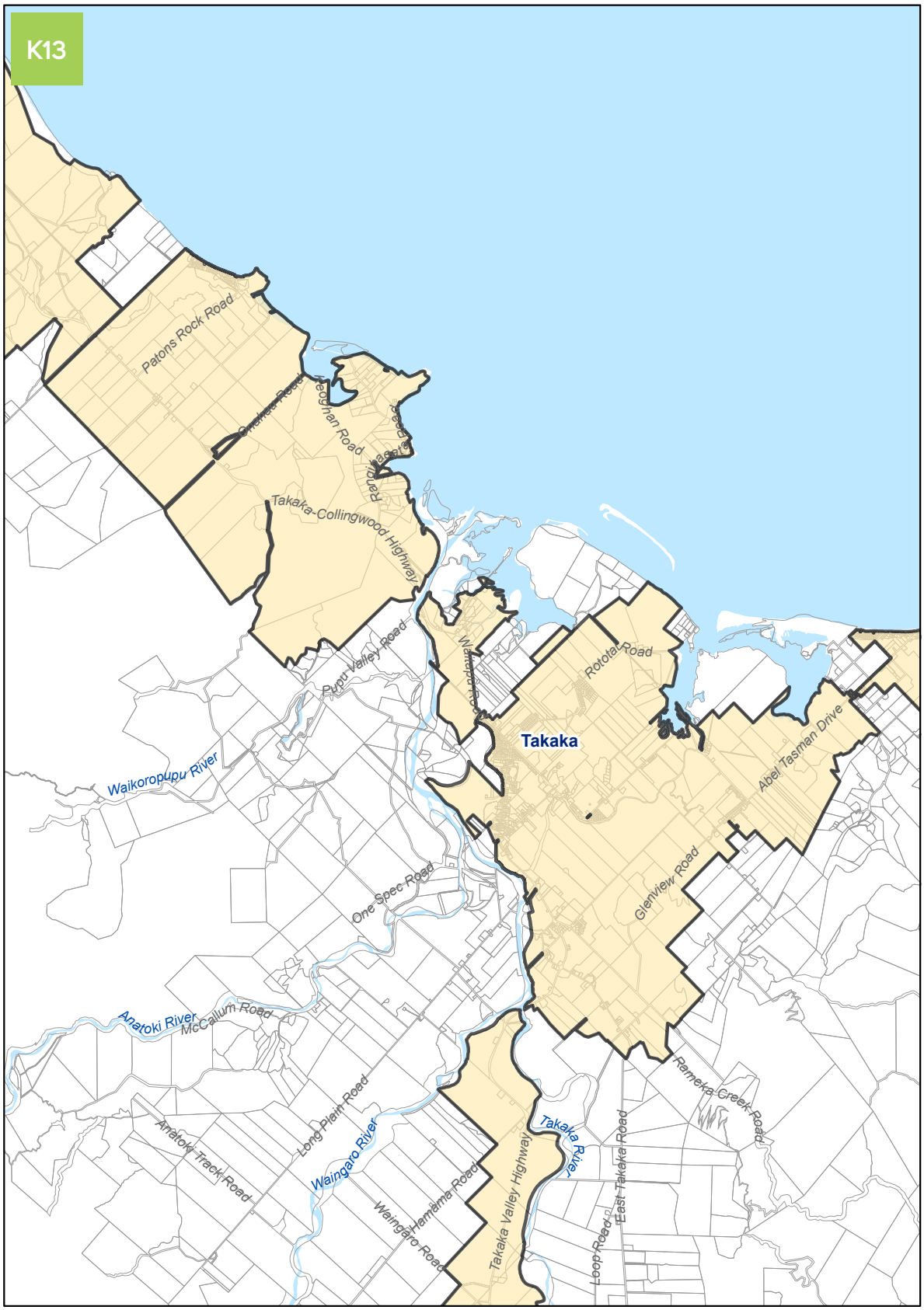
Refuse - Recycling Rating Area
St Arnaud

tasman district council
Te Kaunihera o te tai o Aorere

0 1 2 km

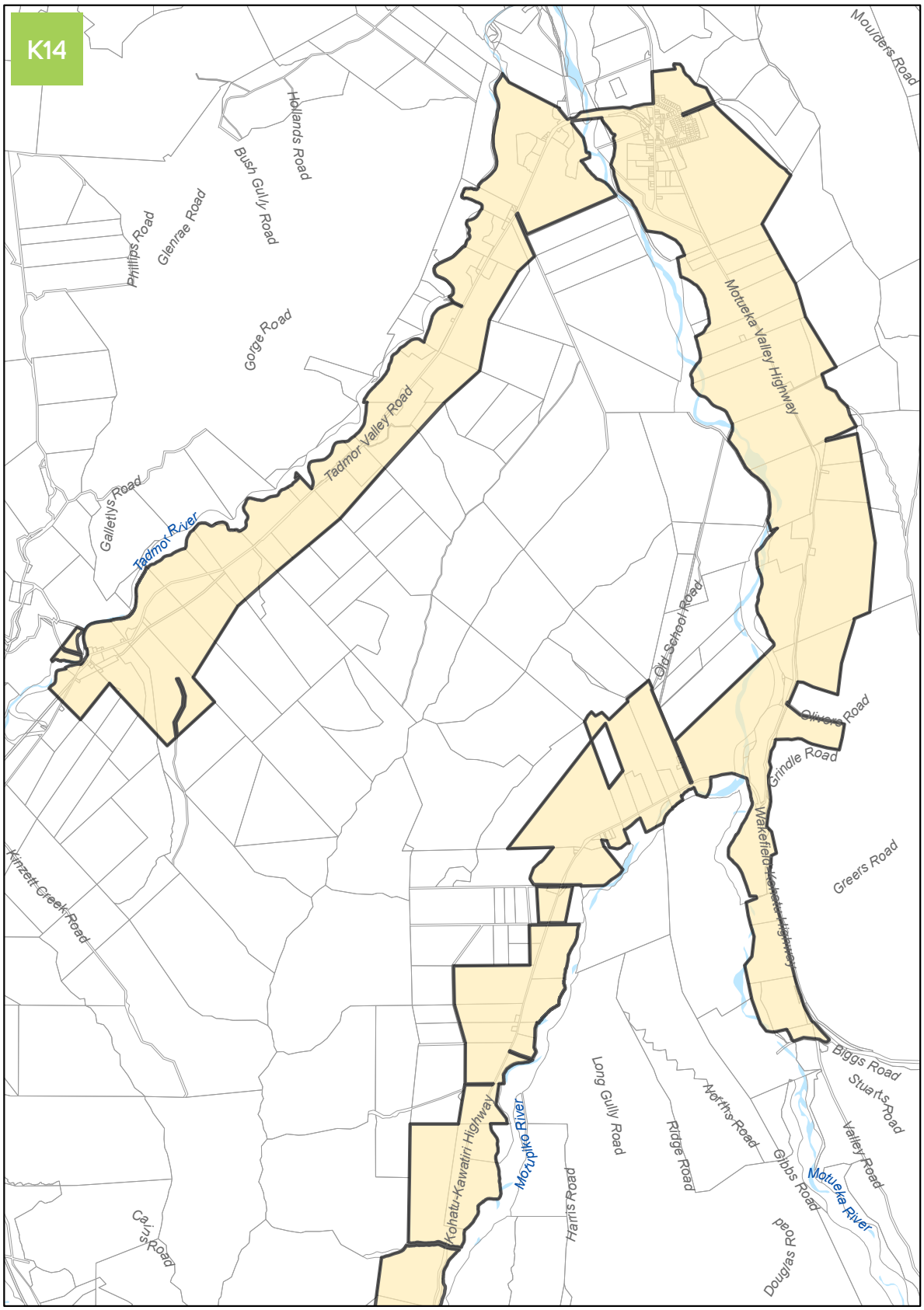
N

1:53,000



Refuse - Recycling Rating Area
Tākaka

1:71,000



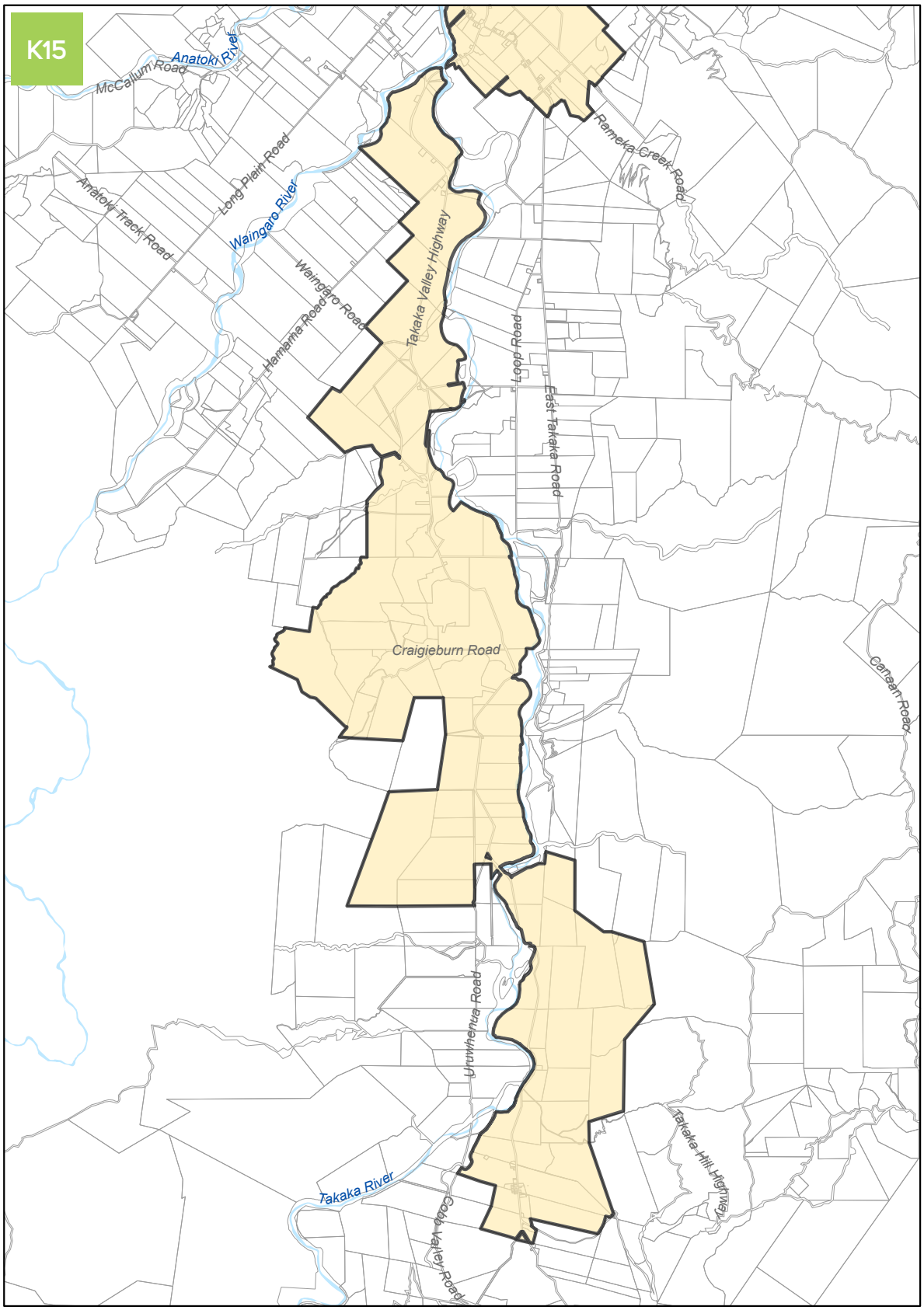
Refuse - Recycling Rating Area
Tapawera

tasman district council
Te Kaunihera o te tai o Aorere

0 1 2 km

N

1:51,000



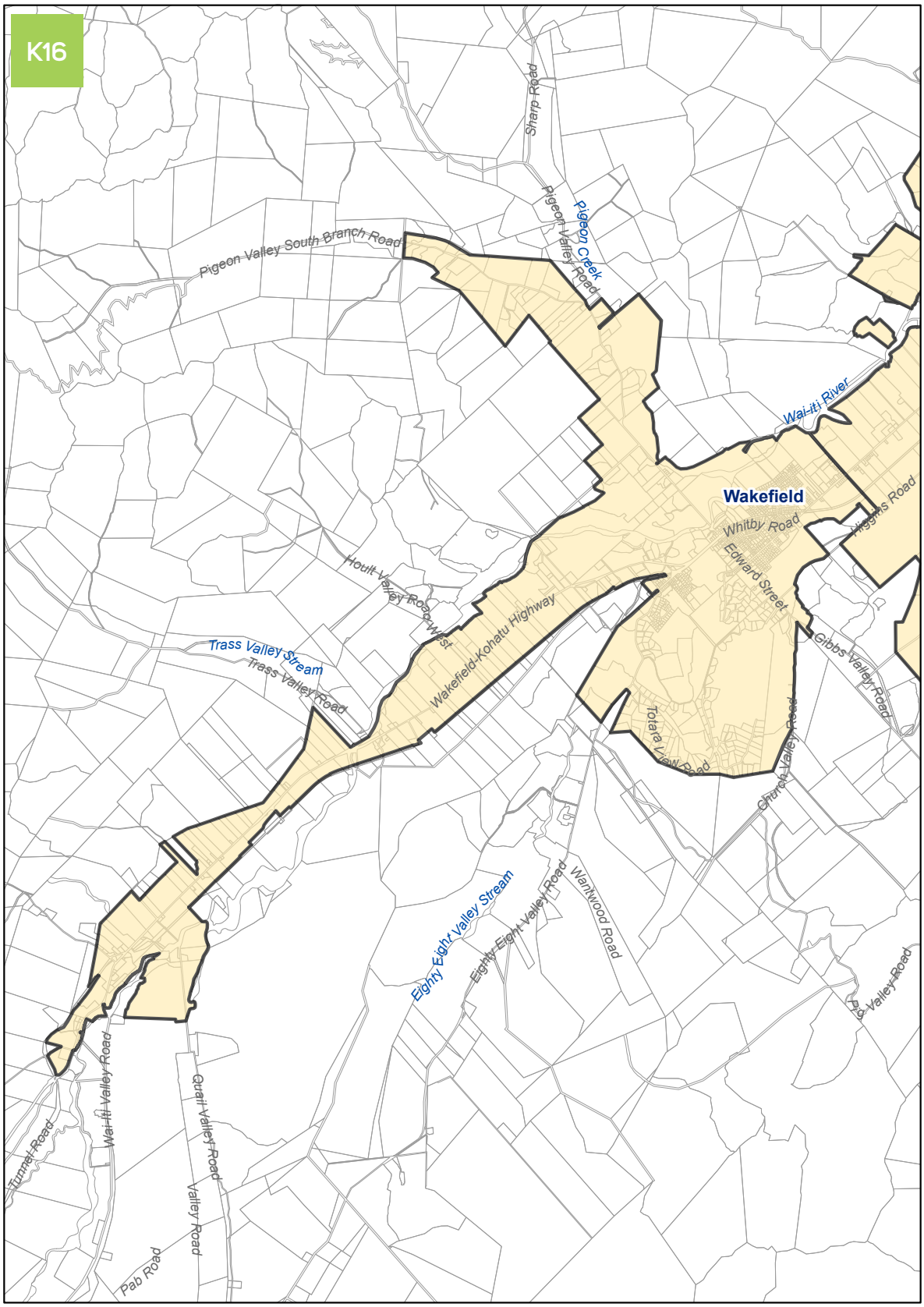
Refuse - Recycling Rating Area
Upper Tākaka

tasman district council
Te Kaunihera o te tai o Aorere

0 1 2 3 km

N

1:71,000



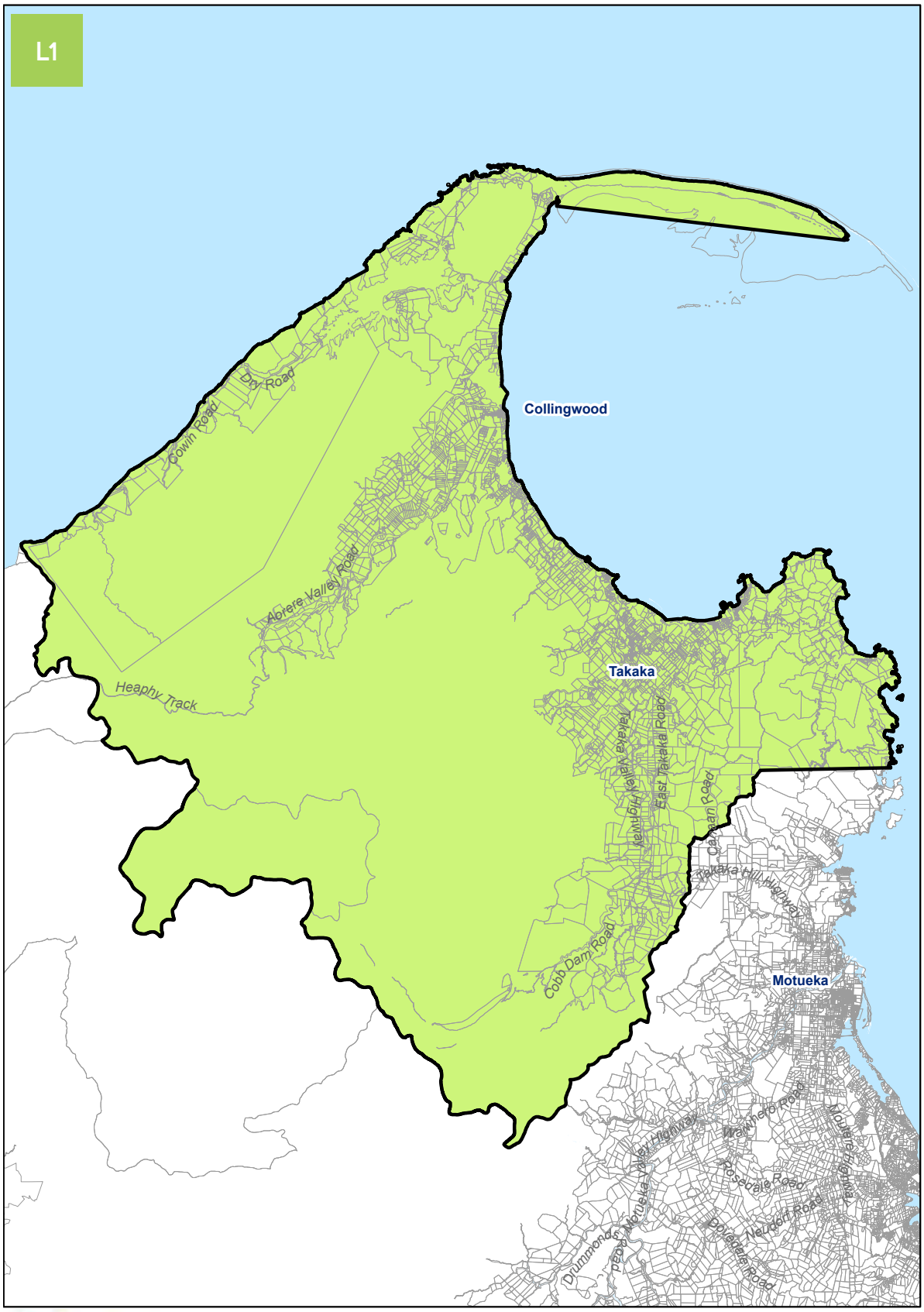
Refuse - Recycling Rating Area
Wakefield

tasman district council
Te Kaunihera o te tai o Aorere

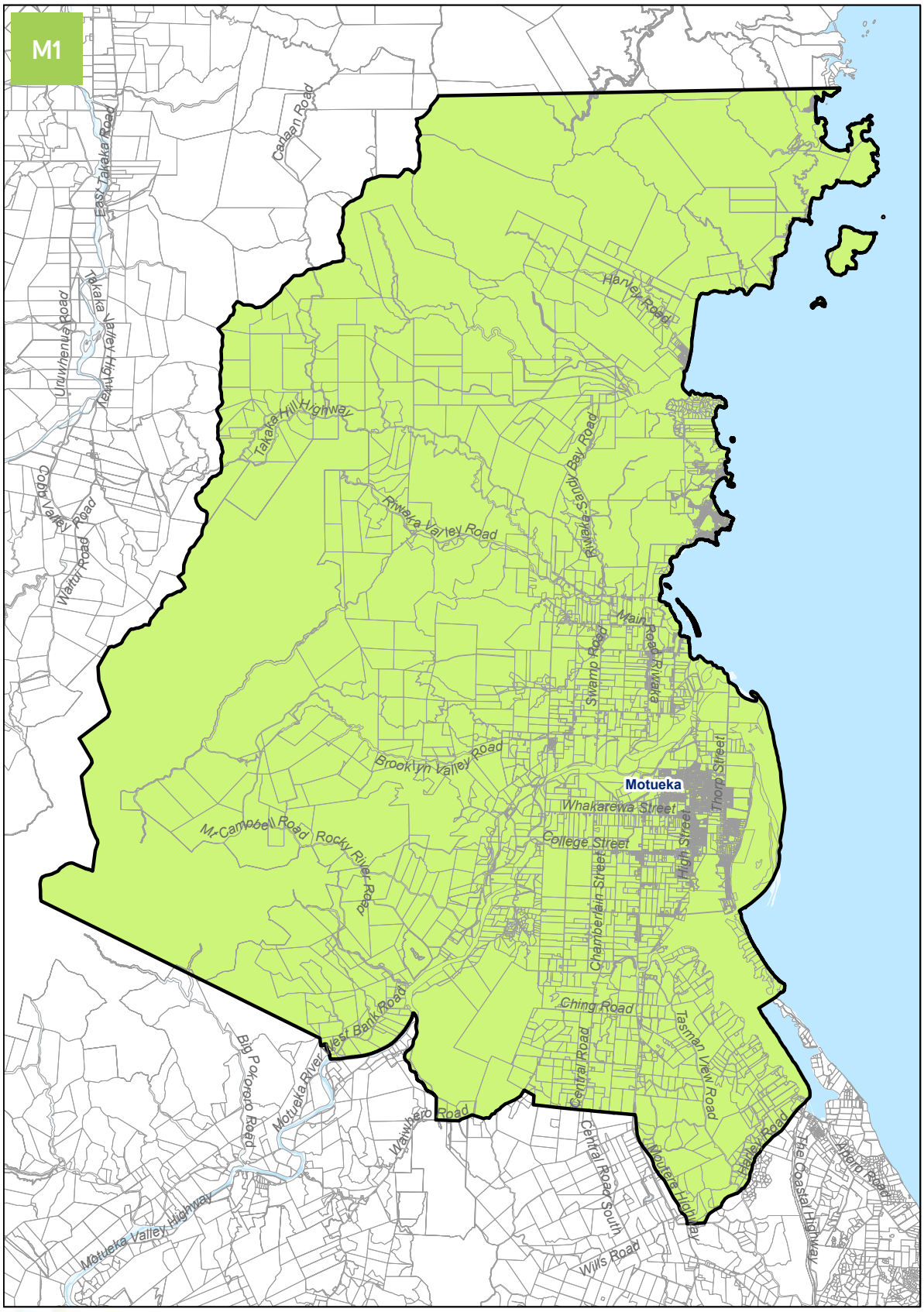
0 1 2 km

N

1:57,000



Golden Bay Community Board Rating Area

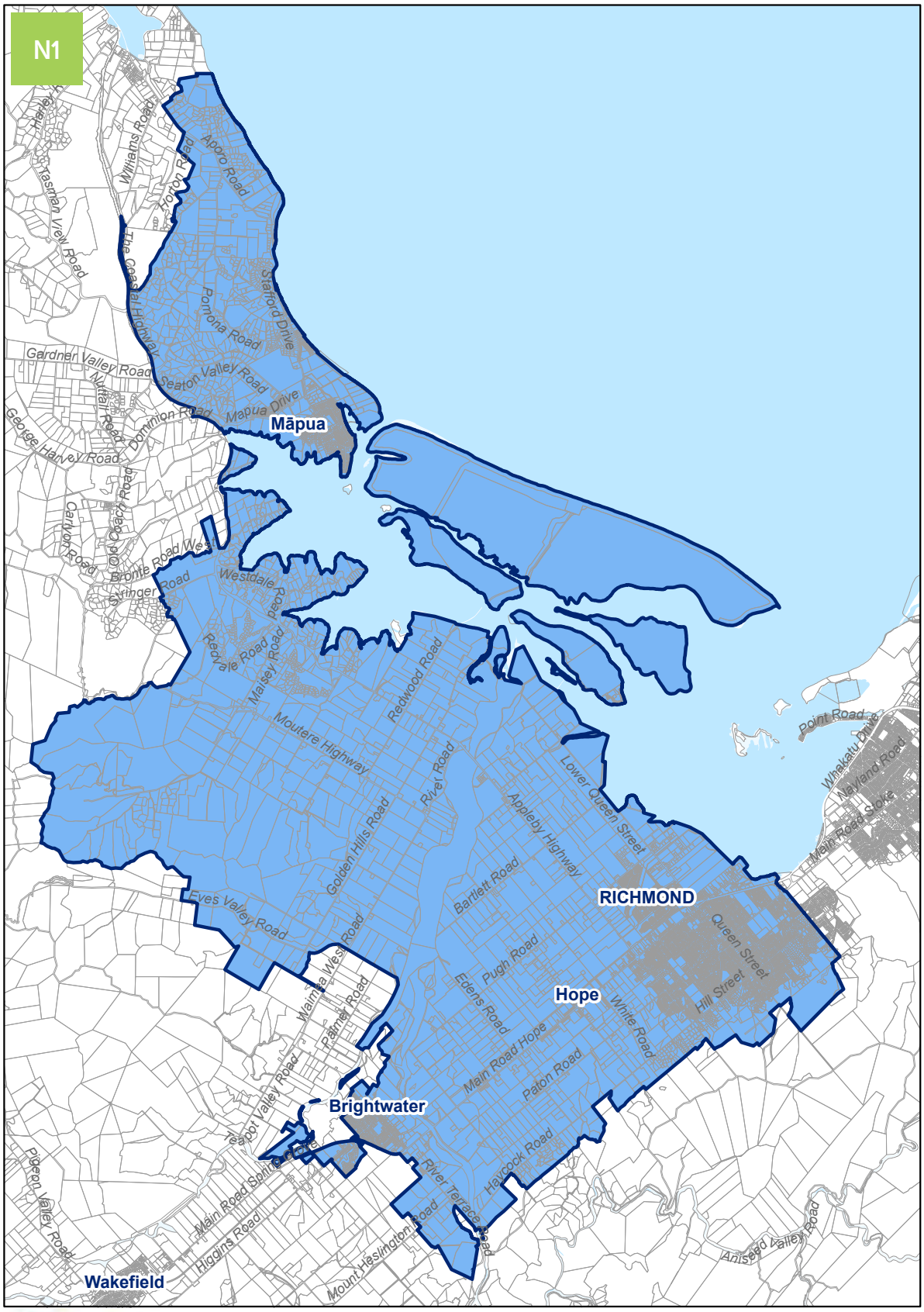


Motueka Community Board Rating Area

0 3 6 9 12 km

N

1:130,000


N1
Māpua
RICHMOND
Hope
Brightwater
Wakefield
Waimea Community Dam
Zone of Benefit Rating Area
0 2 4 6 8 km
N
1:95,500
tasman district council
Te Kaunihera o te tai o Aorere

FINANCIAL STRATEGY

FINANCIAL STRATEGY

SUMMARY

This strategy outlines our approach to managing the Council's finances and provides guidance for making spending decisions.

We are facing significant costs pressures which are impacting all councils and communities across New Zealand. Like many households we are dealing with rising inflation, insurance and interest costs, severe weather events, supply chain issues, and regulatory changes from Central Government. Despite these pressures we must ensure we stay on track financially while taking care of our District and its people. In doing this we need to balance community well-being and affordability alongside our aspirations for growth and sustainability.

Our asset base continues to increase with investment in infrastructure assets being the key driver. This in turn, results in increased costs to maintain and renew these assets throughout the next 10 years.

The Financial Strategy has been developed in response to these challenges, and we have introduced a debt to revenue limit to reflect its increased borrowing programme over the 10 years. Those limits are lower than that set by the main lender to the Council, the New Zealand Local Government Funding Agency (LGFA). That means we can increase its borrowing if necessary to respond to emergencies like severe weather events.

Our annual rates revenue rise cap will become a dynamic cap, made up of the Local Government Cost Index (LGCI) plus 3% per annum as an allowance for unfunded mandates imposed by the Government, as well as responding to the needs and wants of our community. The average rates increase to existing ratepayers will be 5.0% a year over the next 10 years. It should be noted that the dynamic rate cap will be breached in 2024/2025 and 2025/2026 and the dynamic debt cap will be breached in years 2032/2033 and 2033/2034 of the 10-Year Plan.

The Council's everyday expenditure should be met by everyday income. In this Financial Strategy we have been unable to achieve that goal for five years of Tasman's 10-Year Plan. This decision arises from Council balancing the rating demands and its expenditure along with the impact this has on community well-being.

THE SITUATION

LARGE DISTRICT WITH DISPERSED POPULATION CENTRES

We are responsible for serving a dispersed population in a large District. The district has 15 main settlements with many more people living in rural areas, covering an area of 9,635 km^2. We have a small rating base to fund the significant amount of infrastructure required to service this area, including 1,700 km of roads. Due to the multiple, centres of population, we supply infrastructure to serve the same purpose in several different locations and often uses varying technology and methods based on the size and topography of the areas concerned, as a result the cost per household for critical services is relatively high.

RATES INCREASES AND OUR FINANCIAL APPROACH OVER RECENT YEARS

Over the past six years, we have seen a considerable variation in the levels of rating increases, ranging from 0% in 2020/2021 to 8.57% in 2023/2024. In particular, the last two years have seen us having to increase rates higher than planned and exceed the rate revenue increase cap. Just like households' we have seen a marked increase in the costs of borrowing, insurance, regulatory changes from Central Government and providing for the wear and tear on our assets.

A FINANCIAL STRATEGY TO SUPPORT THRIVING AND RESILIENT TASMAN COMMUNITIES

This Financial Strategy aims to support our community through well managed and sustainable funding.

FINANCIAL STRATEGY

PAYING FOR THE DISTRICT'S EVERYDAY COSTS

Everyday costs should be paid for from everyday revenues. When this is not possible these costs are funded by debt. This means existing ratepayers are not paying for some of the services and amenities being provided to them which pushes the cost onto future ratepayers with interest. This could be considered to be neither prudent nor sustainable. However, we have not achieved this goal, where:

- some operating expenditure has an enduring benefit and we have chosen not to fund this from rates, e.g. the Digital Innovation Programme; or
- we are transitioning to fully funding the wearing out and obsolescence of assets; or
- we are balancing expenditure and rating demands with the impact this has on community well-being.

For these reasons, our budget is not balanced for four out of the next ten years. See Chart 1.

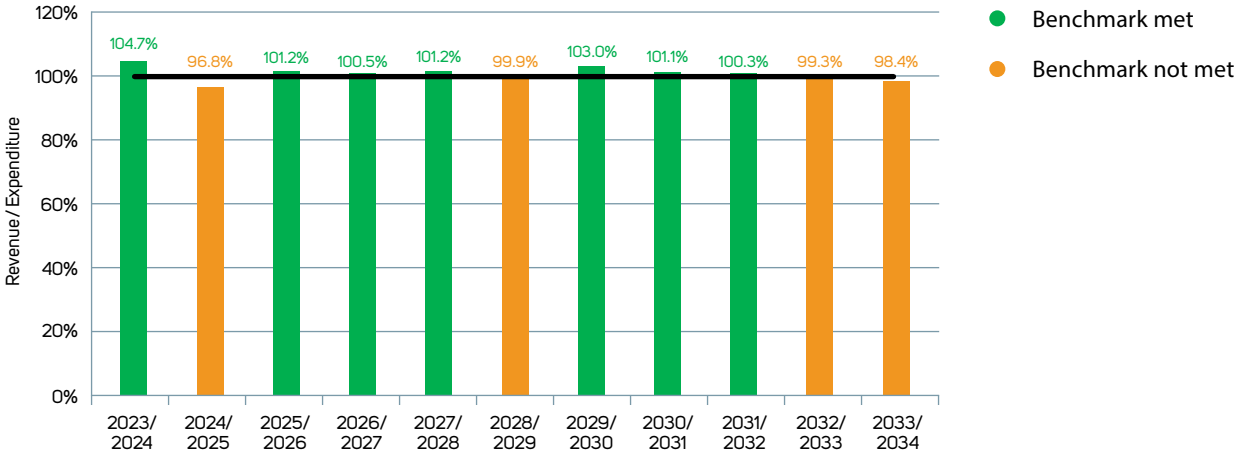
We prefer to operate with surpluses to be able to repay debt and continue to invest in the District's future by maintaining existing assets and building new infrastructure.

PROVIDING FOR GROWTH

The population of Tasman is expected to continue growing. We anticipate the population will increase by 7,400 residents between 2024 and 2034, reaching 67,900. To provide for this, we are planning for a further 4,200 houses and 13 hectares of commercial or industrial business land. Ongoing housing growth creates demand for additional services and facilities, especially in areas with higher growth like Richmond, Motueka, Brightwater, Māpua, and Wakefield.

We plan to invest in the required services like roading, water, wastewater and stormwater. We will borrow to fund this work and repay the loans mostly through charging developers over several years. Examples include the Motueka Wastewater Treatment Plant and stormwater capacity upgrades in Richmond. Many planned growth projects will provide capacity for growth over a period of up to 30 years. The growth costs associated with these projects are funded by developments that occur over that time. At the end of the 10 years of this Plan, we will have growth related debt associated with these projects of $106 million. This will reduce over time as more development occurs. Chart 2 on the following page shows the planned capital expenditure driven by growth, service improvement and renewals.

Chart 1: Balanced Budget Benchmark



Note: The total funded capital amount is lower than the sum of the renewal, levels of service and growth capital because for the Water, Wastewater and Stormwater activities, we have made an overall downward adjustment to the capital programme of 10% per year. This adjustment accounts for uncertainties in scope risk and programme delivery.

Included within the proposed capital expenditure above is expenditure on network infrastructure, flood protection, and flood control works that is sufficient to maintain the existing levels of service. Details of this expenditure can be found within the respective Activity Management Plans.

RESPONDING TO CLIMATE CHANGE AND NATURAL HAZARDS

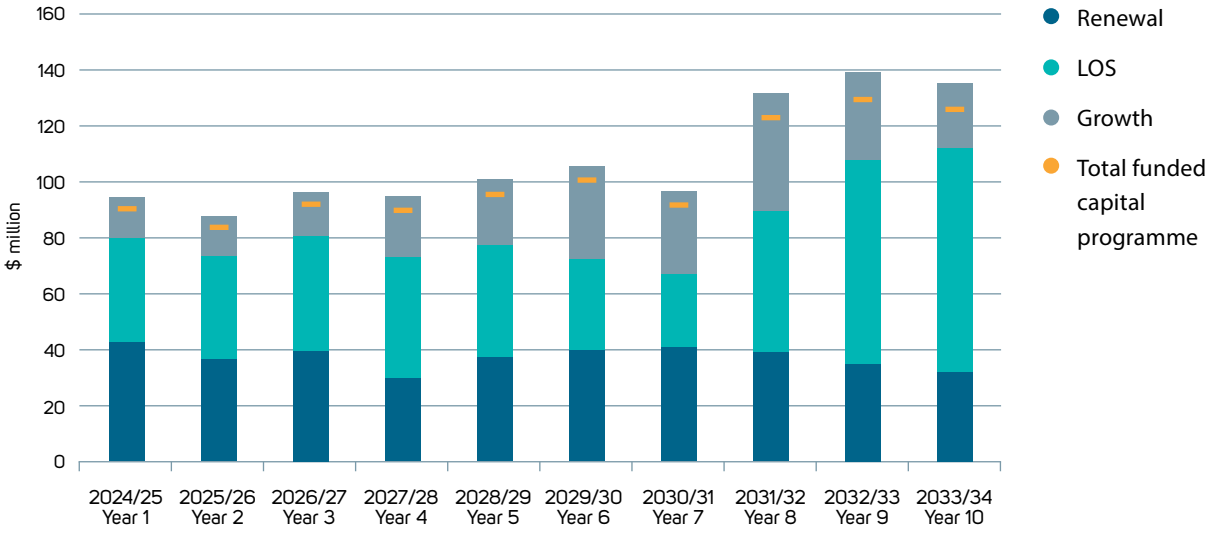
The Tasman District is susceptible to a wide range of natural hazards and has over time felt the impact of natural hazards such as earthquakes, landslides, floods, coastal erosion, inundation, drought, and wildfire.

In Tasman's 10-Year Plan 2024 – 2034, we assume it is not possible to reduce the mid-century warming, due to the amount of carbon dioxide already accumulated in the atmosphere – i.e., that the projections for mid-century are already 'locked in'. A changing climate will increase the frequency and severity of weather-related natural hazard events (such as droughts, floods, landslides, coastal erosion and inundation) in addition to increasing temperatures and rising sea levels. See the 'Forecasting Assumptions' section of the Plan for further, detailed information about the assumptions that we have made relating to climate change and natural hazard risks.

Adaptation planning will help the District become less vulnerable and more resilient to natural hazard events and a changing climate. We will have to make difficult decisions on how to best allocate resources towards resilience and adaptation projects and balance this against community expectations. We also acknowledge that large-scale infrastructure resilience projects may be unaffordable for ratepayers. External funding for these is essential.

We had already taken several steps to support climate change action, including collaboration initiatives and joint projects with Nelson City Council. In Tasman's 10-Year Plan 2024 – 2034, we have included funding for projects that will contribute to meeting the goals in the Tasman Climate Response Strategy and Action Plan. In most cases, funding is embedded in the Activity Management Plans for each activity concerned.

Chart 2: Total capital expenditure by year by type with scope adjustment



FINANCIAL STRATEGY

UNPLANNED EVENTS

In Tasman's 10-Year Plan 2024 – 2034, the Council is not planning to make contributions to its emergency funds by collecting revenue ahead of an emergency event taking place to create reserves to use in response and recovery.

We expect a level of Central Government support will be available to help in the recovery from substantial emergency events. However, we plan to have the resources to be able to contribute to the recovery itself. Following a substantial emergency event, we anticipate re-prioritising planned work programmes and services and borrowing to support recovery. Where existing funding from other activities is reprioritised towards recovery efforts, this may decrease the levels of service of those activities. The Plan calls for substantial net debt headroom to be maintained (above the self-imposed dynamic debt cap) to enable us to borrow in these circumstances. In the years following an emergency event, it may be necessary to increase rates (and other forms of revenue) to service the loans used to fund the recovery.

Tasman's 10-Year Plan 2024 – 2034 provides for the maintenance throughout their lifetime and renewal of assets at the end of their economic life. Unplanned events require earlier than planned investment to respond to and recover from Civil Defence emergencies (e.g. earthquakes, landslides, floods, coastal erosion, inundation, drought, wildfire). Unplanned events can result in significant operating and capital costs, however we have processes and plans for such events.

We can call on additional funding from the LGFA above its self-imposed debt cap. It can urgently reprioritise and reduce capital spending, community levels of service spending and utilise collective council-shared insurance programmes. These programmes will fund some operational costs (e.g. business interruption) and capital costs where a claimable event occurs. All councils in the group have material damage insurance and infrastructure insurance using a maximum probable loss approach rather than reinstatement value for all properties. These policies have the benefit of spreading risk across a wider geographical area. Maximum probable loss is the anticipated value of the biggest monetary loss that might result from an event, whether natural or otherwise.

RENEWING AND UPGRADING OUR AGEING INFRASTRUCTURE

We are responsible for $2.2 billion worth of assets. Once an asset is worn out or becomes obsolete, it requires renewal or replacement. We have been focusing on renewing assets with shorter lives and minimising our investment in maintenance to keep rates increases low. We have now reached the point where we need to invest more and deal with growth and replacing some longer life assets. In developing the Activity Management Plans staff have assessed that we are able to provide and maintain existing levels of service and meet additional demands for services within our financial limits. Example of projects include the Tapawera Water Treatment Plant upgrade and work on Brightwater reticulation. To ensure that the current ratepayers contribute their fair share towards obsolescence and the wear and tear on our assets (intergenerational equity) we are moving towards these costs being fully funded each year.

We started this 10-year transition in 2015 to reduce the impact on rates. The 10-year transition has been extended by five years to 2030 and this decision will result in higher borrowing and additional costs for future ratepayers.

INVESTMENTS IN COMPANIES

We are an equity holder in four companies. The principal reason for holding an equity interest in these investments is to ensure efficiency and community outcomes rather than for the sole reason of a financial return on investment. We hold shares in the companies in the table below. There are no plans to change our shareholdings, however, following good practice, this is reviewed regularly.

COMPANY	SHAREHOLDING	PRINCIPAL REASON FOR INVESTMENT	BUDGETED RETURN
Infrastructure Holdings Ltd	50%	Economic development	$2.8m pa
Local Government Funding Agency Ltd	18. 65%	Borrowing	$91,000 pa
Waimea Water Ltd	72%	Economic development and water security	Nil
Civic Financial Services Ltd	Nominal	Superannuation	Nil

FINANCIAL STRATEGY

PROPERTY INVESTMENTS

Property investments are divided into two categories:

Enterprise activity – investment property

Budgeted rate of return on property value for investment property is 5%.

Other property

This property is held to facilitate the delivery of council services and to support local communities. This includes the Council's investment in community property which is rented out at below market rates but with income sufficient to cover costs and maintain the units in a good state of repair.

WHAT ARE OUR GOALS?

We will continue to focus on the following:

ESTABLISH A SUSTAINABLE FUNDING MODEL WITH PARTNERS

Our finances are feeling the effects of the wide range of unitary council responsibilities, rising costs in general, higher insurance levies, an accumulation of unfunded mandates from Government and a growing population. The current methods of funding, which place the burden largely on property owners (ratepayers) and those paying directly for our services, are becoming prohibitive. To address this lack of future sustainability in our funding arrangements we aim to work with Government and other partners to establish a more enduring way of funding our services to the wider community.

PROVIDE GOOD STEWARDSHIP OF COMMUNITY RESOURCES

We are the steward of the community resources purchased and developed over many years. We are entrusted with managing those resources in a careful and responsible way for both our current and future communities. Our goal is to continue taking care of and protecting those resources so they continue to benefit the District in years to come.

DELIVER VALUE FOR CURRENT AND FUTURE RESIDENTS

Our goal is to provide the best value to our community for the money we invest on its behalf. We aim to work with our communities to help them flourish and maintain their resilience, while maintaining the overall affordability of rates. Rates affordability and a sustainable level of rates funding level is a key issue for our communities, particularly those property owners on lower and fixed incomes.

While we aim to invest sufficiently to maintain the assets and services of importance to our communities, we need to fund this in a way that is financially sustainable in the long term.

Alongside this Strategy, we also prepare an Infrastructure Strategy which identifies the key issues relevant to the provision of infrastructure, and the options and plans for addressing those issues for the next 30 years. Infrastructure expenditure forms a large proportion of our spending being 41% of operational expenditure and 82% of capital expenditure over the next 10 years. The two strategies are closely linked to ensure the right balance is struck between providing the agreed levels of service for infrastructure assets within the agreed financial caps.

We will need to be very selective and only invest in things that make the most positive difference to the well-being of the District. With community well-being in mind, we are investing not only in utility and roading infrastructure, but also in community infrastructure.

It is important that affordability is not only considered for current ratepayers, but also future ratepayers. Decisions made now will affect rates affordability in the years ahead, meaning there is potential to pass rate burdens on to future generations if we do not invest in infrastructure and services now with the right funding for these.

PRINCIPLES

To support further investment in the District's future, we are proposing to change our approach and move from static to dynamic financial caps. Dynamic financial caps are ones that move in relationship to other financial metrics, particularly increases in income.

FINANCIAL STRATEGY

It is not possible to maintain services at their existing levels and take the steps that are needed now to provide benefits for the future, while retaining the rates increase and net debt caps previously adopted in the 10-Year Plan 2021 – 2031. In deciding how to go forward, we have applied the following principles in this Financial Strategy 2024 – 2034:

- Continuing to be financially and environmentally sustainable
- Providing financial resilience
- Focusing on both the medium and the long term
- Understanding trade-offs or benefits across all well-being domains (social, environmental, economic, and cultural)
- Responding to changes in the wider economic environment
- Making the most of Government and other external funding sources where they benefit the community
- Improving the resilience of our communities against climate change.

FINANCIAL CAPS

To help achieve the right level of re-investment into our existing assets and selectively making improvements for the future we have needed to raise our financial caps in our 10-Year Plan 2024 – 2034.

RATES REVENUE INCREASE CAP

We will continue to consider affordability and sustainability issues each year when setting rate revenue levels. The Local Government Act 2002 requires a statement on the quantified cap on rates increases.

We have operated a fixed rates revenue increase cap for at least ten years. However, we have exceeded the cap in the 2021/2022 and 2022/2023 years. This has prompted a change of approach to setting our rates revenue increase cap. In future the rates revenue increase cap (excluding growth) will be established as a relationship to the inflation rate we expected to experience (LGCI) and an adjustor for service changes (currently set at 3% pa). The adjustor for service changes provides some capacity to respond to further unfunded mandates imposed by the Government, as well as respond to the needs and wants of our community.

We will limit the increase in our 'Total Rate Requirement[1]' to no more than the forecast percentage increase in the costs measured by the Local Government Cost Index (LGCI)[2] plus 3% in each of the 10 years as an allowance for increases in levels of service. This cap is in addition to the rates revenue increase as a result of growth.

Using the LGCI rather than Consumer Price Index is considered more realistic as LGCI better reflects the types of goods and services we purchase and better reflects Local Government costs realities i.e., the cost of the Council doing business.

The reason for the breach in year 2024/2025 and 2025/2026 relate to the need to accommodate the impact of higher inflation, higher interest costs, the funding of depreciation and higher costs in roading and river maintenance spend.

The prospective Statement of Comprehensive Revenue and Expense shows a large accounting surplus in every year of Tasman's 10-Year Plan 2024 – 2034. This reflects the fact that we receive a significant amount of income that is used to fund capital expenditure. Due to accounting standards the related capital expenditure does not appear in the prospective Statement of Comprehensive Revenue and Expense. Income sources include the New Zealand Transport Agency/Waka Kotahi (NZTA) roading subsidy, Central Government funding, development contributions and reserve financial contributions.

1. The 'Total Rate Requirement' includes both general and targeted rates such as water, wastewater, stormwater, and flood protection.

2. As provided by Business and Economic Research Limited (BERL).

FINANCIAL STRATEGY

Chart 3: Proposed rates revenue increase %

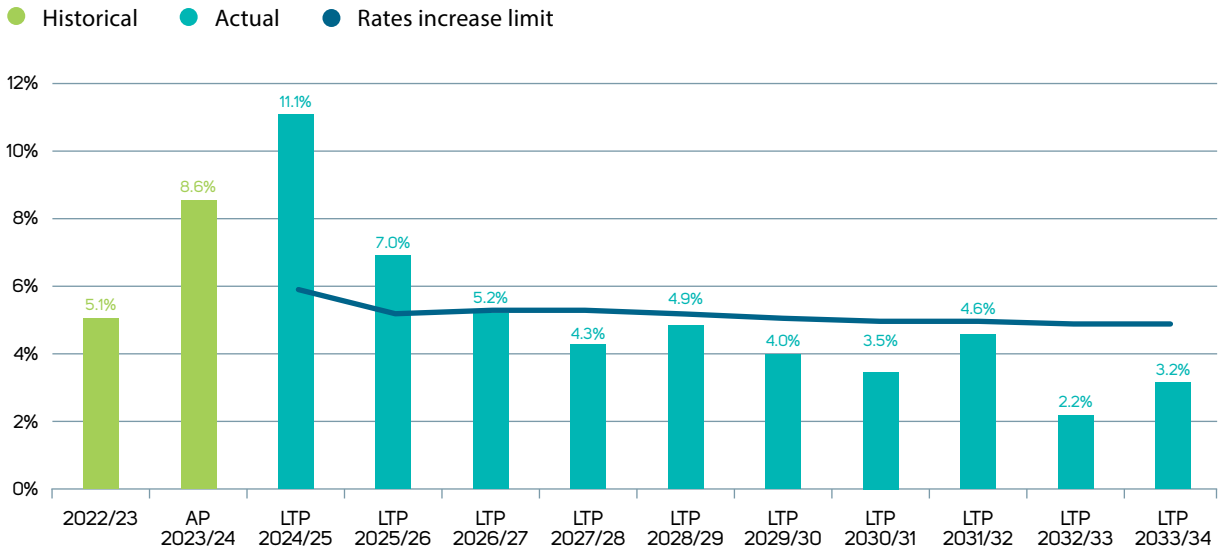
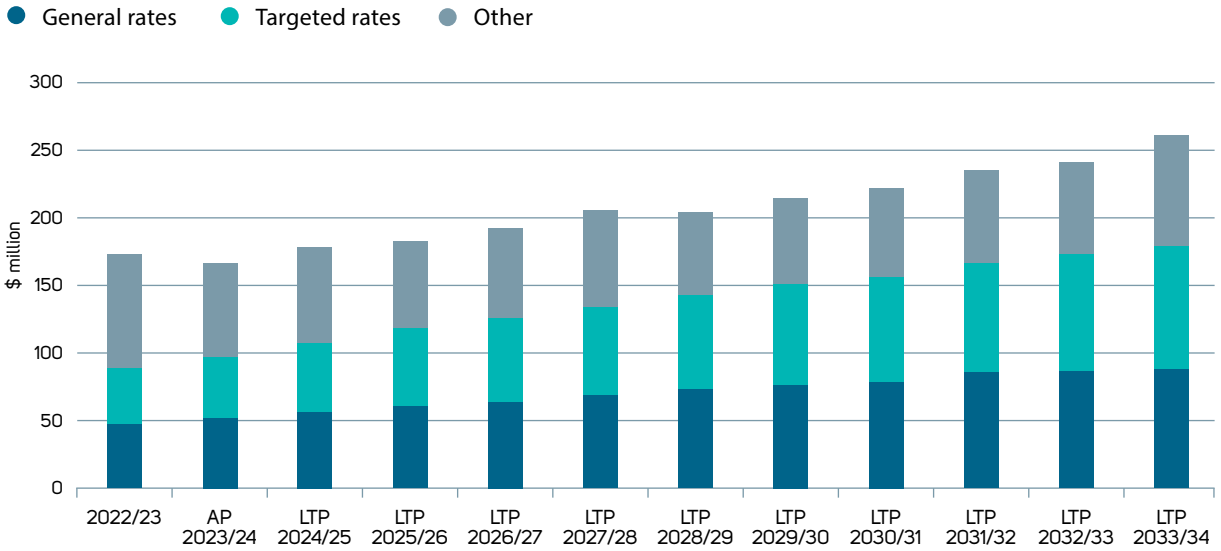


Chart 4: Make up of revenue



DYNAMIC NET DEBT CAP

In the 10-Year Plan 2021 – 2031 we increased its net debt cap 25% from $200 million to $250 million.

The current net debt is budgeted to be $249.86 million on 30 June 2024, i.e., slightly below the 10-Year Plan 2021 – 2031 cap level. This level is projected to rise a further 81% to $451.9 million during the 10-Year Plan 2024 – 2034. With the continuing uncertainty about the funding and operation of the three waters we have reconsidered how to state the net debt cap. Our ability to borrow and to service loans is heavily dependent on our ability to raise revenue. As a result, we have decided to establish its new net dynamic net debt cap at 160% of its annual operating revenue.

The application of this ratio means that the net debt cap increases each year to keep pace with Local Government cost inflation and to match any other expected changes in our future revenue requirements.

To deliver the proposed Plan, net debt increases across the ten years. Net debt per household is projected to grow by 23.4% in real terms or in other words, when adjusting for the impact of inflation. A proportion of this debt relates to infrastructure for housing and business growth and will be repaid by payments from developers. The remaining increase in debt however means that a larger share of the revenue collected from rates will be used to repay borrowing in the future.

Net debt levels are projected to stay within the new dynamic cap for much of the 10-Year Plan period but exceed this level in the last two years as it becomes necessary to renew some expensive wastewater treatment plants. The budgets included for these projects are realistic at this stage of the planning, but we will explore options to reduce their costs as the planning advances to remain under the debt cap. We have worked hard to plan a programme of investment that addresses the key infrastructure issues and makes meaningful impact on the well-being of residents, while remaining within the financial caps.

This net debt cap will likely be exceeded if we need to respond to any significant emergency events particularly those arising from climate change. We have borrowing headroom above our dynamic net debt cap but below our Treasury Risk Management Policy which limits the ability to borrow further if necessary to help fund recovery from an emergency event.

The LGFA stipulates several financial limits or covenants, which are repeated at the same or a lower level within our Treasury Risk Management Policy. Not exceeding these limits is considered best practice in the Local Government Sector. If we exceed these LGFA limits it will trigger default events in our borrowing arrangements. It is likely that the cost of borrowing will increase significantly, and we would have difficulties sourcing replacement and future borrowing.

While we are increasing our net debt cap in this Financial Strategy, it has selected a level that is lower than the maximum limit provided for in our Treasury Risk Management Policy (and by the LGFA). This is to ensure we have some borrowing headroom, if necessary, to fund the recovery from a natural hazard or emergency event and to moderate the impact on rates levels. The LGFA policy limits are:

- Net Interest on External Debt/Annual Rates Income <30%
- Net External Debt/Total Operating Income <300%
- Net Interest on External Debt/Total Operating Income <20%.

We have reviewed how we provide funds for future emergency events and won't be investing in an Emergency Fund for the full period of this 10-Year Plan. This decision will be reviewed annually as part of the Annual Plan process.

We have several other prudential limits for monitoring net debt, set out in its Treasury Risk Management Policy. Our net debt must remain within these limits. The limits within this policy also assist us in ensuring the overall net debt remains within prudent levels.

Financial projections show net debt will peak in 2033/2034 at $451.9 million.

FINANCIAL STRATEGY

Chart 5: Net debt

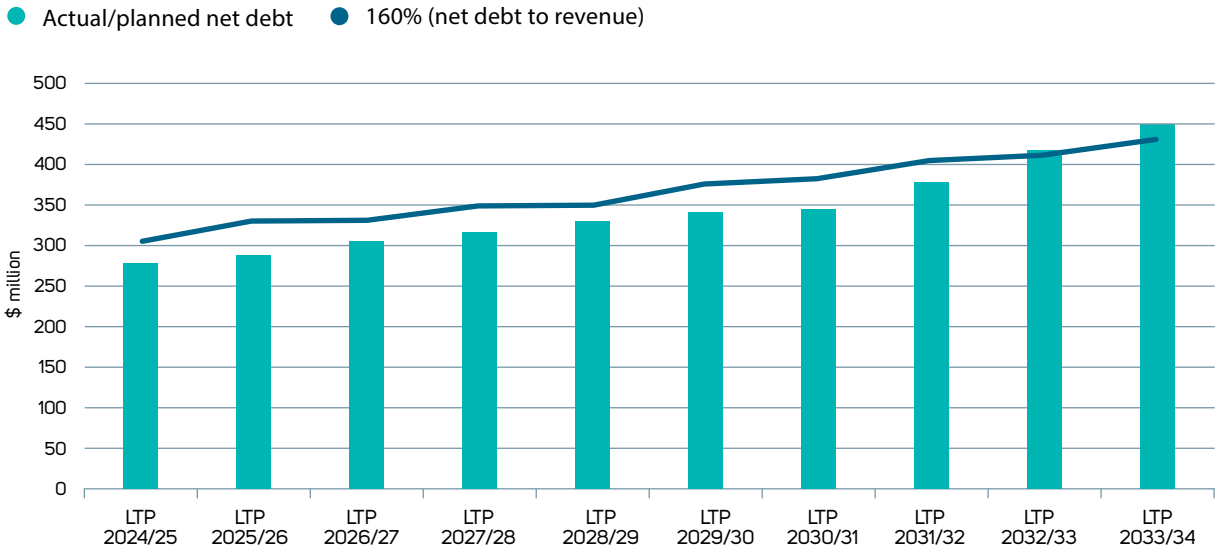
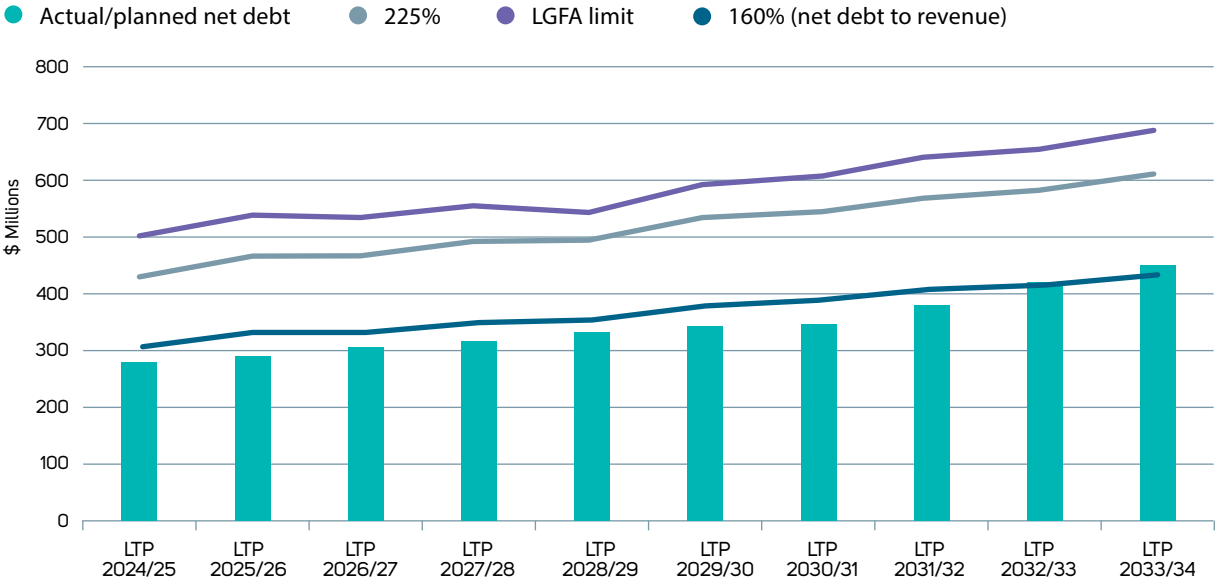


Chart 6: Net debt cap and Treasury Management Policy Limits



2023 TREASURY RISK MANAGEMENT POLICY (INCLUDING LIABILITY MANAGEMENT AND INVESTMENT POLICIES)

TREASURY RISK MANAGEMENT POLICY LIMITS

We set ourself a series of borrowing limits in our 2023 Treasury Risk Management Policy. These have been established to ensure that we only borrow to prudent levels and have sufficient rates and other income to service the loans.

INVESTMENTS

We hold investments in companies, property and cash as per our investment policy these are detailed above.

OTHER INVESTMENTS

As part of borrowing from the Local Government Funding Agency, we are required to invest in financial bonds with the agency. We will receive interest on these bonds.

Our Investment Policy can be found in 2023 Treasury Risk Management Policy (Including Liability Management and Investment Policies).

POLICY ON SECURITIES

To borrow cash, we must offer our lenders security, just like residents do with their mortgage. Like most councils, our debt is secured against rates income. Lenders like this as security and it helps keep our interest rates low. Giving rates as security means that our lenders can make us charge ratepayers more to repay debt. That is why it is important to keep our debt at a sustainable level. Further details on our policy on securities is set out in our 2023 Treasury Risk Management Policy (Including Liability Management and Investment Policies).

INFRASTRUCTURE STRATEGY

EXECUTIVE SUMMARY

Summary of the Council's strategic direction for its infrastructure services

STRATEGIC DIRECTION

Provides context, an outline of the key infrastructure issues, and a summary of how the Council intends to manage its assets

ACTIVITY SUMMARIES

Overview of each infrastructure activity including options to address key issues and long term budget requirements

INFRASTRUCTURE STRATEGY

EXECUTIVE SUMMARY

This Infrastructure Strategy (Strategy) covers the provision of our water supply, stormwater, wastewater, rivers, and transportation activities.

WHAT IS INFRASTRUCTURE?

Infrastructure is the physical assets that we own and maintain to allow Tasman residents to:

- have access to safe drinking water
- have wastewater collected from their homes and businesses, treated and safely discharged back into the environment
- have rainfall collected and conveyed away from their roads and properties to prevent flooding
- travel safely throughout the District using their preferred form of transport, and
- live alongside rivers while benefiting from flood risk mitigation measures.

Infrastructure is the essential foundation that sustains us and enables Tasman to grow. It is essential to health, safety, and for the transport of both people and freight. It enables businesses and communities to flourish. Failure to maintain and invest in infrastructure would inhibit the economic performance, health and prosperity of Tasman.

We own and maintain other infrastructure to that listed above that supports community services such as libraries, parks and reserves, pools and halls. These are not covered by this Strategy.

WHY HAVE AN INFRASTRUCTURE STRATEGY?

We manage $1.67 billion worth of infrastructure on behalf of our communities. Maintaining and renewing these assets, as well as managing and meeting the communities' needs, accounts for most of our spending.

The purpose of this Strategy is to show how we will care for our assets and investments so that they reach their potential. In this Strategy, we identify key issues relevant to the provision of infrastructure, the key options for addressing those issues, and the subsequent financial implications for the next 30 years.

There is tension in the process when we assess how and when to address these key issues. Often, what we would like to do differs from what is practical and affordable, especially about timing. We would like to address issues quickly for the community, but often there are constraints that mean this cannot always be the case. This Strategy acknowledges the tension between prudent provision of infrastructure and the need to stay within the financial limits set out in our Financial Strategy. By doing this, we have set out a long-term Strategy that is realistic, prudent and achievable, and outlines the infrastructure services that will be provided over the next 30 years.

Climate resilience is core to climate-resilient infrastructure and core to financial security. The costs of climate change and natural hazards on people's homes, businesses, and council assets and service delivery can be devastating. The more we can learn, understand, and plan for these events, the better positioned we will be to build community resilience and cope with them.

WHERE ARE WE AT NOW?

Tasman's resident population has continuously grown since 2003, with a noticeable increase in the rate of growth since 2013. We expect ongoing population growth in Tasman over the next 30 years but the rate of growth is projected to slow over time. The Moutere-Waimea, Richmond, and Motueka Wards are projected to experience the greatest growth in population. A high proportion of the population growth is occurring because of people moving to the Tasman District.

INFRASTRUCTURE STRATEGY

We have planned upgrades in Motueka, Richmond, Māpua, Brightwater and Wakefield to provide capacity for future homes that will need to connect to our networks.

We have made progress on our water treatment plant upgrades by completing work on the Motueka, Māpua, Brightwater and Wakefield plants. The other remaining non-compliant plants are scheduled for upgrades by 2026. New treatment plants are planned for the Redwoods scheme and to supply growing demand in Brightwater/Wakefield. This work is required in order for us to supply safe drinking water from all of our schemes and meet the water legislation and Water Quality Assurance Rules.

The completion of the Waimea Community Dam (the Dam) is a key strategic step for our District. It enables access to enough water and a high level of drought security for over 100 years of growth to supply homes and businesses connected to our Richmond, Māpua, Brightwater, Eighty Eight Valley, Redwood Valley, and Wakefield schemes.

Despite the slight reduction in traffic volumes post COVID, we continue to see significant severance between west and central Richmond on State Highway 60 (SH60) through Richmond, along with congestion, particularly at the signalised intersections. This is of concern to us as it highlights the adverse impact the increased future traffic numbers are likely to have on this section of highway without further interventions. We have also seen the significant impact a crash or road closure within the Appleby section of SH60 or Lower Queen Street has on the network. This part of the network does not have the resilience to cope with the consequential changes in traffic flows after crashes; often resulting in severe congestion on parts of the network.

Over recent years as a way of stimulating our local economy and addressing priority issues, Central Government has granted us significant funding. This funding has allowed us to speed up delivery of some priority water and wastewater projects and restoring parts of the Motueka River stopbanks to their design capacity. However, this funding boost has largely now come to an end.

WHERE ARE WE GOING?

We have identified four key priorities that will guide our efforts and investment in planning, developing and maintaining our infrastructure in the short, medium and long term.

1. Providing safe and secure infrastructure services
2. Providing infrastructure services that meet the needs of our changing population
3. Planning, developing and maintaining resilient communities
4. Prudent management of our existing assets and environment

The following shows the key actions that we plan to take to address these priorities.

HOW ARE WE GOING TO GET THERE?

We plan to spend $1.5 billion on infrastructure services over the next 10 years, and a total of around $4.8 billion over the next 30 years. Figure 1 shows how much we plan to invest in each of the infrastructure activities. The percentage of planned expenditure by each activity is similar for the 10-year and 30-year timeframes. We intend to invest more in transportation, where a large core programme of routine maintenance and renewal work is required to maintain the network in good condition.

We have split this graph into Capex and Opex:

- Capex – Capital expenditure that results in either the creation of a new asset; an increase in the total useful life or capacity provided by an existing asset (i.e., improves an existing asset); or replaces an existing asset.
- Opex – Operating expenditure is all expenditure that does not meet the criteria for capital. Opex usually covers the day-to-day maintenance and operating needs of a service.

INTRODUCTION

PURPOSE

The purpose of this Infrastructure Strategy is to identify the significant infrastructure issues for Tasman over the next 30 years, and to identify the principal options for managing those issues and the implications of those options.

When setting out how we intend to manage the District's infrastructure assets and services, the strategy must also consider how:

- to respond to growth or decline in demand
- to manage the renewal or replacement of existing assets over their lifetime
- planned increases or decreases in levels of service will be allowed for
- public health and environmental outcomes will be maintained or improved, and
- natural hazard risks will be addressed in terms of infrastructure resilience and financial planning.

SCOPE

This Strategy covers the following essential infrastructure:

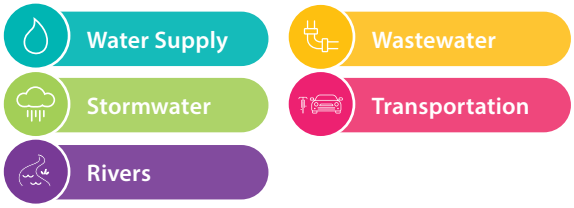
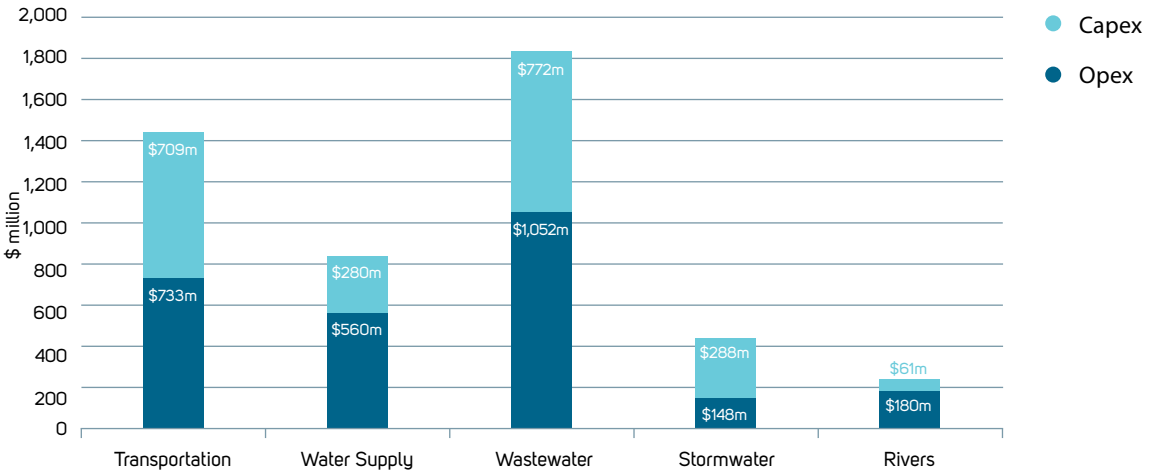


Figure 1: Total infrastructure expenditure for 2024–2054



INFRASTRUCTURE STRATEGY

This Strategy has a 30 year planning horizon and will be reviewed every three years.

For this update of the Strategy, we have not included the following activities. We will consider the inclusion of these assets during future reviews of the Strategy.

- Waste Management and Minimisation
- Coastal Assets
- Community Facilities
- Parks and Reserves
- Commercial Assets
- Council Property
- Hydrometric Assets

This Strategy provides direction to our infrastructure activity management plans. All of our activity management plans can be found on our website **www.tasman.govt.nz/activity-management-plans**.

All financial information included in this Strategy includes inflation unless otherwise stated and excludes GST.

CONTEXT

DISTRICT OVERVIEW

The Tasman District is located in the north-west of the South Island, within Te Tauihu o Te Waka a Māui/ Top of the South. It covers the area extending from Golden Bay in the north-west to Richmond in the east and Murchison in the south, covering 9,635 square kilometres (km) of land, 817 km of coastline, and including 15 settlements/towns.

POPULATION

In 2023, Stats NZ estimated Tasman District's population to be 59,400. Over half of the population (56%) live in the main towns of Richmond, Motueka, Māpua, Brightwater and Wakefield. The remainder live in the smaller townships and in the rural areas.

AGE STRUCTURE

Stats NZ estimated the median age of Tasman's residents to be 47.3 years as at 30 June 2023. At the same time, the national median age was estimated to be 38.0 years.

DWELLINGS

Tasman's latest dwelling count was completed by Stats NZ as part of Census 2018. At that time, Tasman had approximately 23,140 dwellings.

ECONOMY

The main drivers of Tasman's economy are horticulture, forestry, fishing/seafood, agriculture and tourism. There are many manufacturing and processing plants associated with these industries (e.g. the Nelson Pine Industries plant in Richmond and dairy factories in Tākaka and Brightwater). These industries rely on the road network to transport raw materials to their factories and their products through Richmond and on to Port Nelson.

We discuss this further under the Key Assumptions section of this Strategy.

CLIMATE SUMMARY

Across Tasman, dry spells of more than two weeks are quite common, particularly in eastern and inland locations. Tasman's temperatures are mild compared with most parts of the country, due to proximity to the sea. This causes a relative lack of extreme high and extreme low temperatures. Temperatures exceeding 30° Celsius are rare in coastal areas. Frosts are quite common in the cooler months, but they occur less frequently than in most other South Island locations. Tasman is renowned for receiving a great deal of sunshine, with average annual sunshine hours (approximately 2,400 hours) among the highest recorded in New Zealand.

The region is situated in the latitudes of prevailing westerlies, and parts around the north-western tip (e.g. Farewell Spit) often experience strong winds, but the winds are lighter elsewhere.

Rainfall is fairly evenly distributed across the year, although February and March are typically the driest months of the year whereas the wettest months are observed in winter or spring. Parts of the Tasman Mountains receive more than 6,000 mm of annual rainfall. Nelson and the Waimea Plain are the driest areas of the region and are well sheltered from rain-bearing systems arriving from the west and south. Here, annual rainfall totals of approximately 1,000 mm are recorded.

The impacts of climate change are discussed later in this Strategy.

Map of
Tasman District

INFRASTRUCTURE STRATEGY

INFRASTRUCTURE

The District is served by:

- 19 water supply schemes, including 15 water treatment plants, 28 pump stations and 802 km of reticulation.
- 9 wastewater networks including 7 wastewater treatment plants, 80 pump stations and 391 km of reticulation.
- 222 km of piped stormwater network and 42 km of maintained streams.
- 1,920 km of roads, 511 km of footpaths, walkways and cycleways, and 557 bridges.
- 285 km of major rivers spread across six main river catchments: Waimea (including 19.5 km of stopbanks), Motueka (including 39.5 km of stopbanks), Tākaka, Riuwaka (including 8.25 km of stopbanks), Aorere, and Buller.

LINKS WITH OTHER DOCUMENTS

FINANCIAL STRATEGY

Alongside this Strategy, we also prepare a Financial Strategy. Our Financial Strategy outlines our financial vision for the next 10 years and the impacts on rates, debt, levels of service and investments. The Financial Strategy guides our future funding decisions and, along with this Strategy, informs the capital and operational spending for Tasman's 10-Year Plan 2024 – 2034.

Infrastructure expenditure forms a large proportion of our spending, being 41% of operational expenditure and 81% of capital expenditure over the next 10 years. Consequently, the Infrastructure Strategy and Financial Strategy are closely linked ensuring the right balance is struck between providing the agreed levels of service within the agreed financial limits.

The cost-of-living increases and the cost pressures impacting the community have meant we have had to carefully consider the range and levels of service to provide. As part of the 10-Year Plan 2024 – 2034 process we have applied a risk/opportunity matrix to all our budgets. This assessed each budget against the following factors:

- Impact on the quantity and/or quality of service to the community.
- Opportunity to achieve savings or access external funding.
- Long-term asset degradation and intergenerational funding implications.
- Loss of community confidence in the Council.
- Meeting legislative requirements and consequences of failing to do so.
- Community public health and health and safety for staff or contractors.
- Information/data security.
- Business continuity and resilience.

The detailed results of the assessment were used to categorise work into those things we must do, those that we should do and those that are desirable, but of lower priority. 89% of what we do was categorised as 'must do' and these have been included in the draft programme for the 10-Year Plan 2024 – 2034. In addition, there were a few areas of work considered to be 'should do' that provide services which are highly valued by the community and we have decided to continue to provide.

In addition to the debt and rates implications of the planned capital programme, we have considered our ability to deliver on it. There are limits (beyond finance) that limit how many capital (or the value of capital) projects we can deliver in any one year.

The pressure on the Council's finances and the limited capacity to deliver more means there is very little scope to add further work to the infrastructure programme within the next five years.

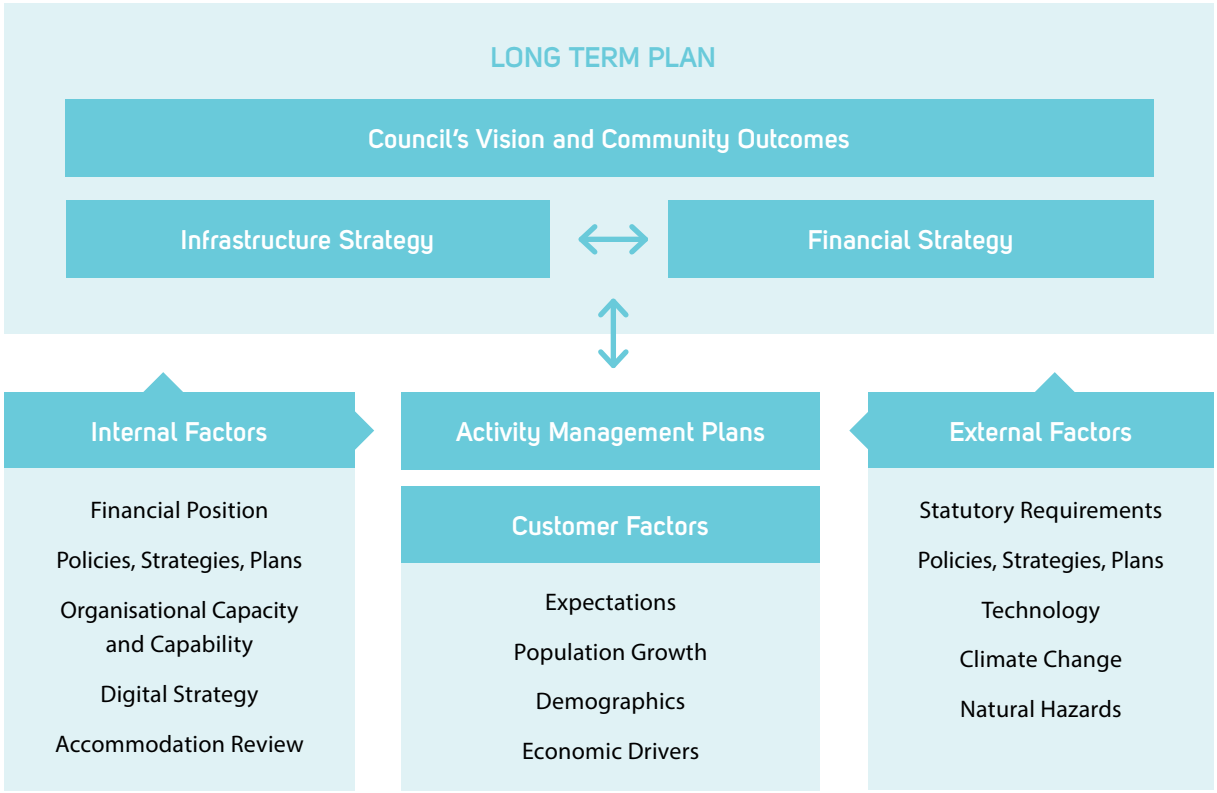
"Meeting community expectations while managing finances."

INFRASTRUCTURE STRATEGY

Linkages

Multiple factors influence how Council plans and manages its assets. These factors can be grouped into three broad categories, described in Figure 2 below.

Figure 2: Strategic linkages and factors affecting infrastructure planning



KEY INFRASTRUCTURE ISSUES AND PRIORITIES

POPULATION GROWTH CREATING DEMAND FOR INFRASTRUCTURE

Population growth and demographics

Tasman is one of New Zealand's sunbelt regions and is generally noted for its mild winters, frequent sunny skies, and growing economic opportunities. This is a key drawcard and one of the leading reasons why Tasman is a desirable place to live.

We update a Growth Model to inform our plans to provide for growth with sufficient infrastructure and zoned land in the right location at the right time. From this we can estimate demand for new homes and business land. The outcomes of our growth modelling are discussed below and further information can be found in our Growth Model summary document – Tasman Growth Projections 2024–2054.

Figure 3 below shows the rate of estimated population growth as well as a range of projections for population growth into the future. It shows that Tasman's resident population has continuously grown since 2003, with a noticeable increase in the rate of growth since 2013.

We expect the overall population of Tasman to increase by 7,400 residents between 2024 and 2034, and to reach 67,900 based on the medium projection scenario. We expect ongoing population growth in Tasman over the next 30 years, but the rate of growth will slow over time. Under the medium scenario, the Moutere-Waimea, Richmond, and Motueka Wards are projected to experience the greatest growth in population. A high proportion of the population growth is occurring as a result of people moving to the Tasman District.

In 2023, the percentage of Tasman's population aged over 65 years was 23%. Within 30 years, we estimate the percentage of Tasman's population aged over 65 years to be 27%. We need to consider and plan for a larger portion of the population that is likely to be on a fixed income and may experience personal mobility challenges. This is likely to cause an increased demand for high quality pedestrian facilities and alternative modes of transport. An ageing population also means the composition of Tasman's households is changing, with an increase in one or two person households. Tasman's projected age structure is shown in Figure 4 on the following page.

Figure 3: Tasman District's population estimates and projections

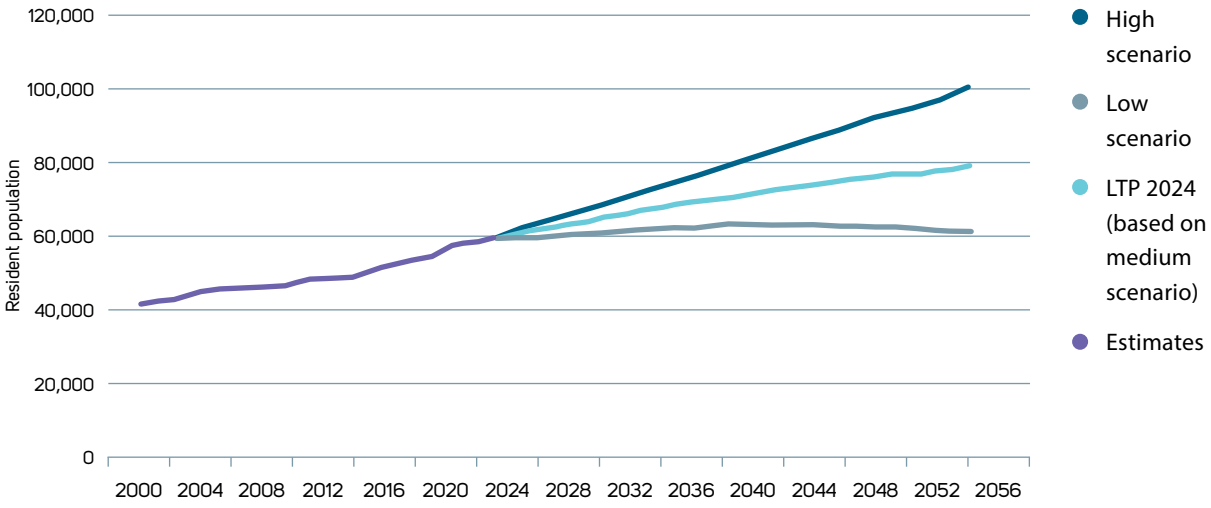
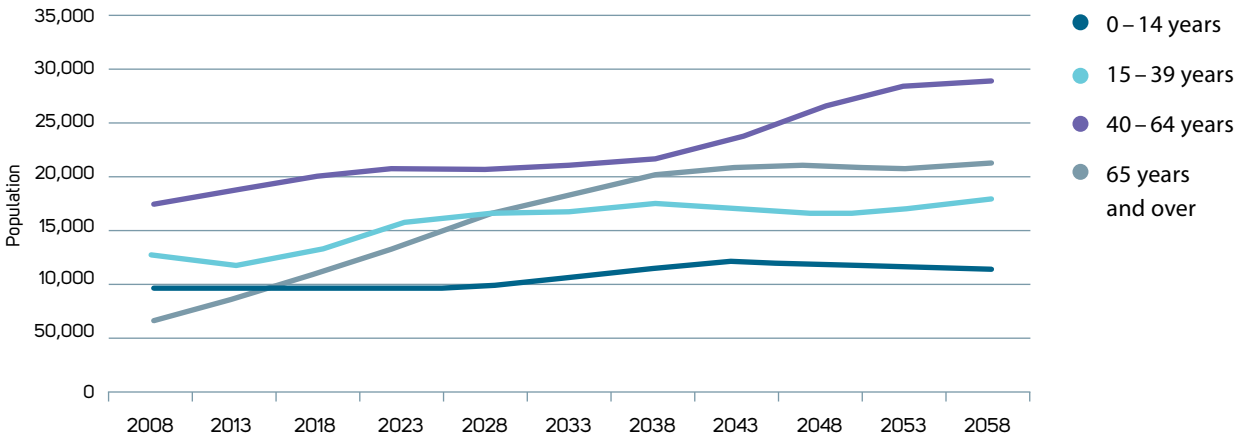


Figure 4: Tasman District's population projections by age group



Demand for new infrastructure

More people means demand for more homes. Tasman is the third least affordable region in the country (behind Auckland and Bay of Plenty) taking into account the cost of borrowing, as well as house price and wage levels (Massey Home Affordability Index).

Most homes built in Tasman connect to our infrastructure services – water supply, wastewater, stormwater, and the road network. Using our population projections, along with household size, we forecast that just over 4,200 new homes will be built within the next ten years, and a further 7,450 between 2034 and 2054.

The ongoing construction of new homes creates the need for us to construct new, or upgrade existing, infrastructure.

It is important to note that even if no new people shift to Tasman, the structure of our existing population is ageing. This is driving a reduction in the number of residents per household. That means that if no new people arrive in Tasman there is likely to still be some demand for more houses.

Since 2015, actual growth has surpassed what we had expected, using up considerable amounts of available infrastructure capacity. The combination of this and the projected population increases, and demographic change creates the need for significant investment in growth infrastructure.

Table 1 below summarises the estimated number of new homes required within Tasman in the next 30 years.

Overall, we have planned to meet demand across the District. However, we anticipate there is unlikely to be enough supply in Brightwater and Wakefield within the next 10 years, and not enough in Motueka for the next 30 years.

In Brightwater and Wakefield, this is due to infrastructure constraints. These constraints will be lifted once the Waimea Water and Wastewater Strategy improvements are complete, enabling access to more and better quality source water provided by the Waimea Community Dam and providing sufficient trunk wastewater capacity.

Table 1: Projected new homes in Tasman

SETTLEMENT	YEARS 1 TO 10	YEARS 11 TO 30
Richmond	1,460	2,440
Motueka	330	900
Brightwater / Wakefield	430	1,200
Māpua / Ruby Bay	290	770
Moutere	600	930
Golden Bay	400	330
Lakes-Murchison	190	130
Other	530	750
Total	**4,230**	**7,450**

INFRASTRUCTURE STRATEGY

In Motueka, development is constrained by a combination of infrastructure servicing and zoning. We are planning sufficient infrastructure servicing in Years 1 to 20 to enable development of residential land in Motueka, especially the western side of High Street. However, development in the other parts of Motueka will remain limited, due to natural hazards in the east and a preference to avoid expansion into productive land on the outskirts of Motueka.

To offset the undersupply in Brightwater and Wakefield, we have assumed a higher rate of development in Richmond in the short to medium term. To offset the undersupply in Motueka, we have assumed a higher rate of development in Richmond and Māpua for Years 1 to 30.

The National Policy Statement on Urban Development (NPS-UD) also requires councils to provide an additional margin of feasible development capacity in urban areas. This additional margin is 20% above the projected demand for the next ten years, and 15% above the demand projected for the following 20 years. Under the NPS-UD, Nelson and Tasman is a combined urban area. The two Councils have agreed that the urban environment for Nelson and Tasman comprises Richmond, Brightwater, Wakefield, Māpua and Motueka – in Tasman, and in Nelson – the city itself and all suburbs, extending to Hira and Cable Bay. Our assessment of the development capacity in the urban environment of Tasman indicates that we will meet the NPS-UD's requirement for the additional margin of feasible development capacity in the short term (Years 1 to 3) but will not have sufficient capacity in the medium term (within 10 years). This is assessed in detail in the Housing and Business Capacity Assessment provided as supporting information for the 10-Year Plan.

CLIMATE CHANGE AND NATURAL HAZARDS

Our District is vulnerable to extreme weather events and other geological hazards which can cause significant unplanned repair works and capital costs. While we design and build our infrastructure assets to be resilient to storm and other hazards, we are often faced with having to carry out repairs due to severe events occurring.

Tasman District comprises a diverse landscape ranging from flat coastal lowlands and intensively used (predominantly horticulture and farming) alluvial flood plains, to large, sparsely populated, steep mountainous areas. The District has several major rivers traversing it, including the Aorere, Buller, Motueka and Tākaka rivers that pass close by townships. The geology is relatively complex and varied with numerous active fault systems. These include the Waimea Flaxmore fault system, which runs through urban areas of Richmond, and the Alpine/Wairau Fault that passes through the Nelson Lakes area at the south of the region.

Tasman District is susceptible to a wide range of hazards and has over time felt the impact of natural hazards such as earthquakes, landslides, floods, coastal erosion and inundation, drought and wildfire. Many hazards originate from within the District, but there is also potential for the area to be affected by hazards generated from outside the District's boundaries, or hazards that affect multiple regions, for example, an Alpine Fault earthquake or tsunami.

For the purposes of this Strategy, these natural hazards have been categorised into three broad areas:

- flooding and land instability
- earthquakes, liquefaction and tsunami
- coastal erosion and inundation.

We also assume that the effects of climate change will cause a change in the intensity and frequency of flooding, coastal erosion, and inundation. We discuss the nature of these changes within the following sections.

Flooding and land instability

Tasman District has experienced a number of extreme weather events in recent years. Major damage to property and infrastructure has occurred as a result of these extreme weather events. This has come at a significant cost to Council and the communities. Cyclone Gita (2018) is an example of how extreme rainfall can result in surface water flooding, debris flows and landslides. Tasman experienced some damage and disruption from the heavy rainfall in event in August 2022 but was less badly affected than its neighbour, Nelson. Climate change will increase the frequency and severity of weather-related natural hazards events.

The performance of the Council's flood control and stormwater assets during rainfall events can have an impact on the amount of damage sustained by both public and private property. Major events, like Cyclone Gita and the rainfall events in 2021 and 2022, placed the spotlight on the performance of these assets and the community's level of service expectations often increase following such an event.

The Ministry for Environment's climate change advice suggests that rainfall patterns are likely to continue to change going forward. We expect there will be more frequent, more intense river flooding and direct rainfall flash flooding of communities and businesses, with knock-on consequences to people and the economy.

With the changing rainfall patterns, we also expect to experience longer periods of no rainfall – increasing the time in which drought conditions will be present. We expect this to be more so in the eastern part of the District, as was experienced during December 2017 and January/February 2020. Increasing periods of drought will place increased pressure on our water sources, meaning that we can expect to see greater rationing and have difficulty supplying the growing population, particularly in the Waimea Basin. This should be mitigated to a significant extent by the Waimea Community Dam. Drought and wildfire increase the potential for accelerated erosion primarily through its effects on vegetation and soil.

Earthquakes, liquefaction and tsunami

Tasman lies within a seismically active zone, with both the Alpine Fault and Waimea Flaxmore Fault System traversing through the south-eastern part of Tasman. The Alpine Fault is the most active, with evidence of repeated movement (rupture) occurring over the last 8,000 years.

Earthquakes happen with little or no warning.

Past events such as the Kaikōura earthquake demonstrated how communities can be immediately isolated and the challenges of reinstating access and services to those communities. In the event of a major rupture, it is reasonable to expect the Nelson Tasman region to be isolated from other parts of New Zealand for an extended period, potentially many months.

Fortunately, Tasman District has not experienced major disruption from earthquakes in recent times. However, the potential for a major fault rupture is present. The last rupture of the Alpine Fault is estimated to have occurred in 1717.

The probability of the Alpine Fault rupturing again within the next 50 years is in the order of 75%.

Figure 5: Active faults in or near the Nelson Tasman region

The rupture may produce one of the biggest earthquakes since European settlement of New Zealand, and it will have a major impact on the lives of many people as well as catastrophic consequences for infrastructure.

The Nelson Tasman Civil Defence Emergency Management Group has ranked rupture of the Alpine Fault as presenting the highest risk to the Nelson Tasman region.

Tasman's river, estuary and coastal margins are also vulnerable to liquefaction, which is likely to occur as a result of significant earthquake shaking. Liquefaction can result in the ejection of liquefied material to the surface (sand boils), subsidence and lateral spreading and loss of bearing strength (i.e. ability to support building foundations). This in turn can cause significant damage to land, buildings, infrastructure (particularly underground services) and the environment, as well as economic and social disruption.

An offshore fault rupture or land movement can generate a tsunami as well as ground shaking. There are three distinct types of tsunami: distant, regional and local. A local tsunami is likely to arrive with little to no warning following an earthquake that ruptures the sea floor. In Tasman, tsunami is a low frequency, but high consequence hazard. The Nelson Tasman Civil Defence Emergency Management Group has identified local sourced tsunami as high risk and priority for the Nelson Tasman region, whereas both regional and distant tsunami are considered to be moderate risk and priority. Tsunami can have devastating effects on above ground public and private infrastructure. In the event of a local tsunami there is likely to be extensive damage to Council's roads, pump stations and treatment plants that are in low-lying areas near the coast.

Coastal erosion and inundation

Coastal erosion and inundation are ongoing issues within the Tasman District. An example of this was in February 2018 when we experienced the effects of coastal erosion and inundation to some parts of the Tasman District. During Cyclone Fehi, coastal flooding occurred, with some residents and private properties suffering significant erosion and inundation. The worst hit areas were Ruby Bay, Rabbit Island, Jackett Island and edge of the estuary around Lower Queen Street. Coastal erosion also damaged roads and pathways adjacent to the coast.

Climate change advice from the Ministry for Environment estimates that sea levels in Tasman could rise in the order of 2m by 2130 (based on SSP-8.5 climate change scenario and vertical land movement). We are likely to experience the following effects as sea levels rise:

- more frequent, more severe coastal flooding of coastal communities, infrastructure and businesses and knock-on consequences for health, well-being and economy
- saltwater incursion into freshwater habitats and waterbodies
- increased coastal erosion
- there could be changes in the cost and availability of insurance; and
- there may be migration of people inland from coastal and low-lying communities.

In 2020, we prepared a Coastal Risk Assessment, which helps us to understand Tasman Bay and Golden Bay's vulnerability to coastal storm inundation and sea level rise considering different sea level rise scenarios. The assessment identifies assets, property, infrastructure and facilities (known as 'elements at risk') that may be vulnerable, using readily available datasets. From this work, we estimated 8,400 people are located in low-lying coastal areas that are vulnerable to coastal storm inundation and sea level rise. Approximately 5,000 of those people are located in the Motueka – Riwaka coastal area, followed by 1,000 people in the Māpua – Ruby Bay coastal area. Motueka is Tasman's largest town that will be affected by coastal storm inundation and sea level rise. The cost to repair damage, or to replace or relocate over the longer term will be significant. Infrastructure in low lying areas, such as pipes, pump stations, treatment plants, roads and footpaths could be vulnerable to coastal erosion and inundation.

A Nelson Tasman Regional Climate Change Risk Assessment tool is currently being prepared which will consider climate-related risks to our area and will be used to inform our functions including risks to our infrastructure.

INFRASTRUCTURE STRATEGY

PUBLIC AND ENVIRONMENTAL HEALTH RISKS

We build and operate infrastructure to provide essential services and to improve the well-being of Tasman's communities. Sometimes, if these assets are inappropriately managed, it can have a negative impact on public health or the environment.

In other parts of New Zealand asset failure has resulted in significant harm to communities. Examples include sickness due to contaminated drinking water supplies and flooding due to stopbank failure. This has reinforced the need to ensure our infrastructure is well maintained and operated, and to learn from the mistakes of others. A standout issue for Tasman is the challenge of providing water supplies that meet the Drinking Water Quality Assurance Rules. Currently, the main non-compliance with these Rules is that our rural supplies do not have barriers against protozoa contamination. To achieve compliance with these Rules, these supplies will need upgrading with treatment that is capable of removing protozoa.

As well as looking after the health of the Tasman community, we must also protect the health of our environment. Sometimes there are negative effects on the environment that were created inadvertently through the provision of infrastructure. This can include wastewater overflows and contaminated stormwater. The Resource Management Act and National Policy Statement – Freshwater Management place obligations on Councils to ensure natural environments are protected.

AGEING INFRASTRUCTURE

We are responsible for managing $1.8 billion worth of infrastructure assets. These assets have a finite period in which they will suitably operate. We refer to this as an asset's 'useful life'. Once the useful life of an asset is reached, the asset will usually require renewal or replacement. The useful life of assets varies significantly, from 10 years for signs or road chip seals, up to 100 years for bridges and pipes. Much of Tasman's infrastructure was built between circa 1950s and the 1980s. To date, this has meant that we have has largely had to renew assets with relatively short useful lives. Most of the longer life assets are yet to be renewed.

Figures 6 to 9 (on pages 117 and 118) show the long-term renewal investment required based on the expected asset life for our bridges and pipes. We need to be very mindful of these types of assets when forecasting future renewal needs because they will generate the most change in the demand for renewal investment. However, this is most relevant beyond the period of this Strategy. For the period of the Strategy, we expect the renewal of short life assets to continue much the same as recent times, effectively creating a stable baseline for renewal investment that bridges and pipes will add to in the future. We need to plan well ahead of time in order to manage and fund this big step up in renewal activity.

Figure 6: 100 year bridge renewal profile – uninflated as at 30 June 2023

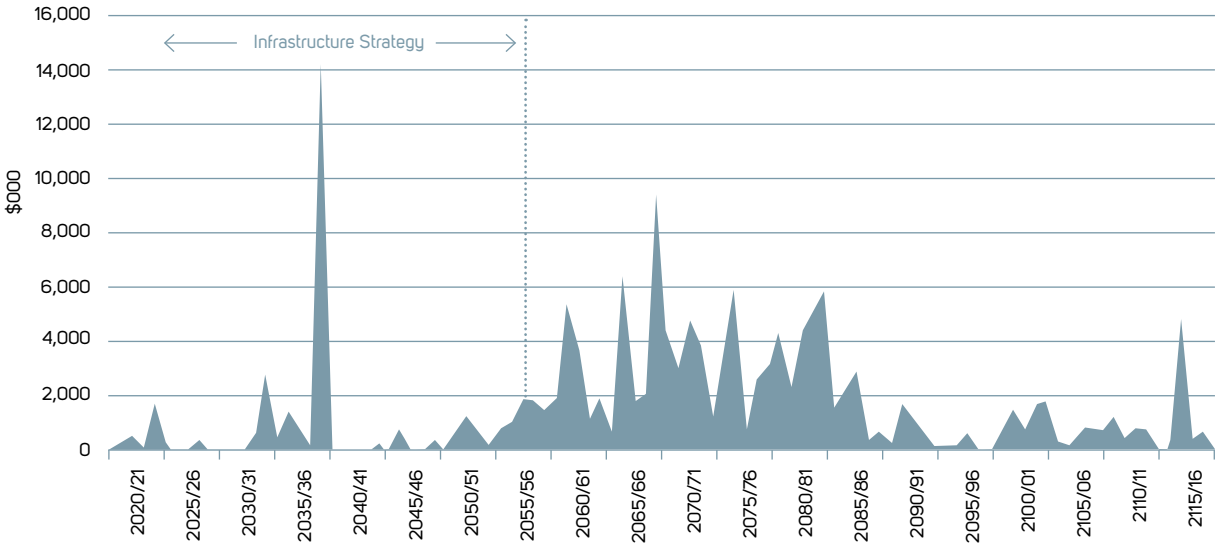


Figure 7: 100 year water pipe renewal profile – uninflated as at 30 June 2023

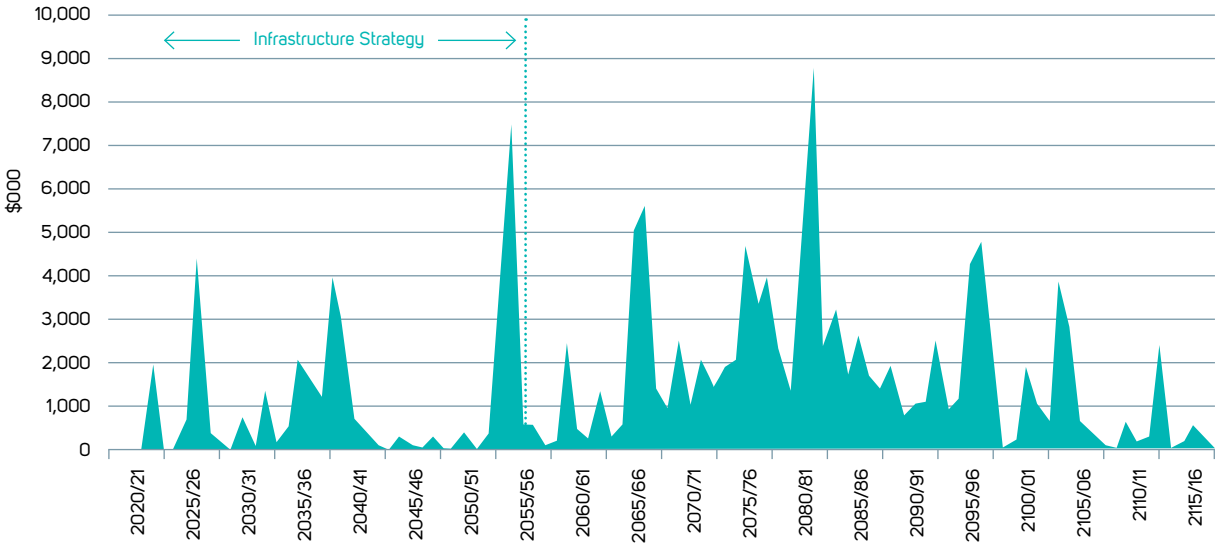


Figure 8: 100 year wastewater pipe renewal profile – uninflated as at 30 June 2023

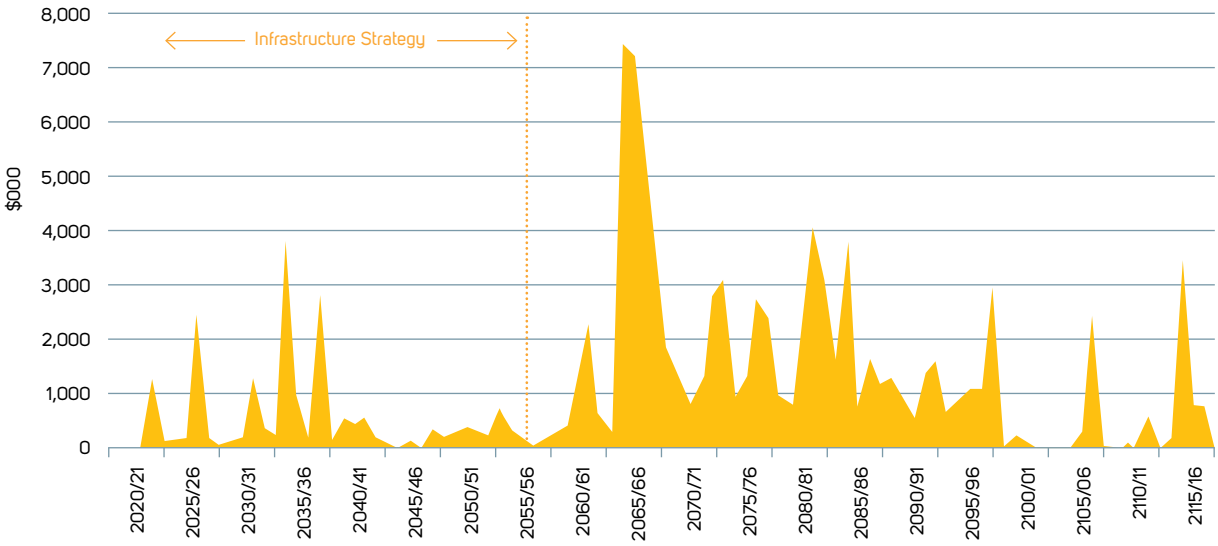
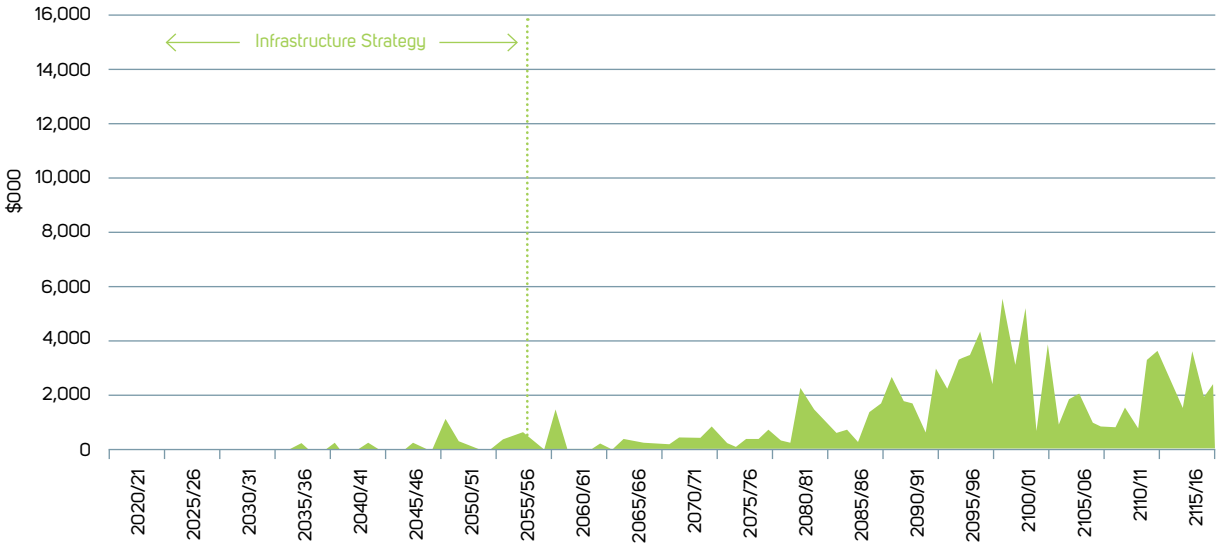


Figure 9: 100 year stormwater pipe renewal profile – uninflated as at 30 June 2023



INFRASTRUCTURE STRATEGY

OUR INFRASTRUCTURE PRIORITIES

Our continued Strategic and Infrastructure Priorities are outlined in the diagram below. Each of the Infrastructure Priorities are discussed below.

Providing safe and secure infrastructure services

Providing safe and secure infrastructure services is paramount. We plan to provide public water supplies that are safe to drink, a transport network where people feel they can move safely, and public assets that are safe to use. Not only do our infrastructure services need to be safe and available now, but they also need to be secure into the future. We plan to provide secure services and avoid significant disruptions. For example, water takes for public water supplies should be enduring and have a low risk of being unavailable.

Providing infrastructure services that enable our community to grow

We will continue to enable growth through the development of trunk and main infrastructure. As Tasman grows, we expect the density of our urban populations to increase and there to be significant advancements in technology. This will place a changing demand on our infrastructure networks, at the same time as presenting opportunities to optimise the use of existing assets through smarter operational procedures.

Planning, developing and maintaining resilient communities

Infrastructure resilience is the ability to reduce the magnitude and/or duration of disruptive events. The effectiveness of resilient infrastructure depends upon its ability to anticipate, absorb, adapt to and/or rapidly recover from a potentially disruptive event. For Tasman's communities to cope well with change and disruption, they must be resilient.

Resilience will not be achieved through our actions alone. We will need to work together with other organisations such as the Nelson Tasman Civil Defence Emergency Management Group, iwi and residents to effectively build resilience and plan for recovery.

Sustainable management of our existing assets and environment

We cannot lose sight of the importance of maintaining our existing assets or the need to continue to protect Tasman's natural environment. If we do not put the right level of effort into looking after what we have now it can have a significant impact on what future generations experience and need to pay for. With built assets, we plan to invest in renewal and maintenance at an optimised level. Too little investment in renewals could see more assets becoming run-down, costing more to maintain and increasing whole-of-life costs. Too much investment in renewal and we would not achieve the best value we could from assets by prematurely replacing them, again increasing whole-of-life costs.

KEY ASSUMPTIONS AND UNCERTAINTIES

There are factors outside of our control that can change, affecting our ability to do what we have planned. Sometimes the impact can be significant. There is always uncertainty in any planning process, but the key to good quality planning is to make clear assumptions to help address this uncertainty. In this section, we have set out the key assumptions and uncertainties that relate to the provision and management of infrastructure.

GROWTH

We cannot be certain what the actual rate of population and business growth will be. There are local, national and international factors that affect the actual rate of growth, either speeding it up or slowing it down. Some of these factors include employment opportunities and immigration policies. For planning purposes we have assumed that population growth will be medium, as set out earlier in this Strategy.

If growth is slower than assumed, we may be able to defer some infrastructure upgrades associated with providing increased capacity. Where upgraded infrastructure is already in place to provide for future growth, it may take longer to pay off the debt associated with the works. This is because development contribution income will also slow. The increased financing costs associated with this will be incorporated into future development contribution charges.

If growth occurs faster than assumed, we may need to advance planned upgrades or consider unplanned infrastructure to provide additional capacity sooner. We may need to reprioritise other works to ensure we maintain a programme of work that is affordable within existing financial caps (in our Financial Strategy) and also deliverable. If this occurs, development contribution income is also likely to increase, meaning that debt associated with growth will be repaid more quickly.

EXPECTED LIFE OF ASSETS

We cannot be certain how long each individual asset will last. Even if assets are made from the same material, it is unlikely that they will age and perform the same as each other. Factors such as installation methodology, operating conditions, wear and tear, and manufacturing defects will affect how long each individual asset will actually last before needing replacement. To address this uncertainty, we assign an average expected life for types of assets to assist with renewal planning.

We generally use average asset life expectancy to estimate future renewal requirements. Actual asset condition and performance has only been incorporated for assets that have shown clear signs of premature failure. For transportation assets, we use a mix of average asset life expectancy, asset condition and performance.

Our infrastructure asset data reliability is generally B grade. This means that the data used to determine our renewal forecasts has an uncertainty of approximately 15% and that renewal needs in any year could vary to this extent. Some assets will fail before reaching the end of their expected useful life, and some will last longer. We have assumed that we will be able to manage this variance within our budgets by annually prioritising renewals.

STATUTORY CHANGES AND THREE WATERS REFORMS

Central Government often enacts new statutory requirements that affect Councils and the delivery of their services. We cannot be certain when these changes will take place or of the scope of changes until they are confirmed by Central Government.

Since the last Infrastructure Strategy was developed the situation regarding the three waters (wastewater, stormwater, and water supply) has changed due to the proposed Affordable Waters Reforms. We are awaiting the confirmation from Government on whether this will occur and to what level for Tasman District Council. We expect more clarity on how, if any reforms will be required, by mid-2024. In the meantime, we have assumed that we will continue to own and provide wastewater.

INFRASTRUCTURE STRATEGY

CLIMATE CHANGE AND NATURAL HAZARDS

We acknowledge the high level of uncertainty associated with climate change predictions but assume that it is not possible to reduce mid-century warming, due to the amount of greenhouse gas emissions already accumulated in the atmosphere and will be applying different climate change scenarios depending on the context. For infrastructure planning we assume the RCP 8.5 or SSP5-8.5[3] scenario which represents the worst case for impacts, to avoid the risk of having to replace undersized infrastructure or abandon buildings or subdivisions.

We also assume sea level rises will continue to rise at an accelerated rate and that for low lying coastal land there will be increasing inundation and erosion from sea level rise and storm surge.

Damage from natural hazard events such as earthquakes, floods, slope failures, strong winds, or fires, is expected to occur over the next 10 years. We assume 60% of repairs to underground assets will be funded by Central Government and 51% of repairs to roading assets funded by NZTA.

SCOPE RISK AND PROGRAMME DELIVERY

When developing this Strategy and the associated work programmes, we needed to estimate how much to budget for each project. Often, we cannot be certain what the actual costs or scope of projects will be because the design is yet to be completed. We typically have more confidence in the cost and scope of projects that we have planned within the first three years. After this, our estimates are usually based on simple concept designs.

An added level of uncertainty arises from the risk of pandemics and international conflicts, and more recent conflicts in Europe and the Middle East, and the impact of these on the global trade market. These may affect our local contractors and suppliers and their ability to secure plant and materials for our projects. We have assumed this may create minor project delays, but that necessary plant and materials will still be available.

To address these uncertainties, we have incorporated funding of scope risk into capital project budgets.

The amount of scope risk included is 10% of the project estimate. It is likely that all individual projects will need the full amount of allocated scope risk funding, however in reality there will be some under and overspending.

It is also unrealistic to assume that we will deliver all of our projects on time. There are often delays associated with land access and consenting, supply of products, staffing shortages and other unforeseen issues that prevent us achieving on time delivery for some projects.

For the water, wastewater and stormwater activities, we have made an overall downward adjustment to the total capital programme of 10% per year. This adjustment accounts for uncertainties in scope risk and programme delivery. By including this adjustment, we avoid over-funding the activities. Where we have applied the 10% adjustment, we refer to this adjusted budget as the total funded capital programme.

POST THE GLOBAL PANDEMIC

The global pandemic, whilst declared over in May 2023, has affected all our lives since its appearance in 2020. The borders opened again in late July 2022 and we have seen overseas migrants and workers returning to the Tasman District. This has allowed horticultural businesses that rely on seasonal labour for harvest, and our tourism sector to restart.

Since the middle of 2022 New Zealand has witnessed the impact of the soaring cost of living crisis. This is an ongoing concern for the Council and has been a constant consideration throughout development of the 10-Year Plan 2024 – 2034 and its Infrastructure Strategy review.

It is important that we continue to invest in the District and provide services. This spending helps to fuel the economy and acts as a buffer against increasing unemployment. We have taken advantage of additional Government funding opportunities to boost jobs and undertake projects that contribute to Thriving and Resilient Tasman Communities.

Covid-19 presented added uncertainty in our planning process. The most notable for infrastructure was its impact on population growth. We have not changed our population assumptions in response to Covid-19. The current housing market and economy are good indicators that our assumptions are appropriate. If Covid-19 does have an impact on population growth, the scenarios discussed above under growth will be applicable.

3. RCP = Representative Concentration Pathways [How future greenhouse gas concentrations will change].
SSP = Shared Socioeconomic Pathway [Projected socio-economic changes up to 2100].

HOW WE WILL MANAGE OUR INFRASTRUCTURE ASSETS

This section outlines how we plan to enable the development of new homes and businesses across Tasman, the on-going need to renew assets, and opportunities to improve levels of service, public health, the natural environment and resilience.

ENABLING GROWTH

Infrastructure is essential for growing communities. We estimate that there will be 11,700 new homes built in Tasman within the next 30 years. Approximately 60% of those homes will connect to our infrastructure. They will need water supply, wastewater collection and disposal, and will generate more stormwater runoff and traffic movements. This demand adds pressure to our existing infrastructure networks and systems. Within some parts of our networks, there is capacity for new homes to connect. In others, the network is full and new or enlarged infrastructure assets are required. We use population projections, housing and subdivision trends, and asset and network information to determine where and when infrastructure upgrades are required.

The majority of our growth is occurring in urban areas, mostly in greenfield or undeveloped areas but also some intensification. This usually requires new infrastructure in order to extend our networks into those areas. The recent demand for new homes, coupled with land supply and infrastructure constraints, is contributing to increasing house prices. Housing is fundamental to the well-being of Tasman's communities and we have prioritised investing in growth infrastructure to help ease the strain in the housing market.

For the past three years, Tasman has experienced rapid growth, particularly in Richmond. We have undertaken a series of upgrades in Richmond and Māpua to enable subdivision development to proceed. In Motueka, Brightwater, and Wakefield some subdivision has proceeded using up most of the available capacity. In those areas, upgrades are underway in order to enable further development.

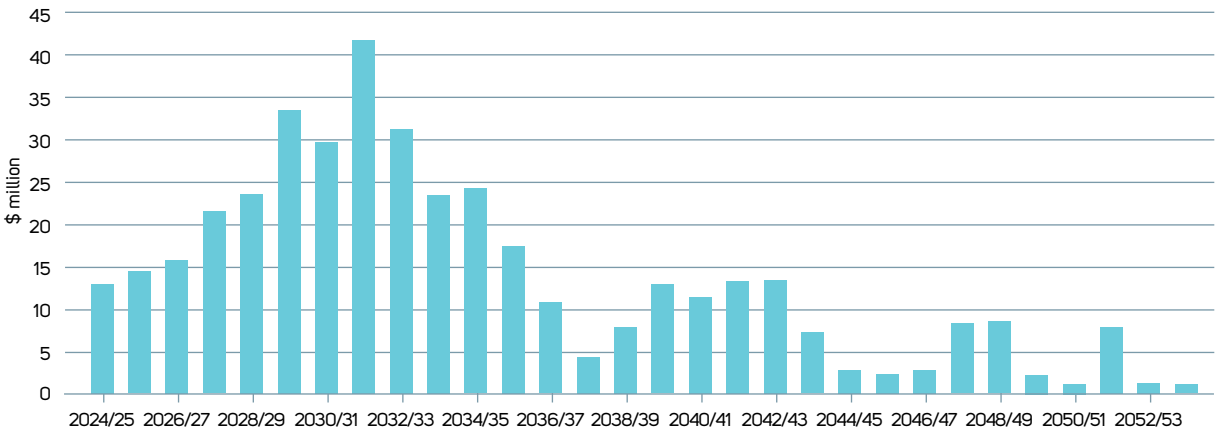
We have planned to only provide trunk and main infrastructure for growth areas where more than one development is served. The programme of work that supports this Strategy has been prepared to support growth across the district for the next 30 years.

Figure 10 shows the total planned investment in growth infrastructure for the next 30 years.

We will use development contributions to fund the growth costs shown in Figure 10. For more funding information, refer to our Development and Financial Contributions Policy and Revenue and Financing Policy.

We plan to enable growth within Tasman by investing $409 million in growth related infrastructure upgrades over the next 30 years.

Figure 10: Total growth expenditure for infrastructure for the next 30 years



INVESTING IN ASSET RENEWAL

We generally plan the rate of renewal investment for water, wastewater, stormwater, and rivers assets based mainly on the age of the assets and their expected useful life. We have made exceptions where assets have performed poorly and these have specifically been programmed for early replacement. For water supply pipes, we have estimated the expected useful life for different pipe materials using pipe failure trends from across our own network. For roads, we use age, condition and demand data to predict an optimised programme of renewal. Our roads have been degrading in recent years and we have increased the budgets for road maintenance in the 10-Year Plan 2024 – 2034 to address this deterioration. Figure 11 shows the total planned investment in renewal of infrastructure assets for the next 30 years. As highlighted earlier in this Strategy, our infrastructure renewal need is projected to significantly increase beyond the period of this Strategy. This will likely present a funding challenge in approximately 50 years' time.

We have planned to progressively fully fund depreciation (i.e. the wearing out of assets as it occurs) through rates and other income streams by 2030. Over the next 30 years, funding of depreciation generally exceeds our immediate asset renewal needs. This means that there is an excess of depreciation funding that we can use to manage our cash position as a whole, helping to reduce debt.

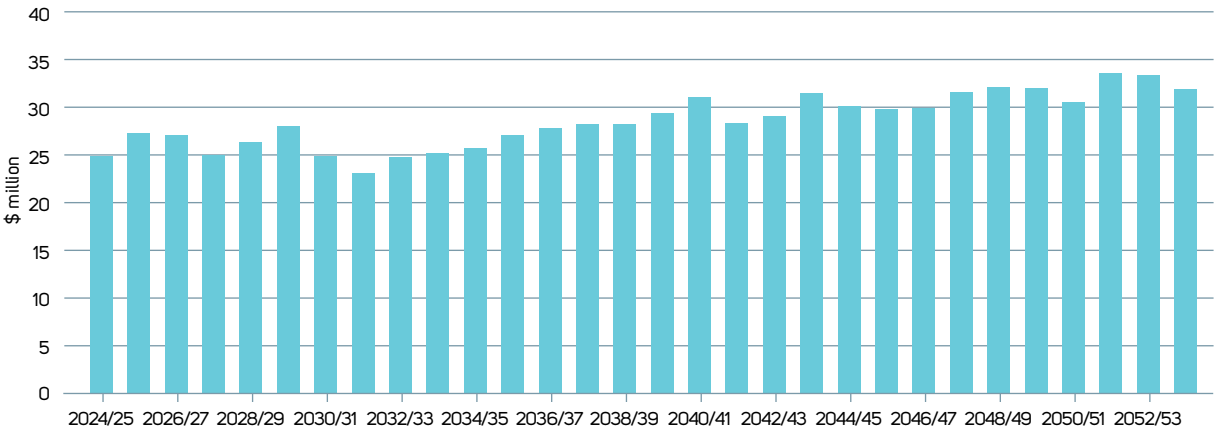
In the long term, we expect that asset renewal needs will exceed the funding that we collect for depreciation. When this occurs, it is likely that we will need to fund asset renewals through a mix of depreciation funds and borrowing.

We have decided to slow down the funding of depreciation by adding an additional five years to the target of 2025. The reason it was extended to 2030 was due to the impact of large revaluation increases and resulting increase in depreciation. Phasing these impacts in allows us to smooth the impact on rates.

We plan to undertake more mature renewal planning over the next three years to better understand this issue and consider the associated potential effects on our future borrowing requirements.

We plan to renew $859 million worth of assets over the next 30 years in order to maintain the overall condition of our infrastructure networks.

Figure 11: Total renewal expenditure for infrastructure for the next 30 years



MANAGING LEVELS OF SERVICE

Levels of service are what we have agreed to deliver for, and on behalf of the community, and they describe the service from the customer's perspective.

Levels of service are set through Tasman's 10-Year Plan, sometimes in response to community desire, and sometimes in response to statutory requirements.

Due to our self-imposed financial limits, there is little scope for us to significantly increase level of service targets over the next 10 years. We have had to focus investment on meeting existing level of service targets and making improvements due to statutory requirements.

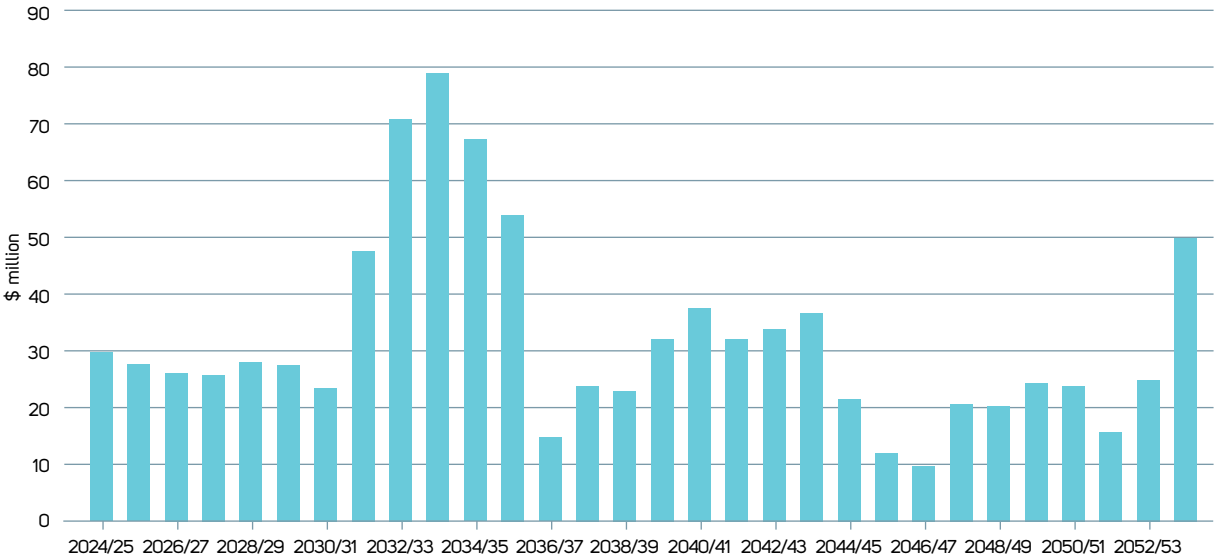
The following table summarises where we have planned works in order to achieve agreed level of service targets. A full list of our agreed levels of service are in Tasman's 10-Year Plan 2024 – 2034 Group of Activities Summary, and some additional technical measures are included in our Activity Management Plans.

Figure 12 (on page 125) (total LOS) shows the total planned investment in level of service improvements for the next 30 years.

Table 2: Level of Service changes

ACTIVITY	TYPE OF CHANGE	DESCRIPTION
Water	Improve compliance with Drinking Water Quality Rules	Invest in meeting the requirements of the Drinking Water Quality Assurance Rules.
	Reduce water loss from the network	Invest in proactive leak detection and repairs, and on-going pipe renewal.
	Complete the investment in the Waimea Community Dam	Provide for water security for urban and rural water users.
Wastewater	Reduce incidences of wastewater overflows into waterways	Invest in pipe and pump station upgrades.
	Improve network resilience	Invest in additional storage and standby electrical generation.
Stormwater	Maintain focus on mitigating flooding of habitable floors	Prioritise investment in network upgrades that mitigate flooding of habitable floors rather than nuisance surface water flooding.
Transportation	Increase the number of people using cycling and walking as a mode of transport	Invest in improved cycling facilities.
	Increase the number of people using public transport	Invest in expanded public transport services.
	Increase the length of sealed road resurfacing	Increase investment in routine road resurfacing.
Rivers	Restore the agreed level of service of the Motueka River stopbanks	Invest in reconstruction and strengthening of priority areas of stopbank.

Figure 12: Total Level of Service expenditure for infrastructure for the next 30 years



MAINTAINING PUBLIC AND ENVIRONMENTAL HEALTH

Through the provision of infrastructure, we have influence and effect on public and environmental health.

Table 3 on the following page summarises key methods in which we protect public and environmental health. The updated National Policy Statement for Freshwater Management (NPS-FM) centered on the concept of Te Mana o te Wai. The Government has signalled through the NPS-FM and new Taumata Arowai legislation to uphold the principles of the Treaty of Waitangi.

- The NPS-FM provides local authorities with direction on how to manage water resources. Central to this direction is the concept of Te Mana o te Wai. Te Mana o te Wai refers to the vital importance of water and recognises that protecting the health of water protects the health and well-being of the wider environment and the community.
- The new Taumata Arowai legislation also requires authorities to give effect to Te Mana o te Wai. The new regulatory body has a Māori advisory Board to provide support and guidance on this matter.

Over the next three years, we plan to engage further with the iwi of Te Tauihu o Te Waka a Māui and Ngāi Tahu to determine how we give effect to Te Mana o te Wai.

Table 3: Measures used to maintain public and environmental health

ACTIVITY	PUBLIC HEALTH	ENVIRONMENTAL HEALTH	RELEVANT STATUTES / REGULATIONS
Water	We aim to provide a safe and reliable supply of drinking water to residents and businesses.	We aim to always comply with the conditions of our water take consents so that water is not over extracted from aquifers or streams.	Resource Management Act Health Act Local Government Act Water Services Act Drinking Water Quality Assurance Rules
Wastewater	We collect wastewater from properties and treat it according to discharge consent requirements before discharging back to the environment.	We collect wastewater from properties and treat it according to discharge consent requirements before discharging back to the environment. Wastewater is collected and transferred in a manner that minimises odours and overflows.	Resource Management Act Local Government Act Water Services Act
Stormwater	We aim to collect and discharge rainwater in a way that minimises disruption to normal community activities and risk to life.	We aim to minimise the level of contaminants in stormwater discharges and manage natural streams in a manner that protects the natural habitat within the stream.	National Policy Statement – Freshwater Management Local Government Act Resource Management Act Water Services Act
Transportation	We provide a range of transport options that can in themselves improve health and connect communities and enable access to health care and recreation.	We regularly undertake road sweeping and sump cleaning to prevent contaminants from being washed off the road and into the natural environment.	Resource Management Act Land Transport Management Act
Rivers	We manage stopbanks to maintain flood protection for residents and businesses	We manage gravel aggregation and river planting in a manner that protects the natural features and life within the river systems.	Resource Management Act Soil Conservation and Rivers Control Act

INFRASTRUCTURE STRATEGY

MANAGING RISKS AND IMPROVING RESILIENCE

Tasman's communities face the ongoing presence of the impacts from climate change and other natural hazards and we need to ensure we provide infrastructure that is resilient and that we are prepared financially to respond to in order to recover from damaging events.

Over time, we will build more resilient infrastructure services that can cope during times of major disruption or that can be restored quickly. Planned improvements include the provision of backup power generators and additional storage capacity, water reservoir construction, and relocation of the Motueka wastewater treatment plant. Consideration will need to be made in the longer term for the future relocation and capacity upgrade of the Tākaka wastewater treatment plant. These improvements will be the start of a wider programme of work that will be necessary in order to improve resilience to an adequate level. Currently, we don't have enough information to adequately plan a full suite of resilience upgrades for the medium and long term horizon. Our knowledge of the impacts of climate change and the impact on infrastructure is developing. We are working with Nelson City Council on a Nelson Tasman Regional Climate Risk Assessment tool which will help us to understand the risks to our infrastructure. We will use this knowledge to inform discussions with Tasman communities on how we will together adapt to climate change.

In addition to ensuring our assets are resilient, we have a range of financial provisions to assist with response to and recovery from major damaging events. These include:

- ability to reprioritise our capital programme
- insurance cover of 40% of the costs of a catastrophic disaster event, up to $125 million
- Central Government support of up to 60% for essential infrastructure, and
- NZTA subsidy of at least 51% for subsidies for transportation asset reinstatement.

Critical assets and lifelines

Knowing what is most important is fundamental to managing risk well. By knowing this, we can invest where needed most and tailor this investment at the right level. This will avoid over investing in assets that have little likelihood of failure and will ensure assets that have a high consequence of failure are well managed and maintained. For infrastructure, this is our critical assets and lifelines. These typically include arterial road links (including bridges), water and wastewater treatment plants, trunk mains, main pump stations, key water reservoirs, stopbanks and detention dams.

In 2016, in partnership with Nelson City Council, the Nelson Tasman Civil Defence Emergency Management Group and other utility providers, prepared the Nelson Tasman Lifelines Report which summarises all critical utility lifelines within Nelson and Tasman. A number of actions identified in the report aimed to improve the region's infrastructure resilience to the impact of natural hazard events.

We also recently developed an asset criticality assessment framework for water supply, wastewater and stormwater. The framework is defined by:

- a 'Criticality Score' from 1 (very low criticality asset) to 5 (very high criticality asset)
- a set of 'Criteria' against which each asset will be assessed and assigned a Criticality Score, and
- a set of straightforward, logical rules, measures and proxies under each criteria that can be assessed for each asset and enable a Criticality Score to be assigned in a spatial (i.e. GIS) context.

For each asset, the criticality has been assessed against the following five criteria:

- number of people that would be affected if the asset failed
- asset failure would prevent/impair use of a critical facility
- ease of access/complexity of repair
- asset failure has potential for environmental/health/cultural impacts, and
- asset failure has potential to initiate cascading failures and/or the asset has interdependencies with other assets.

Based on the above, asset criticality has been assessed for all assets across the District and mapped spatially in a GIS viewer. The vulnerability of critical assets to natural hazards has been identified through the overlay of natural hazards information such as coastal inundation and sea level rise, stormwater and river flooding, fault lines, tsunami and liquefiable soils.

The asset criticality framework will help to ensure that the appropriate level of effort is made to manage, maintain and renew them, and will extend to ensure that we have adequate asset data to enable robust decisions to be made regarding the management of those assets.

LONG TERM FINANCIAL ESTIMATES

We have planned for a prudent financial approach to managing our infrastructure, with moderate overall cost increases and a steady capital programme. This section provides a summary of the total investment we have planned to make in infrastructure over the next 30 years.

TOTAL OPERATING EXPENDITURE

We have split operating expenditure into two categories:

- direct expenditure – includes maintenance and operating costs paid to our contractors and suppliers, and professional service fees, and
- indirect expenditure – includes financing costs, depreciation, and overheads such as staff salaries.

The annual operating costs for infrastructure are forecast to rise from around $55 million in 2024, to $85.2 million in 2034, and $120.5 million by 2051. This results in an annual increase of around 5.5% on average in the first 10 years and 4.0% over the 30 years. These increases are primarily caused by increases in direct costs (partly driven by increased infrastructure needed to accommodate growth), increased loan servicing costs, and inflation. See Figure 13 below and Figure 14 on page 129.

TOTAL CAPITAL EXPENDITURE

We have planned to fund $832 million of capital expenditure over the next 10 years and around $2.2 billion over the next 30 years. In the first 10 years, 43% of the investment is for level of service improvements, 29% for renewals and 28% for growth.

The total funded capital programme shown in Figures 15 and 16 (on pages 129 and 130) includes the 10% scope risk and programme delivery adjustment discussed earlier in this Strategy.

ACTIVITY SUMMARIES

Figure 17 (on page 130) shows the split between operating and capital expenditure for infrastructure. For the next 10 years, we need to invest most in transportation as there is a high base programme of routine maintenance and renewal works. A breakdown of the financials for each activity is provided in the following activity summaries. The full list of the operating and capital budgets for each activity is included in our respective Activity Management Plans.

Figure 13: Year 1 to 10 infrastructure annual operating costs

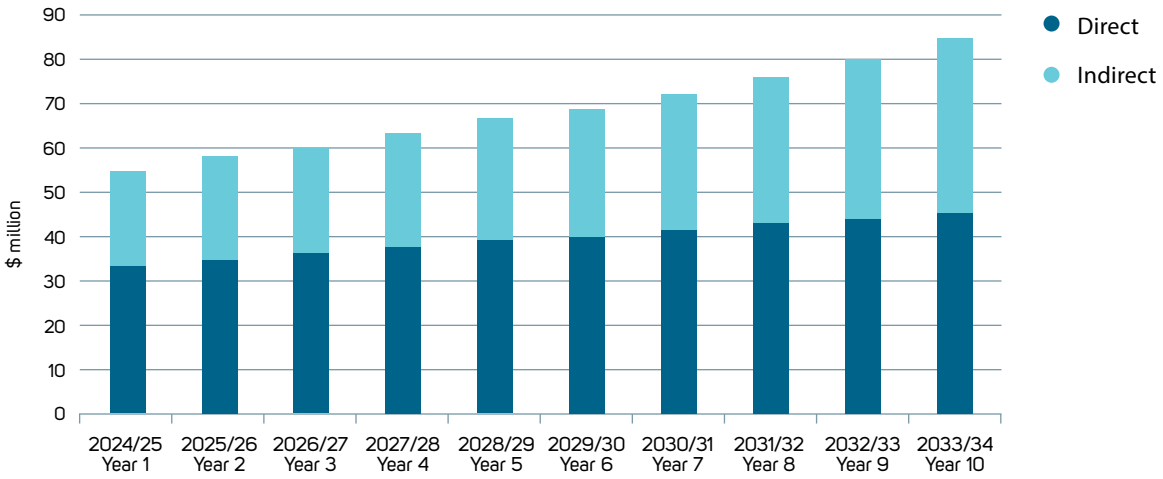


Figure 14: Year 1 to 30 infrastructure five-yearly operating costs

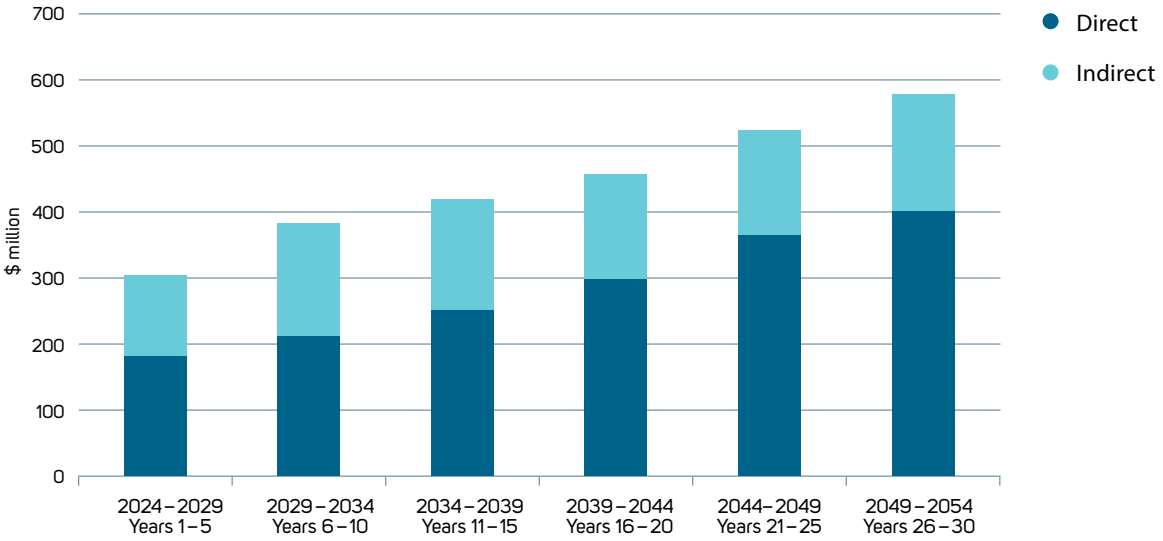


Figure 15: Year 1 to 10 infrastructure annual capital expenditure

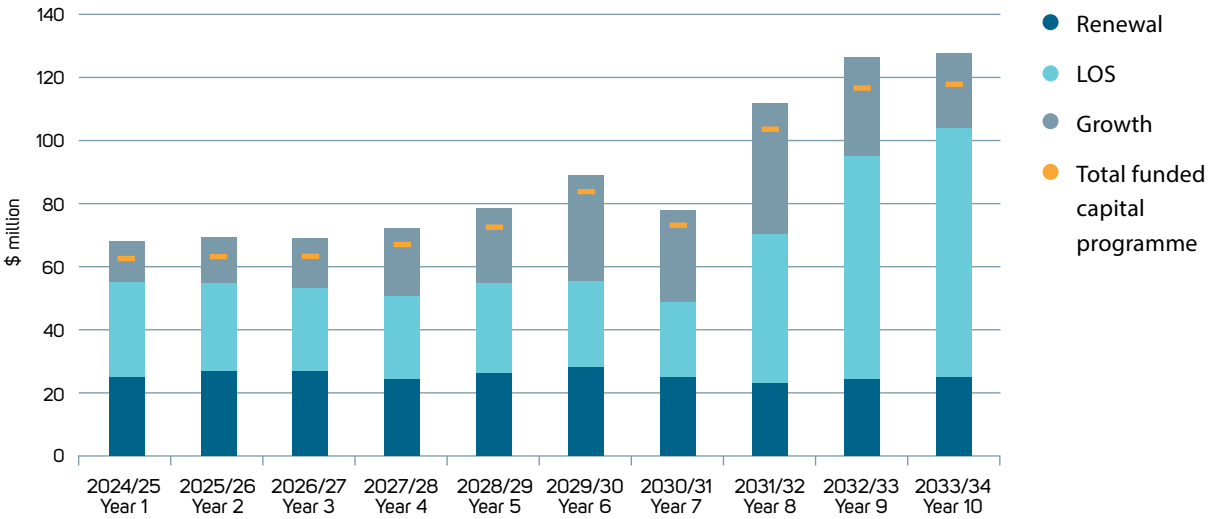


Figure 16: Year 1 to 30 infrastructure five-yearly capital expenditure

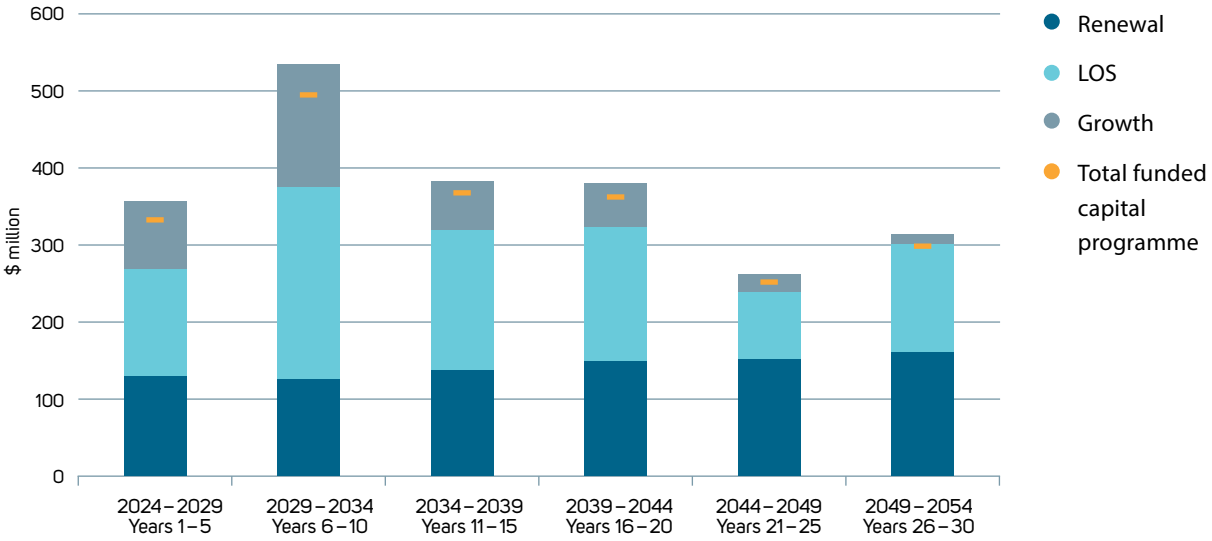
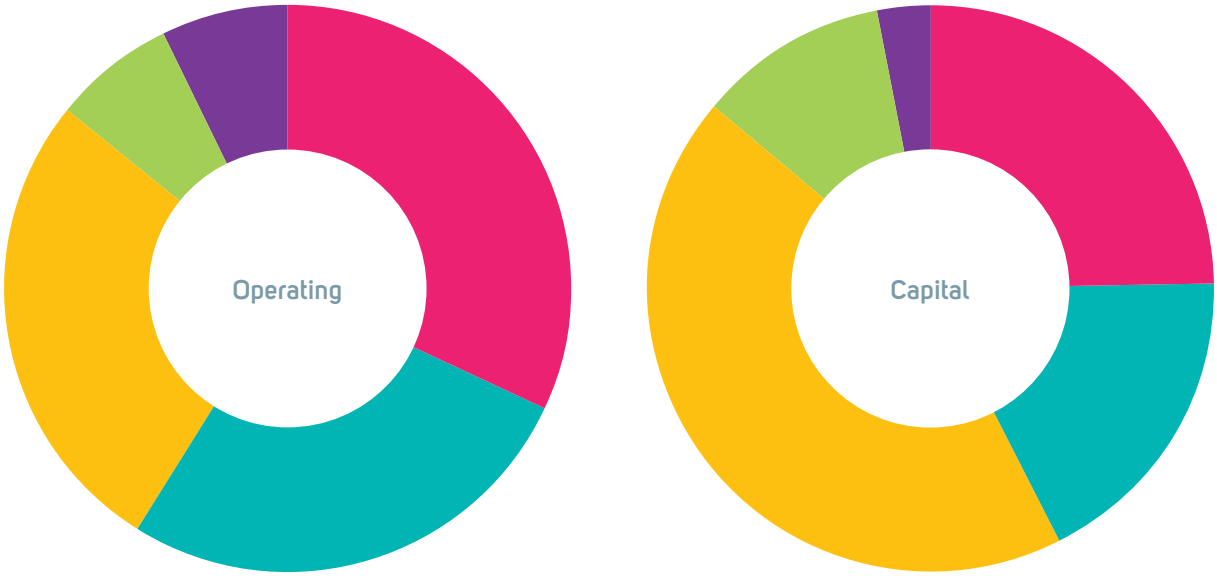


Figure 17: Year 1 to 10 split of operating and capital expenditure



	Operating	Capital
Transportation	32%	25%
Water Supply	27%	18%
Wastewater	27%	44%
Stormwater	7%	11%
Rivers	7%	3%

WATER SUPPLY

We aim to provide secure water supply systems that deliver safe water to Tasman communities. We own and operate 19 water schemes across the Tasman District. For most urban areas, the water supply network also provides adequate pressure to meet firefighting requirements. Over the next 10 years, we plan to spend 30% of our total infrastructure budget on the water supply activity.

ASSET OVERVIEW

The key assets that make up our water supply infrastructure are summarised in Table 4 below.

LEVELS OF SERVICE

- Our water supply systems are built, operated and maintained so that failures can be managed and responded to quickly.
- Our water supply systems provide fire protection to an appropriate level that is consistent with the national standard.
- Our water is safe to drink.
- Our water takes are sustainable.
- Our water supply activities are managed at a level that the community is satisfied with.

As explained earlier in this Strategy, providing safe and secure infrastructure services is a priority. We have planned to invest significantly in improving water treatment. We started water treatment plant upgrades in 2018 and plan to continue through to 2034. This investment will lift our performance against our agreed levels of service.

Table 4: Water supply asset summary

DESCRIPTION	REPLACEMENT VALUE*	DATA RELIABILITY
15 water treatment plants	$17.0 million	Good
28 pump stations	$4.1 million	Good
802 km reticulation	$170 million	Good
5,029 valves	$10.5 million	Good
1,659 hydrants	$5.3 million	Good
430 backflow prevention devices	$0.5 million	Good
88 reservoirs	$27.9 million	Good
12,924 water meters	$8.5 million	Good
1,620 rural restrictors	$0.5 million	Good
42 bores	$5.8 million	Good

*Replacement valuation as at 30 June 2022.

RESPONDING TO OUR INFRASTRUCTURE PRIORITIES

Further to the overarching infrastructure key issues identified earlier in this Strategy, we have also identified the key issues specific to the water supply activity that are described below. Each of these issues relate to our infrastructure priorities. For each issue, the significant decisions we need to make are outlined, along with the principal options for addressing the issue, with estimated costs and timing.

IMPROVING SAFETY OF WATER SUPPLIES

We are obligated under water legislation to provide safe water supplies that comply with the NZ Drinking Water Quality Assurance Rules. At present, none of our schemes fully meet the requirements of the rules. The main reason for non-compliance is a lack of protozoa treatment. Complying with the rules has increased in priority and recently been mandated by the Drinking Water regulator Taumata Arowai.

Table 5 below summarises the options that we have considered in order to improve the safety of our water supplies.

Table 5: Principal options to improve safety of water supplies

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Upgrade or install water treatment plants that provide the level of treatment required by the Rules	The risk of water contamination will be reduced and communities will have increased confidence that their water is safe to drink. However, providing higher quality water will come at a higher cost, resulting in rates increases.	✓	$10.7 million	2024 – 2028
Undertake required upgrades over a shorter period of time	The risk of water contamination will be reduced quicker than planned. However, compressing the timeframe will cause debt to increase more sharply and breach our financial caps. It may also contribute to an undeliverable work programme for our resources and the construction market.	✗	$10.7 million	2024 – 2024
Undertake required upgrades over a longer period of time	The longer the time taken to upgrade, the longer the risk of drinking water contamination will persist. The strain on our financial and delivery resources will be continue as costs increase with inflation, and we may fall further out of line with the drinking water quality assurance rules.	✗	$10.7 million	2024 – 2030

Table 5: Principal options to improve safety of water supplies (cont.)

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Connect Eighty Eight Valley water scheme to the Wakefield / Brightwater scheme	Homes on the Eighty Eight Valley scheme will be supplied with higher quality water from the Wakefield / Brightwater schemes. Some users on the Eighty Eight Valley scheme will now be connected via an extension from an urban supply. This would usually require those users to pay restricted supply rates. If a connection is made to the Wakefield / Brightwater schemes the cost of the upgrade could be shared amongst the Urban Water Club users. Some farms on the Eighty Eight Valley scheme may stay connected to the original source due their needs being primarily for stock drinking water. A full upgrade of the Eighty Eight Valley source and treatment plant will not be required. Avoiding a situation that was likely to be unaffordable for those currently connected to the Eighty Eight Valley scheme. This option and rating implications are yet to be consulted on. Any change to rating would not occur within prior to the development of our 10-Year Plan 2024 – 2034.	✓	$3.5 million	2024 – 2026
Upgrade the existing Eighty Eight Valley treatment plant and do not connect the Eighty Eight Valley scheme to Wakefield	The Eighty Eight Valley water source is a surface water take from a stream. This type of source is higher risk than ground water bores. This requires a higher level of treatment effort making the treatment plant upgrade cost prohibitive for the existing users. The costs of the upgrade will be borne by only the Eighty Eight Valley users.	✗	$2.5 million	2021 – 2025

Table 5: Principal options to improve safety of water supplies (cont.)

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Implement permanent residual disinfection on all schemes through chlorination	Most of our water supplies are already chlorinated. In August 2020, we proposed via public consultation to permanently chlorinate all schemes.	✓	Approx $20,000 per year	2022 – 2024

The Drinking Water Quality Assurance Rules require us to take all practicable steps to ensure that the drinking water we supply complies with the rules. Consequently, we have not considered an option that involves maintaining the status quo. We consider it is impractical to speed up the delivery of the upgrades due to the strain on resources it would create. We have planned to complete all upgrades within the Government's indicated deadlines. These deadlines are yet to be enacted; however we consider it prudent to plan to meet them.

We are required to upgrade the Eighty Eight Valley water treatment plant in order to meet the rules. Connecting the Eighty Eight Valley scheme to the Wakefield / Brightwater schemes will enable us to supply water that meets the rules, without the need to upgrade the Eighty Eight Valley treatment plant. We do not have the option to do nothing due the requirement to meet the rules.

The mandate for protozoa treatment on all supplies is considered unachievable by the stipulated deadlines, particularly for our rural schemes. We have petitioned the regulator on these matters and discussions are in progress.

ENHANCING WATER SUPPLY CAPACITY AND RESILIENCE

In order to provide a consistent and resilient water supply to households and businesses we need:

- access to secure water sources that provide an adequate quantity and quality of water throughout the year, and
- reticulation networks of suitable configuration and size to move water across the network at appropriate pressure and flow for users.

We have split enhancing water supply capacity and resilience into three sub-categories:

- Water source improvements.
- Network capacity upgrades.
- New or extended schemes.

New or extended schemes have been included here as they increase coverage and add supply capacity, allowing existing homes and businesses to connect to a scheme. These options have not been included under growth, as the need is not created by the development of new homes and businesses.

Table 6 summarises the options we have considered in order to enhance water supply capacity and security.

Table 6: Principal options to enhance water supply capacity and security

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Water source improvements				
Construct a supplementary water source for the Wai-iti Dam	A supplementary water source will allow us to collect more water in the winter in preparation for dry summers. The ability to collect from two sources will increase resilience of the scheme as we have an increased ability to fill the Dam.	✓	$1.3 million	2026 – 2028
New water source, pumping and trunk main for Dovedale Supply	The Motueka Valley source will provide a better-quality and secure supply and requires pumping and trunk supply mains	✓	$6.4 million	2024 – 2027
Network capacity upgrades				
District wide pipe capacity improvements	Increasing pipe capacity at strategic locations within the network allows us to supply more water and to transfer water between different parts of the network. This adds resilience to the scheme as well as providing capacity for growth. In some locations, increasing the pipe size enables us to meet the agreed firefighting level of service.	✓	$14.9 million	2024 – 2028
Waimea water network capacity upgrades between Hope, Brightwater and Wakefield – including the construction of a new bores and treatment plant near Brightwater	Increased capacity will allow the transfer of water between different townships, allowing us to better balance supply and demand. This adds resilience, as water can be extracted from multiple sources and distributed. These improvements will provide additional capacity for growth and the ability to supply the Eighty Eight Valley scheme. Construction of the new bores and treatment plant will allow extraction of a greater volume of higher quality water and water security.	✓	$33.1 million*	2024 – 2034

*The Waimea water network capacity upgrades project is a key project required specifically to address both the need to increase network capacity and supply growth. Some portions of the programme are planned beyond the 10-Year Plan (beyond 2034).

Table 6: Principal options to enhance water supply capacity and security (cont.)

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Network capacity upgrades (cont.)				
Motueka network improvements – including construction of link mains	Construction of new link mains will create loops and add resilience to the scheme. If there is a break in a part of the network, a ring main will allow us to supply water from the other side of the break.	✓	$6.0 million	2024 – 2033
Maintain the status quo	The network constraints will remain as they are, and potentially worsen as growth occurs. The opportunity to improve resilience will be missed.	✗	Nil	Not planned

Implementing the above preferred options will help us deliver on the following levels of service:

- **Our water supply systems provide fire protection to an appropriate level that is consistent with the national standard.**
- **Our water supply systems are built, operated and maintained so that failures can be managed and responded to quickly.**

Projects that increase capacity within the network often provide multiple benefits (e.g. improved resilience and capacity for future growth). All the preferred options above improve resilience and enable growth.

Table 6: Principal options to enhance water supply capacity and security (cont.)

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
New or extended schemes				
Extend the reticulation within Motueka to provide the whole township with access to treated and reticulated water	The majority of people in Motueka will have access to safe drinking water, removing their reliance on their private bores. Decommissioning redundant bores will reduce the number of entry points into the aquifer, reducing the risk of source contamination. The Motueka scheme is currently a standalone scheme and not part of the Urban Water Club. Unless the scheme is amalgamated into the Water Club, ratepayers connected to the Motueka scheme will bear the full cost of the works under the current funding mechanism. Council is planning to investigate the feasibility. Some people with private water supplies may not wish to abandon their supplies. The scope, timing, and funding options for this work will be subject to public consultation.	✓	$30.3 million	2038 – 2044

In Motueka, the community is currently satisfied with the coverage of the existing reticulation network and their reliance on private bores. There is currently a very low appetite from these sections of the community to connect to a public scheme. We anticipate that this upgrade will be required in the future due to the size of the Motueka township and changing water supply regulations. As such, we have indicatively planned this within the next 30 years.

SUPPLYING OUR GROWING COMMUNITIES

We expect that over the next 10 years Tasman's population will grow by approximately 7,400 residents. To accommodate this growth new homes need to be built, most of which will need to be supplied with water. We can supply some of this new demand through existing infrastructure where capacity is available.

New areas of development in Richmond South, Lower Moutere and Motueka West will require completely new infrastructure to deliver water to customers in the area. For Māpua, Brightwater and Wakefield, the existing infrastructure will require upgrading to provide additional capacity.

Table 7 below summarises the options that we have considered in order to provide for growth.

Table 7: Principal options to provide water supply to areas of growth

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Construct new infrastructure to service new areas of growth in: • Richmond South • Motueka West	We will be able to provide new homes and businesses with the water they need. This will come at a cost that will largely be funded by development contributions.	✓	Richmond South: • $9.8 million • $8.5 million • $3.9 million • $3.0 million Motueka West: • $1.0 million • $1.2 million	 2024 – 2030 2033 – 2038 2041 – 2043 2046 – 2049 2024 – 2026 2029 – 2031
Upgrade existing infrastructure to service growth in: • Brightwater • Wakefield	We will provide new homes and businesses with the water they need, as well as improving the reliability of the supply for existing customers. This will come at a cost that will need to be recovered through a mix of development contributions and rates.	✓	Brightwater and Wakefield: $33.1 million*	2024 – 2034
Maintain the status quo	We will not be able to provide new homes and businesses with water requiring them to find alternatives if possible. This is likely to restrict where and when growth can occur and have an unfavourable impact on the housing market.	✗	N/A	Not planned

Enabling construction of new subdivisions will provide homes for our growing population. This is a priority for us. To do this, we have determined that we must provide essential infrastructure. We have planned to implement the above options so that our supply of increased water network capacity meets the demand created by new homes as they are built. The timing of these upgrades is based on the population projections set out earlier in this Strategy. Implementing these options will help us meet the requirements of the National Policy Statement – Urban Development 2020.

*The Waimea Water Network Capacity Upgrades project is a key project required specifically to address both the need to increase network capacity and support growth. Some portions of the programme are planned beyond the 10-Year Plan (beyond 2034).

NETWORK INTEGRITY

To maintain the integrity of our networks we must replace assets before or as their performance fades. To ensure we act prudently and intervene at the right time, we monitor the condition and performance of the network and replace assets as required. We do not treat all assets the same, some are more critical than others. For critical assets, we have a lower tolerance of failure and we are likely to replace these assets as a priority over non-critical assets in similar condition.

Table 8 below summarises the options that we have considered in order to maintain network integrity.

Table 8: Principal options to maintain network integrity

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Proactive leak detection	Faults are identified and repaired in a proactive manner preventing further water loss. Sections of pipe that require maintenance or renewal are identified and prioritised.	✓	$7.3 million total for 30 years	On-going
On-going pipe renewal	Pipes are progressively upgraded, reducing the risk of failures and associated service disruptions and water loss.	✓	$15.2 million $21.7 million $12.1 million	2024 – 2034 2035 – 2044 2045 – 2054

Our budget for Demand, Flow and Leak Management will fund leak detection surveys, day/ night flow monitoring and other network modelling. Information collected through this work will be incorporated into future pipe renewal planning and prioritisation. This allows us to optimise our renewal investment, meaning that we replace assets at the most appropriate time.

As we need to ensure we can provide water to our current and future users, it is not an option to not maintain the integrity of our networks. We must implement the above options.

INDICATIVE EXPENDITURE ESTIMATES

OPERATING

Operational costs for the water supply activity are forecast to increase by an average of 3.5% per year for the first 10 years, and an average of 0.9% per year over 30 years. The most notable increases within the next 10 years occur between 2024/2025 and Year 2028/2029. At this time, direct operating costs are increasing in part due to the expected upgrades to Redwoods and Dovedale Rural Water supplies and the major infrastructure installations planned within the Waimea Water Strategy. Overall, the increased level of requirements in complying with the Water Quality Assurance Rules will result in an increased operating cost. Indirect costs increase primarily due to increasing loan interest costs associated with the capital programme for this activity. On top of this, both direct and indirect expenditure gradually increase due to inflation. See Figures 18 and 19 (on page 141).

CAPITAL

We plan to spend $147 million on capital improvements over the next 10 years. Of this, 27% is attributable to growth, 41% for level of service improvements, and 32% for asset renewal. We will invest in most of the level of service improvements in the first five years. This is due to the planned water treatment plant upgrades that are required to meet the NZ Drinking Water Standards.

Over the next 30 years, the total funded capital programme is $280 million.

The total funded capital programme shown in Figures 20 and 21 (on page 142) includes the 10% scope risk and programme delivery adjustment discussed earlier in this Strategy.

ASSET RENEWAL PROFILE

For the first 10 years, our investment in renewals tracks slightly below depreciation. At about 2034/2035, our investment in renewals starts to fall behind deprecation more significantly. This divergence is due primarily to the long useful life and age profile of our current assets. As shown earlier, most of our water assets are not due for replacement within the next 30 years. As we construct new assets, the costs contribute to the divergence between renewals and depreciation. The new assets contribute to higher depreciation but most will not need replacing within the next 30 years. While not shown here, we have compared the likely renewal requirements for 100 years with depreciation over the same time. This assessment shows that the gap closes in the long run. See Figure 22 (on page 143).

ASSUMPTIONS AND UNCERTAINTIES

In addition to the key assumptions identified earlier in this Strategy, we have identified the following uncertainties and key assumptions that are specific to the water supply activity.

- As part of ongoing Waters Reforms, the Government is considering reform of the current water service delivery models from Council-owned authorities, potentially into a Te Tauihu (Top of the South Island) shared water services delivery provider. The nature of service delivery upon implementation and timing of the reforms is uncertain. For the development of this Strategy, we have assumed no change in service delivery model for the water supply activity.
- The Government has completed the inquiry into the Havelock North drinking water contamination incident. One recommendation led to the Drinking Water Standards New Zealand (DWSNZ) amendment. Network residual disinfection has become mandatory as a result. Where not already implemented, we are planning to continue to incorporate the ability to apply chlorination treatment in new and upgraded water treatment plants.
- We cannot be certain about the quantity of water that industrial users will require into the future. We have assumed that future use by existing industries will be in line with historic use. We have not planned for additional wet industries. If consumption of water is significantly different to what we have assumed, it may have an impact on our future programme and budgets.
- Some uncertainty remains over the decision and direction on the fluoridation of local government drinking water supplies. For this Strategy, we have assumed that our drinking water supplies will not be fluoridated. If the direction to fluoridate is mandated for us and we are directed to fluoridate our supplies, this will create additional capital expenditure and operating costs.

FURTHER INFORMATION

Further information on the water supply activity can be found in the Draft Water Supply Activity Management Plan 2024 – 2034. Key capital projects and programmes of work are summarised in the following timeline. You can find the full list of the proposed budgets, projects, and timing in Appendix A and B of the Activity Management Plan.

www.tasman.govt.nz/activity-management-plans

Figure 18: Annual operating expenditure for year 1 – 10 for Water Supply

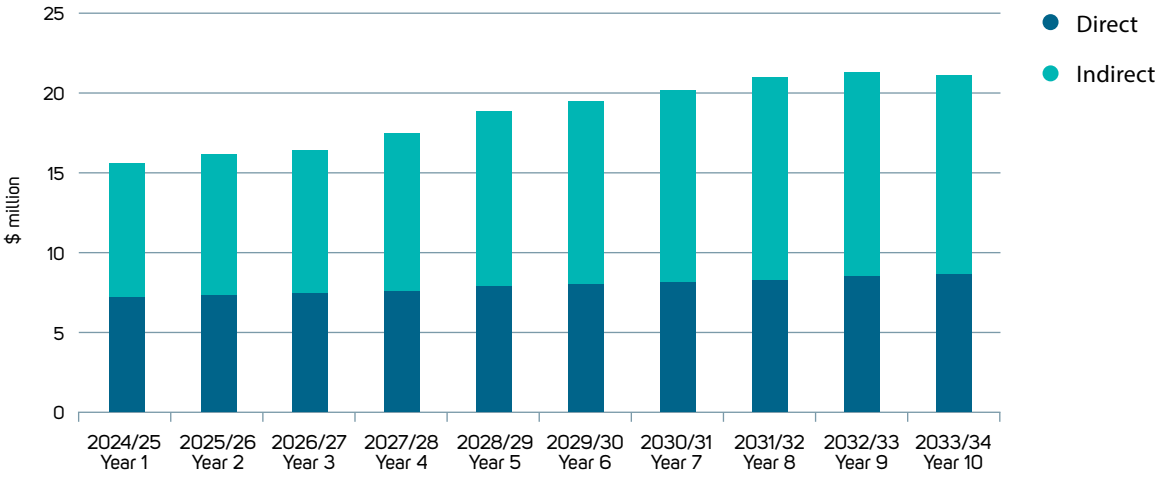


Figure 19: Five-yearly operating expenditure for year 1 – 30 for Water Supply

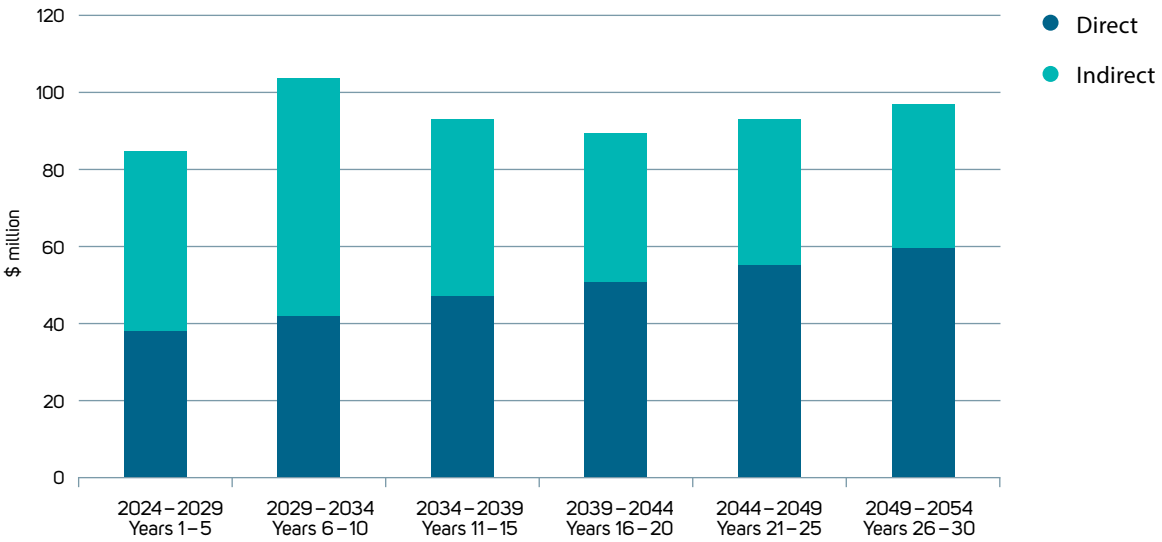


Figure 20: Annual capital expenditure for year 1–10 for Water Supply

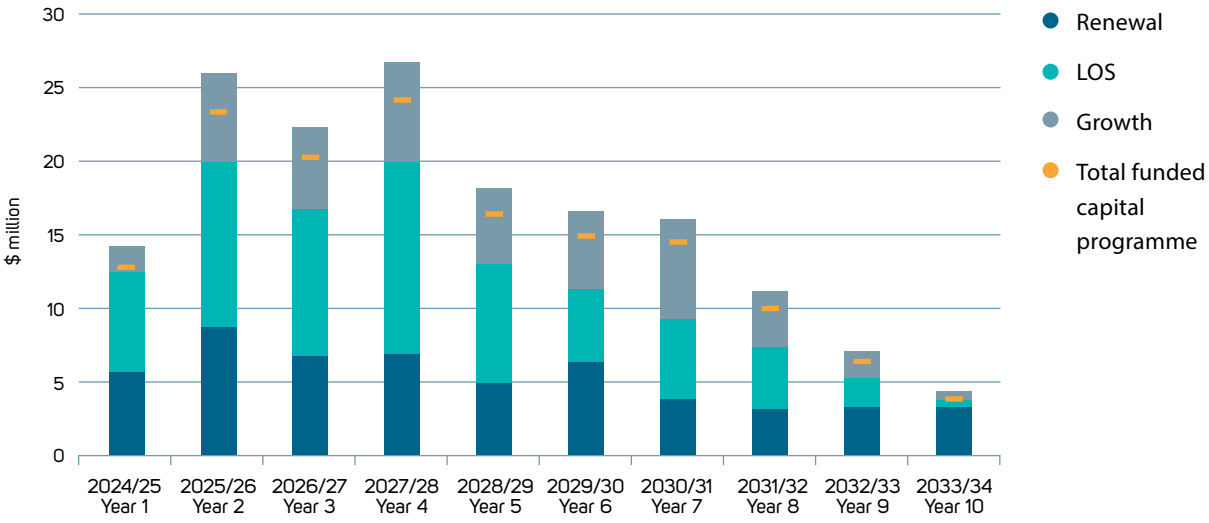
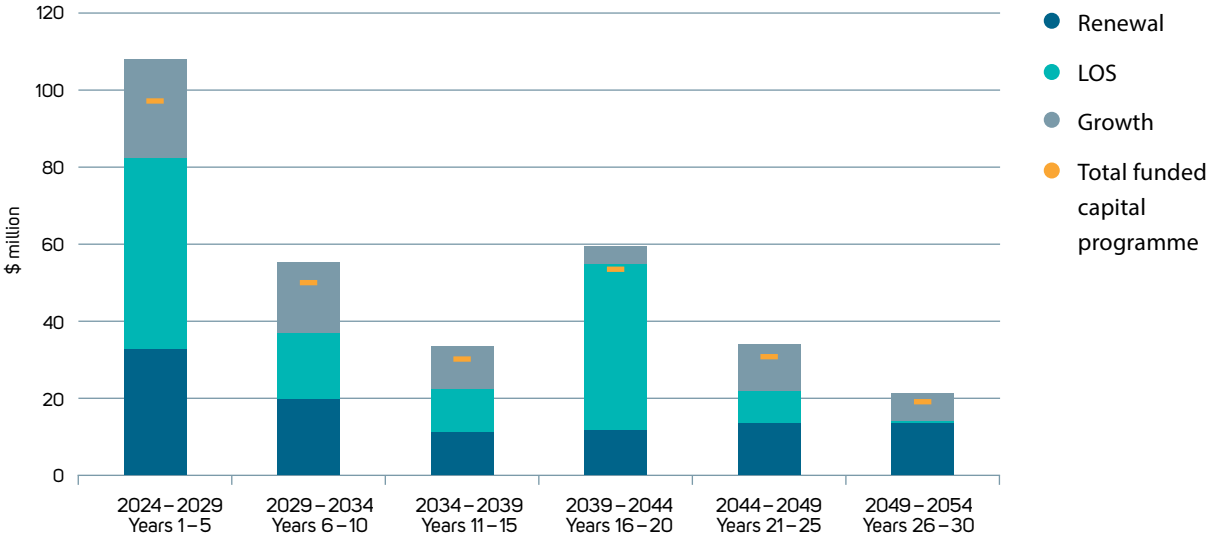
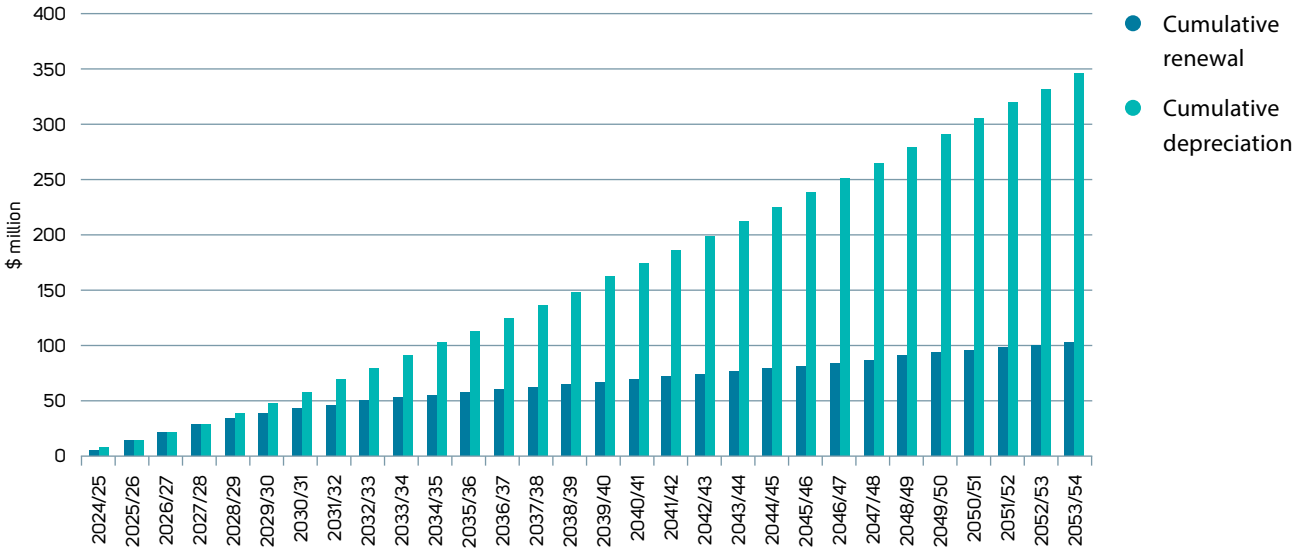


Figure 21: Five-yearly capital expenditure for year 1–30 for Water Supply



Water Supply

Figure 22: Capital expenditure and depreciation for Water Supply



WASTEWATER

We aim to provide cost-effective and sustainable wastewater systems to protect public health while meeting environmental standards. We operate eight wastewater networks. These networks convey wastewater to eight treatment plants, seven of which we own and manage. Over the next 10 years, we plan to spend 28% of our total infrastructure budget on the wastewater activity.

ASSET OVERVIEW

The assets that make up our wastewater infrastructure are summarised in Table 9 below.

The largest treatment plant at Bell Island is owned by both Nelson and Tasman Councils on a 50:50 share basis. The Bell Island treatment plant is managed by the Nelson Regional Sewerage Business Unit (NRSBU).

LEVELS OF SERVICE

- Our wastewater systems do not adversely affect the receiving environment.
- Our wastewater activities are managed at a level that satisfies the community.
- Our wastewater systems reliably take out wastewater with a minimum of odours, overflows or disturbance to the public.
- Our wastewater systems are built, operated and maintained so that failures can be managed and responded to quickly.

We will invest in increasing network capacity to assist in preventing overflows so that they do not adversely affect the environment. Major pump station and rising main upgrades will help mitigate overflows. These upgrades should improve our performance against our agreed level of service.

Table 9: Wastewater asset summary

DESCRIPTION	REPLACEMENT VALUE*	DATA RELIABILITY
7 wastewater treatment plants	$21.1 million	Good
50% of NRSBU including Bell Island	$47.8 million	Good
80 pump stations	$52.1 million	Good
3,968 manholes	$30.2 million	Good
391 km reticulation	$144.9 million	Good
14,575 wastewater connections	$34.2 million	Good
Other assets	$29.1 million	Good

*Replacement valuation as at 30 June 2022.

RESPONDING TO OUR INFRASTRUCTURE PRIORITIES

Further to the overarching infrastructure key issues identified earlier in this Strategy, we have also identified key issues specific to the wastewater activity that are summarised below. Each of these issues relate back to our infrastructure priorities. For each issue, the significant decisions we are planning to make are outlined, along with the principal options for addressing the issue, estimated costs, and timing.

There is a close relationship between each of the issues. Implementing the preferred option for one issue is often likely to help address the other issues to varying degrees. To avoid duplication, options have been discussed under the issue that they address most.

REDUCING INFLOW AND INFILTRATION

Infiltration is the unintentional entry of ground water into the wastewater network and inflow occurs when rainwater enters the network. Common points of entry typically include gully traps, broken pipes and defective joints, as well as cracked manholes.

Inflow and infiltration are significant issues in parts of our networks. It consumes useable network capacity causing the overloading of pipe networks and wastewater treatment plants during very heavy rainfall events. In turn, this restricts residential and commercial growth because it uses up available network capacity.

Inflow and infiltration in the network creates the need to pump, convey and treat the extra water and means additional and unnecessary costs. Excessive levels may also dilute wastewater and cause treatment plant performance to deteriorate. Inflow and infiltration can also contribute to overflows.

Table 10: Principal options to address inflow and infiltration

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Ongoing programme of pipe renewal to replace broken and cracked pipes	Inflow and infiltration issues will be addressed over time as the network is renewed. This is a long term strategy meaning that all issues will not be addressed immediately.	✓	$5.2 million $15.8 million $6.4 million	2024 – 2033 2034 – 2043 2044 – 2053
On-going inflow and infiltration investigations, Closed circuit television (CCTV) investigations, pipe survey and network modelling	This work will enable us to collect more condition and performance data and identify specific areas that suffer from inflow and infiltration. This data will enable us to make better decisions on balancing maintenance and renewal spending.	✓	$14.5 million total over 30 years	On-going
Rectify illegal stormwater connections to the wastewater network	We will identify illegal private connections as part of our investigations and survey above. The cost of rectifying illegal connections will be the responsibility of the private party involved.	✓	Nil	Ongoing
Require low pressure pump systems in new developments	In areas where there is a high ground water table low pressure pump systems will prevent the ingress of water.	✓	Developer cost. Not a Council cost.	Ongoing
Maintain the status quo	Inflow and infiltration issues will continue to occur meaning that we fund unnecessary operating costs and overflows at known problem areas are likely to continue.	✗	N/A	Not planned

It is not appropriate to take no action to address inflow and infiltration. As wastewater pipes reach the end of their useful life, they must be renewed. By undertaking the inflow and infiltration investigation and collecting more asset data, it will enable us to optimise renewal of our pipes and invest in where it is needed most.

IMPROVING RESILIENCE

Some pump stations within our wastewater networks have limited storage. This means at times of high flows due to wet weather, or during power outages, the network can only manage for a short period of time before we need to manage the overflow risk.
As inclement weather can bring both wind and rain, there are instances when high flows and power outages occur at the same time. In Motueka, the wastewater treatment plant is located adjacent to the coast. The plant will be at increasing risk of coastal erosion and flooding due to the effects of climate change. The current resource consent for the plant expires in 2035 and requires us to investigate and identify alternative future sites for the plant.

Table 11: Principal options to improve network resilience

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Network resilience				
Provide mobile backup generators	We will be able to provide power to key pump stations during power outages enabling the network to continue operating. The network will be more resilient and less prone to outages.	✓	$330,000	2025 – 2034
Increase storage capacity	The network will be able to handle higher flows or longer periods of outages. The network will be more resilient and less prone to overflows.	✓	$2.9 million	2023 – 2034
Maintain the status quo	The network will continue to be vulnerable during periods of heavy rain or extended power outages. The risk of overflows will remain as is.	✗	N/A	Not planned

In 2020, we commenced our programme to install emergency storage tanks at strategic places across the network. Without the additional storage, we rely on our maintenance contractors intervening at the right time and being able to remove and transport wastewater away from the pump stations to manage high-level pump station alarms. This is relatively high risk, if the rate of flow exceeds the capacity of the tanker trucks, if the warning time is not sufficient, or if too many pump stations are at risk, overflows are likely. We need to invest in improved storage and backup generators to meet our agreed levels of service and protect public and environmental health.

Table 11: Principal options to improve network resilience (cont.)

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Motueka Wastewater Treatment Plant				
Relocate the treatment plant inland	A new plant will be in a locality that is exposed to less risks than the existing site. The new site could also be positioned to provide better connectivity to future growth areas.	✓	$7.4 million $73.8 million	2028/2029 2031 – 2035
Relocate the treatment plant earlier	The risk of coastal erosion and flooding will be mitigated sooner. The useful life of the existing plant will not be fully utilised meaning we will not fully benefit from recent upgrades and expansion.	✗	$7.4 million $73.8 million	Not planned
Maintain the status quo	The plant will face increasing risks associated with coastal erosion and flooding. The existing consent indicates that the future of the plant does not sit at the current location. Along with this, local iwi and other interested parties wish to see the plant relocated away from the coast. It is therefore unlikely we would be granted a long term consent after the expiry of the current consent.	✗	Nil	Not planned

We are yet to identify a preferred site for the treatment plant and therefore the above cost estimates are indicative only. In 2019, we commenced investigation into alternative sites for the wastewater treatment plant. Potential sites are considered by the working group, which includes representatives from Council, the Nelson Marlborough District Health Board, iwi, and Fish and Game.

MITIGATING OVERFLOWS

Overflows occur when untreated wastewater escapes from the network into the environment, presenting a risk to public and environmental health. They are also generally offensive to people, especially Māori as it is in conflict with the Te Ao Māori worldview. Overflows can be caused by wet weather due to stormwater inflows which overload the system, or they can occur due to blockages, breaks, power outages, or lack of network capacity. We have already identified inflow and infiltration, and the lack of storage capacity and backup power as causes for overflows. In addressing this key issue, we have considered how best to address the undersized parts of the network which have experienced overflows.

Table 12: Principal options to mitigate overflows

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Pump station and rising main upgrades throughout: • Golden Bay Network • Māpua Network • Waimea Network* • NRSBU Network	We will be able to provide assets of adequate capacity for the current and future population. The risk of overflows should reduce, and the community should experience a higher level of service.	✓	Golden Bay $5.1 million Māpua $10.8 million Waimea $40.4 million NRSBU $82.4 million	2024 – 2027 2022 – 2048 2021 – 2037 2021 – 2051
Maintain the status quo	The community will need to accept that the risk of overflows remains. We may receive enforcement action due to not addressing preventable overflows. We would need to decline any new requests to connect to the network in problem areas as additional demand will only make the existing situation worse.	✗	N/A	Not planned

We must act to mitigate the risk of overflows in order to meet our agreed levels of service and protect the environment.

*The Waimea wastewater network capacity upgrades project is a key project required specifically to address both the need to mitigate the risk of overflows and supply growth.

SUPPLYING OUR GROWING COMMUNITIES

We expect that over the next 10 years Tasman's population will grow by approximately 7,400 residents. To accommodate this growth new homes need to be built, most of which will need to be supplied with wastewater collection. We can supply some of this new demand through existing infrastructure where capacity is available. New areas of development such as Richmond South, Motueka West and Lower Moutere will require completely new infrastructure in order to collect wastewater from the area. For Brightwater and Wakefield, the existing infrastructure will require upgrading to provide additional capacity.

Table 13: Principal options to enable community growth

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Construct new pump stations and rising mains in: • Richmond South • Motueka West • Lower Moutere • Jefferies growth area (Brightwater)	We will be able to provide new homes and businesses with wastewater services. This will come at a cost that will need to be recovered through a mix of development contribution charges and rates.	✓	Richmond South: $19.2 million Motueka West: $6.0 million Lower Moutere: $14.2 million Jefferies: $9.0 million	2023 – 2043 2023/2024 2037 – 2041 2045 – 2049
Upgrade existing pump stations and rising mains in: • Māpua • Brightwater • Wakefield	We will be able to provide new homes and businesses with wastewater services. This will come at a cost that will need to be recovered through a mix of development contribution charges and rates.	✓	Māpua: $10.8 million Brightwater and Wakefield: $40.4 million*	2023 – 2048 2023 – 2037
Enable low pressure pump systems in infill developments	Low pressure pump systems enable us to better manage existing capacity within our networks. They can pump outside of peak times and store wastewater for limited time periods. This means infill development can be enabled without triggering immediate upgrade of main pipes.	✓	$350,000 total over 10 years to contribute to installation of low-pressure pump systems in strategic infill areas.	2023 – 2033

*The Waimea wastewater network capacity upgrades project is a key project required specifically to address both the need to mitigate the risk of overflows and supply growth.

Table 13: Principal options to enable community growth (cont.)

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Maintain the status quo	We will not be able to provide new homes and businesses with wastewater requiring them to find alternatives if possible. This is likely to restrict where and when growth can occur.	X	N/A	Not planned

Enabling construction of new subdivisions will provide homes for our growing population. This is a priority for us. To do this, we have determined that we must provide essential infrastructure. We have planned to implement the above options so that our wastewater network capacity meets the demand created by new homes as they are built. The timing of these upgrades is based on the population projections set out earlier in this Strategy. Implementing these options will help us meet the requirements of the National Policy Statement – Urban Development.

INDICATIVE EXPENDITURE ESTIMATES

OPERATING

Operational costs for the wastewater activity are forecast to increase by an average of 13.2% per year for the first 10 years, and 9.7% per year over 30 years. Within the first 10 years, the most notable increases occur in direct costs. This is due to an increase in our share of operational costs from the NRSBU. Indirect costs increase primarily due to increasing loan interest costs associated with the capital programme for this activity. On top of this, both direct and indirect expenditure gradually increase due to inflation. See Figures 23 and 24 (on page 153).

CAPITAL

We plan to spend around $359 million on capital improvements over the next 10 years. Of this, 28% is attributable to growth, 60% for level of service improvements and 12% for asset renewal. There is a notable increase in level of service expenditure between Year 8 and 10. This is associated with the construction of the new Motueka Wastewater Treatment Plant.

Over the next 30 years, the total funded capital programme is $772 million.

The total funded capital programme shown in Figures 25 and 26 (on page 154) includes the 10% scope risk and programme delivery adjustment discussed earlier in this Strategy.

ASSET RENEWAL PROFILE

There is a notable difference between planned renewals and forecast depreciation over 30 years. This divergence is mainly due to the long useful life and age profile of our current assets. Most of our wastewater assets are not due for replacement within the next 30 years. Our construction of new assets, will also contribute to the divergence between renewals and depreciation. New assets contribute to higher depreciation, but most don't need replacing within the next 30 years. While shown here, we have compared the likely renewal requirements for 100 years with depreciation over the same time. This assessment shows that the gap closes in the long run. See Figure 27 (on page 155).

ASSUMPTIONS AND UNCERTAINTIES

In addition to the key assumptions identified earlier in this Strategy, we have identified the following uncertainties and key assumptions that are specific to the wastewater activity.

- Affordable waters (previously Three Waters Review), the new incoming Coalition Government has signalled that the Legislation will be repealed. For the development of this 10-Year Plan, we have assumed no change in service delivery model for our wastewater activity.
- Currently, there are high levels of groundwater and stormwater entering the Motueka wastewater network. This takes up capacity that could otherwise be used by new connections. We have assumed that this issue will be addressed by continued pipe renewals and targeted repairs. We expect that this work will reduce demand enough to be able to provide capacity to support the level of growth predicted for Motueka, excluding Motueka West. It is possible for the works to achieve insufficient capacity, or for the rate of population growth to exceed the rate of repair in this area. If this is the case, we will need to programme additional pipe upgrades to enable growth, or potentially limit the rate and location of new connections.
- We have prepared the wastewater programme based on the information that was available at the time. We have commenced strategic studies and modelling for Motueka and the Waimea networks. This will provide new and up-to-date information that is likely to identify alternative options for the way the schemes could operate, and the associated budget requirements. Initial outcomes of the Waimea network investigations have been incorporated in the recommend upgrade option for the Waimea wastewater network.
- We are uncertain about the Nelson Regional Sewage Business Unit (NRSBU) charges because the operational costs are based on the use of individual subscribers and this can be variable. Our budgets are based on historic usage. If usage is different to what was assumed, costs may increase or decrease.
- We increased trade waste charges in July 2022 and 2023. There is some uncertainty about associated income in the future. We assume trade waste volumes and income will be in line with historic usage and budgets.
- We are responsible for maintaining new low-pressure household pumping units (where a complete catchment is set up with pressure pumps). Maintenance largely depends on where and how fast growth occurs. We have assumed maintenance budgets based on growth occurring as per our growth model. If the rate and location of growth changes, we may need to amend maintenance budgets.

FURTHER INFORMATION

Further information on the wastewater activity can be found in the Wastewater Activity Management Plan. Key capital projects and programmes of work are summarised in the following timeline. You can find the full list of the proposed budgets, projects, and timing in Appendix A and B of the Draft Wastewater Activity Management Plan 2024 – 2034.

www.tasman.govt.nz/activity-management-plans

Figure 23: Annual operating expenditure for year 1–10 for Wastewater

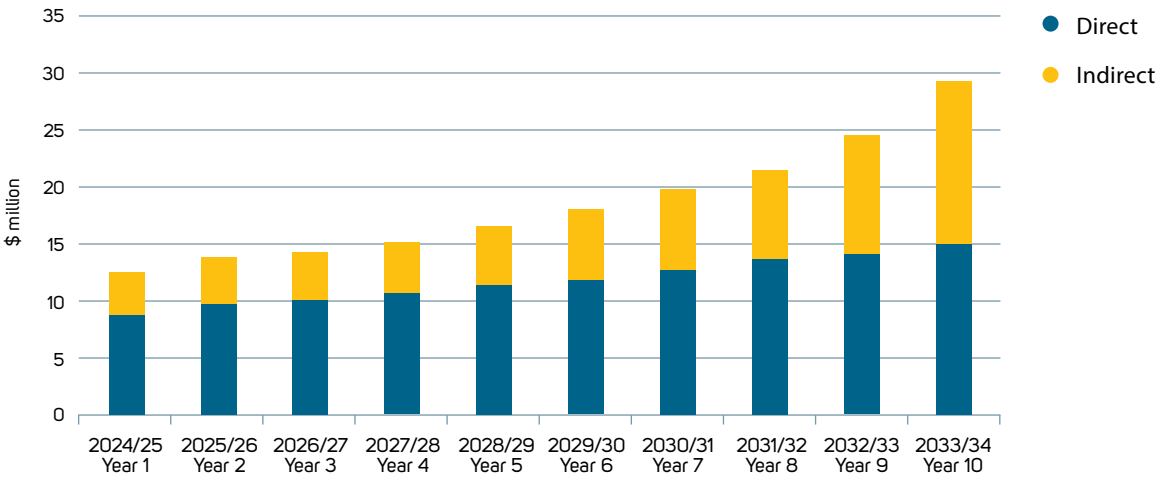


Figure 24: Five-yearly operating expenditure for year 1–30 for Wastewater

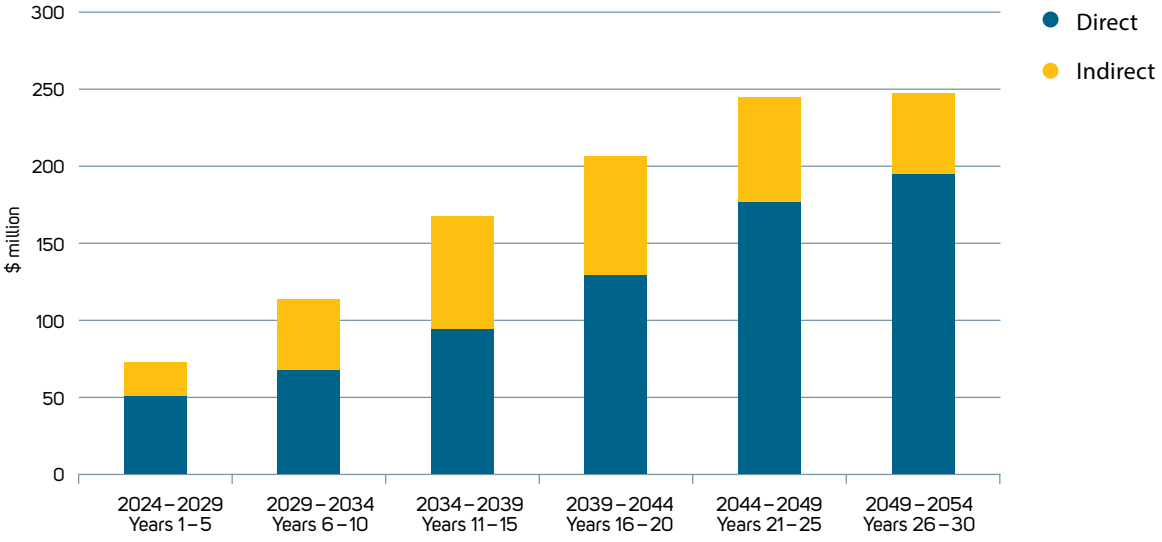


Figure 25: Annual capital expenditure for year 1–10 for Wastewater

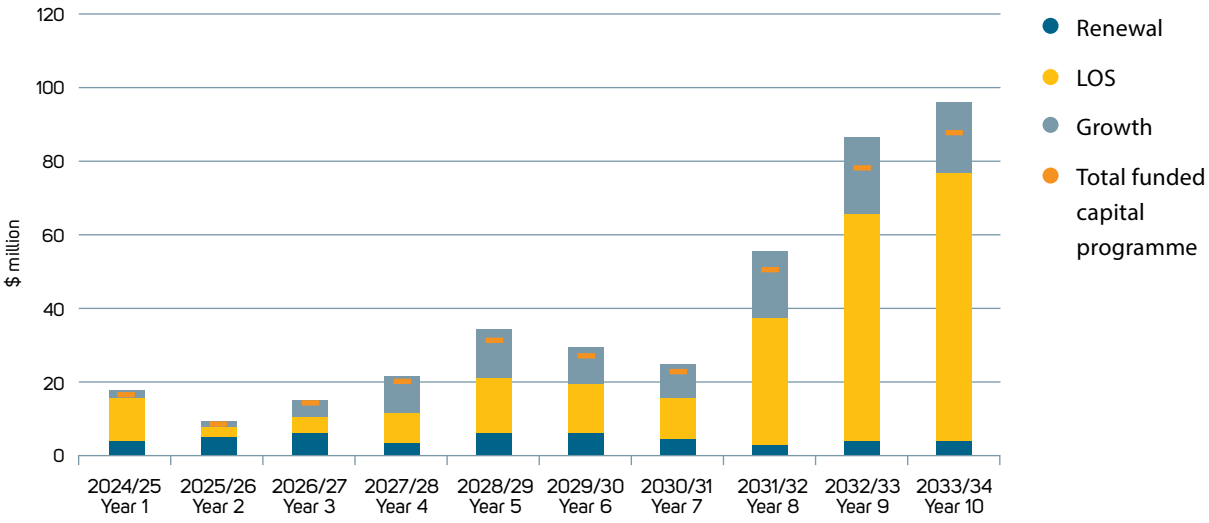


Figure 26: Five-yearly capital expenditure for year 1–30 for Wastewater

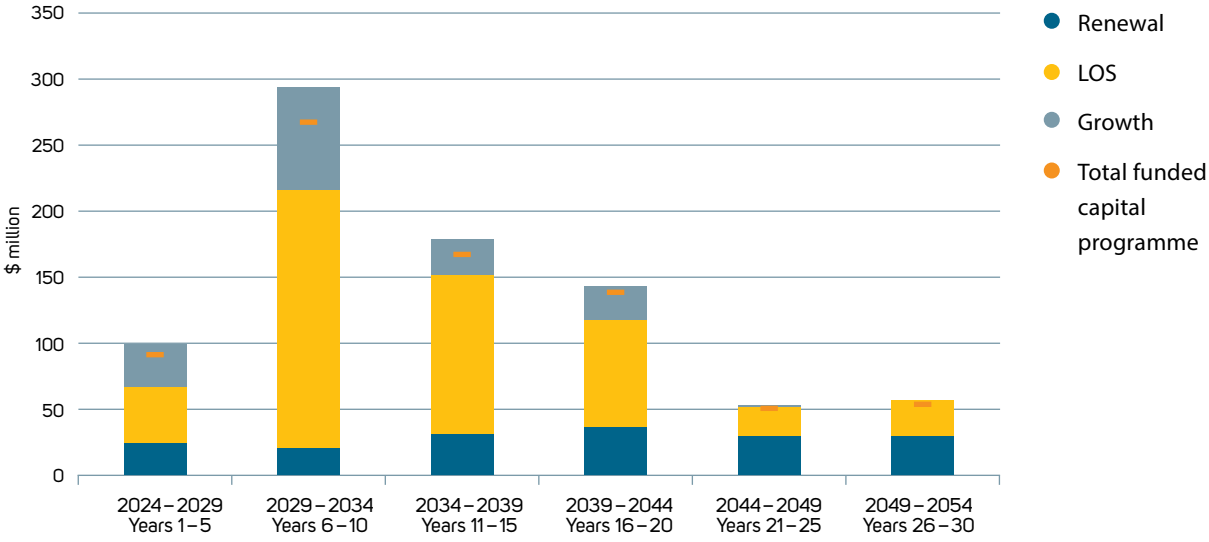
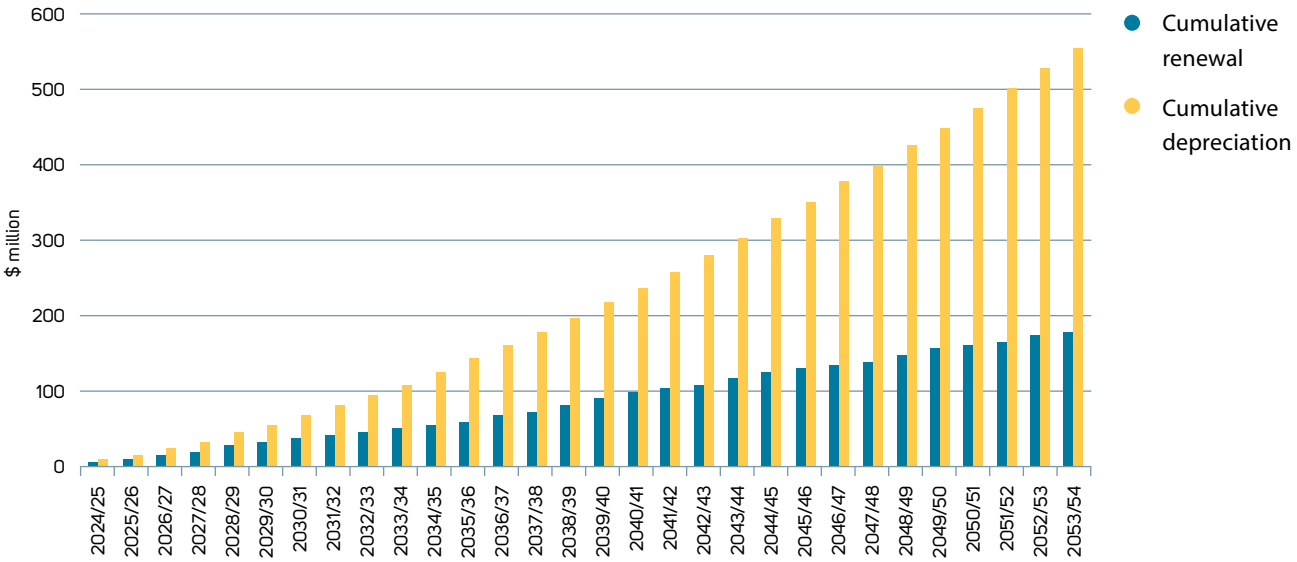


Figure 27: Capital expenditure and depreciation for Wastewater



STORMWATER

We aim to provide cost-effective and sustainable stormwater systems that reduce flooding and meet environmental standards. In urban townships, our stormwater systems collect rainwater from neighbourhoods, road surfaces, carparks and public spaces through sumps and collection points. Pipes and open drains take the water away, back to its natural destination, which may be land soakage, streams and/or the coast. Over the next 10 years, we plan to spend 9% of our total infrastructure budget on the stormwater activity.

ASSET OVERVIEW

The assets that make up Council's stormwater infrastructure are summarised in Table 14 below.

LEVELS OF SERVICE

- We have measures in place to respond to and reduce flood damage from stormwater to property and risk to the community.
- Our stormwater systems do not adversely affect or degrade the receiving environment.
- Our stormwater activities are managed at a level which satisfies the community.

We plan to invest in improving the capacity of our primary and secondary networks, as well as stormwater treatment to protect the receiving environment. In the short term, we plan to continue development of stormwater models and catchment management plans for all urban drainage areas. Through these strategic plans, we will develop a better understanding of the current and future performance of all of our networks against the agreed levels of service, identify gaps in performance, and programme works to address these gaps.

Table 14: Stormwater asset summary

DESCRIPTION	REPLACEMENT VALUE*	DATA RELIABILITY
15,481 property connections	$18.9 million	Good
222 km piped stormwater network	$151.3 million	Good
42 km of maintained open drains and streams	$8.6 million	Good
3,208 manholes	$26.0 million	Good
1126 sumps	$4.4 million	Good
11 detention dams	$1.4 million	Good
Other assets e.g. culverts, inlets and outlets	$20.5 million	Good

*Replacement valuation as at 30 June 2022.

RESPONDING TO OUR INFRASTRUCTURE PRIORITIES

Further to the overarching infrastructure key issues identified earlier in this Strategy, we have also identified key issues specific to the stormwater activity that are summarised below. Each of these issues relate back to Council's infrastructure priorities. For each issue, the significant decisions we are planning to make are outlined, along with the principal options for addressing the issue, estimated costs and timing.

There is a close relationship between each of the issues. Implementing the preferred option for one issue is often likely to help address the other issues to varying degrees. To help simplify the discussion, options have been allocated to the primary reason they have been considered.

In addition to this Strategy, we also prepare catchment management plans. Integrated urban catchment management planning is an efficient way of coordinating efforts to address multiple stormwater issues (i.e. flood management, freshwater management, aquatic habitat management and amenity values within urban stormwater catchments). We have planned to develop a full suite of urban catchment management plans by 2027.

We have completed the catchment management plans for Richmond and Motueka are in the process of developing the catchment management plan for Brightwater and Wakefield. These will be used to inform future versions of this Strategy and our Activity Management Plan for stormwater.

SUPPLYING OUR GROWING COMMUNITIES

We expect that over the next 10 years Tasman's population will grow by approximately 7,400 residents. To accommodate this growth new homes need to be built, most of which will cause changes to the nature of surface water runoff due to permeable areas of ground becoming hard surfaces such as houses and carpark areas. This increases the volume of stormwater that we need to collect and discharge. We can meet this increased demand through existing infrastructure where capacity is available. Where capacity is not available, or if the infrastructure does not exist, we will need to provide upgraded or new infrastructure to enable development to continue. In infill development areas where capacity is limited development can be enabled through on-site detention.

Table 15 summarises the options that we have considered in order to enable growth.

Table 15: Principal options to enable community growth

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Increase the capacity of the receiving pipes, detention basins, and streams in: • Richmond West • Richmond South • Māpua	We will enable development of new homes and businesses and mitigate the effects of this development on the environment. This will come at a cost that will need to be recovered through a mix of development contribution charges and rates. This work will also reduce the risk of flooding for existing residents.	✓	Richmond West: $12.9 million Richmond South: $32.2 million Māpua: $4.0 million	2024 – 2029 2024 – 2028 2024 – 2034

Table 15: Principal options to enable community growth (cont.)

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Contribute to the construction of new stormwater networks in new growth areas: • Motueka West • Motueka South West • Jefferies growth area (Brightwater)	We will enable development of new homes and businesses and mitigate the effects of this development on the environment. This will come at a cost that will largely be recovered through development contribution charges.	✓	Motueka West: $5.9 million Motueka South West: $26.5 million Jefferies: $3.5 million	2024 – 2024 2035 – 2041 2041 – 2043
Manage demand from the source through the Tasman Resource Management Plan rules	Using on-site detention developers can partially mitigate the impact of their developments on the stormwater system before it enters our network. Our stormwater network can then be sized accordingly.	✓	N/A	Status quo
Prevent development from occurring	We will not be able to provide for some new homes and businesses. This will restrict the amount of growth that can occur, particularly in Richmond and Motueka.	✗	N/A	Not planned

Enabling construction of new subdivisions will provide homes for our growing population. This is a priority for us. To do this, we have determined that we must provide essential infrastructure. We have planned to implement the above options so that our stormwater network capacity meets the demand created by new homes as they are built. The timing of these upgrades is based on the population projections set out earlier in this Strategy. Implementing these options will help us meet the requirements of the National Policy Statement – Urban Development and our Future Development Strategy.

MITIGATING FLOOD RISKS

Some of Tasman's stormwater pipes and streams are too small to cope with the intense rainfall events experienced over the past few years and do not meet current design standards. During intense rainfall events, there tends to be nuisance surface water flooding and sometimes people's homes and businesses are flooded. It is impossible for us to eliminate all flooding so we have to set appropriate intervention levels.

Flood events and design capacity are often referred to as Annual Exceedance Probability (AEP) e.g. a 1% AEP flood event has a 1% chance of occurring in anyone year. This is sometimes referred to as a 100-year event. The design standard for the primary flow network is 10% AEP and the secondary flow network is 1% AEP. Generally, we plan to intervene when habitable floors are at risk of being flooded.

Table 16 summarises the options that we have considered in order to mitigate surface water flood risks.

Table 16: Principal options to mitigate surface water flood risks

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Increase the capacity of the receiving pipes and streams	The stormwater network will be upgraded over time to provide the agreed levels of service. This will reduce the risk of homes and business being flooded by stormwater runoff.	✓	$37.6 million	2025 – 2046
Protecting secondary flow paths	We will manage secondary flow paths in a proactive manner so that they are available when the primary network is overwhelmed. Residents will understand the function and importance of secondary flow paths.	✓	$10.8 million	2024 – 2054
Maintain the status quo	Known areas of flooding will not be addressed and residents will continue to be exposed to flood risks.	✗	N/A	Not planned

Protecting people and their homes is a priority. Through the agreed stormwater levels of service, we aim to prevent habitable floors from being flooded. It is inappropriate to maintain the status quo as this would not address known issues.

EFFECTS ON THE ENVIRONMENT

It has long been recognised that stormwater runoff is a predominant contributor to water quality and stream and coastal ecosystem health. The potential adverse effects associated with stormwater discharges can be divided into 'quality' and 'quantity' effects.

The 'quality' effects stem from the fact that urban land uses such as roads, carparks, industrial zones and certain building materials generate contaminants that are picked up by stormwater runoff. They then accumulate in fresh water and marine water receiving environments where they have an adverse effect on ecosystems. The main contaminants of concern are sediments, heavy metals and hydrocarbons. Urban runoff and concrete or rock lined stormwater channels may also lead to increased water temperature which has a detrimental effect on stream life.

The 'quantity' effects stem from the fact that urbanisation leads to increased areas of impervious surface which in turn leads to a decrease in groundwater recharge and increased stormwater runoff. The effect of reduced groundwater recharge leads to reduced base flows in streams especially during dry periods. On the other hand, the increased runoff leads to higher flow velocities that can cause scour and streambank erosion. We control these types of effects through implementation of the joint Nelson Tasman Land Development Manual (NTLDM) and the Tasman Resource Management Plan (TRMP). For this reason, infrastructure interventions have not been considered below.

Table 17 summarises the options that we have considered in order to mitigate the effects of stormwater on the environment.

Table 17: Principal options to manage the effects of stormwater on the environment

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Implement demand management measures at the source through TRMP rules	Demand management measures implemented at the source reduce the impact on the receiving environment and requires less intervention by Council within the remainder of the public stormwater network.	✓	N/A – private cost	Status quo
Installation of stormwater treatment devices and construction of treatment wetlands	Stormwater runoff can be treated at key locations which generate high levels of contaminants e.g. busy road intersections. Wetlands located in strategic areas will help remove contaminants from the stormwater runoff prior to discharging into the receiving environment.	✓	$4.0 million	2024 – 2051
Interventions to improve water quality and stream health at Lake Killarney in Tākaka	Stormwater runoff will be adequately managed before entering Lake Killarney.	✓	$2.0 million	2027 – 2029

The National Policy Statement for Freshwater Management requires us to maintain or improve the overall quality of freshwater. We need to ensure that the effects of development on the environment are mitigated.

CLIMATE CHANGE

NIWA has predicted the anticipated effects from climate change in Tasman District to include:

- increased seasonal mean temperature and high temperature extremes
- increased rainfall in winter for the entire District and varying increases of rainfall in other seasons in different areas
- increased rainfall intensity
- rising sea levels, increased wave height and storm surges, and
- more frequent and intense floods, landslides, droughts and storm surges.

These effects of climate change will put further strain on the already limited capacity of our stormwater networks. Discharging stormwater from coastal communities will become increasingly difficult during high tides and will result in more frequent flooding. In other areas, the increase in rainfall will lead to stormwater networks reaching their capacity sooner and the need to better manage overland flowpaths to avoid flooding of properties.

We have not planned to specifically respond to climate change in isolation from the other issues discussed above. Instead, we will consider and address the effects of climate change when upgrading, replacing, or extending our networks. Climate change factors will be incorporated into project designs to ensure infrastructure is future proofed.

INDICATIVE EXPENDITURE ESTIMATES

OPERATING

Operational costs for the stormwater activity are forecast to increase by an average of 4.2% per year over the next 30 years. Direct operational costs are almost static for the duration of the 30 years, with increases largely due to inflation. Indirect costs increase on average 5.1% per year over the next 30 years, largely due to varying loan interest costs and depreciation associated with the capital programme for this activity. See Figures 28 and 29 (on page 163).

CAPITAL

We plan to spend around $91 million on capital improvements over the next 10 years. Of this, 72% is attributable to growth, 27% for level of service improvements and 1% for asset renewal. Our stormwater assets are long-life and are relatively young. This means that there is almost no asset renewal requirement over the next 30 years.

For the first 10 years, we have planned to undertake stormwater improvements with a focus on increasing capacity to cater for growth. After that, the focus shifts to improving levels of service. There is a notable increase in level of service expenditure between Year 26 and 30. This is caused by a large project aiming to reduce the risk of stormwater flooding in Motueka.

We will identify the need for further works through the catchment management plan process. It is likely that these works will be added to the programme after completion of the catchment management plans.

Over the next 30 years, the total funded capital programme is $288 million.

The total funded capital programme shown in Figures 30 and 31 (on page 164) includes the 10% scope risk and programme delivery adjustment discussed earlier in this Strategy.

ASSET RENEWAL PROFILE

There is a significant difference between planned renewals and forecast depreciation over 30 years. This divergence is due primarily to the long useful life and age profile of our current assets. Most of our stormwater assets are not due for replacement within the next 30 years. Our construction of new assets will also contribute to the divergence between renewals and depreciation. The new assets contribute to higher depreciation, but most don't need replacing within the next 30 years. While not shown here, we have compared the likely renewal requirements for 100 years with depreciation over the same time. This assessment shows that the gap closes in the long run. See Figure 32 (on page 165).

ASSUMPTIONS AND UNCERTAINTIES

In addition to the key assumptions identified earlier in this Strategy, the Council has identified the following uncertainties and key assumptions that are specific to the stormwater activity.

- We plan to continue developing and analysing stormwater models to gain a better understanding of the flood risks in the District. Stormwater models aim to simulate potential real-life flood scenarios. The model predictions provide an indication to us about what could happen, not what will happen. We consider model predications together with local knowledge and monitoring data to select most likely scenarios. If the conclusions are incorrect, we may need to reconsider the scope of projects included in its stormwater programme.
- Extreme rainfall events and associated flood impacts can happen at any time and their occurrence may differ from what we expect. We develop stormwater management strategies, plans and designs for events that have a 1% – 10% probability of occurring in any one year. When large events happen more frequently, this may trigger higher expectations from our community to provide a higher level of service. This requires more funding than has been budgeted for.
- We have prepared the stormwater programme based on information that was available at the time. Over the next few years, we plan to do more modelling and prepare catchment management plans. This will provide new and up-to-date information. This information will likely highlight the need for additional intervention, and we may need to plan further improvements and additional funding.
- Timing of growth-related projects is based on current assumptions within our growth model. The actual rate of development in our District will determine when projects and upgrades are required to meet demand. The uncertainty around timing of growth-related projects is a risk, especially for development in Richmond West and South, Motueka West, and Māpua.

FURTHER INFORMATION

Further information on the stormwater activity can be found in the Stormwater Activity Management Plan. Key capital projects and programmes of work are summarised in the following timeline. You can find the full list of the proposed budgets, projects, and timing in Appendix A and B of the Draft Stormwater Activity Management Plan 2024 – 2034.

www.tasman.govt.nz/activity-management-plans

Figure 28: Annual operating expenditure for year 1–10 for Stormwater

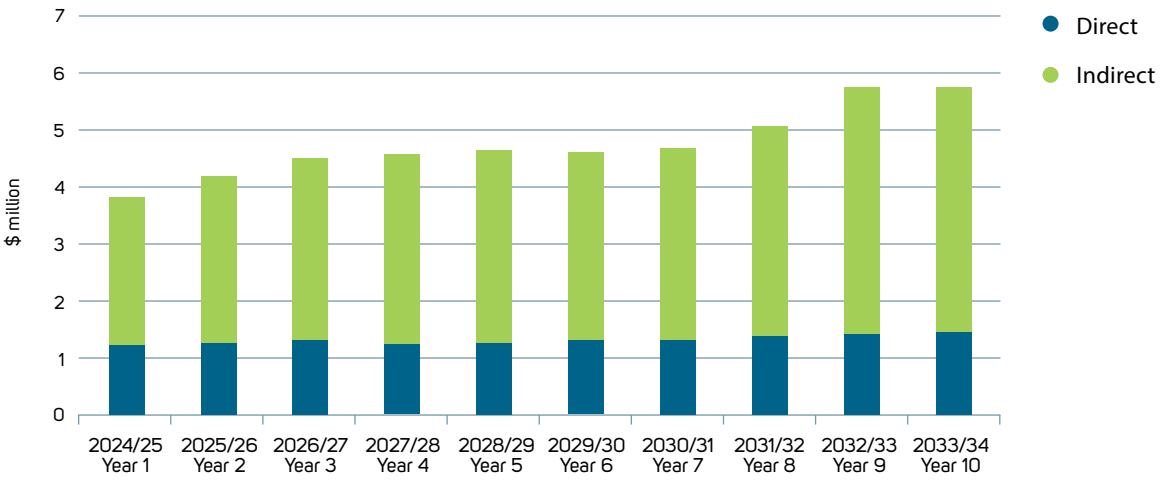


Figure 29: Five-yearly operating expenditure for year 1–30 for Stormwater

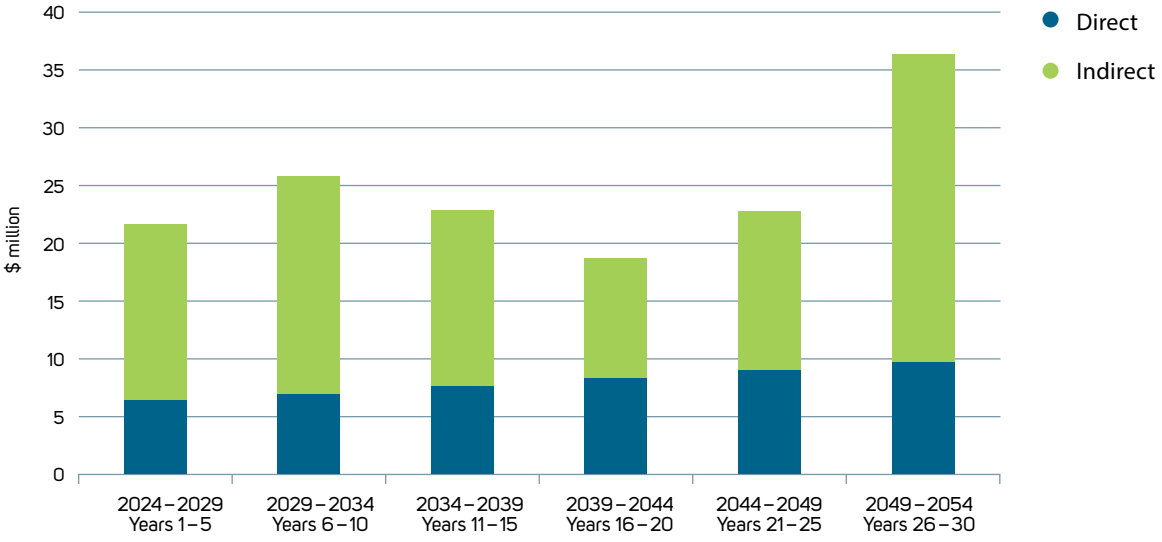


Figure 30: Annual capital expenditure for year 1–10 for Stormwater

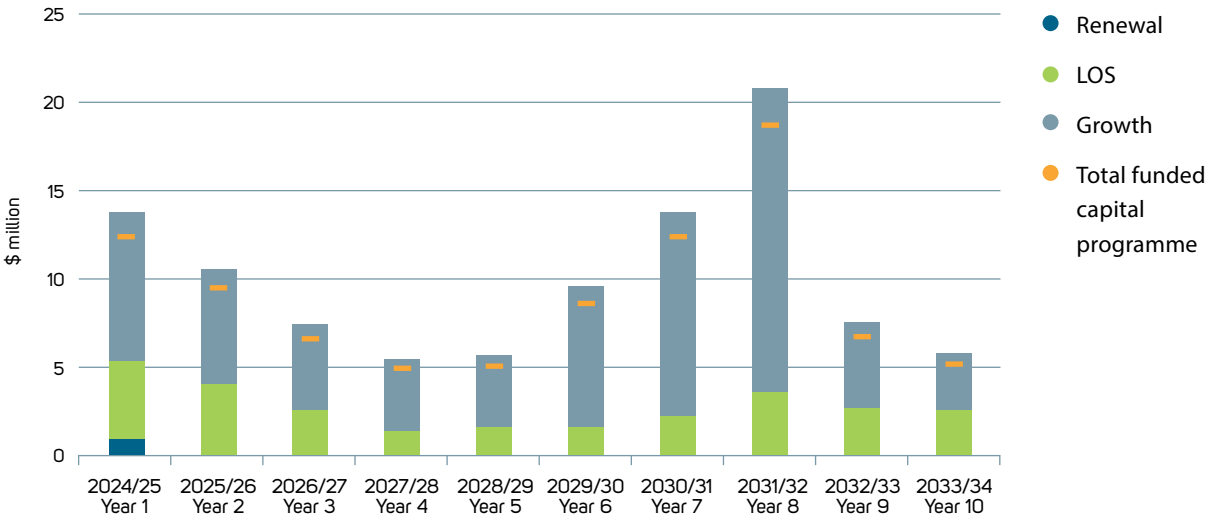


Figure 31: Five-yearly capital expenditure for year 1–30 for Stormwater

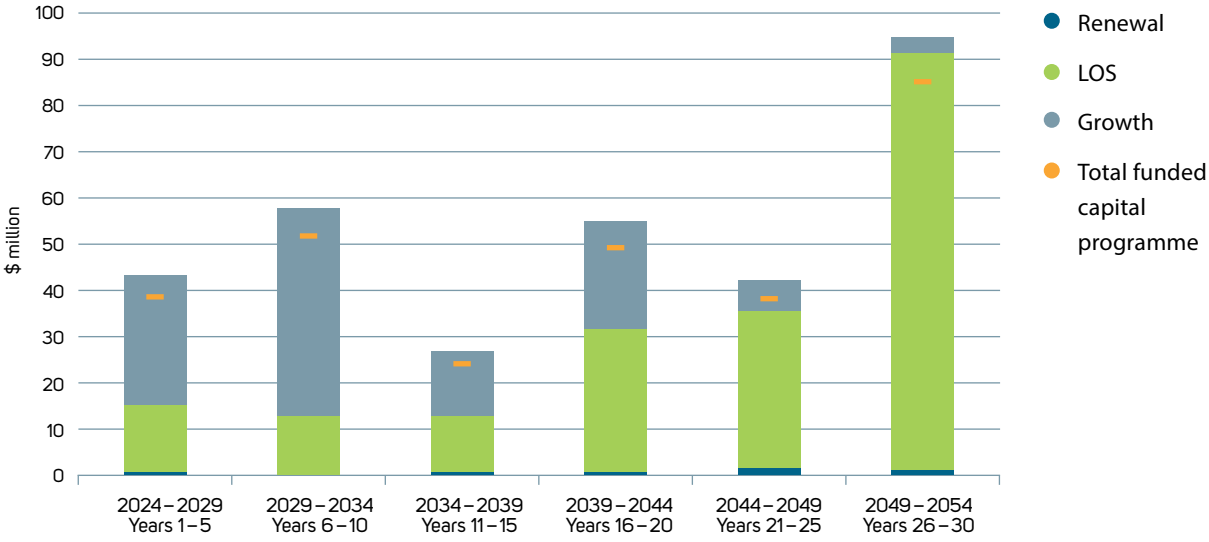
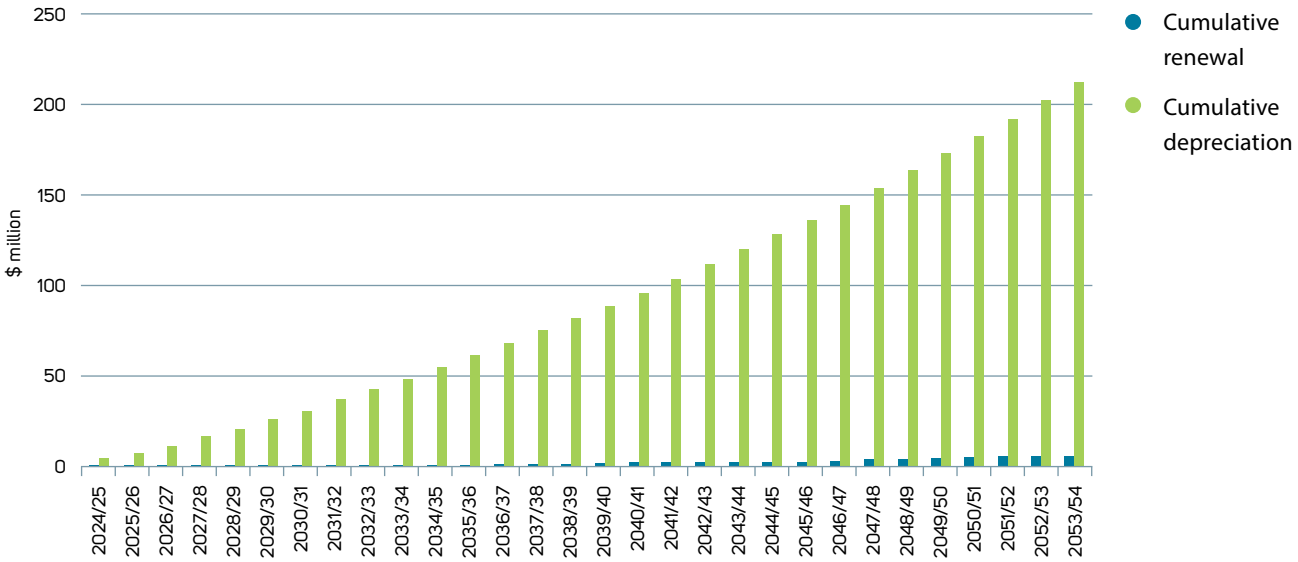


Figure 32: Capital expenditure and depreciation for Stormwater



TRANSPORTATION

We provide roads, footpaths, cycleways, carparks, public transport and associated infrastructure in order to enable safe and efficient movement of people and goods throughout the District. Over the next 10 years, we have planned to spend 38% of our total infrastructure budget on the transportation activity.

ASSET OVERVIEW

The assets that make up our transportation networks are summarised in Table 18.

The asset inventory data for traffic facilities, traffic signs and retaining walls are of variable reliability. This is because some of the data is estimated. This is not a significant concern for us as almost all of these assets are above ground and can easily be inspected. Inventory data for these assets will improve over time as they are replaced and new information is collected.

LEVELS OF SERVICE

- Our transportation network is becoming safer for its users.
- Our transportation network enables the community to choose from various modes of travel.
- Our transportation network is maintained cost effectively and whole of life costs are optimised.
- The travel quality and aesthetics of our transportation network is managed at a level appropriate to the importance of the road and satisfies the community's expectations.

In 2021, we incorporated a new performance measure that measures resident's perception of safety for the different modes of transport. Knowing how safe people feel when they chose to drive, ride or walk is an important factor in understanding our transport networks and how people interact with them and use them.

We have changed the targets for the number of people cycling and using public transport to be an increase in the number of people per capita per year. Our aim is to see more people choosing to cycle or use public transport instead of relying on traditional car transport. We have also budgeted to increase the amount of road resurfacing we undertake in order to minimise whole of life costs across the network.

Table 18: Transportation asset summary

DESCRIPTION	REPLACEMENT VALUE*	DATA RELIABILITY
1,920 km of roads including 968 km of sealed roads and 952 km of unsealed roads	$617 million	Good
557 bridges including footbridges	$182 million	Good
315 km of footpaths and 18 km of walkways	$61 million	Good
178 km of Tasman's Great Taste Trail	$28 million	Good
22 off street carpark areas	$4.5 million	Good
10,442 culverts with a total length of 102 km	$133 million	Good
4,351 sumps and catch pits	$25 million	Good
1,690 km of surface water channels	$51 million	Good
3,827 streetlights	$8.6 million	Good
Other assets including signs, retaining walls and traffic facilities	$23 million	Poor to good

*Replacement valuation as at 30 June 2022.

RESPONDING TO OUR INFRASTRUCTURE PRIORITIES

Further to the overarching infrastructure key issues identified earlier in this Strategy, we have also identified key issues specific to the transportation activity that are summarised below. Each of these issues relate back to our infrastructure priorities. For each issue, the significant decisions we plan to make are outlined, along with the principal options for addressing the issue, estimated costs and timing.

There is a close relationship between each of the issues. Implementing the preferred option for one issue is often likely to help address the other issues to varying degrees. As an example, active and public transport are also used to address growing communities and, likewise, road upgrades incorporate walking, cycling and public transport facilities. To help simplify the discussion, options have been allocated to the primary reason they have been considered.

SUPPLYING OUR GROWING COMMUNITIES AND TRAFFIC CAPACITY

We expect that over the next 10 years Tasman's population will grow by approximately 7,400 residents. All these people will need access to different forms of transport in order to travel for work, education, recreation and essential services. This access will place increasing demand on our transportation network.

In 2020, we completed a Network Operating Framework (NOF) for Richmond with the New Zealand Transport Agency/Waka Kotahi (NZTA) and Nelson City Council and developed a Programme Business Case to address the transport issues in Richmond. The NOF and Business Case consider the current and future state of the transportation network and how it should operate to meet the needs of the community. Through this process, we have identified areas of the network that need to be improved or optimised to be fit for purpose. A key area of concern is State Highway 6 between the Richmond Aquatic Centre and Three Brothers Corner. We do not own or operate the state highways, but they have a significant impact on the function and performance of our local road network that relies on state highways for connectivity. NZTA is responsible for state highways, and it is important that we work closely with it to address issues that affect Tasman residents.

Table 19 summarises the options that we have considered in order to provide for growth.

Table 19: Principal options to enable community growth

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Upgrade road carriageways and intersections to meet increasing road user needs	The network will be fit for current and future users. The timing of upgrades will be such that we make the most of existing infrastructure and it is not prematurely replaced. This will come at a cost that will mainly be funded by development contributions.	✓	$61.4 million	2024 – 2040
Undertake the upgrades over a shorter period of time within the next 10 years	Existing users will experience a higher level of service as the road carriageways will be upgraded ahead of the expected traffic growth. Compressing the timeframe will put substantial pressure on both our financial and delivery resources.	✗	$61.4 million	Not planned
Do not undertake upgrades	The level of service will slowly decline for all road users. It is likely that traffic delays will increase. Intersections will be insufficient for future traffic volumes and the crash risk in these locations is likely to increase.	✗	Nil	Not planned
Work proactively with NZTA and Nelson City Council to identify options to address traffic congestion on State Highway 6 through and beyond Richmond. This may include construction of the Hope Bypass	Working collectively we can plan a coordinated and 'one network' approach to improvements that improve the performance of the road network and future proof it for increasing traffic volumes.	✓	Nil	Ongoing

Transportation networks are able to absorb traffic growth without immediately requiring upgrades to maintain levels of service. There will be a point in which traffic delays become unacceptable or crash risks are deemed to be too high. We have timed the upgrades to make the best use of existing assets at the same time as managing levels of service within an adequate range. Undertaking this work will help us meet the requirements of the National Policy Statement – Urban Development.

Tasman residents often view the road network as one, regardless of whether it is state highway or a local Nelson or Tasman road. It is important that we work closely with our partners to identify solutions and address issues so that we avoid unfavourable outcomes when working independently.

ENABLING ACTIVE AND PUBLIC TRANSPORT

We want to enable more people to choose to walk, cycle and/or use public transport as a form of transport. Providing high quality and safe footpath and cycleway networks, along with a reliable public transport service, will encourage more people to change their travel habits.

If more people choose alternatives to traditional car transport it will have a positive impact on community and environmental health and contribute to easing or preventing further traffic congestion.

Table 20 summarises the options that we have considered in order to provide for a changing population.

Table 20: Principal options to enable active and public transport

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Public transport				
• Extended service timetable in 2026 • Increased bus frequency in 2029	Bus users within Richmond will have better access to services making it a more viable commuting option for some people.	✓	$34.3 million total over 30 years	2026 – 2028 Ongoing
Extend public transport services to Wakefield and Motueka • Increased to all day service weekdays from 2027 • Increased to full week service from 2030	Residents in Brightwater, Wakefield and Motueka will have more transport options.	✓	$17.4 million total over 30 years	Ongoing
Maintain the status quo	The service will remain in place. New users may be discouraged from using the service as the route coverage is inadequate for them.	✗	$170,000 per year uninflated	Not planned

Table 20: Principal options to enable active and public transport (cont.)

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Pedestrian facilities				
Construct new footpaths	We will continue to improve the footpath network by closing gaps, widening footpaths, and building footpaths in new areas. Residents will have improved walking access.	✓	$26.1 million	2024 – 2054
Renew existing footpaths	We will maintain the existing network in adequate condition. As footpaths become rough and in poor condition they will be replaced.	✓	$11.7 million	2024 – 2054
Do not construct new footpaths, or renew existing footpaths	Walking access will not improve. Narrow footpaths and gaps in the network will remain. The condition of footpaths across the network will deteriorate, creating tripping hazards and affecting safety.	✗	Nil	Not planned

Our level of service relating to footpaths states that we will maintain 95% of the footpath network in fair condition or better. The preferred options and cost estimates are based on enabling us to achieve this target.

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Cycleway networks				
Install low intervention, buffered, on-road cycle lanes	Safer cycling routes will exist on strategic routes, encouraging more people to choose cycling as a form of transport.	✓		

At the time of writing, the Streets for People cycleway projects on Hill Street, Champion Road, Wensley Road and Salisbury Road are programmed before the end of the June 2024.

NETWORK INTEGRITY

The road network in Tasman is generally maintained to a good condition. A key aspect of our maintenance regime is keeping the waterproof seal in good condition, in order to keep the pavement dry. Doing this limits degradation associated with water ingress. We have many relatively weak pavements, making this approach crucial to their longevity.

Between 2013/2014 to 2019/2020, the road renewal programme was reduced to help enable us to remain within our set debt limits in the short term. Now we need to increase the investment to ensure that assets are maintained and do not deteriorate.

Table 21 summarises the options that we have considered in order to maintain network integrity and condition.

Table 21: Principal options to maintain network integrity

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Increase investment in road surfacing, pavement and drainage renewal	The road network should remain in a similar condition to as it is now. Future users are likely to experience the same level of service as current users.	✓	$268 million	2024 – 2051
Maintain existing investment levels	The condition of the road network is likely to deteriorate in the long term. Future users are likely to be impacted and maintenance costs are likely to increase.	✗	Approx. $190 million	2024 – 2051

We have planned to renew our road pavements in an optimised way that takes into account the increased wear and tear from more and heavier vehicles. By doing this, we will ensure that current and future users experience similar levels of service.

INDICATIVE EXPENDITURE ESTIMATES

The following graphs summarise the total cost of the transportation activity. The true cost to us will be less than this, as we receive 51% subsidy from NZTA for its subsidised transport programme. The subsidy applies to most operating and maintenance activities and some capital improvements.

OPERATING

Operational costs for the transportation activity are forecast to increase by around 2.2% per year for the first 10 years, and 2.7% per year over 30 years.

For the first three years, there are increases in the direct costs associated with sealed pavement maintenance and public transport. After that, there are increases in the public transport budgets in 2030/2031 and 2032/2033 associated with planned improvements to bus services.

Within the first 10 years, indirect costs increase more significantly due to loan interest and depreciation costs associated with changes in the capital programme for this activity. These increases are less notable in the following 10 years.

Both direct and indirect costs increase due to inflation across the 30 years. See Figures 33 and 34 (on pages 173 and 174).

CAPITAL

We plan to spend around $211 million on capital improvements over the next 10 years. Of this, 11% is attributable to growth, 16% for level of service improvements and 74% for asset renewal. Our clear priority for the transportation activity is to maintain the road network in a good condition, which requires a steady investment in road renewal.

Figures 35 and 36 (on pages 174 and 175) show that our capital investment is primarily for renewal and that this investment is steady for the next 30 years, only increasing due to inflation.

In 2028/2029 to 2032/2033 there are notable increases in growth and level of service expenditure. The level of service increase is due to an increase in investment in active transport projects. The growth increase is due to a number of planned intersection and road upgrades in Richmond West.

ASSET RENEWAL PROFILE

We have planned a steady base of renewals for the next 30 years. Our base programme includes a high proportion of assets that have relatively short useful lives, between 10 and 20 years. Bridges are an exception to this as their useful life is typically 100 years and most of our bridge assets are not due for renewal within the next 30 years.

There is divergence between renewal investment and depreciation from 2024/2025, increasing through to 2054. This divergence is partly due to the age profile of our current bridge assets. As shown in an earlier figure, most of our bridges are due for renewal beyond 2054. We have undertaken a simple exercise to compare indicative renewal requirements for 100 years with depreciation over the same time. This exercise showed that the gap between renewal and deprecation closes as the bulk of the assets reach the end of their useful life. We also use deterioration modelling to determine optimised renewal investment levels.

Our modelling takes into account asset condition and traffic volumes as well, neither of which are incorporated in our depreciation estimates.
See Figure 37 (on page 175).

ASSUMPTIONS AND UNCERTAINTIES

In addition to the key assumptions identified earlier in this Strategy, Council has identified the following uncertainties and key assumptions that are specific to the transportation activity.

- We cannot predict when and where flood or coastal inundation/erosion events will occur, or the damage that may be sustained during these events. During large events, there is a risk that roads can be washed out or blocked by slips and debris. We have annual budgets for clean-up and repair which should be sufficient for most events. We also have an emergency fund to cover the costs associated with more significant damage. We have assumed that if these events occur, that there will be enough funds available to undertake repairs, whether it is through accessing budgeted funds, reprioritisation of other maintenance activities, or increasing borrowing.

- As at December 2023, we had not received confirmation that we would receive the full amount of funding applied for from the NZTA. We assume we will receive the full funding request. If full funding is not granted, we may need to fully fund a small portion of the programme from rates or reduce the scope of the programme so that it aligns with the level of funding given.
- Until now, self-drive vehicles have been the main form of transport throughout our District. In recent years, significant investment has been made in new technologies that have potential to change how vehicles operate, and the demands that they may place on the transport system, including Autonomous, Connected, Electric and Shared vehicles, and e-bikes and e-scooters. There may also be other technologies in formative stages, which we are currently unaware of, and which may have significant impact on our transport system.

There is a high level of uncertainty about the development and impact of these current and possible emerging technologies on the transport system. Given the level of uncertainty, we have adopted a Business As Usual approach for the life of this Strategy but are monitoring the development of new technologies with an understanding that we may need to vary this Strategy to adapt to new technologies.

FURTHER INFORMATION

Further information on the transportation activity can be found in the Transportation Activity Management Plan. Key capital projects and programmes of work are summarised in the following timeline. You can find the full list of the proposed budgets, projects, and timing in Appendix A and B of the Draft Transportation Activity Management Plan 2024 – 2034.

www.tasman.govt.nz/activity-management-plans

Figure 33: Annual operating expenditure for year 1 – 10 for Transportation

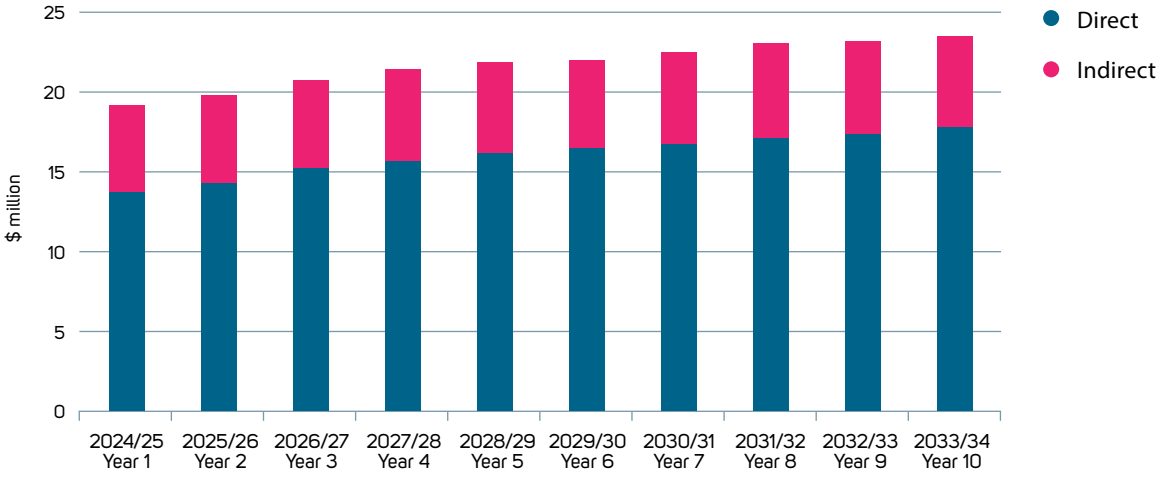


Figure 34: Five-yearly operating expenditure for year 1–30 for Transportation

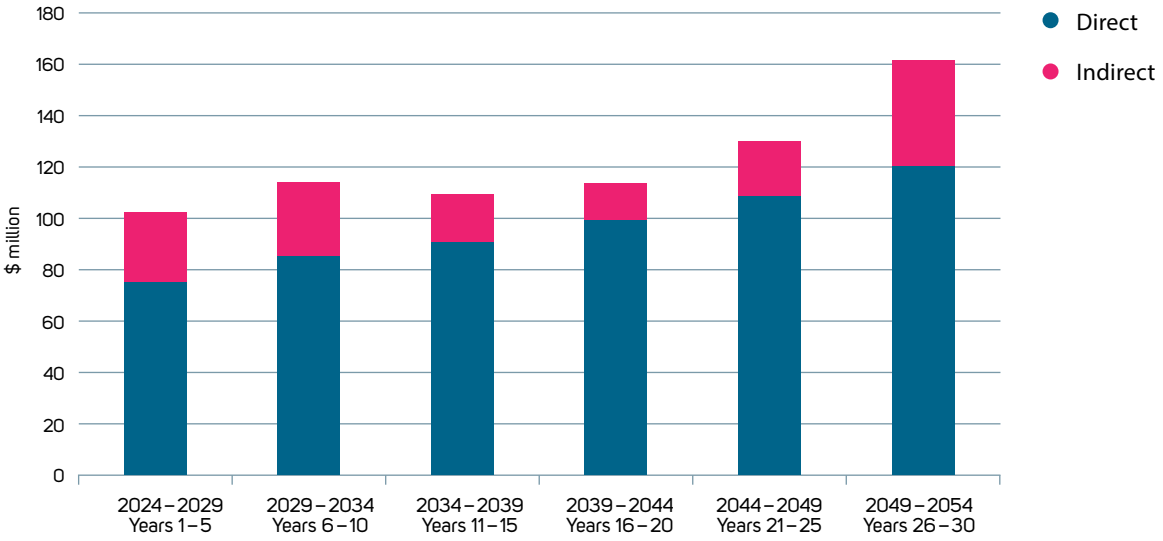


Figure 35: Annual capital expenditure for year 1-10 for Transportation

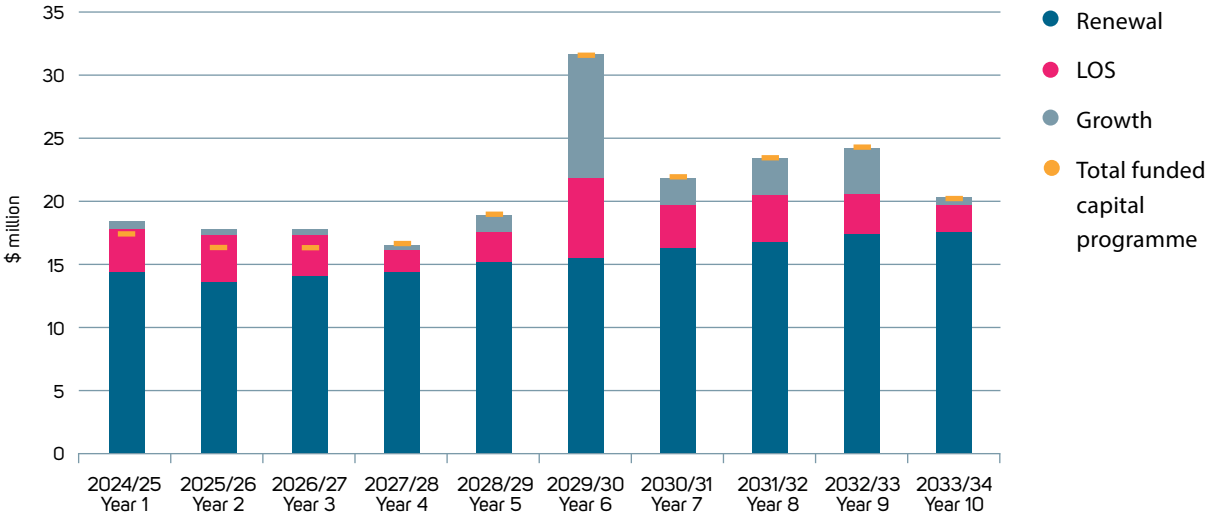


Figure 36: Five-yearly capital expenditure for year 1–30 for Transportation

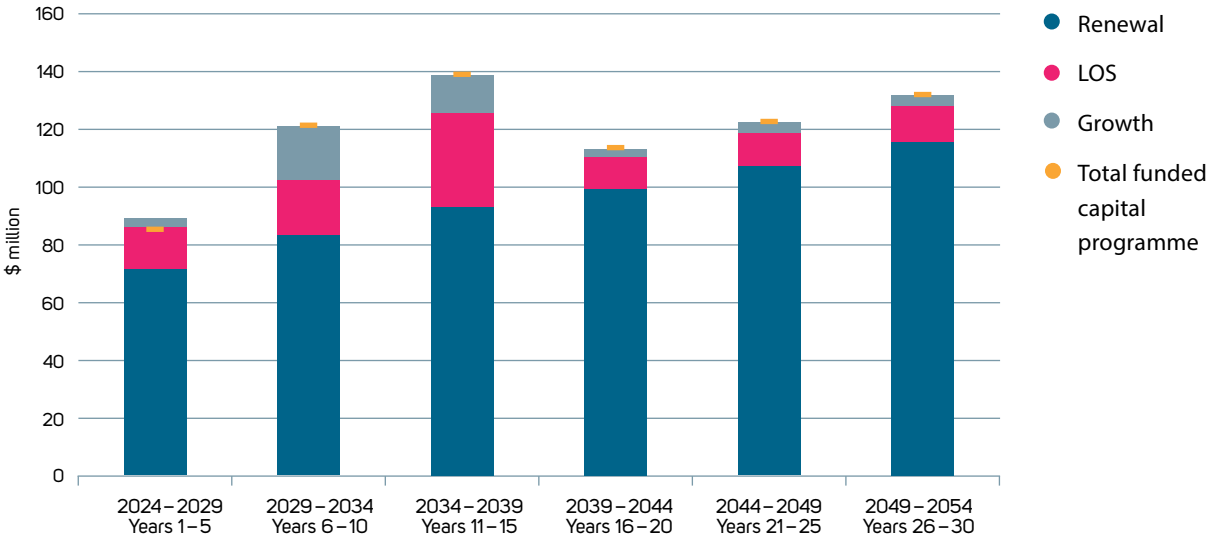
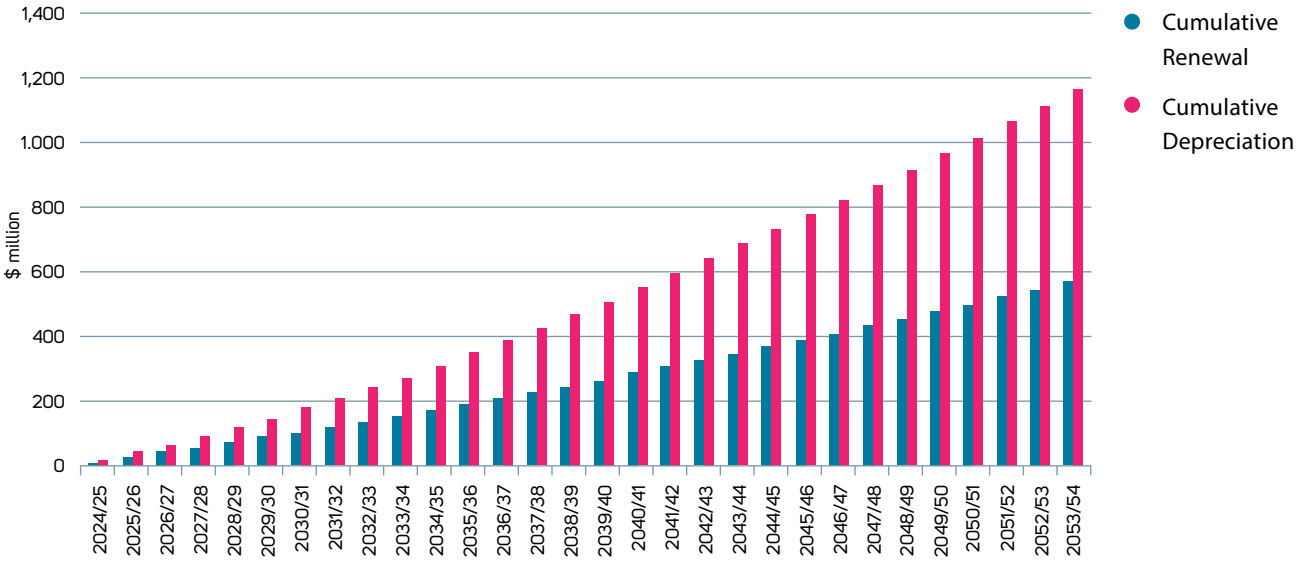


Figure 37: Capital expenditure and depreciation for Transportation



RIVERS

We maintain 285 km of major rivers in order to carry out our statutory role of promoting soil conservation and reducing damage caused by floods and riverbank erosion. By implementing and maintaining quality river control and flood protection schemes, we improve protection of private property and public spaces and assets. Over the next 10 years, we plan to spend 1.3% of our total infrastructure budget on the rivers activity.

ASSET OVERVIEW

The assets that make up our rivers infrastructure are summarised in Table 22.

LEVELS OF SERVICE

- Our structures are managed to reduce the impact of flooding now and in the future.
- Our river environments are healthy ecosystems that are attractive and enjoyed by our communities.

We do not plan to increase levels of service for this activity for the duration of this Strategy. We are continuing to undertake work on the Lower Motueka River stopbanks to improve sections of the banks so that they will perform to our agreed levels of service. We will also need to review over the coming years the level of service of the Riuwaka River stopbanks.

RESPONDING TO OUR INFRASTRUCTURE PRIORITIES

Further to the overarching infrastructure key issues identified earlier in this Strategy, we have also identified key issues specific to the rivers activity that are summarised below. Each of these issues relate to our overall infrastructure priorities. For each issue, the significant decisions we are planning to make are outlined, along with the principal options for addressing the issue, estimated costs and timing.

FLOODING OF PRIVATE PROPERTY

Communities that live near rivers are exposed to flood risk. The communities most at risk include Motueka and Riwaka. This risk is not new, but with changing weather patterns the risk is changing. More intensive and frequent rainfall is likely to bring with it increased river flooding. To varying levels, we aim to help protect these communities through our rivers activity through the provision of erosion protection and stopbanks. However, it is impossible to remove the risk entirely through engineering measures, and therefore individual property owners also need to be aware of and take measures to reduce the impact of any flood risk they may face.

Table 23 summarises the options that we have considered in order to improve the mitigation of river flood risks.

Rivers

Table 22: Rivers asset summary

ACTIVITY SCHEMES	ASSET DESCRIPTION	REPLACEMENT VALUE*	DATA RELIABILITY
Waimea catchment	63 km of maintained river system, including rock protection and 19.5 km of stopbanks	$82.1 million	Good
Upper Motueka catchment	63 km of maintained river system, including rock protection		
Lower Motueka catchment	67 km of maintained river system, including rock protection and 39.45 km of stopbanks		
Aorere catchment	18 km of maintained river system, including rock protection		
Tākaka catchment	39 km of maintained river system, including rock protection		
District-wide	Tidal outfalls or gates, gabion baskets, plantings	$14.0 million	Good

*Replacement valuation as at 30 June 2022.

Table 23: Principal options to address flooding of private property

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Motueka River				
Do not undertake improvements	The risk of the stopbanks overtopping or collapsing during significant flood events will remain the same.	✗	Nil	Status quo
Further increase capacity and strength of sections of the stopbanks that do not meet agreed levels of service	The risk of the stopbanks overtopping or collapsing during significant flood events will be reduced. The community will be protected to a higher level.	✗	$10 million – $20 million	Not budgeted at present but Tasman continues to promote the need and opportunity for enhancement, and pursue funding with Government

Table 23: Principal options to address flooding of private property (cont.)

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Motueka River (cont.)				
Implement other flood mitigation measures e.g. spillways, secondary stopbanks	The existing stopbanks will remain in place and the likelihood of the stopbanks overtopping or collapsing will remain. The consequence of the breach could be mitigated to provide a higher level of protection to the community.	✗	$3 million – $20 million	Not planned
Prepare a river flooding emergency response plan	Civil Defence teams and emergency responders will have a well-informed plan should an extreme event occur. Residents will be better informed and understand the risks they are exposed to.	✓	N/A	Underway

We recently undertook stopbank upgrades to strengthen key high-risk sections and address areas that did not provide the agreed level of service. This work was completely using funds obtained from the Provincial Development Unit's Covid-19 Response and Recovery Fund, which granted $7.5 million towards the $10 million project. Further funding for stopbank strengthening work is not currently scheduled, although Tasman District Council continues to lobby Central Government for this assistance.

Table 23: Principal options to address flooding of private property (cont.)

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Riuwaka River				
Do not undertake improvements	The risk of the stopbanks overtopping during significant flood events will remain.	✓	Nil	Status quo
Assist affected properties to improve individual flood resilience	The consequence of stopbank breaches will be reduced for those residents who have been most affected by historic breaches.	✗	Not feasible	Not planned
Increase height of stopbanks to provide increased flood capacity	Neighbouring residents will be provided with a higher level of protection. Land acquisition is required to increase the footprint of the stopbanks which may result in loss of income for affected landowners.	✗	Not feasible	Not planned
Prepare a river flooding emergency response plan.	Civil Defence teams and emergency responders will have a well-informed plan should an extreme event occur. Residents will be better informed and understand the risks they are exposed to.	✓	N/A	Underway

We undertook flood investigations in 2020 and simulated flood modelling to better understand the flood risks from the Riuwaka River on neighbouring properties. The modelling showed that extensive construction of new stopbanks would be required in order to reduce flood risks, requiring extensive land purchase. The nature of the local geography and streams makes them very difficult to contain. We determined that wide scale stopbank improvements are unfeasible and the cost would far outweigh the benefits of undertaking the work.

EROSION OF PRIVATE PROPERTY

Tasman has experienced several major storm events since 2010 that have resulted in erosion of private properties adjoining rivers, most recently in May 2023 and August 2022. While several of our larger rivers are included in our maintained "Y" classified rivers the majority of rivers are 'unclassified' or not maintained by Council. Whilst we don't actively maintain the river system in these unclassified rivers, we have made provision to assist landowners to undertake repairs and protection where they are willing to share in the cost of doing so. Our policy is to contribute up to 50% towards the cost of the works from our Rivers Z fund, with a target of 33% subsidy to stretch the available funds to a wider landowner pool. In recent years, this fund has been oversubscribed.

Table 24 summarises the options that Council has considered in order to address erosion of private property.

Table 24: Principal options to address erosion of private property

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Gradual increase in Rivers Z funding	Enable support of a greater number of individuals with a neutral impact on overall river rates.	✓	$22.6 million total for 30 years	Ongoing
Extend the length of the maintained river system	Provide a higher level of service to some customers but will require a significantly greater rates take.	✗	Unknown	Not planned
Maintain the status quo	Rivers Z likely to remain oversubscribed meaning some individuals will miss out. No impact on rates.	✗	N/A	Not planned

We generally allocate River Z funds on the basis of a 50% subsidy to landowners. Apart from increasing the Rivers Z funding, we may also choose to allocate River Z funds differently in the future by requiring a larger contribution from landowners; this has already started as we are increasingly targeting a 33% subsidy rate to allow more landowners to access the limited funding pool.

HOLISTIC RIVER MANAGEMENT

The movement of gravel within a river system and changes to the active channel is part of natural river processes. Most of the time it is of no consequence, but sometimes gravel build-up can cause issues by reducing the capacity of river channels or concentrating flows to cause increased erosion.

It is important to allow some natural movement of gravel within the river system to protect the natural environment, but this needs to be balanced against appropriate flood mitigation measures and impacts on local aquifers. The table below summarises the options that Council has considered in order to improve the mitigation of river flood risks.

Table 25: Principal options to address gravel aggregation

PRINCIPAL OPTIONS	IMPLICATIONS	PREFERRED OPTION	COST ESTIMATE	TIMING
Continue to survey, manage and extract gravel within an appropriate envelope, so that extraction is only undertaken in suitable locations	Requires additional funding to cover on-going survey and management costs. Potentially increase gravel extraction volumes by private parties, which should also increase income for Council.	✓	$3.5 million total over 30 years	Ongoing
Develop holistic river management plans	Development of river management plans will help us meet strategic long-term goals for multiple issues and river values. These plans will be based on an integrated approach between Council, iwi, community and stakeholder groups.	✓	$1.5 million total over 30 years	Commence in 2024, then ongoing
Uncontrolled extraction of gravel	This option prioritises the built environment and commercial gain over protecting the environment. Potentially increase gravel extraction volumes, which should also increase income.	✗	N/A	Not planned
Maintain the status quo	Continue to extract gravel but in a conservative manner.	✗	N/A	Not planned

The development of river management plans supports a holistic and pro-active approach to river management. This will take into account our obligations under the Soil Conservation and River Control Act as well as our wider responsibility to manage environmental effects and improve environmental outcomes.

INDICATIVE EXPENDITURE ESTIMATES

OPERATING

Operational costs for the rivers activity are forecast to increase by around 4.7% per year for the first 10 years and 3.6% per year over 30 years. Within the next 10 years, direct operating expenditure increases by an average of 1.5% per year. The biggest increase occurs in 2025/2026, which is caused by the increase in River Z budgets.

Indirect expenditure increases by an average of 9.2% per year over 10 years. This is largely driven by increases in loan interest costs associated with the capital programme for this activity.

Both direct and indirect costs increase due to inflation across the 30 years. See Figures 38 and 39 (on page 183).

CAPITAL

We have planned to spend around $25 million on capital improvements over the next 10 years and around $61 million over the next 30 years. Of this, 99% is attributable to level of service improvements. The capital programme is static for the 30 years, only increasing due to inflation.

The total funded capital programme shown in Figures 40 and 41 (on page 184) includes the 10% scope risk and programme delivery adjustment discussed earlier in this Strategy.

ASSET RENEWAL PROFILE

Most of our rivers assets are not depreciated. We only depreciate tide gates/outfalls, gabion baskets and railway iron structures. The expected useful life of these assets' ranges from 30 to 60 years. We have included an annual renewals budget in the 10-Year Plan 2024 – 2034 to maintain and renew these assets as they reach the end of their serviceable life. This is the cause of the divergence between renewal investment and depreciation. See Figure 42 (on page 185).

ASSUMPTIONS AND UNCERTAINTIES

In addition to the key assumptions identified earlier in this Strategy, we have identified the following uncertainties and key assumptions that are specific to the rivers activity.

- Access to Rivers Z funding can be as high as a 50/50 share between private landowners and the Council, although we are increasingly moving towards a two-thirds/one-third share between landowners and Council. If there is a drop in demand from landowners needing assistance, or there is an unwillingness to pay, this fund may be underspent.
- We cannot predict when and where large flood events will occur, or the damage that may be sustained during such a flood. During a large event, there is a risk that rock protection works can shift, new erosion can occur, or stopbanks could be damaged. We have assumed that if this occurs, we will have enough funds available to undertake repairs, whether it is through reprioritisation of maintenance activities or accessing emergency funding provisions (e.g., reserves, debt).
- Extreme rainfall events and associated flood impacts can happen at any time. The occurrence of these events may differ from what we expect based on statistics. When large events happen more frequently, such as is projected under future climate change scenarios, this may trigger higher expectations from our community to provide a higher level of service. Providing a higher level of service will come at a higher cost and require more funding than has been budgeted for.
- As with large floods, we also cannot reliably predict when moderate floods will occur or their impact. We have used historic trends to determine maintenance funding levels for the future and has assumed that these levels will be sufficient. If more floods occur than assumed, it is likely that we will be required to spend more than planned. If floods are less or more minor than assumed, it is likely that we will be required to spend less than planned.

FURTHER INFORMATION

Further information on the rivers activity can be found in the Rivers Activity Management Plan. Key capital projects and programmes of work are summarised in the following timeline. You can find the full list of the proposed budgets, projects, and timing in Appendix A and B of the Draft Rivers Activity Management Plan 2024 – 2034.

www.tasman.govt.nz/activity-management-plans

Figure 38: Annual operating expenditure for year 1–10 for Rivers

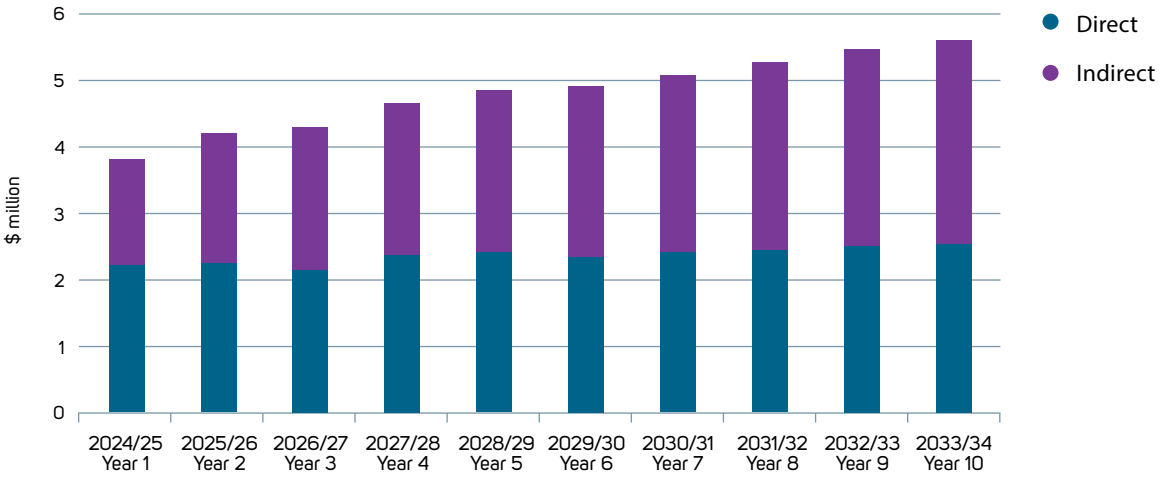


Figure 39: Five-yearly operating expenditure for year 1–30 for Rivers

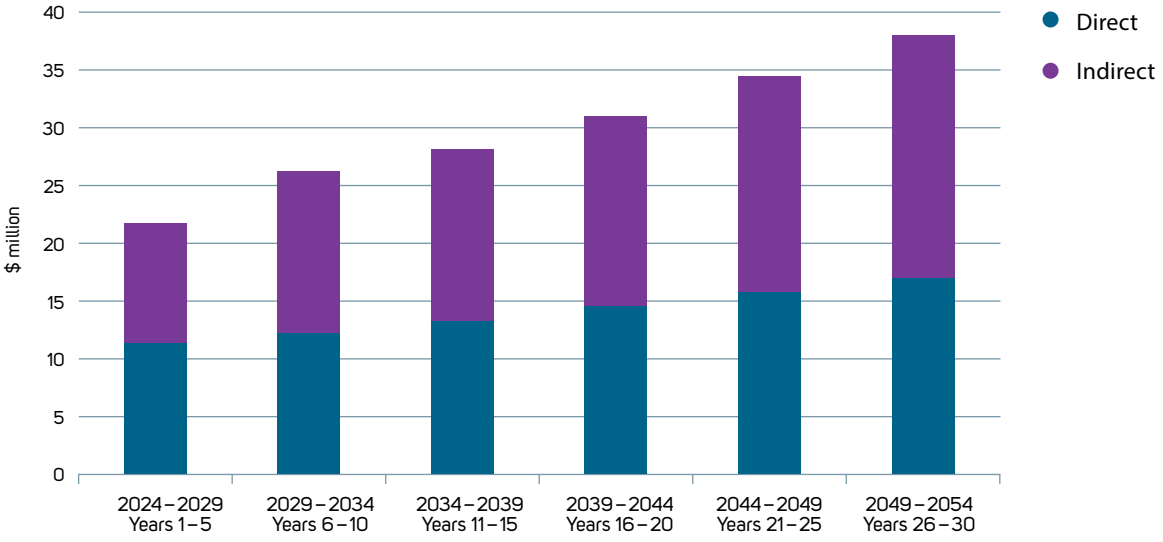


Figure 40: Annual capital expenditure for year 1–10 for Rivers

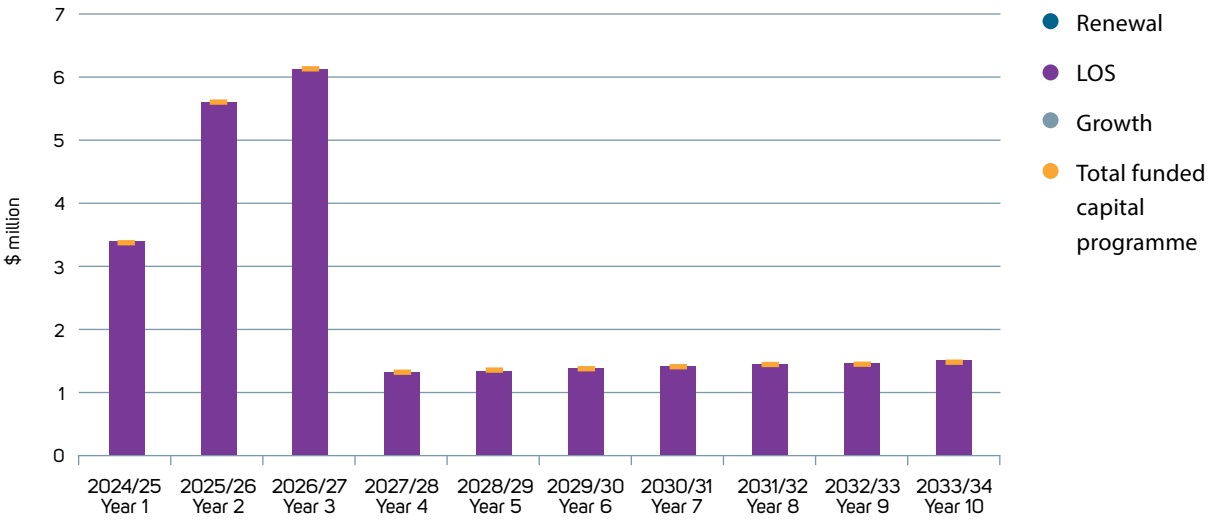
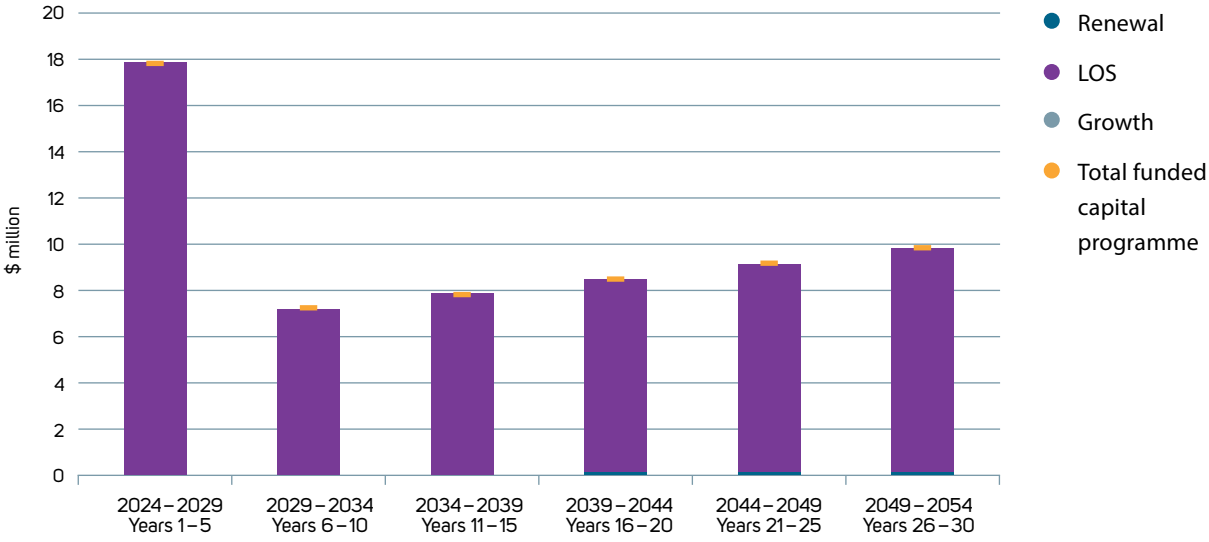
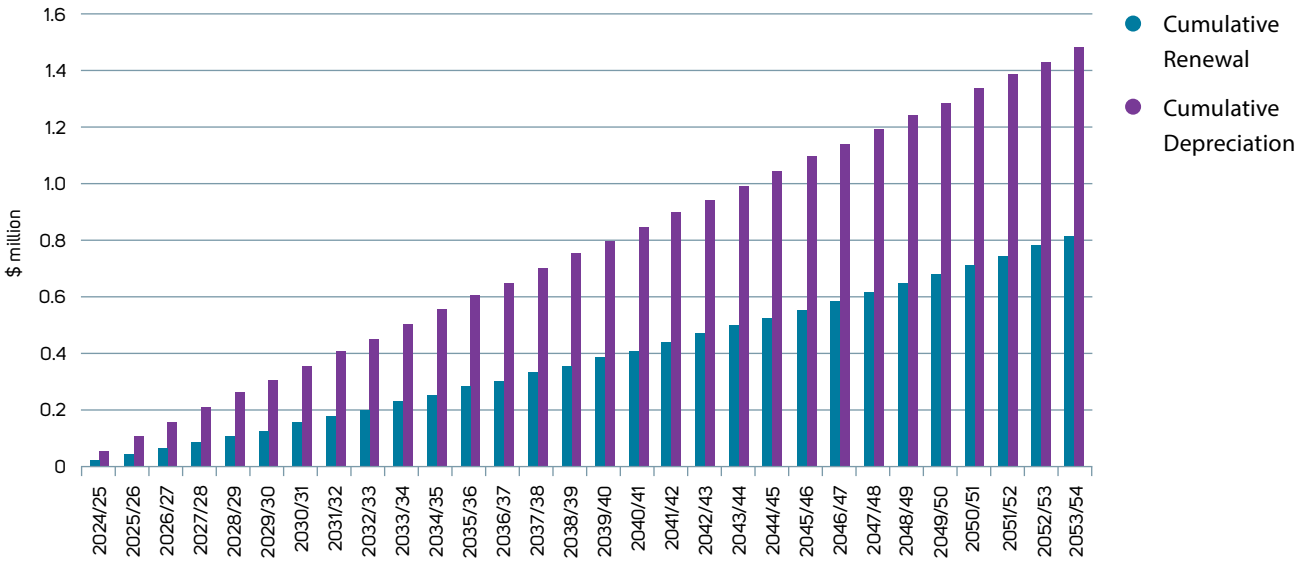


Figure 41: Five-yearly capital expenditure for year 1–30 for Rivers



Rivers

Figure 42: Capital expenditure and depreciation for Rivers



REVENUE AND FINANCING POLICY

REVENUE AND FINANCING POLICY

POLICY REFERENCES

EFFECTIVE DATE

1 July 2024

REVIEW DUE

30 June 2027

LEGAL COMPLIANCE

Local Government Act 2002 Section 102(2)(a) and 103

INTRODUCTION

PURPOSE

The Revenue and Financing Policy is adopted to provide predictability and certainty about sources and levels of council funding. It explains the Council's policies in respect of the funding of operating and capital expenditure from the various funding sources available to it. It also explains how the Council has undertaken the analysis of its funding needs.

STRUCTURE OF THE POLICY

This Policy is structured as follows:

- The Council's broad principles, including consideration of relevant factors and review of the overall allocation of liability for revenue needs on the community;
- The Council's policy on funding operating expenses;
- The Council's policy on funding capital expenses; and
- The Council's consideration of the overall impact of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

RELATED POLICIES

A number of Council policies have relationships with the Revenue and Financing Policy:

- Financial Strategy – this strategy sets out how the Council plans to finance its overall operations in order to meet its Community Outcomes;
- Liability Management Policy[4] – this Policy outlines the Council's policies in respect of the management of both borrowing and other liabilities;
- Investment Policy – this Policy outlines the Council's policies in respect of investments;
- Development and Financial Contributions Policy – the purpose of this policy is to ensure that a fair, equitable and proportionate share of the cost of infrastructure to meet growth, is funded by those who cause the need for and benefit from the new or additional infrastructure, or infrastructure of increased capacity.
- The Council is required to have a policy on Development Contributions or Financial Contributions. The Council's Tasman Resource Management Plan (TRMP) contains provision for Financial Contributions for reserve purposes;
- Rates Remission Policy and Policy on Remission and Postponement of Rates on Māori Freehold Land – these policies detail those circumstances under which the Council will consider the remission or postponement of rates on properties; and
- Infrastructure Strategy – this policy identifies key issues relevant to the provision of infrastructure, the key options for addressing those issues, and the subsequent financial implications for the next 30 years.

COMMUNITY OUTCOMES

The Council's Community Outcomes are:

- Environmental well-being: our unique natural environment is healthy, protected and sustainably managed (also referred to as "Natural environment");
- Social well-being: our urban and rural environments are people-friendly, well-planned, accessible and sustainably managed (also referred to as "Human environment");
- Economic well-being: our infrastructure is efficient, cost effective and meets current and future needs (also referred to as "Infrastructure");
- Social well-being: our communities are healthy, safe, inclusive and resilient (also referred to as "Community");
- Cultural well-being: our communities have opportunities to celebrate and explore their heritage, identity and creativity (also referred to as "Culture");

4. Both policies are contained within a single document titled "Tasman District Council Treasury Risk Management Policy – Including Liability Management and Investment Policies.

- Social well-being: our communities have access to a range of social, cultural, educational and recreational facilities and activities (also referred to as "Recreation");
- Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement (also referred to as "Governance"); and
- Economic well-being: our region is supported by an innovative and sustainable economy (also referred to as "Economic").

PRINCIPLES OF POLICY

A number of funding sources are available to the Council to fund its activities. This Policy outlines the Council's approach to funding its activities. It provides information on what funding tools are used and who pays, as well as describing the process used to make those decisions.

This Policy should be read in conjunction with the Funding Impact Statement contained in Tasman's 10-Year Plan or Annual Plan (AP). The Funding Impact Statement (FIS) is the mechanism used to implement the Revenue and Financing Policy and provides detail on how rates are set, including details of the targeted rates, and details of any differentials applied.

As required by Section 101(3) of the Local Government Act 2002 (LGA), the Council uses a two-step process to determine how its funding needs will be met from the various funding sources. The first step is that the Council determines the appropriate level of funding in relation to each activity considering:

i. the community outcomes to which the activity primarily contributes;

ii. the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (referred to as "Who Benefits");

iii. the period in or over which those benefits are expected to occur (referred to as "Period of Benefit");

iv. the extent to which the actions or inactions of particular individuals or a group contributes to the need to undertake the activity (referred to as "Whose act creates the need"); and

v. the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (referred to as "Rationale for separate funding").

The Council then considers the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community. The Council considers the impact of rates and rates increases on various types of properties, including residential and lifestyle properties, properties in the rural sector, and business properties with varying ranges of rateable values and services. The level of the Uniform Annual General Charge is one of the "tools" the Council uses to moderate rates movements for rating units. The Council also considers the impact of other charges (e.g. Development Contributions). In applying section 101(3) LGA, the Council has determined the following basic principles to guide the appropriate use of funding sources:

- **Non rates funding:** Subsidies, grants and other income options are fully explored prior to rates funding being used.

  For example: Transportation. The Council is eligible for Central Government subsidies and grants from organisations such as New Zealand Transport Agency/Waka Kotahi (NZTA) therefore a proportion of the costs are recouped from this source.

- **Fees and charges:** An activity should be funded by users or exacerbators if an individual or group of individuals directly receives the benefits of the activity or causes the action, and the costs of the activity can easily be attributed and charged to that individual or group of individuals.

  For example: Port Tarakohe. Port users benefit directly from the port's facilities, and they can be held accountable for the costs. Therefore, user charges are the primary funding mechanism used.

- **Targeted rates:** Where it is appropriate for users or exacerbators to fund an activity because they receive the benefit, but the Council cannot easily attribute or charge the costs individually and the costs are significant enough to warrant separate charging, it may set targeted rates. Other than for volumetric water, there are limited legal mechanisms for charging for true "user pays" through rates. Proxies are often used.

For example: The Council uses a fixed targeted rate for kerbside recycling for those properties in a certain area, which is set as a proxy for the refuse-recycling service delivery area.

- **General rates:** An activity should be collectively funded using general rates if the benefits of the activity are largely received by the broader community and the costs of the activity cannot easily be attributed to an individual or group of individuals, or where it is uneconomic to collect via user charges or targeted rates. The Council may also use general rates when it determines it is appropriate considering the overall impact of any allocation of liability for revenue in terms of affordability and the current and future social, economic, environmental, and cultural well-being of the community.

  For example: Civil Defence. Everyone benefits. No individual can be responsible for the costs. Therefore, it is entirely general rate funded.

- **District-wide targeted rates:** In some cases, the Council will set district-wide targeted rates that are set at a fixed amount per rating unit. This mechanism is used when the Council determines that the benefit of the activity is a public benefit, but the benefits are similar whether the property is developed or undeveloped.

  For example: Community Facility funding: everyone in the district benefits, and therefore a district-wide targeted rate is set. This is more appropriate than a capital value rate because the degree of benefit from these facilities is the same, regardless of property value.

- **Club approach targeted rates:** The whole District should contribute funds to a range of key infrastructure assets irrespective of their location and the population they serve, although targeted rate differentials can still be set to reflect differing levels of costs and benefit under this approach. Through a "club" approach, all members will share in the costs and benefits of paying for each other's infrastructure and services, which helps provide more certainty and affordability to rates and helps ensure more consistent levels of service across the district. The club approach implicitly incorporates a level cross-subsidisation. Once in a "club", areas cannot opt out in the future.

  Before an area first joins a "club", the Council will review its assessment of who pays for the associated activity and why. In making this assessment, the Council will consider factors including the future capital works programme and its timing. The Council may determine that the area should pay more, temporarily, to ensure an appropriate distribution of costs relative to benefits in the event of significant planned capital works in the area. The "club" approach is a general principle used by the Council for utility infrastructure and the Urban Water Club is one such example. At the moment, the Motueka community has not opted to join the Urban Water Club.

  For example: Wastewater supply. Properties serviced by the wastewater network all benefit from the connection and therefore one rate is set for properties with connections, regardless of where in the district the connections exist. Differentials are used to charge non-residential customers who have more than one pan with pans being used as a proxy for use of the network capacity.

- **Intergenerational equity:** Each generation of ratepayers should pay for the services they receive. Therefore, for assets which have long term benefit, debt funding will typically be undertaken. Generally, where loans are used to fund capital expenditure, they will normally be limited to a term of 20 years, or the life of the asset, whichever is the shorter. In some cases, where capital expenditure will benefit residents for a long period into the future, it may be more equitable to have a longer-term loan, to ensure those who benefit contribute to the costs.

  For example: Capital funding for a new community facility. In practice this would be achieved by borrowing at least part of the cost of the asset and repaying the loan over the lifetime of the asset or a shorter timeframe as determined by the Council.

- **Dividend income:** The Council's dividend income from sources including Infrastructure Holdings Ltd (which owns Port Nelson and Nelson Airport) is allocated between activities based on the activities total operating cost and will be a source of "local authorities fuel tax, fines, infringement fees, and other receipts" income. The Council Enterprises activity does not receive this dividend allocation.

- **Income from Enterprise activity:** Income received from the Council's Enterprise activities is used to support re-investment and a range of Council activities. This is set out in the Enterprise Activity Distribution Rules and Principles section of its business plan adopted by the Council.
- **Major asset sales:** Funds received by the Council from major asset sales will be used to repay any debt associated with that asset, and any funds remaining will be used as determined by the Council. The original source of funds, restrictions and the use of related income will be recognised in the use of proceeds from asset sales. It is also noted that where there is a legal responsibility associated with any property that may be sold, that responsibility will be managed accordingly.

  Major assets include but are not limited to:

  - » Forestry (including unencumbered Emission Trading Scheme (ETS) credits))
  - » Commercial property
  - » Rental property
  - » Community (older adult) housing
  - » Community halls and facilities
  - » Other land and/or buildings deemed excess to requirements.

RATE FUNDING SOURCES

Rates are a property tax and the legislative provisions covering the setting, assessing and collection of rates are prescriptive. Because fixed charges per property result in a regressive tax outcome, Central Government has restricted their use. The Council must not receive more that 30% of its total rates income from the Uniform Annual General Charge (UAGC) and other targeted rates set on a uniform basis (excluding rates for water supply and sewage disposal).

The Council has identified several rating sources under either general or targeted rates. These are detailed in the Council's Funding Impact Statement. In summary, the Council's rating sources are identified as follows:

GENERAL RATE

This is a major source of the Council's revenue and is used where there is a deemed general benefit for the activity across the entire district, or where it is not economic to fund or collect revenue separately. The Council continues to review its funding policy considering perceived areas of direct or indirect benefit for each activity and any new projects proposed by the Council. The Council may also use general rates when it determines it is appropriate considering the overall impact of any allocation of liability for revenue in terms of affordability and the current and future social, economic, environmental, and cultural well-being of the community.

The Council sets a general rate based on the capital value of each rating unit in the District. This rate is set as a rate in the dollar of capital value. Capital value better reflects the level of benefit a property is likely to receive from services than land value.

The Council does not use differentials for the general rate.

UNIFORM ANNUAL GENERAL CHARGE (UAGC)

This rate is a method of collecting part of the general rate and is charged as a fixed amount per rating unit. It is deemed that properties receive equal benefit for some services they receive, regardless of the rateable value of those properties and, therefore, it is appropriate to charge some of the general rate as a fixed amount through a UAGC so that every ratepayer makes a minimum contribution to the Council's activities. The UAGC can also be used to moderate the level of overall rates changes. The UAGC is set at 15% of the general rate income requirement.

TARGETED RATES

Targeted rates are also a major source of the Council's revenue. In addition to funding projects that benefit a group of ratepayers, targeted rates may be used to provide certainty of the Council recovering its costs, or where greater transparency in funding the cost of the activity is desirable. The Council has identified targeted rates over the next 10 year period for:

- stormwater;
- water supply including firefighting water supplies and the Wai-iti Valley Community Dam rates. The Hamama Rural Water Supply – Fixed Charge based on set land value rate will end in 2024/2025;

- wastewater;
- regional river works;
- Motueka and Richmond business rates;
- Māpua Stopbank (ending 2029/2030);
- various facilities rates (e.g. district facilities, shared facilities, museum facilities etc.);
- Waimea Community Dam;
- Golden Bay and Motueka Community Board rates;
- refuse/recycling;
- Māpua rehabilitation (ending 2027/2028);
- Torrent Bay replenishment; and
- Warm Tasman (ending 2024/2025).

In some situations it is uneconomic to collect the costs of an activity via a targeted rate, in those cases the costs are usually covered by the general rate.

Other funding sources will be set out under the Operating and Capital sections of this Policy.

For planning purposes, the following descriptions are used to express the portion of operating activities represented by a particular operating revenue line:

- Low: 0 to 20%
- Low-medium: 20+ to 40%
- Medium: 40+ to 60%
- Medium-high: 60+ to 80%
- High: 80+ to 100%

The specified funding source proportions are used in planning the activity and therefore are indicative only. They are not intended as an exact realisable proportion, rather as a guideline. If budgets were marginally outside these ranges, it is unlikely that the Council will consider that matter to have a high degree of significance and therefore warrant a consultation to change this Policy. It is also likely that actual funding sources will differ in proportion from the budgeted funding sources. The proportions are presented at the activity summary level – not at the level of the individual components of an activity.

FUNDING OF OPERATING EXPENSES

The Council has made a determination as to the most appropriate way of funding the operating expenses for each activity.

The following section of this Policy sets out each Council activity area and discusses the matters required under Section 101(3) (a) LGA regarding the appropriate source of funding for operating expenses for each activity. It looks at the contribution each activity makes to the community outcomes and how the activity benefits individuals, parts of the community or the whole community. The funding sources are presented as a target range. The actual contribution from each funding source may vary from year to year depending on the relative contributions required for the sub-activities, external grants and subsidies and/or the impact of one-off events.

The Council funds its activity operating expenditure which is recorded in each activity's funding impact statement from the following sources:

- general rates, uniform annual general charges, rates penalties (referred to as "general rates");
- targeted rates;
- fees and charges;
- subsidies and grants for operating purposes (referred to as "subsidies and grants");
- internal charges and overheads recovered; and
- local authorities fuel tax, fines, infringement fees, and other receipts.

Operating expenditure is generally funded on an annual basis. However, exceptions can be made to this approach where there is a multiple year benefit from the expenditure being funded where the costs are significant enough to warrant separate treatment. This is consistent with the intergenerational equity principle. Examples include the Tasman Regional Policy Statement and Resource Management Plan (TRMP) review costs and the Digital Innovation Programme. Additionally, debt funding is effectively spreading costs over multiple years for operating funding for shared facilities owned by Nelson City Council which are jointly funded by Tasman District Council. This is because the funding would have been capital if these assets were owned by Tasman District Council, and this treatment recognises the multi-year benefit of the expenditure consistent with the intergenerational equity principle.

ACTIVITIES

We have 12 groups of activities, noting that Support Services are not a 'Group of Activities' for the 10-Year Plan purposes, but cover the remaining services provided by the Council.

We take a holistic approach to rates. Some activities are funded by rates that include both capital and operating components. Some of the commentary in this section will apply to capital as well as operating expenditure.

ENVIRONMENTAL MANAGEMENT

The Environmental Management activity is responsible for environmental monitoring, reporting and resource investigations to understand our district's resources: minimising inappropriate practices or the incidence of pests and other threats, maintaining and enhancing indigenous biodiversity. The activity is also responsible for development, implementation and ongoing review of a robust policy and planning framework to ensure ongoing sustainable management of our environment and our growing population.

We identify, publicise, and respond to resource management issues and biosecurity risk; protect and enhance our environment, communities, and businesses through policy and planning, including implementing legislative and national policy direction; and administer planning, development, consenting, compliance and enforcement processes.

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	We design and implement strategic and planning frameworks that ensure the right development in the right places, and people and homes are not placed where they are at risk to natural hazards. Our processes protect the community's health and well-being by ensuring use of resources and human activities do not degrade quality of life. We check on this by monitoring recreational bathing water quality for toxic algae, and surveying groundwater resources for drinking water suitability. We also maintain an effective flood warning system, monitor air quality, and identify contamination risk, to ensure safety of people and community well-being, now, and for future residents.
Social Well-being **Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed**	We work with landowners and the broader community to protect biodiversity, soil, and water sustainability, including the use of targeted spending to ensure effective riparian and waterway management on farms, using education to encourage responsible environmental behaviours and act when rules are breached. Consent approvals for the development and use of the environment, promote sustainable management of natural and physical resources. Where necessary, we will impose and monitor conditions to minimise any unfavourable impact on the environment and resources. We strategically plan growth so our communities' living environments are appropriate in location and scale, are pleasant, safe, and sustainably managed, and the activities of others do not adversely impact on them. This allows current and future generations to continue to enjoy and access our natural environment. We monitor and investigate the state of our environment and identify trends, risks, and pressures our environment faces, particularly in relation to land, soils, water, air and the coast. We use natural hazards and contamination risk information to make better decisions and ensure we can meet future needs in our District's planning. We work to educate people and provide information to enable more sustainable and resilient living.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities have access to a range of social, cultural, educational and recreational facilities and activities**	Our planning and consenting processes set up a framework that provides for recreational opportunities when land is subdivided. New developments are designed to provide social infrastructure and opportunities for connection; this helps prevent social isolation. We have a recreational bathing water quality network and cyanobacteria monitoring programme to ensure waterbodies are suitable for use and limits inappropriate development of valued spaces. We take an advocacy role to promote environmental awareness in the community and we take action when the rules that are laid out in resource consents are not adhered to.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	Policies, plans, models, and resource information helps us identify opportunities, and potential hazards and constraints. This helps with ensuring economic development in the use and development of resources, benefit current and future, generations. Our land and sea biosecurity activities protect primary production activities from pests that could damage our economy. Development approvals can facilitate economic development opportunities. Compliance monitoring assists with ensuring the integrity of the regulatory framework. We actively encourage people to adopt best practice in relation to their use of land, water, air, and the coastal resources.
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	Our effective resource planning processes help other Council activities meet this community outcome. This assists with ensuring appropriate and efficient infrastructure is provided to meet the demands of our communities. We make hazard information available to promote best practice design, development, and use of important utility services. We provide a highly valued, district-wide telemetry linked network. This allows us to measure and understand the quality of our environment and to manage the quantity of the water resources available for allocation.
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	We develop and review strategies, policies and plans, and design guides that maintain and improve our environment, promoting sustainable management of our natural and physical resources. We monitor and regulate activities that could, over time, put pressure on our environment and resources, and take preventative action through a spectrum of actions that range from education and enforcement. We engage with iwi and the community at the local catchment and regional scale and advocate for initiatives that will maintain and enhance our natural and productive landscape.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Cultural Well-being **Our communities have opportunities to celebrate and explore their heritage, identity and creativity**	Our planning framework is designed to assist with protecting and enhancing desired community outcomes, ensuring that identified heritage buildings, iconic landscapes, important sites to iwi and of significance to our District, are considered when planning decisions are made. We work with landowners to enhance biodiversity, helping to protect our natural heritage values.
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We provide opportunities for public participation in the processes of developing and administering strategies, policies and plans under the Resource Management and Biosecurity Acts. We actively seek to work with our partners, stakeholders and communities. We aim to work in partnership with iwi. Our relationship continues to evolve. We are committed to increasing the capability and capacity of the iwi of Te Tauihu to engage in policy and plan development. We work in partnership when developing policies and plans. For example, the Kotahitanga mo te Taiao partnership with top of the south iwi, Department of Conservation (DOC) and councils demonstrates leadership across boundaries. We encourage 'best management practices' in productive landscapes, and work with community networks to help fulfil these responsibilities. We make information and advice available to applicants, landowners and community groups to help them make sound decisions. We advocate to Central Government and other public agencies where their actions will impact on the interests of our District.

Who benefits/whose act creates the need

Environmental management is about safeguarding and protecting the environment while encouraging sustainable resource use over time.

There is some private benefit of this activity to applicants and exacerbators (e.g. resource consents/ private plan change requests/ Housing and business land developers), permit holders (e.g. resource consents), or beneficiaries (fees/gravel and shingle extraction and Nelson City Council (NCC) when we are asked to provide regional functions on their behalf). There are also national planning instruments (e.g. National Environmental Standards (NES) – Freshwater) which impose a need for inspections and sampling of private activities from which recoveries may be made.

Environmental policies and plans, including the Nelson Tasman Future Development Strategy and TRMP, are statutory documents required by legislation to provide for urban growth and promote the sustainable management of the District's resources and manage the consequences of activity on the environment and therefore benefit the District as a whole. However private benefit arises for those who have undertaken private plan change requests.

The Council's environmental information function provides information on the state of the environment, on the risks to environmental values, and on environmental trends. The information assists well-informed decision-making and planning which promotes a better environment and the sustainable use and development of resources, to the benefit of the community. The management of pests is essential for the District's prosperity, environmental sustainability and health.

Successful resource consent applicants are able to use resources.

The compliance function benefits all in the District, resulting in a clean, healthy environment. Permit or consent holders obtain the benefits arising from holding authorisations and create a need for the compliance function.

Warm Tasman Homes specifically benefits properties who have had insulation or heat pumps put into their properties.

Period of benefit

Immediate through to long term (e.g. ongoing positive environmental outcomes).

Rationale for separate funding

A large portion of the activity is of public benefit, meaning user charging is not feasible for a significant part of this activity.

Identifying separate funding where practical assists in the accountability and transparency of the Council's costs on this activity.

Funding sources and rationale

This activity is largely public good. While private interest will benefit from the Council's services, it is not always possible to differentiate benefits to the public generally, in which case general rates fund the activity.

The ability to charge beneficiaries makes user charging, and to a lesser extent targeted rates, feasible for some streams of the activity (e.g. Section 36 charging via the Resource Management Act).

In addition, there is sometimes scope for Government funding particularly where the Council can use some rates income to leverage these funds.

Exacerbators such as those incurring infringements are also feasible to charge as are other parties who may cost share with the Council and these are recorded in "local authorities fuel tax, fines, infringement fees, and other receipts".

- General rates: Medium-high
- Fees and charges: Low
- Local authorities fuel tax, fines, infringement fees, and other receipts: Low
- Targeted rates including Warm Tasman and Māpua Rehabilitation: Low

  Note: Māpua Rehabilitation spend is considered to be of general benefit to the public in the whole district – but without a relationship to the values of property, therefore a uniform targeted rate is considered appropriate
- Subsidies and grants: Low.

REVENUE AND FINANCING POLICY

PUBLIC HEALTH AND SAFETY

We contribute to the sustainable development of our District and the safety and well-being of our communities. We ensure that actions, or non-actions, taken by the people in our District are lawful, sustainable and safe. We enable people to carry out activities without affecting their, or others', safety. We also respond to Central Government Legislation.

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	We protect our community's health and well-being by ensuring standards are met for construction, food safety, and registered premises operation. We also respond and enforce alcohol sale and consumption, and dogs and stock, so as not to adversely affect our community's quality of life. Our civil defence and emergency management system promotes safety of people and a resilient community. We ensure recreational boating is safe, keeping Tasman special.
Social Well-being **Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed**	We ensure buildings are well constructed, safe, and weather-tight, leading to living environments that are people-friendly, and accessible to all. Consent approvals for the development and use of the environment, promote sustainable management of natural and physical resources. Where necessary, we will impose and monitor conditions to minimise any unfavourable impact on the environment and resources.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	The quality of our regulatory practices positively impacts to the economic well-being in our communities. Compliance monitoring can ensure fair and equal opportunities for all.
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	We ensure that time-restricted parking facilities are available for the public to access urban retailers and services.
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	We have an effective education and dog control programme, limiting negative effects on native fauna. We remove abandoned vehicles, preventing damage to our environment. Compliance monitoring can ensure fair and equal opportunities for all.
Cultural Well-being **Our communities have opportunities to celebrate and explore their heritage, identity and creativity**	We provide safety support to events, such as waka racing and classic boats, assisting the communities to hold safe events.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We encourage residents to make civil emergency preparations, including arrangements to cope in the face of climatic or natural hazard events. We work with Maritime NZ to provide a maritime oil response service.

Who benefits/whose act creates the need

There is a significant private benefit of this activity to applicants and exacerbators (e.g. building consent, LIM applicants, dog owners, sale of liquor applicants, commercial maritime license holders, food premises/ food stalls, etc.)

The setting and enforcing of standards provides public health and safety for the wider community, meaning this activity has some public benefits.

There is also a large private benefit via this activity to applicants and exacerbators (e.g. resource consents/ private plan change requests/ Housing and business land developers), permit holders (e.g. resource consents), or Nelson City Council (NCC) for regional functions). There are also national planning instruments (e.g. National Environmental Standards (NES) – Plantation Forestry) which impose a need for inspections and sampling of private activities from which recoveries are made.

The community benefits from emergency management from the maintenance of a response capability and knowledge of hazards, and measures to mitigate and contain harmful events.

Successful resource consent applicants can use resources.

The compliance function benefits all in the district, resulting in a clean, healthy environment. Permit holders obtain the benefits arising from holding permits and create a need for the compliance function.

Period of benefit

Immediate through to longer term (e.g. from the construction of safe buildings).

Rationale for separate funding

Identifying separate funding assists in the accountability and transparency of the Council's costs on this activity, where possible and appropriate.

A portion of the activity is of public benefit, meaning user charging is not always feasible.

Funding sources and rationale

This activity has a significant scope for directly charging either exacerbators or parties who benefit and for this reason fees and charges will be a significant revenue source.

The ability to charge applicants, permit holders, owners of forests being harvested, or beneficiaries makes user charging, and to a lesser extent targeted rates, feasible for some streams of the activity (e.g. Section 36 charging via the Resource Management Act).

There is also public benefit in providing public health and safety generally (e.g. identifying earthquake prone buildings, providing safe navigation on coastal waters, preventing food contaminations and community risks from addiction to liquor and gambling) which means general rates are an appropriate funding source. It is also not practical to identify and charge all those who receive advice, these costs will be funded by general rates.

There may also be some opportunity for external funding from time to time and if so, it will be utilised.

Fuel excise duty refund, building control infringements, parking infringements, bylaw infringements, and animal control infringements are recorded as "local authorities fuel tax, fines, infringement fees, and other receipts."

- Fees and charges: Medium to medium-high
- General rates: Low-medium
- Subsidies and grants: Low
- Local authorities fuel tax, fines, infringement fees, and other receipts: Low.

REVENUE AND FINANCING POLICY

TRANSPORTATION

We manage a Transportation Network that has approximately 1,751 km of roads; (967 km sealed and 784 km unsealed), 557 bridges (including footbridges); 423 km of footpaths, walkways and cycleways; 22 off street carpark areas; on-street car parking; streetlights; traffic signs; culverts; and Tasman's Great Taste Trail.

This activity includes other transportation related services, for example, transport planning, road safety, and public transport services like the eBus service and Total Mobility Scheme. These activities help to enable the movement of people and goods throughout our District and line up with the Regional Land Transport Plan's objectives.

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	We provide a safe and resilient transport network, including active recreation, which has associated health benefits. A reliable transport network also allows for emergency services to safely get to people in need.
Social Well-being **Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed**	We aim to provide a transportation network that is safe to use and accessible to all. Our road network is the backbone of our District and connects people to places.
Social Well-being **Our communities have access to a range of social, cultural, educational and recreational facilities and activities**	Our transport network enables the community to travel to their social, educational, and recreational activities.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	Our transport system is operated in an effective and efficient way to meet the needs of residents and businesses. The road network is critical to the movement of goods which enables our economy to thrive and grow.
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	We weigh up the immediate and long term costs and benefits when making investment decisions for the transport network. This enables us to meet the needs of the current and future users and communities.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	We minimise the effect on our natural environment with routine road sweeping, sump cleaning, and litter removal. We consider land use and sustainability in transport planning.
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We provide an integrated transport network with our partner, NZTA, as well as our neighbours, NCC and Marlborough District Council. Together we also prepare Regional Land Transport Plans that are aligned across the Top of the South.

Who benefits/whose act creates the need

Users create the need for infrastructure and maintenance. The benefits apply in part to the whole community, as people are free to use any public road, footpath, and cycleway in the district.

The Council receives subsidies from NZTA that are funded through petrol taxes and road user charges which relate to individual users.

Some properties are owned for potential future development. These houses which are being rented and areas that are being occupied, are of direct benefit to the party renting or occupying.

There are also direct beneficiaries or exacerbators in some parts of this activity (e.g. access crossings, road openings) etc.

Development does create demand on roading – see Funding of Capital Expenditure on page 225 of this document

Period of benefit

Ongoing benefits if infrastructure is maintained.

Rationale for separate funding

A significant portion of the activity is of public benefit, meaning user charging is not feasible for much of this activity.

Identifying separate funding assists in the accountability and transparency of the Council's costs on a minor part of this activity.

Funding sources and rationale

Subsidies from New Zealand Transport Agency/Waka Kotahi (NZTA) and petrol tax contributions are utilised as revenue source in this activity, and there are some opportunities for user and other charges, such as rental houses/road openings/access crossings, however the bulk of the benefit is considered to be public as it would be too difficult to charge each individual road user and all users can use the infrastructure. However, the Council may choose to charge users for car parking as users of motor vehicles create direct costs on the Council for providing and maintaining public car parking.

Other income such as petrol tax income, and rental income are recorded as "local authorities fuel tax, fines, infringement fees and other receipts" as are any other contributions from parties who may cost share with the Council.

- General rates: Medium-high
- Subsidies and grants: Low-medium
- Local authorities fuel tax, fines, infringement fees and other receipts: Low
- Fees and charges: Low.

REVENUE AND FINANCING POLICY

COASTAL ASSETS

We own, provide, maintain, and improve coastal assets (wharves, jetties, boat ramps, associated buildings and foreshore protection walls) on behalf of our ratepayers, as well as provide navigational aids to help safe use of coastal waters. As part of the Coastal Asset's activity, we protect our property and work with the community on private property.

Some of the assets managed by this group of activities include:

- ownership and management of wharves at Riwaka, Motueka and Māpua;
- jetties, boat ramps, navigational aids and moorings;
- coastal protection works at Ruby Bay and Mārahau; and
- navigation aids associated with harbour management.

Note: Port Tarakohe is not a part of this group of activities. It is included in the Council Enterprises activity.

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	Coastal assets provide recreational opportunities to improve health and well-being. Coastal protection assets and services endeavour to provide a level of protection for residents and contribute to a level of community resilience from storm events.
Social Well-being **Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed**	We ensure our built environments are functional, pleasant and safe. Coastal assets are operated without causing public health hazards and provide attractive recreational and commercial facilities.
Social Well-being **Our communities have access to a range of social, cultural, educational and recreational facilities and activities**	Where appropriate coastal protection seeks to preserve or at least manage the impact of erosion and sea level rise related impacts on reserves and other recreational activities for the benefit of our whole community.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	Tourism is, and will continue to play, a large part in our District. Access to the water and to recreational/commercial activities will be key to its continued growth.
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	We provide commercial and recreational facilities to meet community needs at an affordable level, contributing to the growth and prosperity of our District. The facilities are also managed sustainably.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	We manage coastal assets so their impact does not affect the health and cleanliness of our environment. Our level of intervention will necessarily need to adjust as sea level rise and increasingly energised weather systems exacerbates impacts on the coast.
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We provide expertise and guidance to our communities to assist with problems along our coastal environment.

Who benefits/whose act creates the need

This public activity predominantly benefits members of the public who have the ability to utilise wharves, jetties, boat ramps etc.

Residents in the Māpua/Ruby Bay areas who have properties protected by stop banks benefit from the protection, and properties in Torrent Bay benefit from beach replenishment.

Period of benefit

Ongoing benefits if infrastructure is maintained.

Rationale for separate funding

A significant portion of the activity is of public benefit, meaning user charging is not feasible for much of this activity.

Identifying separate funding assists in the accountability and transparency of the Council's costs for part of this activity.

Funding sources and rationale

Structures can be used by the community as a whole and therefore it is appropriate for them to be funded by the general rate. One of the Council's community outcomes is to provide recreational facilities, which means full user charging for use of these facilities is not considered appropriate. It would also be impractical to administer user charges on these types of facilities.

For individual properties which significantly benefit from asset protection or replenishment, targeted rates will be used. Differentials will be used for Torrent Bay as it is considered that those that are closer to the foreshore benefit more.

- General rates: Medium-high to high
- Targeted rates including Torrent Bay and Stop Bank Rates: Low to low-medium
- Local authorities fuel tax, fines, infringement fees and other receipts: Low.

REVENUE AND FINANCING POLICY

REVENUE AND FINANCING POLICY

WATER SUPPLY

Water is a fundamental community requirement. We provide potable and non-potable water to about 13,600 properties (approximately 30,000 people) throughout Tasman District. About 55% of our population is serviced by one of our managed community water supplies.

Our water supply services include:

- on demand metered supply – no restriction is placed on the supply and the urban property has a meter
- restricted supply – a set amount of water per day is made available to the property (this typically occurs on our rural schemes and urban extensions)
- firefighting capacity – our supply meets the firefighting water supplies (FW2) standard to our urban metered supply areas
- capture, storage, and release of water from the Wai-iti Community Dam (provides supplementary flow to Wai-iti River); and
- an investment in conjunction with Waimea Irrigators Limited, in the Waimea Community Dam water augmentation scheme.

We own and/or operate 20 water supplies and manage associated infrastructure. Water supplies include Brightwater, Collingwood, Dovedale, Eighty Eight Valley, Hamama, Kaiteriteri/Riwaka, Māpua/Ruby Bay, Motueka, Murchison, Pōhara, Redwood Valley 1, Redwood Valley 2, Richmond, Tākaka, Tapawera, Upper Tākaka, Best Island, Wai-iti Community Dam, 51% of the Waimea Community Dam and Wakefield.

In addition to water supply schemes, we manage the Wai-iti storage dam to provide supplementary water into the Lower Wai-iti River and its adjoining aquifer. This enables continued water extraction for land irrigation at times of low river flows. We are a majority shareholder in the Waimea Community Dam. The Waimea Community Dam is currently under construction and is anticipated to be completed in the first half of 2024. Once operational, the Waimea Community Dam will deliver a secure water source into the Waimea River (and related aquifers) and will ensure a sustainable source of water for our community's water supplies in the long term.

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	We aim to provide water supplies that are safe to drink and used for firefighting purposes that are delivered and supported by resilient infrastructure.
Social Well-being **Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed**	We consider water supply to be an essential service to our communities, and our schemes are designed to be efficiently managed to meet current and future needs. Our networks also provide a means for firefighting consistent with the national firefighting standards.
Social Well-being **Our communities have access to a range of social, cultural, educational and recreational facilities and activities**	Water is an essential service that underpins other facilities and activities, as well as contributing to recreational opportunities, e.g. active and passive.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Economic Well-being **Our region is supported by an innovative and sustainable economy**	We provide water for our businesses and residents to function. We aim to provide sustainable supplies that are built for the future.
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	We aim to efficiently provide water to meet the demands of existing and future customers in a cost-effective way.
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	All of our water schemes take water from our environment (via surface water or groundwater) and require a resource consent. We aim to manage water takes so the impact is not detrimental to our surrounding environment.
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We take opportunities to partner with Nelson City Council. For example, we supply water to residents near Saxton Field and the Whakatū Industrial Park. In performing certain functions we must give effect to Te Mana o te Wai, the holistic well-being of the water.

Who benefits/whose act creates the need

All who can access the benefits of the water supply, including firefighting capacity, benefit from this activity. This includes water supply users in the Nelson City area who are supplied water by Tasman District Council. The beneficiaries of the community water supplies in the Waimea Basin would directly benefit from the increased water security associated with the Waimea Community Dam.

The Council considers that the Wai-iti Dam and the Tākaka Firefighting water supply are of benefit to the entire district.

The public benefits from investment in the Waimea Community Dam through the environmental, economic and the community. These benefits would include additional employment, economic opportunities, social, cultural, and recreational benefits.

Irrigators and rural water users in the area serviced by the Waimea Community Dam benefit from the improved security of supply the Dam creates and the increased water allocation volumes it provides.

The public benefits from the affordability of drinking water and the community outcomes the provision of water provides.

Development does create demand for water – see Funding of Capital Expenditure on page 225 of this document; this includes the funding for the Councils' investment in the Waimea Community Dam.

Period of benefit

Ongoing benefits as long as infrastructure is maintained.

Rationale for separate funding

Identifying separate funding assists in the accountability and transparency of the Council's costs for much of this activity.

A portion of the activity is of public benefit, meaning user charging is not feasible for this part.

Funding sources and rationale

The benefit of funding drinking water supply activities separately from other Council activities is that those currently connected or planning to be connected to schemes will be contributing to the funding. The Council predominantly applies targeted rates and user charges for these activities for accountability and transparency to those who fund the schemes.

These include: The Urban Club Water Supply and its Rural Water Extensions, the Motueka Urban Water Supply, the Dovedale Rural Supply, the Redwood Valley Rural Water Supply, the Eighty Eight Valley Rural Water Supply, and the Hamama Rural Water Supply.

Tasman District Council supplies water to certain water users in the NCC area and to NCC as well as some large industrial users. Revenue is recovered from these either directly or through NCC, and through fees and charges.

Water users of the Wai-iti Valley Community Dam also benefit from the supply of water and are charged based on the amount of water they can take under their consent.

The firefighting water supplies in Motueka, and Tākaka townships are also of benefit to those communities. These are predominantly charged through fixed targeted rates, however in the case of the Tākaka Central Business District who benefit the most from that small supply – they are charged based on capital value. The amount charged to residential customers in Tākaka is also higher than the rest of the Ward, as being more proximate to the supply, they receive a greater benefit.

For the Wai-iti Dam, and the Tākaka firefighting supply – the Council had determined there was a general benefit to the district and therefore partial general rate funding is used.

The existing fees/charges for the provision of water supply to the Council's three rural water supply schemes (Dovedale, Eighty Eight Valley and Redwood Valley) are unaffordable and unsustainable into the future.

Further work therefore is required to assess the financial implications of harmonising the way some, or all the water schemes are funded. A proposal and consultation are to be carried out during the 2024/2025 year, with the intention of any new funding changes could commence 1 July 2025.

The Waimea Community Dam is considered to benefit both water users, including irrigators, and the public.

The allocation of costs to the main beneficiaries of the Waimea Community Dam is:

- 49% to Irrigator extractive use capacity
- 21% to the urban water supplies (including Redwood Valley Rural Water Supply etc.); and
- 30% to environmental, economic and community benefits.

Irrigator extractive use capacity

Irrigator extractive use capacity refers to the potential irrigator volume of water that can be extracted. This is separate to the capacity assigned to water extraction for the urban water supplies and the allocation of costs for environmental, economic and community benefits.

The first $3 million of project cost overruns are being funded 50/50 by Irrigators and the Council. The Council is funding its share of this through the Water Account (see next section), the Waimea Community Dam-Environmental and Community Benefits ZOB Rate, and through the Waimea Community Dam-Environmental and Community Benefits District Wide Rate.

Funding costs for 48.9 % of the remaining cost overruns are being met by irrigators through the water charges to Waimea Irrigators Ltd (WIL) by Waimea Water Ltd (WWL). Until 1 July 2026 the Council is assisting irrigators by meeting the interest costs on $10.14 million of that debt. That support is funded through the general rate.

Council extractive use capacity

The Council's extractive use capacity of 21.1% is funded through the water account (i.e., the Urban Water Club and the Redwood Valley Rural Water supply and other users).

Waimea Water Ltd operating costs are allocated 51% to the Council, and 49% to Waimea Irrigators Ltd. This allocation is unaffected by the capital cost allocation for the Dam.

Waimea Water Ltd owns and operates the Waimea Community Dam on behalf of its shareholders. The Council owns a majority interest in Waimea Water Ltd with the remainder of the shares owned by Waimea Irrigators Ltd.

Environmental, economic and community benefits

The Council is funding the 30% of the project's cost allocated to environmental, economic and community benefits through:

- the Waimea Community Dam-Environmental and Community Benefits ZOB Rate, for more proximate properties represented by an area called the "Zone of Benefit", and
- the Waimea Community Dam-Environmental and Community Benefits District Wide Rate (District Wide Rate).

In determining which properties fall within the Zone of Benefit (ZOB), the Council has included properties in the Waimea area with water available or supplied from the river and aquifers of the Waimea Plains, as well as considered proximity to where more direct benefits would be achieved from the Dam such as additional employment, economic opportunities, social, cultural and recreational benefits. The extra funding by the properties in the ZOB recognises that properties further from the Dam, such as Collingwood or Murchison, will not receive the same level of environmental, economic and community benefits as the more proximate communities such as Richmond and Brightwater.

Water supplies

There is a direct benefit to users of the community water supplies in the Waimea basin as the Waimea Community Dam provides additional water security. A portion of costs from the Waimea Community Dam have been allocated to the Urban Water Club (water account) and the Redwood Valley Rural Water supply and other users and are recovered from water users through water rates or charges.

Defaults

The Council may introduce a targeted rate based on land value to all properties with access to water supplied via a consent affiliated through a shareholding in WIL, in the event of any default on loans or security arrangements for the Waimea Community Dam Joint Venture Council Controlled Organisation (WWL).

Sunk costs

Sunk costs incurred that were not recovered as part of the project joint venture are funded from the same environmental, economic and community benefits and water supply funding mechanisms as the Council's share of the project's costs.

Further cost overruns

The current funding arrangements provide for a project cost of up to $198.2 million. If further cost overruns occur, the Council may introduce a targeted rate based on land value to all properties with access to water supplied via a consent affiliated through a shareholding in Waimea Irrigators Limited, to recover the additional funding cost for the irrigator capacity in the Dam.

The Council is funding all the environmental, economic and community benefits and water supply cost overruns using the same rating mechanisms as are currently used to fund the Council's share of the project's costs.

Some water targeted rates are set differentially.

As an interim measure, the Council has allocated some general rates funding into some of its Rural Water supplies from 2021/2022 as a result of substantial cost increases in these small supplies that have created affordability issues. The funding allocated results in more affordable targeted water rates for those rural water users, and the increase is small to the general ratepayer base due to the large number of ratepayers in the district compared to the quite small number of ratepayers connected to the Rural Water supplies. The Council has likewise allocated some general rate funding for the Waimea Community Dam in relation to irrigator extractive use capacity capital cost overruns. The 'local water done well' reforms may ultimately change how water supplies across the country are operated and funded.

- Targeted rates: High
- Fees and charges: Low
- Local authorities fuel tax, fines, infringement fees and other receipts: Low
- General rates: Low.

WASTEWATER

We provide and manage wastewater collection, treatment, and disposal facilities for our residents connected to our eight wastewater networks. These networks convey wastewater to eight treatment plants, seven of which we own and manage. The largest treatment plant (Bell Island) is owned by both Nelson and Tasman Councils on a 50/50 share basis and is managed by the Nelson Regional Sewerage Business Unit (NRSBU).

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	We aim to provide a service that is safe for our communities. We provide quality treatment, minimise overflows, and ensure our infrastructure is resilient. We ensure wastewater is collected and treated without causing a hazard to public health or unpleasant odours.
Social Well-being **Our communities have access to a range of social, cultural, educational and recreational facilities and activities**	Wastewater is an essential service that supports other facilities and activities.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	Wastewater supports our regional economy by providing and managing wastewater collection, treatment, and disposal. Sustainability is a key driver of our future planning.
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	We consider the wastewater activity to be an essential service that should be provided to properties within the urban areas and be sufficient in size and capacity.
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	All wastewater in Council-owned schemes is treated and discharged into our environment. We sustainably manage this, so the impact of the discharges does not adversely affect the health and cleanliness of the receiving environment.
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We have a regional partnership with NCC for the management of the NRSBU. We collaborate with iwi and site neighbours to identify issues and concerns; and when the opportunity arises, engage with communities for facility open days and plantings days.

Who benefits/whose act creates the need

Those who are or will be connected to the wastewater schemes benefit from the ability to use the infrastructure.

Those who discharge commercial and industrial waste (called "Trade waste") through the wastewater system (e.g. restaurants, service stations etc.) put extra demands on the wastewater treatment plant and can be harmful to people and the environment, corrode or block sewer pipes, or create odours.

Those who directly damage the infrastructure cause the need for repairs.

Development does create demand for wastewater – see Funding of Capital Expenditure on page 225 of this document.

Period of benefit

Ongoing benefits if infrastructure is maintained.

Rationale for separate funding

Identifying separate funding assists in the accountability and transparency of the Council's costs for much of this activity.

Funding sources and rationale

While there are wider community and environmental benefits relating to wastewater collection, treatment and disposal, the primary benefit is to those connected. The Council considers that those who are connected to the wastewater schemes should be responsible for funding expenditure to ensure the environment is protected from the waste they produce. The Council, therefore, considers that fees and charges, and targeted rates are the most equitable form of funding these activities. The Council considers that those with a greater call on the infrastructure should pay more and therefore a differential will be used. Commercial users who generate trade waste will be separately charged through fees and charges.

Tasman District Council supplies wastewater services to certain properties in the Nelson City Council area. Revenue is recovered from these customers through fees and charges.

The Bell Island wastewater treatment plant is owned by both the Nelson City Council and the Tasman District Council and is managed by the Nelson Regional Sewerage Business Unit (NRSBU). The Council records its share of this joint venture revenue as Council revenue in the "local authorities, fuel tax, fines, infringement fees and other receipts" line, as is interest on a loan that the Council has provided to the NRSBU.

- Targeted rates: High
- Local authorities fuel tax, fines, infringement fees and other receipts: Low
- Fees and charges: Low.

STORMWATER

The stormwater activity provides stormwater collection, reticulation, and discharge systems in our district on behalf of our residents. The assets used to provide this service include drainage channels, piped reticulation networks, tide gates, detention or ponding areas, inlet structures, discharge structures and quality treatment assets.

Generally, stormwater sumps and road culvert assets are owned and managed by the NZTA or our transportation activity, depending on its location (local roads or state highways). This stormwater activity does not include land drains or river systems, the specific streams and river sections that we maintain are listed in our flood protection and rivers control works activity. Nor does it cover stormwater systems in private ownership.

We manage the stormwater activities primarily within 15 urban drainage areas (UDAs). Systems that are outside the UDA's include small communities with stormwater systems that primarily collect and convey road run-off to suitable discharge points.

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	Our priority is to safely transfer stormwater runoff through urban areas to minimise harm and property damage. We also capture and convey rainfall away from urban areas and roads so that people can move safely throughout our communities during wet weather.
Social Well-being **Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed**	We convey stormwater without putting the public at risk or damaging property, businesses, or essential infrastructure. We ensure urban areas remain accessible by capturing and conveying rainfall.
Social Well-being **Our communities have access to a range of social, cultural, educational and recreational facilities and activities**	We take opportunities to provide multi-purpose facilities where possible. Our urban streams convey stormwater towards the coast and are ecological corridors that are enjoyed by our communities from the cycle paths and recreational spaces that often run along them.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	Our stormwater system supports the economy by enabling homes and businesses to exist with a low exposure to flood risk and damage. We consider climate change in our designs to provide adequately for the future.
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	We provide properties within urban drainage areas with appropriate stormwater system size and capacity. Our stormwater infrastructure provides best value for ratepayers' money.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	We manage stormwater so that the impact of any discharges does not adversely affect the health and quality of the natural environment.
Cultural Well-being **Our communities have opportunities to celebrate and explore their heritage, identity and creativity**	We protect natural waterways that have high cultural, recreational, and biodiversity interests.
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We engage with tangata whenua, iwi and community groups to enhance our natural waterways and education programmes. New developments take a water sensitive design approach to integrate multiple values such as ecology, amenity, and cultural aspects.

Who benefits/whose act creates the need

The entire community benefits from safe and efficient discharge of stormwater.

Some ratepayers receive a greater benefit from stormwater infrastructure than others or cause the need for stormwater infrastructure. The Council uses an area called the Urban Drainage Area (UDA) to represent the primary beneficiaries and exacerbators for the stormwater infrastructure, being mostly those who live in urban townships supported by the infrastructure.

Some properties are owned for potential future development by the Council, and these houses which are being rented and areas being occupied are of direct benefit to the party renting or occupying.

Development does create demand for stormwater – see Funding of Capital Expenditure on page 225 of this document.

Period of benefit

Ongoing benefits if infrastructure is maintained.

Rationale for separate funding

Identifying separate funding assists in the accountability and transparency of the Council's costs for much of this activity.

Funding sources and rationale

While there are wider community and environmental benefits of a stormwater system, the Council considers that properties in the area of the stormwater infrastructure (UDA) should be responsible for funding more of the costs and therefore a targeted rate differential is used.

The Council considers that there is a greater benefit for properties which are developed over those which are undeveloped, which is why capital value is used as the basis for charging the targeted rate.

Any other contributions from parties who may cost share with the Council is recorded in "local authorities fuel tax, fines, infringement fees, and other".

- Targeted rates: High
- Local authorities fuel tax, fines, infringement fees, and other: Low.

REVENUE AND FINANCING POLICY

WASTE MANAGEMENT AND MINIMISATION

We provide and promote the following waste management and minimisation services:

- kerbside recycling and waste collection services
- a materials recovery facility (MRF) to process recycling
- five resource recovery centres, which receive waste, recyclables, clean fill, green waste and some hazardous materials – at Richmond, Mariri, Tākaka, Collingwood and Murchison
- drop off facilities for green waste and processing, through a contracted service
- transport services to move these materials around our district; and
- a range of waste minimisation initiatives with schools, businesses, and the wider community, to reduce the production of waste and minimise harm.

These services operate alongside commercial services across the Nelson Tasman region.

Most public and commercial waste disposal is through our resource recovery centres, and we transfer waste from these centres to landfill. We divert recyclable materials, green waste, and clean fill away from landfill, and our contractors process and sell this waste. We also recover hazardous materials at these sites and ensure that they are processed safely.

The Nelson Tasman Regional Landfill Business Unit (NTRLBU) is governed by a joint committee of Nelson City Council (NCC) and Tasman District Council, and operates a regional landfill at York Valley, in Nelson, and manages the Eves Valley Landfill, near Brightwater, which closed in 2017. We maintain a further 22 closed landfills around our district.

In the coming years, together with NCC, we plan to reduce waste to landfill by increasing diversion of dry waste and organic materials and promote waste reduction. This diversion could be delivered by the councils directly or through commercial/community partnerships.

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed**	Rubbish and recycling collection services ensure our built urban and rural environments are functional, pleasant and safe. Our resource recovery centre facilities are convenient, clean and safe. We promote the sustainable use of resources and provide sustainable alternatives to landfill disposal.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	Our resource recovery centres provide sustainable waste disposal options for our region. Together with Nelson City Council we work with our communities – including iwi, businesses, schools, social enterprises, and key sectors (e.g. construction) – to provide and enable waste minimisation services.
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	We operate our facilities and services safely and efficiently. We have contingency plans and design our facilities so that essential services are able to continue during emergency events. We plan to provide waste and recycling services that our community is satisfied with, now and for the future.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	We protect our natural environment by providing and enabling waste disposal services for our communities. We reduce the impact of landfill disposal by providing and enabling a wide range of other services to divert waste from landfill and reduce waste production. Our facilities comply with resource consents, and we ensure that we have operational plans for our services and site management plans for the facilities we operate. We provide services to manage illegal dumping on public land and manage closed landfills across the district.
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We work with NCC to promote waste minimisation actions and to provide regional services, including the Whakaarohia Rethink Waste programme. We advocate to Central Government for more sustainable waste management practices. Through our Rethink Waste programme, we promote waste minimisation actions that council can take to 'walk-the-talk' (e.g. through events and procurement). Our Joint Waste Management and Minimisation Plan 2019 with NCC references kaitiakitanga as one of the seven principles to guide the Plan's implementation and recognises iwi across the region as kaitiaki. We are working to improve our engagement with iwi as part of the next review of the Waste Plan and continue to develop relationships across the community on waste minimisation initiatives.

Who benefits/whose act creates the need

The entire community benefits from waste management and minimisation activities. Safe and efficient waste disposal and resource recovery activities support economic activity, protect the environment and provide a public health benefit.

Properties on the kerbside collection route benefit from the ability to have waste and recycling collected, with those who opt in for additional recycling bins or crates receiving a greater recycling service than those who receive one bin. Those that purchase rubbish bags benefit from the disposal of this waste. Purchasers of replacement bins or crates benefit from the use of the bin or crate.

Users of the facilities benefit from waste disposal and waste minimisation services.

Period of benefit

Immediate to ongoing.

Rationale for separate funding

Identifying separate funding assists in the accountability and transparency of the Council's costs for much of this activity.

A portion of the activity is of public benefit, meaning user charging is not practical for this portion.

Funding sources and rationale

User charges are possible in many of the streams for this activity where direct users can be identified and charged (e.g. rubbish bag sales, resource recovery centre users, replacement bins and crates etc.).

In waste disposal and resource recovery (recycling and green waste disposal) the Council fully recovers the cost of processing, transport and disposal, particularly in outlying resource recovery centres from users and income from the Nelson Tasman Regional Landfill Business Unit (NTRLBU).

Maintenance of legacy closed landfills, hazardous goods and clearance of illegal dumping are considered a public good and funded from the general rate and income from the NTRLBU.

The Council uses a fixed targeted rate for kerbside recycling for those properties in a certain area, which is set as a proxy for the service delivery area. This activity is also supplemented by income from users who are invoiced for additional services and replacement bins. Additional revenue is generated from the processing and sale of recycled materials.

Kerbside collection is mainly funded by the sale of rubbish bags by the contractor, although the recycling contract provides some additional support for these services.

The Council also receives funding from Central Government via the national Waste Disposal Levy. This is used to fund waste minimisation services and infrastructure. This is recorded in "local authorities fuel tax, fines, infringement fees, and other receipts" income.

Nelson City Council and Tasman District Council jointly operate regional landfills that are managed by the NTRLBU, a joint committee of the Councils. The Council records its share of this revenue from the business unit as Council revenue in the "local authorities, fuel tax, fines, infringement fees and other receipts" line. This line also includes any other type of "other income" such as a share or commercial recycling revenue and lease income.

The Council also receives a local disposal levy from the NTRLBU, which is used to fund waste management and minimisation activities and reduce the requirement for general rate funding.

One of our community outcomes is "our unique natural environment is healthy and protected" and using a rate is more appropriate than a charge for kerbside pickup because it creates an incentive to use the service and protect the environment.

- Fees and charges: Medium
- Local authorities fuel tax, fines, infringement fees, and other receipts: Low-medium to medium
- Targeted rates: Low
- General rates: Low.

REVENUE AND FINANCING POLICY

RIVERS

We maintain 285 km of major rivers throughout the district to carry out our statutory roles of promoting soil conservation and mitigating damage caused by floods and riverbank erosion. These rivers, known as classified Rivers X and Y, are funded by a differential river rating system based on capital value.

Rivers that are covered under the Rivers X and Y schemes include our major rivers like the Waimea, Motueka, Riuwaka, Moutere, Tākaka, Aorere as well as several tributaries. We maintain and improve river assets in Rivers X such as stop banks and erosion protection and in River Y areas, we maintain and improve river assets however there are no stop banks in place. We fund 100% of agreed work programs in River X and Y areas.

There are many more rivers, streams and creeks that are on private, Council, and Crown (DOC, Land Information New Zealand) land. These are collectively known as Rivers Z and are rated based on land value. River protection assets such as rock walls and groynes form part of the river system. These are typically owned and maintained by private property owners, and we sometimes part fund them at a level between 33% and 66% of the cost of the work.

The approach to river management places emphasis on channel management through gravel relocation/repositioning, and vegetation and land buffers on the river's edge. The aim is to manage the river channel and catchment so there is less need to use hard engineering methods to prevent erosion.

This activity does not include management of stormwater or coastal assets. These are covered as individual activities and have their own Activity Management Plans.

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	Our flood protection works and river control structures protect several communities and rural areas from flooding. We maintain these safely and cost-effectively.
Social Well-being **Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed**	We engage with our communities in several River Care groups to ensure our community's feedback is considered in river catchment management.
Social Well-being **Our communities have access to a range of social, cultural, educational and recreational facilities and activities**	We maintain our river environment to ensure pleasant and appropriate places for recreational activities.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	Our flood protection scheme provides assurance that regular rainfall events do not disrupt normal business activities.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	Our flood protection and mitigation structures are maintained cost-effectively to a level supported by our communities.
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	Rivers are important natural resources. Our flood protection and mitigation activities minimise the impacts on our natural river environments to a practical and sustainable level and recognise the principal of Te Mana o te Wai as per the National Policy statement for Freshwater Management.
Cultural Well-being **Our communities have opportunities to celebrate and explore their heritage, identity and creativity**	Our rivers have important cultural values and many in our community identify where they are from by their river.
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We provide expertise and guidance to our communities, helping to find solutions along our river environment.

REVENUE AND FINANCING POLICY

Who benefits/whose act creates the need

The Council operates, maintains and improves flood protection and river control assets on behalf of Tasman residents and ratepayers, in particular to protect life, property and livelihoods.

Development of properties adjacent to the river networks means there are assets located in flood plains which are at risk of erosional impacts and flooding. The need to protect these assets is creating the need for the Council to undertake work relating to asset development and maintenance. It is considered appropriate for owners of these properties to fund this work through targeted rates.

Additionally, River Z work is done to protect individual properties and has some direct benefit to those parties, although this protection may also extend beyond the individual property owner.

There are some other direct beneficiaries/exacerbators in parts of activity including renters of river berms and users of gravel.

Period of benefit

Immediate to indefinite.

Rationale for separate funding

Identifying separate funding assists in the accountability and transparency of Council's costs for much of this activity.

A portion of the activity is of public benefit, meaning user charging is not feasible for this part.

Funding sources and rationale

The benefits of this activity apply largely and indirectly to the whole community.

The benefits apply directly to those whose properties are adjacent to the district's rivers. While there are wider community and environmental benefits relating to an effective flood protection and rivers control network, the Council considers that properties directly adjacent to rivers benefit more and will fund the cost of that activity at a higher level than those deemed to indirectly benefit. For this reason, a differential rating system is used with adjacent parties (in the X/Y zone) paying a higher differential based on capital value.

There is some scope for user charges including gravel extraction fees.

The Council also considers that in the River Z area, when the Council carry out works that has direct benefit to the applicants, due to this level of direct benefit, a portion of the costs should be paid by the applicant. There is also an opportunity for berm rentals and rates recoveries in this activity. These revenue sources are recorded in "local Authorities fuel tax, fines, infringement fees and other receipts" and River Z rates are based on land value.

- Targeted rates: Medium-high to high
- Local authorities fuel tax, fines, infringement fees, and other receipts: Low
- Fees and charges: Low.

REVENUE AND FINANCING POLICY

COMMUNITY DEVELOPMENT

We provide and maintain a wide range of parks, reserves, recreational facilities, community facilities and amenities, library services, museum services, events, environmental education, and community grants, for our ratepayers and community. Key assets include parks and reserves (including Moturoa/Rabbit Island, formal gardens, special interest sites, sports grounds, open space reserves, walkways, esplanade reserves, non-commercial camping grounds), sports and recreation centres, community facilities, halls, cemeteries, playgrounds, public toilets, libraries, community buildings, museums, older adults housing complexes, and the Richmond Aquatic Centre and the Saltwater Baths in Motueka. Saxton Field developing and operating costs are split in half between us and Nelson City Council.

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	Open space, reserves and recreation facilities cater for, and promote, active healthy lifestyles. This includes casual activities such as walking and cycling, along with organised sports and recreation activities. Council events, reserves and community facilities, and the Richmond Aquatic Centre are organised, designed, and managed to ensure users' safety. They are inclusive, catering to the needs of our community and support specific social needs. We provide good-quality, safe, and affordable community housing for people who meet the criteria of our Policy on Housing for Older Adults. Libraries provide safe spaces and equitable access to information for all in the community, enabling social interaction and community engagement.
Social Well-being **Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed**	Our reserves, open spaces, and neighbourhood parks are accessible and within walking distance of homes. The Richmond Aquatic Centre is designed and managed to meet current and future needs of our communities. In partnership with the Community Infrastructure and Environment Assurance groups, we deliver environmental air quality, water quality, and waste minimisation education to support sustainable management and lifestyles. We assist communities to create a unique sense of place through our events and the provision of community group funding and advice.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities have access to a range of social, cultural, educational and recreational facilities and activities**	We provide high quality community open space, aquatic, recreational and cultural facilities, enabling our communities to participate in active and passive recreation, cultural opportunities, and targeted social support. Libraries provide resources and programmes that support educational, creative, cultural, social, recreational and business activities. We promote, support and deliver recreational, educational and social services and activities that reflect the diversity of our district. We provide assistance to the Nelson Provincial Museum and Tasman's District museums to support our culture and heritage. We also provide assistance to various community-led facilities, projects and initiatives, to deliver benefits across our communities.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	Libraries provide educational resources and support learning for all age groups. Libraries help people seeking employment through digital skills training programmes and assistance with job applications and writing resumes. Libraries work with employment support agencies to provider assistance for people seeking employment. We work with Business unions, such as Richmond Unlimited and Our Town Motueka to increase the foot traffic in the town centres. We support young people who are not in education, employment or training through our Youth Pathways programme.
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	Community infrastructure (reserves, facilities and libraries) is efficiently and effectively managed, meeting the needs of our communities. The Richmond Aquatic Centre is managed, operated and maintained to meet the demands of customers in a cost-effective way.
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	Significant ecological areas and sensitive coastal and riparian areas within our parks, reserves and open spaces are well managed and protected. Our community is aware and involved in conservation and restoration work. Our environmental education initiatives help deliver environmental benefits to the broader community.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Cultural Well-being **Our communities have opportunities to celebrate and explore their heritage, identity and creativity**	We provide recreation facilities that cater for and enable communities to celebrate their heritage and creativity. Cemeteries provide a location for remembrance. Libraries collect and preserve local heritage information and materials, and help people preserve their personal stories. We provide funding and in-kind support to local museums within our district, to the Nelson Provincial Museum, and to organisations that promote and celebrate our history and diverse cultures. We deliver Welcoming Communities programme to identify the need of multicultural communities and work with Community groups to meet these needs.
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We provide libraries, reserves and facilities which enable community partnerships through management of our community facilities, reserves and halls by volunteers and through working with schools, businesses, community groups and others who help with planting and other activities. We share regional facilities in association with Nelson City Council (e.g. Saxton Field, Suter Art Gallery, and Nelson Provisional Museum). Our libraries, reserves and facilities provide spaces which enable social interaction and community engagement. We take opportunities to partner with a range of community and user groups. We assist youth Councillors to participate in Council and Community Board decision-making.

Who benefits/whose act creates the need

Residents and visitors can benefit from the use of parks, reserves, community facilities (including Sportspark Motueka, Motueka Recreation Centre, Murchison Sport Recreation and Cultural Centre, Moutere Hills Community Centre, Rec Park Centre Golden Bay), sports grounds, public toilets, libraries, community halls and buildings, the Aquatic Centre, Saxton Field, etc.

The Council also provides cemeteries.

Community housing benefits occupants of the housing units, usually older adults. Sporting, recreation or community groups, and other reserve users directly benefit from being able to rent reserve or other land and/or buildings for their activities.

The entire community benefits from access to museums and protection of heritage items, and from having a vibrant sense of community.

The community also benefits from the activity's community partnerships work which involves running community events, educational activities, provision of grants and managing the service delivery contracts for the Aquatic Centre and Council's facilities.

The public are able to make use of resources, facilities, events and recreational opportunities and as such gain physical and psychological well-being and a sense of community identity.

Development and population increases create demand for community facilities, libraries and parks – see Funding of Capital Expenditure on page 225 of this document.

Period of benefit

Immediate to ongoing.

Rationale for separate funding

A significant portion of the activity is of public benefit, meaning user charging is not feasible for much of this activity.

Identifying separate funding assists in the accountability and transparency of the Council's costs on a part of this activity.

Funding sources and rationale

Many parts of this activity (e.g. parks, reserves, some library activities, various halls, community grants) predominantly benefit the public or contribute significantly to community outcomes or would be difficult or costly to charge to users (e.g. public toilets). Therefore, significant components of funding are through the general rate. The Council considers that there are wide community benefits from ensuring only minimal charges are imposed on library fees, so not all costs are recovered through fees.

Spending on certain facilities, including those shared with NCC, certain sporting and community facilities, and the museums is of general benefit to the public but without a relationship to the values of property, therefore uniform targeted rates are considered appropriate. The Council considers that the public will want to see discretely the facilities jointly funded with NCC, justifying two separate facilities targeted rates.

There is some scope for user charges or other income in this activity, including hall hire and facility rentals, library charges, cemetery charges, camping fees at the McKee and Kina camping grounds, sports ground fees, cell site/property rentals, etc. Some of these such as, community housing income, miscellaneous reserve income and recoveries, rental/lease income are recorded in "local authorities fuel tax, fines, infringement fees and other receipts."

There is some scope for subsidies and grants or external funding in this activity. For example, the Council receives funds from Sport New Zealand Rural Travel Fund and Creative New Zealand. In addition, Community Partnerships applies for project funding for capital projects, education events and programmes from organisations including Lottery Grants Board, Ministry of Youth Development, Toimata Foundation, Rātā Foundation, Department of Internal Affairs, Ministry for Ethnic Communities and the Ministry of Business, Innovation and Employment. For its major community facilities, the Council requires a community fundraising contribution. This contribution is at least one-third of the first $3 million of the capital cost of the project and at least 20% of the remaining capital cost.

Some funding is received from the Council Enterprises activity for the maintenance of the Council's parks and reserves. This is recorded as "internal charges and overhead recovered" and represents a return for the use of reserves for commercial campgrounds and from forestry activities on Moturoa/Rabbit Island.

The Council's community housing activity is self-funding from the rental income from the units. The community housing activity also provides a small return back to the parks and reserves account.

For the remaining majority of this activity which has public benefit (excluding museums), funding from the general rate is considered appropriate.

- General rates: Medium
- Targeted rates (facilities and museums): Low-medium
- Local authorities fuel tax, fines, infringement fees and other receipts: Low
- Fees and charges: Low
- Internal Charges and overheads recovered: Low
- Subsidies and grants: Low.

REVENUE AND FINANCING POLICY

GOVERNANCE

We run the electoral process (under the direction of the Electoral Officer) to provide our district with a democratically elected Mayor, Councillors and Community Board members and the governance of our district by its elected representatives. It also involves:

- Local Government Elections
- organising and preparation for Council meetings
- organising civic ceremonies, such as citizenship ceremonies and ANZAC Day services
- support for our Councillors, Council and Community Boards and any assistance required by our Mayor
- running democratic processes, including community consultation, and
- making appointments to Council Controlled Trading Organisations (CCTOs)[5] and Council Controlled Organisations (CCOs).

We have a 50% shareholding in the following organisations, with Nelson City Council holding the other 50% share, in:

- Infrastructure Holdings Limited (subsidiaries Nelson Airport Limited and Port Nelson Limited)
- Tasman Bays Heritage Trust.

We are also:

- a majority shareholder in Waimea Water Limited
- a shareholder in the Local Government Funding Agency Limited (LGFA), and
- a shareholder in the Civic Financial Services Ltd (Civic Assurance).

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	Everyone is included and involved, can participate in decision-making and is able to enjoy a good quality of life, wherever they come from and whatever their age, abilities or income. The Golden Bay and Motueka Community Boards represent and act as an advocate for the interests of their communities. They also maintain an overview of services provided by the Council within their communities and communicate with community organisations and special interest groups. They are separately elected advisory bodies and are not Council Committees. Community Associations support and advocate for residents in their local communities and make submissions to the Council. Ward Councillors maintain close relationships with their local community associations. Advisory Groups are established and coordinated by the Council for specific user groups. The advisory groups help to guide Council decisions, normally on the use and function of a Council asset.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	The CCTOs provide an economic return to the Council and ratepayers and provide employment opportunities.

5. Council Controlled Trading Organisations are operated for the principle purpose of making a profit.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	Everyone has the opportunity to participate in the community's major decisions and information is easy to obtain. The Governance activity ensures that democratic processes are undertaken and supports the work of elected members.

Who benefits/whose act creates the need

All citizens within Tasman District benefit from the democratic and governance processes, elections, and funding economic development.

Residents in Golden Bay and Motueka benefit from their community board activities.

Businesses in the Richmond and Motueka benefit from the business association activities.

Period of benefit

Immediate.

Rationale for separate funding

A significant portion of the activity is of public benefit, meaning user charging is not feasible for much of this activity.

Identifying separate funding assists in the accountability and transparency of the Council's costs on part of this activity.

Funding sources and rationale

There are generally no opportunities to recover through fees and charges for this activity.

The Council records community board income and cost recoveries from other parties, market income, and rural address recoveries in "local authorities' fuel tax, fines, infringement fees and other receipts."

The Council considers that the most appropriate method to recover the public benefit component of this activity is general rate.

However, in line with the Council's policy of those that benefit from a service paying a targeted rate, the Motueka and Golden Bay wards pay a contribution towards the costs for their Community Boards via a targeted rate which also includes special project funding within those wards.

If there are opportunities for subsidies or grant income, the Council would look to utilise these.

As well, the costs of funding the annual grants to Our Town Motueka and Richmond Unlimited are recovered through the Motueka Business Rate, and Richmond Business Rate. The Council charges these rates on businesses in the areas that will benefit. In Motueka, those businesses that are closer to the Central Business District (CBD) receive a greater benefit, and therefore the Council considers that a differential charge should be applied.

- General rate: High
- Targeted rates (business/community board): Low
- Subsidies and grants: Low
- Local authorities fuel tax, fines, infringement fees and other receipts: Low.

REVENUE AND FINANCING POLICY

COUNCIL ENTERPRISES

This activity involves the management of approximately 2,700 stocked hectares of commercial plantation forest, aerodromes in Motueka and Tākaka, a mixture of leased and managed holiday parks in Motueka, Pōhara, Collingwood and Murchison, the management of Port Tarakohe and the management of various commercial property investments.

Contribution to community outcomes

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Social Well-being **Our communities are healthy, safe, inclusive and resilient**	Our commercial assets provide a healthy and safe environment for users and are compliant with health and safety standards. Our aerodromes and ports are resilience assets for communities with limited road access.
Social Well-being **Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed**	We manage our commercial activities to provide functional, pleasant and safe environments, and to minimise any public health hazards and provide attractive facilities. We work to minimise negative impacts on our environment and consider sustainability in all our future commercial development. Our commercial assets are accessible to our communities.
Social Well-being **Our communities have access to a range of social, cultural, educational and recreational facilities and activities**	We provide spaces for social interaction and recreation. We manage our commercial forests for the benefit of our communities, by balancing commercial and recreational use.
Economic Well-being **Our region is supported by an innovative and sustainable economy**	Our commercial activities provide an income stream to reduce reliance on rates. We provide jobs for, and help develop, our local economy. We have a range of legacy assets. We provide and manage recreational assets, and those that provide community resilience, to minimise the burden on ratepayers. Our forestry assets provide a sustainable economic resource for our communities and a carbon offset for our activities.
Economic Well-being **Our infrastructure is efficient, resilient, cost effective and meets current and future needs**	We endeavour to provide commercial and recreational facilities to meet our community's needs at an affordable level.

Contribution to community outcomes (cont.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Environmental Well-being **Our unique natural environment is healthy, protected and sustainably managed**	We have gained Forestry Stewardship Council (FSC) certification. Our forests are sustainably managed within internationally recognised guidelines. Our forests store carbon to reduce the impact of climate change and meet obligations under climate change agreements.
Cultural Well-being **Our communities have opportunities to celebrate and explore their heritage, identity and creativity**	Our commercial assets include sites that have historical significance and are available for historical reference and exploration. Historic places and iwi interests are respected and protected through planned Council development.
Our Council provides leadership and fosters partnerships including with iwi, fosters a regional perspective, and encourages community engagement	We have established various user and advisory groups such as Motueka Aerodrome Advisory Group, Tākaka Aerodrome User Group, and Port Tarakohe Advisory Group as a means of engaging with communities on the Council's commercial and semi-commercial activities.

Who benefits/whose act creates the need

There are a variety of direct beneficiaries in this activity including: users and tenants of our aerodromes, ports, holiday parks and commercial property.

This activity also includes forestry which provides a return back to the Council.

Period of benefit

Immediate and ongoing.

Rationale for separate funding

Identifying separate funding assists in the accountability and transparency of the Council's costs for much of this activity.

Funding sources and rationale

Where possible user charges should be used to charge the direct beneficiaries and therefore fees and charges will be a significant revenue source for this activity for users of Port Tarakohe, the Motueka and Tākaka Aerodromes, and the Collingwood Holiday Park. However, some properties and the buildings at the aerodromes are rented at market levels which results in returns less than related costs therefore requiring some general rate funding into the activity. This is more than offset by contributions to the general rate from other parts of the activity.

This activity has significant income recorded in "local authorities fuel tax, fines, infringement fees and other receipts" line. This includes funding from direct beneficiaries for property rentals in the Māpua Precinct, Murchison Riverside Holiday Park, Motueka Top 10 Holiday Park, Pōhara Top 10 Holiday Park, production forestry income, and other revenue sources.

If there are opportunities for subsidies or grant income, the Council would look to utilise these.

- Local authorities fuel tax, fines, infringement fees and other receipts: Medium-high
- Fees and charges: Low-medium
- Subsidies and grants: Low
- General rates: Low.

Noting – the general rate offset contribution from forestry should exceed other rates charged within the activity, meaning general rates are reduced overall because of surpluses in this activity.

REVENUE AND FINANCING POLICY

SUPPORT SERVICES

Support Services are the internal functions that help ensure the Council operates efficiently and effectively, meeting its statutory obligations, and working towards the achievement of the Council's community outcomes.

These activities are internally focused and do not generally have a direct output to the community, rather they are internal support systems for those activities that do. The Support Service activities have their own business plans which outline the strategic focus for the activity and the major projects.

This group is not classed as a 'group of activities' for Tasman's 10-Year Plan purposes and no funding impact statement has been produced for these activities.

FUNDING OF CAPITAL EXPENDITURE

Section 103(1) LGA requires the Council to specify its policy on the funding of capital expenditure separately from its policy on the funding of operating expenditure. "Capital" costs that need to be funded relate predominantly to the purchase of new assets and the replacement of existing assets.

The Council takes a consolidated corporate approach to the management of its financial position. Through Tasman's 10-Year Plan 2024 – 2034 it determines what capital expenditure is sustainable within the prudential guidelines it has set itself. These parameters are contained in the Financial Strategy.

Activity Management Plans are maintained for most activities, and these provide information about the services the Council will be providing, the condition of any assets and asset renewals required to maintain desired service levels.

For most capital expenditure funding, the activity level operating analysis is also applicable and therefore detailed analysis by activity can be seen in the operating section. For example, the same community outcomes tend to apply for both operating and capital expenditure by activity, and the beneficiaries and whose act creates a need, are largely consistent, whether the expenses are capital or operating in nature. For activities where the period of benefit has a long term component, some debt funding is generally utilitised due to the intergenerational equity principle.

The funding for debt is typically through rates. For the Transportation, Water Supply, Wastewater, Stormwater, and Community Development Activities, the Council considers that Development Contributions and Financial Contributions for reserves and community facilities are appropriate sources of capital funding for the reasons set out in the detail that follows. Other funding source for these activities include external debt, NZTA funding and other sources like community of Government contributions.

Funding for capital works will depend on the nature of the work, in particular the reasons (cost drivers) which have made the work necessary. There are three costs drivers recognised by the Council:

- capital expenditure due to growth (described as "To meet additional demand" in the Council's Funding Impact Statement)
- capital expenditure due to renewals (described as "To replace existing assets" in the Council's Funding Impact Statement), and
- capital expenditure due to shifts in levels of service, statutory requirements, or other reasons excluding growth or renewals (described as "To improve the level of service" in the Council's Funding Impact Statement).

In addition, the Council also records Vested Assets. Certain infrastructural assets and land may vest in the Council as part of the subdivision consent process. Vested infrastructural assets are valued by calculating the cost of providing identical quantities of infrastructural components and are recognised as revenue when control over the asset is passed to the Council.

CAPITAL EXPENDITURE DUE TO GROWTH

- The Tasman District has experienced steady population and economic growth. Population and business growth creates the need for new subdivisions and development placing increasing demand on the assets and services provided by the Council. Significant investment in new or upgraded assets and services is accordingly required to meet the demands of growth.

- The Council intends to fund the portion of capital expenditure that is attributable to growth by largely recovering these costs from development and growth.
- The Council considers that the best mechanisms for ensuring the cost of growth sits with those who have created the need and benefit from the work are:
  - » Development Contributions for transport, water, wastewater and stormwater services, and
  - » Financial Contributions for reserves and community services assets.
- The Council has a Development and Financial Contributions Policy. The Council is required under Section 106 2 (c) LGA to explain within that policy why it has decided to use development contributions, financial contributions and other sources to fund capital expenditure relating to the costs of growth. The assessment that follows is therefore replicated in that Policy.

The Council has considered whether development contributions or financial contributions are an appropriate source of funding in relation to the activity, the outcomes sought, and their links to growth infrastructure. A summary of this assessment follows. Development contributions and reserve and community services financial contributions, as a dedicated growth funding source, offer more secure funding for community outcomes that are affected by growth, or through which Council can deliver on aspects of the outcomes for new communities.

Who benefits/whose act creates the need

A significant portion of the Council's work programme is driven by development or has been scoped to ensure it provides for new developments. The extent to which growth benefits from a project as well as how much it benefits existing ratepayers is determined for each project.

The Council believes that the growth costs identified through this process should be largely recovered from development, as this is what creates the need for the expenditure and/or benefits principally from new assets and additional network capacity. Where and to the extent that works benefit existing residents, those costs are recovered through rates.

Period of benefit

The assets constructed for development provide benefits and capacity for developments now and in the future. In many cases, the "capacity life" of such assets is many years, if not decades.

Development Contributions allow development related capital expenditure to be apportioned over the capacity life of assets. Developments that benefit from the assets will contribute to its cost, regardless of whether they happen now or in the future.

Similarly, financial contributions for reserves and community services also allows funding of these assets to be spread over benefiting developments over time.

Funding sources and rationale including rationale for separate funding

The cost of supporting development in Tasman is significant. Development contributions send clear signals to the community about the true costs of growth and the capital costs of providing infrastructure to support that growth.

The benefits to the community are significantly greater than the cost of policy making, calculations, collection, accounting and distribution of funding for development contributions and financial contributions for reserves and community services.

The Council has also considered the impact of the overall allocation of liability on the community. In this case, the liability for revenue falls directly with the development community. At the effective date of this Policy, the Council does not perceive any impact on the social, economic and cultural well-being of this particular section of the community.

Development in Tasman is thriving, and demand is high, as is demand for the infrastructure these funding sources help secure. Conversely, shifting development costs onto ratepayers is likely to be perceived as unfair and would significantly impact the rates revenue required from existing residents – who do not cause the need, or benefit from the growth infrastructure, needed to service new developments.

REVENUE AND FINANCING POLICY

	RESERVES AND COMMUNITY FACILITIES	TRANSPORTATION	WATER	WASTEWATER	STORMWATER
Our unique natural environment is healthy, protected and sustainably managed.	✓	✗	✓	✓	✓
Our urban and rural environments are people-friendly, well-planned, accessible and sustainably managed.	✓	✓	✓	✓	✓
Our infrastructure is efficient, resilient, cost effective and meets current and future needs.	✓	✓	✓	✓	✓
Our communities are healthy, safe, inclusive and resilient.	✓	✓	✓	✓	✓
Our communities have opportunities to celebrate and explore their heritage, identity and creativity.	✓	✗	✗	✗	✗
Our communities have access to a range of social, cultural, educational and recreational facilities and activities.	✓	✓	✗	✗	✗
Our Council provides leadership and fosters partnerships, including with iwi, fosters a regional perspective, and encourages community engagement.	✓	✓	✓	✓	✓
Our region is supported by an innovative and sustainable economy.	✗	✓	✓	✓	✓

Overall, it is considered fair and reasonable, and that the social, economic and cultural interests of Tasman's communities are best advanced through using development contributions and reserve financial contributions to fund the costs of growth-related capital expenditure for services and activities covered by this Policy.

Types of assets covered by development and financial contributions for reserves and community services include:

- network infrastructure for water supplies, wastewater, stormwater and transportation;
- the purchase and development of reserves;
- capital works for recreation activities, including libraries, and
- mitigating adverse effects.

Funding sources for growth capital expenditure:

- subsidies and grants for capital expenditure;
- development contributions and financial contributions for reserves and community facilities, and
- borrowing.

CAPITAL EXPENDITURE DUE TO RENEWALS

Renewal capital works are those capital expenditure costs that are incurred in restoring an asset to previous service levels, usually reflected in the amount that an asset has been depreciated. Therefore, by using those depreciation funds, the Council is attempting to maintain infrastructural networks to at least their original service level.

The Council policy is to move to fully fund depreciation (the loss of service potential or the wearing out of assets as it occurs) during their lifetime through rates and other operational income streams, stepped in over a 10-year period. However, because of high asset revaluation impacts and the need to mitigate rates increases, the Council have decided to extend 10 year periods by a further five years, finishing June 2030. The move to fully fund depreciation will continue to have a significant operational cost implication for the Council, and operational spending has been prioritised in order to enable the transitioning in of depreciation funding at the same time as remaining within the set financial limits.

Fully funding depreciation does not mean that all assets will have full depreciation funded. This is because:

- Subsidies are received in some areas. For example, the Council needs to fund depreciation only on its share of transportation costs – the component attributable to NZTA is excluded. Allowing for other subsidisable costs means approximately 49% of transportation depreciation will be funded.
- Depreciation on community facilities may not need to be fully funded as they are often partly funded by non-Council sources and/or will never be replaced in the same form at the end of their useful life, therefore in this case depreciation on certain halls, libraries etc. will not be funded.
- Certain renewal programmes are historically rates funded, and therefore it is not necessary to fund depreciation on these.

The Council does not hold cash reserves that match the depreciation reserves.

Not every project will contribute to every community outcome listed below, however the overall capital works programme will likely contribute to all of them.

Community outcomes to which the activity primarily contributes

NATURAL ENVIRONMENT	HUMAN ENVIRONMENT	INFRAST-RUCTURE	COMMUNITY	CULTURE	RECREATION	GOVERNANCE	ECONOMIC
✓	✓	✓	✓	✓	✓	✓	✓

Who benefits/whose act creates the need

Users of current infrastructure benefit from the renewal of this infrastructure.

In some cases the capital cost arises because of damage to infrastructure in climatic events or because of equipment failure.

Period of benefit

Ongoing benefits over the assets' useful life.

Funding sources and rationale including rationale for separate funding

The funding of depreciation is to be used for funding renewals for the purposes of intergenerational equity, however, to meet the targets within the financial strategy, the funding is being phased in over time and increasing the Councils overall borrowing.

Other funding sources will also be considered.

Funding sources renewal capital expenditure:

- subsidies and grants for capital expenditure;
- depreciation reserves;
- proceeds from the sale of assets;
- reserves;
- borrowing;
- reserve financial contributions, and
- rates.

CAPITAL EXPENDITURE DUE TO SHIFTS IN LEVELS OF SERVICE, STATUTORY REQUIREMENTS, OR OTHER REASONS EXCLUDING GROWTH OR RENEWALS

Not every project will contribute to every community outcome listed below, however the overall capital works programme will likely contribute to all of them.

Who benefits/whose act creates the need

Users of assets would benefit from increased levels of service.

The cost driver for some capital works relates to increasing the levels of service for the community. Sometimes these improvements are required because of changes to legislation or resource consent conditions, which means there may be little discretion with regards to the expenditure.

In other cases, the increase in the level of service is a community driven decision.

Period of benefit

Ongoing benefits over the assets useful life.

Funding sources and rationale including rationale for separate funding

The Council will first look to fund other/level of service capital expenditure through capital grants and subsidies including community contributions, or where it makes sense, through asset sales and reserves, borrowing, and rates.

Funding sources for other capital expenditure:

- subsidies and grants for capital expenditure including community contributions;
- proceeds from the sale of assets;
- reserves;
- borrowing, and
- rates.

Community outcomes to which the activity primarily contributes

NATURAL ENVIRONMENT	HUMAN ENVIRONMENT	INFRAST RUCTURE	COMMUNITY	CULTURE	RECREATION	GOVERNANCE	ECONOMIC
✓	✓	✓	✓	✓	✓	✓	✓

OVERALL IMPACT OF LIABILITY FOR REVENUE ON THE CURRENT AND FUTURE SOCIAL, ECONOMIC, ENVIRONMENTAL, AND CULTURAL WELL-BEING OF THE COMMUNITY

The Council, both as part of Tasman's 10-Year Plan 2024 – 2034 processes and after setting financial budgets, has considered the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community. In developing those budgets, the Council has set rates limits partly in consideration of the economic well-being of the community.

In past years, the Council has made funding decisions in consideration of the social, economic, environmental and cultural well-being of the community into existing policy. This includes the use of clubs for major infrastructure, such as the wastewater club. This helps make key infrastructure more affordable for smaller areas and groups. It also prevents significant fluctuations year to year on small supplies when they incur larger maintenance budgets or fluctuations.

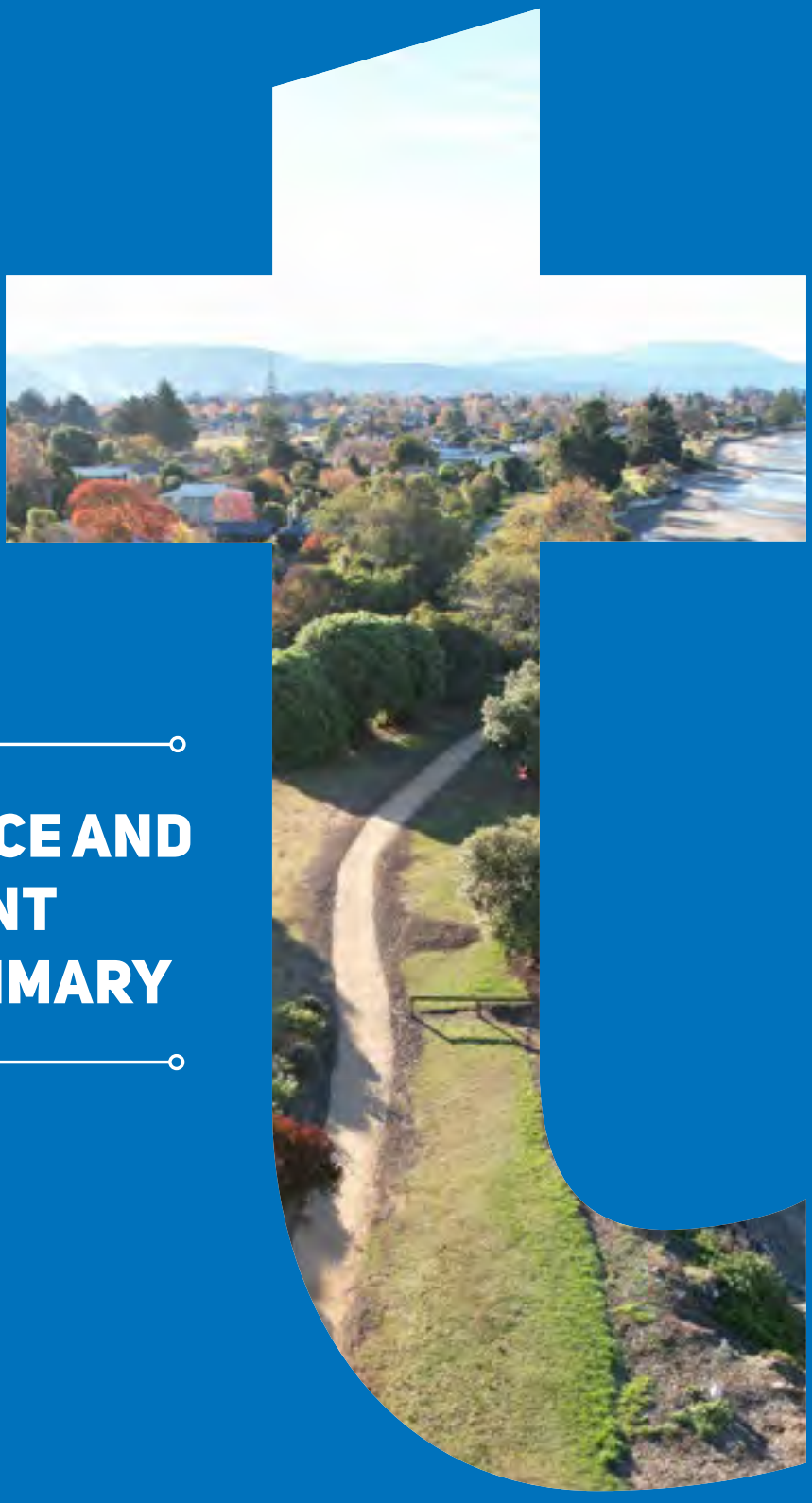
As part of Tasman's 10-Year Plan 2024 – 2034 processes, the Council has reviewed the movement of rates in total, and also each rate type that has moved significantly. As a result, the Council has some changes to the Revenue and Financing Policy to promote community well-being. The Council has allocated some general rates funding into some of its Rural Water supplies from 2021/2022 as a result of substantial cost increases in these small supplies that have created affordability issues, as an interim measure. The funding allocated results in more affordable targeted water rates, and the increase is insignificant to the general ratepayer base due to the large number of ratepayers in the district, compared to the small number of ratepayers connected to the Rural Water supplies. The 'Local Water Done Well' reforms may ultimately change how water supplies across the country are operated and funded.

The Council has also continued some changes incorporated under the previous 10-Year Plan which in addition to improving the equity of our funding policy, also help mitigate rates increases. This includes debt funding some operational and rivers capital expenditure if there are multiple year benefits, for example the placement of rock protection along riverbanks. New to the 10-Year Plan 2024 – 2034 is a proposed change to the targeted river rating system to be based on a property's capital value rather than land value, which shifts rate burden to larger, well-capitalised operations and away from low capital uses such as pasture. Additionally, the UAGC is to be set at 15% of the general rates income requirement. This helps to improve equity in the funding policy.

By using a set of example properties, the Council has been able to review and has considered the impact of rates and rates increases on various types of properties. These include residential and lifestyle properties, properties in the rural sector, business properties with varying ranges of rateable values and services. Horticultural property values have increased significantly in the last two district-wide revaluations, averaging over 30% both times, signalling some robustness in some parts of the rural sector.

The Council has also considered other funding streams impacts on the community such as development contributions and fees and charges.

Overall, it is considered that the allocation of the costs for the Waimea Community Dam water augmentation scheme and all other revenue streams is appropriate, having regard to the current and future social, economic, environmental, and cultural well-being of the community.



SIGNIFICANCE AND ENGAGEMENT POLICY SUMMARY

SIGNIFICANCE AND ENGAGEMENT POLICY SUMMARY

PURPOSE

The purpose of this Policy is to identify the degree of significance of issues or decisions; to provide clarity about how and when communities can expect to be engaged in decisions; and, to inform the Council about the extent and form of public engagement that is expected before a particular decision is made.

WHAT IS SIGNIFICANCE?

Significance – means the degree of importance of the issue, proposal, decision, or matter, as assessed by the Council, in terms of its likely impact on:

- the current and future social, economic, environmental, or cultural well-being of the district or region
- any persons likely to be particularly affected by, or interested, and
- the capacity of the Council to perform its role, and the financial and other costs of doing so.

The level of significance is a continuum and determining the significance of a matter is an exercise of judgment. The Council uses the following to determine the level of significance:

- Does the decision relate to an asset that is a 'strategic asset'[6].
- Is there, or likely to be, a substantial change in the level of service provided by Council.
- Is there, likely to be, or has there been:
  - » a high level of community interest in a proposal or decision; or
  - » controversy in the context of the impact or consequence of the change; or
  - » an impact on the social, economic, environmental or cultural well-being of the community in the present or for the future; or
  - » a specific area affected (e.g. geographic area, or area of a community by interest, age or activity); or
  - » an impact or consequence relating to the duration of the effect arising from a proposal, decision or activity.
- Will the decision substantially impact on the District's ability to mitigate or adapt to climate change.
- Will the decision substantially affect Council debt, rates on residents or the financial figures in any one year or more of the10-Year Plan.
- Does the decision involve the sale of a substantial proportion of, or controlling interest in, the Council's shareholding in any Council-controlled trading organisation or Council-controlled organisation.
- Does the decision involve entry into any partnership with the private sector to carry out a significant activity; or any new proposal to contract out the delivery of any Council group of activities.
- Does the decision involve Council exiting an existing activity or adding a new group of activities.

WHAT HAPPENS WHEN THE LEVEL OF SIGNIFICANCE HAS BEEN DETERMINED?

Once Council has decided what level of significance an issue has, it will consider how it should engage with its communities. In general, if a decision has a high level of significance the Council can be expected to make greater efforts to ensure it understands the views of interested and affected parties.

Enabling effective participation of individuals and communities in the decision-making of councils is the primary purpose of consulting with the community. This will enable elected representatives to make better-informed decisions on behalf of those they represent.

The exact form and extent of consultation and engagement will be determined by Council on a case by case basis, including considering the level of significance of the matter and any statutory requirements.

6. Strategic asset, means an asset or group of assets that the Council needs to retain to maintain the Council's capacity to achieve or promote any outcome that the local authority determines to be important to the future well-being of the community; and includes any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and any equity securities held by the Council in a port a company or an airport company.

SIGNIFICANCE AND ENGAGEMENT POLICY SUMMARY

ENGAGEMENT WITH IWI/MĀORI

Council will honour all engagement processes, agreements and memorandums of understanding developed with iwi/Māori as they relate to its decision-making policies. The Council's Fostering Māori Participation in Council Decision-Making through Ngā Iwi/Council Partnership statement is on page 235 of this document.

INFORMATION REQUIREMENTS

The Council typically engages at early engagement stage (i.e. prior to Council having decided on a draft plan, policy or proposed option) and/or when it has decided on a draft plan, policy or proposed option.

At either stage the Council will make information available about the issue being addressed; any options identified and their consequences; how participants can provide their views; the timeframe; and the likely subsequent stages in engagement and decision-making.

COUNCIL DECISION-MAKING

In making its decisions the Council will consider the views of interested or affected parties, along with a number of other relevant factors.

Once the decision has been made the Council will make available clear records, or descriptions of the decisions, where engagement has taken place.

The full Significance and Engagement Policy can be viewed on the Council's website **www.tasman.govt.nz/my-council/key-documents/more/governance-policies**

FOSTERING MĀORI PARTICIPATION IN COUNCIL DECISION-MAKING THROUGH NGĀ IWI O TE TAUIHU / COUNCIL PARTNERSHIP

FOSTERING MĀORI PARTICIPATION IN COUNCIL DECISION-MAKING THROUGH NGĀ IWI O TE TAUIHU / COUNCIL PARTNERSHIP

KAUPAPA (PURPOSE)

This document outlines the actions Council intends to implement to support iwi/Māori participation in the Council decision-making processes over the period of Tasman's 10-Year Plan 2024 – 2034 and to improve the way Council kaimahi (staff) and elected members work together with iwi / Māori.

KŌRERO O MUA (BACKGROUND)

The valued relationship between Local Government and iwi is supported by a national level Memorandum of Understanding between Local Government New Zealand (LGNZ) and the Iwi Chairs Forum, signed in 2015.

Councils operate under several statutory regimes that require interaction and a relationship with iwi/Māori. To uphold the principles of Te Tiriti o Waitangi/the Treaty of Waitangi, the Council needs to better understand the values, aspirations, and interests of iwi/Māori in Tasman District. A legislative platform to enable respectful engagement and joint decision-making is provided by the Resource Management Act 1991 (RMA), the Local Government Act 2002 (LGA) and other legislation, including that governing reserves, coastal management, flood management and transport.

As well as our statutory obligations, the Council aspires to be a trusted partner, making good community decisions in collaboration with iwi/Māori across Te Tauihu o Te Waka-a-Māui.

Tasman District is home to nine iwi **(see Figure 1 on pages 236 and 237)**. Two marae are located within the rohe: Te Āwhina and Onetahua marae.

MANA KI TE MAHI (LEGISLATIVE REQUIREMENTS)

The Local Government Act (LGA) outlines the following principles and requirements for local authorities, aimed at facilitating the participation of iwi/Māori in decision-making processes:

1. Development of Māori capacity to contribute to decision-making processes – the Long Term plan must set out any steps that the local authority intends to take, having undertaken the consideration required by section 81(1) (b) LGA, to foster the development of Māori capacity to contribute to the decision-making processes of the local authority over the period covered by that plan (Schedule 10(8) LGA).
2. A local authority must establish and maintain processes to provide opportunities for Māori to contribute to their decision-making processes; consider ways to foster the development of Māori capacity; and provide relevant information to Māori for both purposes (s81(1) LGA).
3. Consultation with Māori – a local authority must ensure that it has in place processes for consulting with Māori that are in accordance with the principles of consultation as set out by section 82(1) LGA.
4. Local authority decision-making – where, in the course of the decision-making process, a significant decision relates to land or a body of water, the local authority must take into account the relationship of Māori and their culture and their traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga (s77(1)(c) LGA).

Statutory responsibilities the Council enacts under the various Te Tiriti o Waitangi/the Treaty of Waitangi Settlements across the nine iwi in the Tasman District derive from the:

- Ngāti Koata, Ngāti Rārua, Ngāti Tama ki Te Tau Ihu, and Te Ātiawa o Te Waka-A-Māui Claims Settlement Act 2014
- Ngāti Apa ki te Rā Tō, Ngāti Kuia, and Rangitāne o Wairau Claims Settlement Act 2014
- Ngāti Toa Rangatira Claims Settlement Act 2014, and
- Ngāi Tahu Claims Settlement Act 1998.

These Settlement Acts outline each area of interest – including statutory acknowledgements over land, water, sites, wāhi tapu, valued flora and fauna, and other taonga – for each of the nine iwi. Deeds of Settlement also include various enactments:

FOSTERING MĀORI PARTICIPATION IN COUNCIL DECISION-MAKING THROUGH NGĀ IWI O TE TAUIHU / COUNCIL PARTNERSHIP

Figure 1: The nine iwi of Tasman District and their waka

Iwi	Te Ātiawa	Ngāti Tama	Ngāti Rārua	Ngāti Koata	
Waka	Tokomaru		Tainui		
Full name of iwi/hapū	Te Ātiawa o Te Waka-a-Māui	Ngāti Tama ki Te Tau Ihu	Te Rūnanga o Ngāti Rārua	Ngāti Koata	
Name of Post Settlement Governance Entity	Te Ātiawa o Te Waka-a-Māui Trust	Ngāti Tama ki te Waipounamu Trust	Ngāti Rārua Settlement Trust	Ngāti Koata Trust	
Settlement Legislation	Ngāti Kōata, Ngāti Rārua, Ngāti Tama ki Te Tau Ihu, and Te Ātiawa o Te Waka-a-Māui Claims Settlement Act 2014				

- Overlay sites
- Statutory Acknowledgement Areas
- Cultural Redress protocols
- Relevant Fossicking Areas
- Deferred Selection Properties
- Vest and gift back to the Crown for public use
- Coastal and Maritime Instrument Areas
- Specified area Right of First Refusal (RFR) land
- Licensed Land property
- Conservation Kaitiaki Instruments
- Settlement iwi RFR land
- General RFR land

TE KAUNIHERA (COUNCIL), IWI / MĀORI WORKING TOGETHER

There are many varied and nuanced ways in which the Council can work with iwi/Māori. The Council is committed to growing and strengthening our working relationship and level of engagement with iwi/Māori. These relationships are strategically important and are based on a range of statutory and non-statutory instruments, supporting opportunities for mutual benefit and advancement.

The Council consults and engages with iwi/Māori on a regular basis. In certain cases, these are ongoing processes required by legislation such as the Resource Management Act, Local Government Act and relevant Settlement Acts. Other cases are a way of recognising the spirit of partnership inherent in Te Tiriti o Waitangi/ the Treaty of Waitangi.

The Council have made key appointments to facilitate enactment of the Council's responsibilities to iwi/Māori;

- The Mayor and Chief Executive have been appointed as iwi/Māori liaison portfolio holders.
- The Council Kaumātua who assist the Mayor, elected members and Chief Executive with support around tikanga Māori at civic events, pōwhiri, blessings and other ceremonies.
- The Council Kaihautū is a senior advisor to, and provides cultural support to, the Chief Executive, Leadership Team, Mayor, elected members and kaimahi (staff); and helps to enhance engagement between the nine iwi of the Tasman District, the Council and the wider community, to help realise the partnership embodied in Te Tiriti o Waitangi/the Treaty of Waitangi. The Kaihautū plays a leadership role in the development of strategic and operational rangatira-ki-rangatira relationships between the Council and iwi, ensures tikanga Māori cultural

FOSTERING MĀORI PARTICIPATION IN COUNCIL DECISION-MAKING THROUGH NGĀ IWI O TE TAUIHU / COUNCIL PARTNERSHIP

	Ngāti Toa	Ngāti Kuia	Ngāti Apa	Rangitāne	Ngāi Tahu
	Tainui	Kurahaupō			Uruao
	Te Rūnanga o Toa Rangatira	Te Rūnanga o Ngāti Kuia	Ngāti Apa ki te Rā Tō	Te Rūnanga a Rangitāne o Wairau	Te Rūnanga o Ngāti Waewae
	Toa Rangatira Trust	Te Rūnanga o Ngāti Kuia Trust	Ngāti Apa ki te Rā Tō Trust	Rangitāne o Wairau Settlement Trust	Te Rūnanga o Ngāi Tahu (TRONT)
	Ngāti Toa Rangatira Claims Settlement Act 2014	Ngāti Apa ki te Rā Tō, Ngāti Kuia, and Rangitāne o Wairau Claims Settlement Act 2014			Te Rūnanga o Ngāi Tahu Act 1996

policy is embraced by the Council, and works to ensure decision-making is fully and effectively informed by a Te Ao Māori perspective.

- The Council have also recognised the expanding workload through creating Te Kāhui Hononga (Māori Partnerships and Engagement Team). This includes the Kaihautū, a Kaitohutohu Māori (Senior Māori Advisor) and Kaiāwhina (Co-ordinator) that support hui between iwi and Council kaimahi and provide expertise, advice and guidance as needed throughout various Council functions. This expansion has been part of a refocus of existing resources and additional Central Government resources being made available.

The eight iwi of Te Tauihu have collaborated on a number of initiatives:

- 'Kia Kotahi te Hoe' – a strategy to advance their collective aspirations in response to the critical needs of whānau Māori in Te Tauihu. The strategy is based around four key pou/priorities: employment, kai, housing and health.
- 'Te Kotahi o Te Tauihu Charitable Trust' was formed to lead the aspirations of the strategy. The Council will look for opportunities to support and align with these aspirations.

Four iwi of Te Tauihu have created Ka Uruora which is providing tools to support and empower whānau on their journey to secure housing opportunities through financial independence. The Council will look for opportunities to align with and support these initiatives for affordable healthy homes in our community (e.g. supporting the papakāinga development at Te Āwhina Marae and much needed renovations at Onetahua Marae).

The Council also aims to align its work to the vision and intergenerational outcomes outlined in the well-being framework of 'Te Tauihu Intergenerational Strategy' (launched in November 2020).

In December 2023 Tasman District Council entered into a Strategic Partnership Agreement to with Ngā Iwi o Te Tauihu, Nelson City Council and Marlborough District Council. This Agreement outlines the high level values that the Partners should be working towards, this is to improve and align strategies councils to iwi, iwi to iwi and councils to councils.

The Council acknowledges that building relationships with iwi/Māori is not simply a matter of complying with legislation, but rather one of understanding, partnership and trust. The following table outlines some of the actions the Council currently undertakes, and some new actions we will take, to further develop iwi/Māori capacity to contribute to our decision-making processes.

FOSTERING MĀORI PARTICIPATION IN COUNCIL DECISION-MAKING THROUGH NGĀ IWI O TE TAUIHU / COUNCIL PARTNERSHIP

Table 1: Ongoing work of Te Kaunihera (Council) with iwi / Māori

Initiatives with iwi/Māori	
Kotahi 1	Iwi Engagement Hui with Taiao advisors on various environmental projects throughout Council meet bimonthly with eight iwi. Manawhenua ki Mohua is a hapū based entity in Mohua (Golden Bay) assist kaimahi to attend monthly board hui as needed. Likewise assist kaimahi to attend Te Āwhina Marae board hui as needed.
Tuarua 2	Continuing to actively promote consultation and implement representation opportunities for iwi/Māori on Council committees (e.g. the appointment to the Nelson Tasman Civil Defence Emergency Management (CDEM) Group Joint Committee), Council hearing panels, Council owned organisations (e.g. the committees in charge of the Nelson Regional Sewerage Business Unit and Nelson Tasman Regional Landfill Business Unit – both jointly owned between the Council and Nelson City Council – as well as the Tasman Bays Heritage Trust) and Council projects (e.g. development of the Tasman Bio-Strategy, upgrade of the Motueka Wastewater Treatment Plant etc.).
Tuatoru 3	Continuing to promote iwi/Māori involvement in Nelson Tasman CDEM Group work. Enhancing the process that was developed in 2019 during the Pigeon Valley fires and built upon in 2020 in response to Covid-19, for engaging iwi in emergency centre operations and their inclusion in Nelson Tasman CDEM Group decision-making and governance.
Tuawhā 4	Continuing to provide iwi with funding towards their contributions to Council decision-making processes (e.g. provision of professional input and advice to Council).
Tuarima 5	Continuing to hold regular hui/liaison meetings with iwi on a wide range of matters, in order to develop our relationships further and to discuss specific and general issues of relevance to both parties. As an example, in October 2017 Council formed an Iwi Working Group consisting of a representative of each of the nine iwi to support the process of plan changes and review. This group meets regularly to discuss RMA policy matters. Council is working with iwi authorities to develop the Tasman Environment Plan (TEP) and identify resource management issues of concern and possible solutions to them, along with other relevant matters.
Tuaono 6	Through hui, working with iwi/Māori to identify how best to gain input into issues of relevance, including the opportunity to be involved in relevant working groups.
Tuawhitu 7	Consulting with iwi/Māori on the formation of the Council's 10-Year Plan, the Annual Plan, Reserve Management Plans, TEP, and other strategic documents or plans.
Tuawaru 8	Continuing to actively participate in the Regional Inter-sector Forum (RIF) and Kotahitanga mō te Taiao Alliance.
Tuaiwa 9	Inauguration at Te Āwhina marae for Mayor and elected members.

Table 1: Ongoing work of Te Kaunihera (Council) with iwi / Māori (cont.)

Initiatives for Council staff and elected members	
Kotahi 1	Providing staff with support and resources to assist the Council's relationships and capacity building with iwi and all Māori living in Tasman. The resources will help to bridge the gap between iwi, Māori, the Council, the wider community and the legislation pertaining to how we will work together. Examples of ways we are working on this include: • in conjunction with iwi and training providers (e.g. NMIT, Te Ataarangi), continuing to provide structured training/familiarisation courses to improve elected members' and staff understanding of tikanga, kawa, te reo Māori, te Ao Māori, Te Tiriti o Waitangi/the Treaty of Waitangi, the nine iwi of Tasman District, and iwi culture and perspectives • continuing to provide He Waka Kuaka te reo Māori classes to staff • continuing to enable staff participation in cultural events (e.g. Waiata group, Matariki, Te Wiki o Te Reo, Waitangi Day), and • continuing to improve our induction process for staff and elected members, to build understanding of the unique differences between iwi, and matters of importance to iwi/Māori in our rohe.
Tuarua 2	Entering into a Strategic Partnership Agreement to achieve mutually beneficial relationships (both at governance and management levels) with Ngā Iwi o Te Tauihu, Nelson City Council and Marlborough District Council.
Tuatoru 3	Implementing new representation opportunities for iwi/Māori on the Council, including establishment of a Māori Ward for the 2025 local election and representation on Council subcommittees and joint committees.
Tuawhā 4	Participating in combined governance structures (First Tranche Regions) with NCC and ngā iwi as scoping partners to assess the Nelson Tasman readiness and support required to be one of the first regions to implement the new Resource Management system.
Tuarima 5	Working together with iwi/Māori to implement Te Mana o te Wai (the National Policy Statement for Freshwater Management describes this concept as the integrated and holistic well-being of wai (water). Te Puna Korero has been set up to facilitate strategy implementation for Te Mana o te Wai.
Tuaono 6	Continue to familiarise ourselves with iwi aspirations and objectives contained within strategic documents produced by iwi entities (e.g. their annual reports, environmental management plans and medium to long-term planning documents) when developing new Council policies and plans.
Tuawhitu 7	Working together to co-design our response to major legislative/sector changes. The Government has signalled significant reforms. Iwi input and influence into these changes and how they are implemented is fundamental. We recognise the need to better work together with iwi and more effectively include them in decision-making.

Table 1: Ongoing work of Te Kaunihera (Council) with iwi / Māori (cont.)

Initiatives for Council staff and elected members (cont.)	
Tuawaru 8	Working together with our environmental policy team to create cultural mapping layers and incorporating Mātauranga Māori alongside scientific disciplines.
Tuaiwa 9	Whakawhitiwhiti Whakaaro (Iwi Portal). Provides iwi with a window to view and interact with past, present and future projects, undertaken by the Council in conjunction with Tāngata Whenua o Te Tauihu o Te Waka-a-Māui. This space provides iwi with the platform to view projects and their details, to comment on projects and to indicate the level of engagement they would like to have on each project creating efficiency and instant engagement.

New actions Council intends to progress over the next 10 years

- Iwi cadetships in collaboration with the eight iwi of Te Tauihu, Nelson City Council and Marlborough District Council
- Iwi Advisory Rōpu for cultural narrative and art. A number of initiatives across Council have identified a need for cultural narratives and have been raised internally by Council kaimahi, by iwi as well as various community groups.
- Work alongside and in support of iwi to start identifying the needs of maata waka in our rohe and actions to progress these needs.
- Explore opportunities for in-kind support or other support to iwi for specific projects, such as cultural mapping and development of iwi environmental management plans and climate change strategy plans
- Engage with iwi in a more meaningful way for the development of future Plans and Activity Management Plans – i.e. from the beginning of these processes, co-design and collaboration
- Work together with iwi Taiao staff to streamline the process for engaging on resource consents (e.g. provision to facilitate this through Whakawhitiwhiti Whakaaro, iwi portal)
- Support (in kind) kapa haka festivals in Te Tauihu in the lead up to Te Matatini in 2027:
  - Te Mana Kuratahi the national primary school's competition in 2023
  - Te Mana Kurarua the national secondary school's competition in 2024, and
  - Te Matatini national competition in 2027.

VARIATIONS FROM WATER AND SANITARY SERVICES ASSESSMENT

VARIATIONS FROM WATER AND SANITARY SERVICES ASSESSMENT

The Council formally adopted the Water and Sanitary Services Assessments on 30 June 2005 following public consultation. The Water and Sanitary Services Assessment (WSSA) is an assessment of the water and sanitary services in the Tasman District.

It covers both Council owned services and privately owned services relating to:

- water supply
- sewerage and sewage disposal
- stormwater disposal
- public toilets, and
- cemeteries and crematoria.

Brief comments have been included below to note key variations to the proposals since adoption of the WSSA in 2005.

- Sections 126 – 129 of the Local Government Act (LGA) have been repealed. This means that while Council still needs to undertake water and sanitary services assessments within the District, the process for undertaking the assessments and the extent of information required are no longer dictated.
- An amendment to Section 125 LGA now means that an assessment may be included in the Council's 10-Year Plan but, if it is not, Council must adopt the assessment using the special consultative procedure. The majority of information in the WSSA, in respect of Council owned and operated services, is now included in Council's relevant Activity Management Plans.

WATER SUPPLY

In 2005, the Council identified and prioritised communities without a fully reticulated public water supply in the WSSA. Priority ranking was determined based on water availability and reliability of supply, the water quality and fire-fighting capability.

- The WSSA identified Motueka as a Priority 1; a community that was considered to be the highest priority for an improved water supply. This was because of its size, public health risks and lack of adequate fire-fighting provisions.
- In response, Council has completed the construction of a new water treatment plant in Parker Street, Motueka, as well as providing new reticulation in streets within the area immediately surrounding the plant and new trunk mains to service the south-western quadrant of Motueka township. Council is also preparing to upgrade the existing facility at the Motueka Recreation Centre and adding operational storage capacity. Providing reticulation to other unserviced areas in Motueka is programmed beyond 2040.
- The WSSA identified several Priority 2 communities, where sources of water in the immediate area are unlikely to be of sufficient quality or quantity to meet the needs of those communities. Additionally, there are considered to be public health risks from these private water supplies that need to be addressed. Priority 2 communities included: Mārahau, Sandy Bay, Tasman/Kina, parts of Pōhara, Tākaka, Ligar Bay, Tata Beach, and Patons Rock.

- There is an existing public water supply that provides water to the Pōhara Valley area only (this includes properties in the Pōhara Valley Road, Haile Lane and Falconer Road area). The Council has completed upgrades to the water treatment plant, storage and pump station in Pōhara valley. Other residential areas in Pōhara do not have a water supply and at this stage, the Council is not planning to extend the existing supply or provide a new supply to these un-serviced areas.
- For the remaining communities including Sandy Bay, Ligar Bay, Tata Beach and Patons Rock), the Council has no plans to supply water.
- In August 2020, The Water Services Regulators Act established Taumata Arowai (Water Services Regulator) to oversee, administer and enforce a new drinking water regulatory system. The Council is committed to complying with the new regulations.
- The Water Safety Plans are required to specifically identify and address the risk for each water supply scheme.
- In order to comply with the Drinking Water Quality Assurance Rules, the Council needs to upgrade existing or build new Water Treatment Plants (WTP).
- Upgrades to existing Brightwater, Collingwood, Dovedale, Motueka, Murchison, Pōhara, Tapawera, Waimea, and Wakefield WTPs are already complete or underway.
- The next priority upgrades include, Redwood Valley, and Dovedale. New and upgraded WTPs will mean that the cost of providing water will increase in the future.
- The Council has included the Dovedale source and treatment plant upgrade project in its 10-Year Plan.
- There are planned solutions for Eight-Eight Valley and Redwood Valley.

WASTEWATER DISPOSAL

- The Council completed the upgrade of the Motueka and Tākaka Wastewater Treatment Plants (WWTPs) and will continue to undertake improvements to the Council's systems as identified in the Wastewater Activity Management Plan 2024.
- An 11-year project to relocate the Motueka WWTP is identified in the 10-Year Plan and will commence in July 2025. The previously upgraded WWTP's consent will expire in 2035. The consent was granted for 20 years allowing for time to plan and budget for a new site away from coastal and river hazards. The site has always been considered offensive to iwi due to its location near culturally sensitive areas.
- The 10-Year Plan also identifies funding for the Tākaka WWTP renewal and potential relocation. The consent for this plant expires in 2038 .
- The WSSA identified and prioritised non-reticulated communities. The priority ranking was based on the ability of the systems to treat and dispose of the wastewater into the environment in a manner that meets environmental compliance criteria; and minimises risk to public health, and the impact on the environment. The Council has made no provisions for reticulating any further settlements within the next 10 years.

VARIATIONS FROM WASTE MANAGEMENT AND MINIMISATION PLAN

VARIATIONS FROM WASTE MANAGEMENT AND MINIMISATION PLAN

The Tasman's 10-Year Plan 2024 – 2034 does not vary from the strategic direction set out in the 2019 Nelson Tasman Waste Management and Minimisation Plan (WMMP). The Nelson Tasman WMMP was adopted by the Council in 2019, together with Nelson City Council. The Plan includes an ambition to "eliminate unnecessary waste to landfill" and a target to reduce waste to landfill by 10% per capita by 2030. It sets out the Council's goals, objectives, policies and methods for promoting effective and efficient waste management and minimisation in the District. The Council has therefore based the waste activities in Tasman's 10-Year Plan 2024 – 2034 on the strategic direction set out in the 2019 WMMP.

Under the Waste Minimisation Act 2008, the Council must adopt a WMMP and review it every six years. The current WMMP Plan was informed by a joint Waste Assessment Report which was completed in October 2017, and then finalised following public consultation in 2019. The Plan is currently under review, noting significant changes to waste and climate change legislation and policy have been implemented since the last plan was adopted in 2019, alongside ongoing impacts from the global pandemic, climate change and natural disasters. A Working Party with six elected members and up to three (yet to be appointed at time of writing) iwi representatives have the responsibility to oversee the current WMMP review process. A new plan is scheduled to go out for public consultation in 2025. Plans to engage with iwi, key stakeholders, and the wider community on a new WMMP are underway.

The WMMP's target to reduce waste to landfill (kg per capita) by 10% is one of the Council's levels of service performance indicators in the 10-Year Plan, along with monitoring illegal dumping incidences, and customer satisfaction rates relating to the Council's kerbside recycling service and Resource Recovery Centres.

Waste disposed to landfill (per capita) has reduced since 2017/2018 and is on track to achieve a 10% reduction by 2030, however it is acknowledged the achievement of this target depends on numerous factors outside of the Councils' control (i.e. significant changes in economic conditions, impacts from natural disasters, changes in Central Government Policy). Income the Council receives from a national Waste Disposal Levy (administered by the Ministry for the Environment) has substantially increased since 2020, and Tasman's 10-Year Plan 2024 – 2034 has allocated these funds to a wide range of waste minimisation activities over the next ten year period. Further, in 2024/2025, the two Councils are undertaking a detailed business case to investigate a food scraps collection service for urban households. The business case is predominately funded by a $75,000 grant from the Ministry for the Environment and will inform the Council's decision-making on a new service and any additional budgets would be considered in the next 10-Year Plan.

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