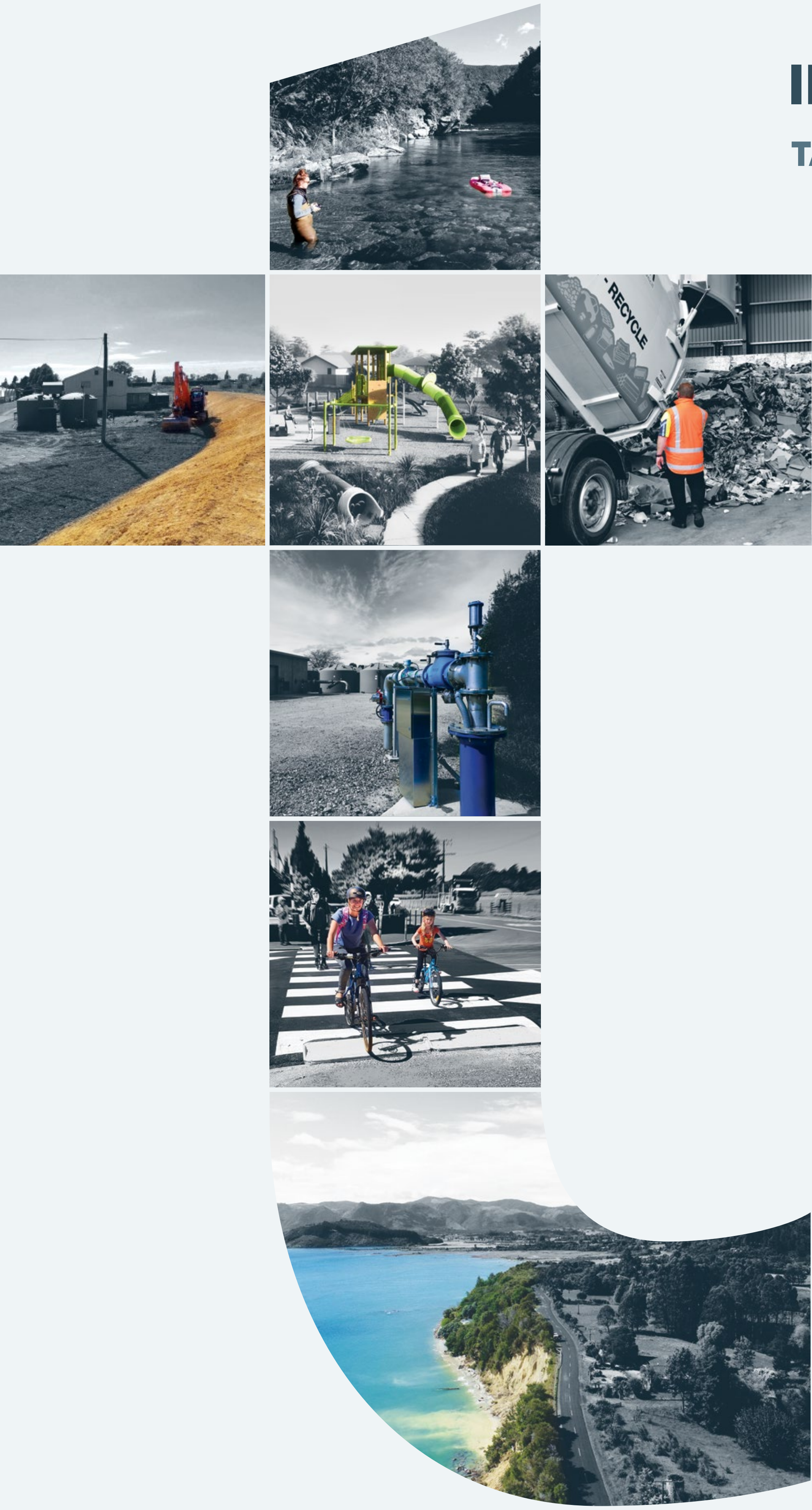


INVESTING IN OUR FUTURE

TASMAN'S 10-YEAR PLAN 2024–2034

Consultation Document

Submissions close at 4.00 pm on Sunday 28 April 2024. You can submit online at **shape.tasman.govt.nz/10YP**

tasman district council

Te Kaunihera o te tai o Aorere

WE'VE COME A LONG WAY

Tē tōia, tē haumatia. Nothing can be achieved without a plan, a workforce and a way of doing things.

In recent years, we've made significant progress in delivering the initiatives set out in our last 10-Year Plan.

- Completed construction of the Waimea Community Dam, which is now full, to secure water supply for generations to come
- Upgraded or installed new water treatment plants for Motueka, Wakefield, Brightwater, Pōhara and Dovedale
- Commenced improvement of the hydrometric system to enable accurate and timely information on rainfall, ground water levels and river flows
- Invested in new or improved infrastructure to enable 1500 new houses in Richmond West and 200 new houses in Motueka to provide for growth
- Opened a new award-winning library for Motueka, providing a valued space for a diverse and growing community
- Introduced a popular new electric bus service to connect more towns to the existing network linking Richmond and Nelson
- Introduced chlorination to several water supplies to comply with new water drinking standards
- Delivered a new Biodiversity Strategy and the Waimea Inlet Strategy
- Upgraded the wastewater network and pump stations in Māpua
- Worked with our communities to increase awareness of natural hazards and climate change risk

MESSAGE FROM THE MAYOR

Three years ago, when we adopted the 2021–2031 10-Year Plan, we were recovering from the impacts of Covid, dealing with the likelihood of significant central government directed change in three waters (water supply, wastewater and stormwater) infrastructure delivery and changes to resource management legislation.

During that time Tasman continued to grow, amidst the economic challenges of high inflation and interest rates and increasing costs. We adapted to these challenges and the uncertainty and we are proud of how our District has responded.

Three years on and we are reviewing that plan, guiding the delivery of services and amenities, the development and maintenance of the District and how we are going to pay for it. We can now build for the future, not only with new infrastructure but to also ensure the current assets are capable of many more years of service. Neglecting the latter effectively 'kicking the can down the road' will only cost everyone more in the future.

This consultation document summarises what we are proposing for the next 10 years, provides some options, and asks for your views and feedback.

It sets out what essential services we are going to deliver, what partnerships and opportunities we will leverage, and how we balance the impacts of continuing growth while meeting expectations and the ongoing changes in legislative direction.

Our *Te Tauihu Together* relationship agreement, between the eight Te Tauihu mana whenua iwi and the three Top of the South councils, will assist us to care for the health and well being of our people and our places.

There is uncertainty about how the new Government's legislative programme will affect what and how we deliver. We will investigate further partnerships with Nelson City Council for the delivery of three waters services and explore the benefits of further collaboration more generally. We have made allowances for these impending changes as best we can in this 10-Year Plan, such as reviewing our resource management programmes governing land use, housing and policies affecting our natural environment. Even so, some uncertainty remains. As a unitary council, where the role and responsibilities of a regional council and territorial authority are merged into one council, the impact of this uncertainty is magnified. We will ensure the basic services are delivered well, enhanced where possible, and are financially sustainable.

With financial sustainability being a key factor, we took a very close look at our business, reviewing all our plans and work programmes. We are mindful that communities continue to evolve, and as such the demand for facilities like the Motueka pool, and community centres in Waimea South, Tapawera and Murchison are considered. We look to your input for the trade-offs that must be made in supplying these amenities and the impact on rates and debt.

We live in a special place. So, when reflecting on the feedback that was received in our early engagement discussions with Tasman's communities for this plan, it was very clear that the special qualities of the Tasman District should not be lost as we continue to grow and evolve.

Navigating the next decade requires a balance between delivering important services and maintaining affordability. By implementing a 10-Year Plan that prioritises essential infrastructure while safeguarding vital community services we are committing to a sustainable future for all of Tasman.

Consultation on the plan is open for a month where we will be seeking your feedback before we make any final decisions prior to the proposed plan being finalised in late June.

Tim King
Mayor

“Navigating the next decade requires a balance between delivering important services and maintaining affordability. By implementing a 10-Year Plan that prioritises essential infrastructure while safeguarding vital community services we are committing to a sustainable future for all of Tasman.”

FUTURE FOCUSED, LEARNING FROM THE PAST

He pai te tirohanga ki ngā mahara mō ngā rā pahemo engari ka puta te māramatanga i runga i te titiro whakamua.

It's fine to have recollections of the past, but wisdom comes from being able to prepare opportunities for the future.

WHAT IS THE 10-YEAR PLAN?

The 10-Year Plan sets out the services and projects the Council intends to provide, the costs of doing so, how we'll pay for it, and what it all means for rates and debt.

It's our commitment to delivering the services and infrastructure the District needs to thrive and is how we plan to promote the social, economic, environmental and cultural well-being of Tasman communities now and in the future.

The purpose of this consultation document is to seek your feedback before we finalise the 10-Year Plan.

WHERE WE'RE HEADED

Titiro whakamuri, kōkiri whakamua. Look back and reflect so you can move forward.

At the heart of our 10-Year Plan is our vision: Thriving and resilient Tasman Communities – Te Manawaroatanga o Te Tai o Aorere kia tupu, kia rea.

We are one of the many organisations contributing to Tūpuna Pono – Being Good Ancestors under the umbrella of the Te Tauihu Intergenerational Strategy. This is a strategy led by Wakatū Incorporation in partnership with mana whenua iwi and Councils across Te Tauihu.

To achieve our vision, we will work together to ensure a Tasman District that has a healthy environment, strong economy and a vibrant community.

Our rautake matua / strategic priorities for the next ten years are:

- A healthy and sustainable natural environment
- Strong, resilient and inclusive communities
- Enabling positive and sustainable development
- Contributing to a diverse society and celebrating our culture and heritage
- A high standard of service

YOUR INVESTMENT, YOUR FUTURE

Hapaitia te ara tikia pumau ai te rangatiratanga mo ngā uri whakatipu. Foster the pathway of knowlege to strength, independence and growth for future generations.

Your investment in our District paves the way for continued progress, with efficient transport that gets you where you need to be, however you choose, and creates thriving and resilient communities.

Our proposed Plan is to largely **retain and maintain the existing services and facilities your investment provides**. We have carefully assessed all our activities and budgets, considered the impacts, the risks involved and the long-term costs of reducing them. On balance we do not feel that making substantial service reductions is in the best interests of our community.

We intend to continue to invest in the upkeep and renewal of our infrastructure assets. This is to avoid short-term decisions that result in deteriorating assets and more reactive maintenance that results in higher rates now and in the future. We plan to increase the maintenance of our sealed roads to stem the decline in their condition experienced over the last few years. Developing a legacy of investment in asset renewal and maintenance is consistent with Tūpuna Pono: being good ancestors.

Our proposed Plan supports growth and development in our District, in line with the Future Development Strategy. A significant programme of investment in water supply, wastewater, and stormwater services, along with transport and parks infrastructure is provided for. The growth-related infrastructure programme is funded by developers who benefit from it.

The Future Development Strategy is a 30-year high-level strategic plan that outlines areas in our region where there is potential for future housing and business growth. It provides a valuable guide for decision-making that will benefit current residents and those who choose to live in Nelson and Tasman in the years ahead. The strategy also provides us with an evidence base to inform reviews and changes to resource management plans and informs infrastructure planning.

Climate change is an existential threat to our District and we need to play a role in responding to it. We have integrated responses to climate change across our services and will continue to act to reduce our greenhouse gas emissions. We also intend to help our communities understand climate risks and to adapt to them. To this end, we propose to increase the resources for our river management work to help manage the risks from flooding.

We plan to maintain a moderate capacity to borrow, if necessary, to recover from unplanned events – such as flooding and landslips. We are not planning to collect rates to accumulate funds to pay for recovery in advance of unplanned events.

We plan to have the capability and capacity to be good custodians of the District's environment and natural resources, supporting **biodiversity and biosecurity**. Our proposed Plan contains funds to review the Tasman Resource Management Plan and maintain our regulatory capability.

Finally in our proposed plan we are putting your community's well-being front and centre, providing new community facilities. These proposed facilities have a significant level of grassroots support and, in some cases, have been anticipated by our communities for some time. Much of the cost of developing these facilities will be funded by Reserve and Community Services Financial Contributions (RFCs), along with community fundraising. Some of the repayment of loans for these facilities, as well as the ongoing operational costs, will impact rates. However, they do not contribute to the rates increase in 2024/2025 and have only a minor impact in the following year.

In this document we talk a lot about Reserve and Community Services Financial Contributions (RFCs). These contributions are funded by developers and are used to pay for capital projects in our parks, reserves, and community facilities. They are demand driven from growth in our district.

DIGITAL INNOVATION PROGRAMME

We're growing, so demand for the Council's services is increasing. Along with the evolution of technology and changes in how people work and interact, our population growth escalates the dependency on our digital infrastructure and services. Technology's role in delivering our services is growing and will radically change the digital landscape at Tasman District Council.

We will deliver responsive, efficient services for all our residents, providing a fully integrated quality experience that allows you to interact with us when and how you choose and supports greater collaboration and decision-making through improved access to information.

To do this, we must continue investing in our digital services and assets. By investing $11.2 million over the next 10 years, we will take advantage of emerging technology, reimagine our service delivery, and modernise our digital environment with reliable, efficient, secure, accessible, and enduring solutions.

We need to set the digital foundations in place now to continue to deliver quality services into the future.

DIGITAL INNOVATION PROGRAMME
Ko te tuakoko

OVER THE NEXT 10 YEARS THE INFRASTRUCTURE AND COMMUNITY FACILITIES PROGRAMME INCLUDES:

$255 million to be spent on growth projects that will ensure homes can be built for our people, and new or growing businesses have places to thrive. These costs are mostly funded by developers rather than ratepayers (via Development and Financial Contributions). We borrow to fund this work and repay loans as development occurs. In many cases, this recovery occurs over 20 – 30 years. As a result of the substantial increase in investment to support growth, the level of development contributions will increase markedly – see the Development and Financial Contributions Policy consultation material for details – **shape.tasman.govt.nz/10YP**.

$394 million to be spent on projects to maintain and improve the level of service we provide to the community.

$341 million to be used on renewing our assets, such as replacing roads, old pipes and treatment plants at the end of their useful life. This helps to ensure our assets are in good order and continue to deliver services.

$73 million will be applied to parks and community facilities projects, including the Waimea South Community Facilities, Motueka Swimming Pool, Tapawera Community Hub and Murchison Sport, Recreation and Cultural Centre – Stage 2 development. A large proportion of the costs of these new facilities will be funded by Reserve and Community Services Financial Contributions.

PLANNED PROJECTS

I orea te tuatara ka patu ki waho. A problem is solved by continuing to find solutions.

Projects we have planned for our community between 2024 and 2034 include:

2024

Tapawera water treatment plant upgrade *(2024 – 2026)*

Lower Queen Street widening *(2024 – 2027)*

Redwood Valley water treatment plant and pumping station upgrade *(2024 – 2027)*

Waimea Plains Water and Wastewater Plan investment programme *(2024 – 2032)*

Richmond south growth programme: Water supply and wastewater reticulation upgrades, the continued development of Borck Creek, and transport upgrades *(2024 – 2034)*

New wastewater trunk infrastructure and pump stations, from Wakefield to Beach Road, Richmond *(2024 – 2034)*

Digital Innovation Programme *(2024 – 2034)*

Sealed road maintenance: Significant increase in investment to address deterioration of road condition *(2024 – 2034)*

2025

Tapawera Community Hub *(2025 – 2027)*

Waimea South Community Facility *(2025 – 2028)*

Dovedale water supply: New source and raw water line from the Motueka River Valley *(2025 – 2028)*

Expand the existing materials recovery facility building, Richmond *(2026 – 2027)*

Motueka Swimming Pool *(2026 – 2029)*

2029

Māpua water supply upgrades to service growth *(2029 – 2031)*

Seaton Valley stormwater improvements *(2029 – 2032)*

2030

New wastewater treatment plants at Motueka and Tākaka, to address a lack of resilience and capacity at the existing plants *(2030 – 2034)*

Brightwater, Wakefield, and Eighty-Eight Valley supply water reticulation, new source and new water treatment plant

Murchison Sports, Recreation and Cultural Centre – Stage 2 development *(2032 – 2034)*

A programme of work that contributes to climate change adaptation and mitigation

2034

PROPOSED RATES

Your rates are not just bills, they're an investment in your District.

Tasman's 10-Year Plan 2024 – 2034 proposes an average increase across the 10 year plan in **rates revenue** of 4.6% (excluding growth) with increases of 9.6% and 7.2% respectively (excluding growth) in the first two years.

Rates revenue is the total amount of revenue or income the Council receives from all types of rates collected across the District. So it is the sum of the rates paid by individual households and businesses.

The higher increases at the start of the period are the result of rising interest and insurance and changing Government requirements. In addition, depreciation (i.e. the way we spread the costs of the wearing out of assets over their useful life) has increased substantially as the value of the assets has risen.

Over the last few years we have used funds built up in the past to reduce rates increases. These pots of funding have been used up.

We will limit the increase in the Council's general and targeted rates to no more than the forecast percentage increase in the Local Government Cost Index 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.

Proposed Rates Revenue Increases ($)

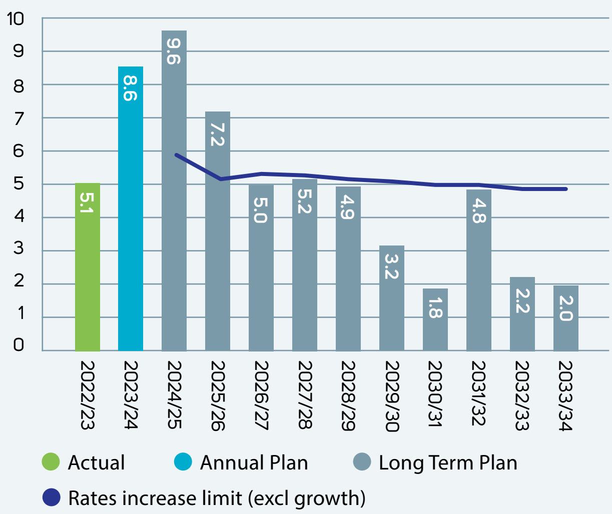
2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
$98.2m	$109.3m	$119.0m	$126.8m	$135.7m	$144.7m

2029/30	2030/31	2031/32	2032/33	2033/34
151.8m	$157.2m	$167.4m	$173.8m	$180.1m

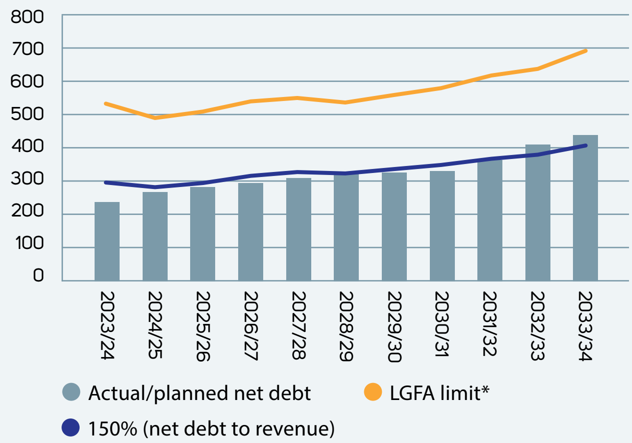
NET DEBT

To deliver the proposed Plan, net debt increases across the ten years. Net debt per household is projected to grow by 25% 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.

Proposed Average Rates Increase (%)



Net Debt ($m)



*The Local Government Funding Agency (LGFA) has a series of ratios that we cannot breach. This line shows the maximum level of borrowing before a ratio is breached after allowing for our lending to Council Controlled Organisations.

Note: With a growing population, each year the number of properties paying rates increases and the total revenue from rates increases as a result. The number of properties the Council provides services to also increases resulting in additional costs. When we refer to rates revenue increases in this document, they are generally referred to as 'excluding growth'. This is because the rates revenue increase without the component funded by new growth gives a better indication of the impact on existing ratepayers in the District.

GOVERNMENT DIRECTION ON IMPORTANT REFORMS

NAVIGATING THE WATERS OF UNCERTAINTY

The previous Government had instigated huge legislative changes that would have seen the management of water supply, wastewater, and stormwater (known as Affordable Waters Reforms) move to be managed by a new water services entity. The changes were intended to help deliver and fund upgrades, expansion, and renewal of Aotearoa New Zealand's three waters infrastructure. The new 2023 Government repealed the reforms and legislation. This means the Council remains responsible for managing the three waters networks unless there are any future reforms implemented by the new government.

The long-term challenges of providing three waters services remains, especially as health and environmental standards rise, our infrastructure ages, and costs increase. Through the process of preparing for the previous Government's reforms the Council has gained new insights about how to operate these services and what is likely to be needed in the future. We will proactively work with our neighbouring councils, our community and government to explore more effective and sustainable models for three waters provision and funding.

THE SHIFTING WINDS OF CHANGE

The new 2023 Government repealed the legislation that was intended to replace the Resource Management Act, and now councils must change direction to align with this repeal. Most resource management matters will now continue according to what was set out in the earlier legislation (the Resource Management Act), and Council's role will be largely unchanged, in the short term at least. We have provided resources to review the Tasman Resource Management Plan and its replacement in Tasman's 10-Year Plan.

YOUR CHOICES, YOUR FUTURE

We're not just presenting a plan, we're presenting choices. Choices that define our priorities. How do we prioritise for long term financial sustainability? Invest in efficient transport? Build resilience against climate change? And/or nurture the heart of our communities?

There are four key areas where there are choices to be made and options within each, which we would like your feedback on. These areas are:

Choice 1: Financial sustainability

Choice 2: Transport

Choice 3: Climate change and resilience

Choice 4: Investing in community facilities

Have your say by making a submission online or filling out the form on page 39

CHOICE 1: FINANCIAL SUSTAINABILITY

Financial sustainability means finding a balance between the services we provide and the cost to the community. If we invest more or provide services to a higher level, it incurs higher costs for the community recovered through rates and fees. Conversely, investing less and reducing services can result in lower rates and fee increases. However, many people value those services, and investing less would mean passing on extra costs to future generations.

We are not immune to the price increases being faced by people across our District. Council's costs are also rising at an even faster rate than households, due to the higher share of our spending going towards construction and engineering work.

OUR PREFERRED OPTION A

Continue to deliver the current levels of service, respond to climate change, and invest in community facilities

We consider our proposal has the right balance between rates increases on the one hand and on the other:

- Sustaining important services that enable the community to carry on with and enjoy daily life.
- Maintaining infrastructure to prolong its useful life and renewing it when required.
- Responding to climate change.
- Providing for growth in the District's population.
- Managing the environment.
- Modernising our digital services.
- Investing in community facilities across the District.

See charts on page 8 for rates and debt impact of this option.

Benefits and costs

- (+) We will provide the infrastructure and services needed to support our economy, employment growth and housing needs.
- (+) Continued delivery of services to our community, meeting all our responsibilities as a unitary council. This supports the social, economic, environmental and cultural well-being of the District.
- (+) Infrastructure assets will be maintained and potentially higher costs and rates in the future are avoided.
- (+) Access to libraries will be maintained with current opening hours continuing, along with the current level of programming and support available. This would continue to support equitable access to information, education, and literacy opportunities for the whole community.
- (+) Not-for-profit community organisations will continue to benefit from our contestable community grants funding, enhancing their ability to leverage other sources of funding and valuable volunteer hours to benefit the community. This supports social connection and well-being, particularly for marginalised groups.
- (+) Advocacy for key industries such as hospitality, tourism and agriculture will continue. Regional promotion will continue to have a joint focus for both Nelson and Tasman attractions and events. This will support the economic contribution that many businesses provide to the community.
- (+) The functionality, hygiene and aesthetic appeal of our parks and public places will be maintained. This supports both tourism and quality of life for locals.
- (−) Rates and debt increases particularly in the first two years.
- (−) Higher debt means that a larger share of the revenue we collect from rates and charges in the future will be used to repay borrowing.

In our proposal for the 10 Year Plan, rates revenue increases of 9.6% and 7.2% respectively (excluding growth) are forecast in the first two years, with the average per annum rates revenue increase (excluding growth) over the whole 10 years forecast to be 4.6%.

The average rates cost per property (incl GST) for our proposed Plan is $4,744 from 2024/2025.

Net debt reaches $437 million in 2033/2034. This means net debt per household is projected to grow by 25% in real terms (adjusted for the impact of inflation).

Effect on levels of service: ▲

ALTERNATIVE OPTION B

Reduce our services to the community

To reduce rates increases over the ten years the Council could cut services. A range of possibilities are outlined below. The cut in services would affect the staffing numbers assumed in our proposed plan.

This option identifies possible cuts to services for libraries, community partnerships, economic development and parks and reserves. Following consultation, the Council could choose to reduce some or all of the service reductions described in this option to help moderate rates increases.

Alternatively, or in addition to reducing the services identified in this option, the Council could choose not to develop new community facilities and/or invest less in transport.

Reduce libraries resources by $500,000 per annum

This reduction would shorten opening times to only four days a week, with no weekend hours. There would be a substantial cutback in library-based events and support, such as authors' talks, film nights, children's story times, holiday programmes, wriggle and rhyme sessions for babies and parents, housebound services, dementia and ESOL support groups, research assistance and digital support. There would be fewer new books, quickly resulting in an outdated collection. The processing of books, magazines and other borrowing materials would slow down, reducing the availability of these resources to the public. Furthermore, unexpected closures of libraries may be more frequent when staff members are sick.

Benefits and costs

- ⊕ Reduces rates increase.
- ⊖ Has a lasting impact on the community's access to information, educational opportunities and resources crucial to literacy development.
- ⊖ Reduces community access to library buildings and assets the public has previously paid to develop.
- ⊖ Disproportionately affects people with limited disposable income, intensifying inequality within the community.
- ⊖ Risks long-term economic impact by undermining community education, skill development, and small business support, potentially resulting in a less educated workforce.

Compared with Option A – rates revenue decreases (all types of rates) by:
Year 1: $129,000
Year 2: $538,000
Year 3: $551,000
Years 4 – 10: $4.3 million

Compared with Option A this is equivalent to an average rates decrease of $23 (incl GST) per household/business per annum from 2025/2026.

Impact on debt: $0

Reduce Community Partnerships resources by $250,000 per annum

We generally provide community grants ranging from about $500 to $5000 to approximately 100 community organisations each year. The sorts of activities supported through these grants are arts, museums, sport and recreation, emergency services, environmental, social services, festivals and events, heritage, culture, economic development and work with children and youth.
We also work with other organisations to provide a range of community education, arts projects and active recreation activities and opportunities to the community.

This reduction in resources would result in a substantial decrease in the community grants we could provide which would in turn result in fewer activities and services being provided by community groups and could in some cases, result in their closure. Lower grant funding would lead to fewer volunteer hours in the community groups funded, decreasing volunteer contributions to the public. This option would also mean our programme of community education, arts projects and active recreation opportunities would become more limited.

Benefits and costs

- ⊕ Reduces rates increase.
- ⊖ Social, cultural and environmental well-being within the community reduced.
- ⊖ Community members more likely to be marginalised, such as elderly, youth or low-income families may face a reduction or discontinuation of support from organisations that receive community grants.
- ⊖ Lack of support for community organisations risks hindering local economic development and social cohesion.

Compared with Option A – rates revenue decreases (all types of rates) by:
Year 1: $248,000
Year 2: $254,000
Year 3: $259,000
Years 4 – 10: $2.0 million

Compared with Option A this is equivalent to an average rates decrease of $11 (incl GST) per household/business per annum from 2025/2026.

Impact on debt: $0

Reduce funding to external organisations that support economic development in the region by $430,000 per annum

In this option the Council would no longer fund:

- The Nelson Regional Development Agency (our regional economic development agency).
- Tasman Bays Promotions Association and Golden Bay Promotion Society to provide local visitor information centres in Motueka and Tākaka.
- Nelson Tasman Business Trust to provide free assistance and advice to both start up and existing businesses in the District.

This reduction would stop strategic economic development planning for the combined Nelson Tasman region. Without contribution from the Council, there would be no support for firms in the same sector to work collectively to increase business across the region. Advocacy for the economic needs of the region would be reduced substantially and there would be less support for key sectors such as aquaculture, horticulture and tourism. Our ability to access Government funding for economic development would be compromised.

Reductions in economic development resources would see regional promotion become more Nelson city-focused (rather than the wider region). There would be a reduction in the promotion of Golden Bay and Motueka accommodation, food, transport and business activities, and substantially reduced face-to-face information for our visitors. Finally, there would be a noticeable decrease in direct consultations, network events, and training or mentoring provisions for small and start-up businesses in Tasman.

Benefits and costs

- (+) Reduces rates increase.
- (−) Negatively impacts the tourism and hospitality sectors, affecting accommodation, food, transport, and business activities.
- (−) Hinders overall business innovation and growth across the region.
- (−) Reduces the economic contribution that businesses provide to the community.
- (−) Reduced access to Government funding to support economic and business activity in Tasman.

Compared with Option A – rates revenue decreases (all types of rates) by:
Year 1: $130,000
Year 2: $265,000
Year 3: $407,000
Years 4 – 10: $3.4 million

Compared with Option A this is equivalent to an average rates decrease of $11 (incl GST) per household/business per annum from 2025/2026.

Impact on debt: $0

Reduce Parks and Reserves Resourcing by $300,000 per annum

This reduction would result in a decreased annual planting in prominent and visually significant areas. This includes sentimental settings like cemeteries and memorial gardens, where the impact of reduced funding would be notably felt. It would also mean the removal of litter bins, dog doo bins and doggy doo bags and dispensers.

Benefits and costs

- (+) Reduces rates increase.
- (+) Reduced greenhouse gas emissions.
- (−) Less aesthetic appeal and overall quality of gardens in prominent and sentimental areas. This may lower the appeal for tourists, having a negative impact on local businesses.
- (−) Potentially higher litter and waste dumped in parks and public places and higher costs to clean this up.
- (−) Increased cases of dog faeces left in parks and public places.

Compared with Option A – rates revenue decreases (all types of rates) by:
Year 1: $264,000
Year 2: $312,000
Year 3: $303,000
Years 4 – 10: $2.5 million

Compared with Option A this is equivalent to an average rates decrease of $13 (incl GST) per household/business per annum from 2025/2026.

Impact on debt: $0

ALTERNATIVE OPTION C
Sell Council Assets

We have built up a variety of assets and investments over the years. However, selling some of these assets isn't a straightforward process due to legal constraints. There are a range of opinions within the community about the value of the Council holding these assets, and proposals to sell them become quite divisive. The option of selling our assets is a complex one, involving careful consideration of each context, potential impacts on the community, and the long-term financial and operational effects.

The process to sell assets at competitive prices takes some time so any sales are unlikely to reduce rates in 2024/2025 and have only minor impact in 2025/2026.

The assets listed here are the main opportunities available to sell assets.

Shares in Infrastructure Holdings Ltd (IHL)

This company holds the Council's shares in Nelson Airport and Port Nelson, both of which are deemed strategic assets by the Council. As of March 2023, the value of these shares amounted to $189.5 million. These holdings represent a significant aspect of our strategic investments.

Property[1] not required to deliver core services

The council holds various property investments, such as land intended for sale, commercial properties, and community housing. We could consider selling some of these assets or engaging in sale and lease back arrangements. For instance, there are properties at Māpua Wharf and a commercial property in Richmond, with a combined value of $6.4 million, that fall into this category.

Forestry

The value of the Council's forestry holdings stood at $33.8 million in 2023, but this value fluctuates throughout the life cycle of the forests. Currently, we are entering the lower part of that cycle. It's important to note that the forests on Moturoa/Rabbit Island and Rough Island aren't up for sale; they are part of a reserve with its own legislation. We also need to highlight that $18.8 million in income from forestry surpluses is specifically allocated to servicing and repaying loans associated with the environmental flows and the public good aspects of the Waimea Community Dam. These forestry surpluses also play a role in funding parks and reserves while contributing to a reduction in general rates overall.

Benefits and costs

- (+) The proceeds could provide a one-off injection of funds into the Council. This could be directed towards reducing rates increases, lowering debt or re-investing in higher earning assets.
- (+) Asset sales can transfer operational and financial risks from the Council to the private sector.
- (+) Generally there would be no short-term impact on the services we provide as the assets are either not required for service delivery or are replaced by sale and lease back arrangements.
- (−) Reduction in ongoing revenue streams: Selling assets would result in a decrease in continuous revenue streams that currently offset rates.
- (−) Loss of Council control and direct influence: Asset sales would mean relinquishing control and direct influence that we currently hold over the management and strategic decisions related to these assets.
- (−) Long-Term cost increases: While asset sales may provide short-term financial relief, there's a potential for long-term costs associated with leasing or contracting services that were previously owned and managed in-house.
- (−) Impact on Council services: Privatising assets through sales may shift the focus from public service to profit in some cases, potentially affecting the quality and accessibility of certain Council services.
- (−) Delayed impact on rates: Asset sales are complex and would likely take several years to complete. This means the decision would not have any impact on rates in the first years of Tasman's 10-Year Plan.
- (−) Community opposition: Council asset sales have the potential to be a contentious issue within communities, leading to opposition from residents who value the Council as the owner of these assets and the services they provide.

To reduce the rates revenue increase in Year 1 (2024/2025) by 1% requires asset sales of approximately $1 million.

Alternatively the proceeds from asset sales could be used to reduce our borrowing.

1. Property sales are subject to the Public Works Act 1981 provisions that require in general that land be disposed to the former owner if it is no longer required for the original work. The implications of the, yet to be determined, Wakatū Tenths Claim, also apply. We have agreed to consult with Wakatū Incorporation should the Council contemplate disposing of land in the area concerned.

CHOICE 2: TRANSPORT

Through early engagement with the community and the annual residents survey we heard a lot of feedback highlighting areas for improvement in our transportation programme.

We have anticipated receiving substantial funding ($184 million adjusted for inflation, over 10 years) for our transport programmes from Waka Kotahi New Zealand Transport Agency (NZTA), however there is uncertainty about the level of support we will receive. The next three topics focus on road maintenance, public transport and active modes of transport.

Hope Bypass responsibility

During our early engagement we heard a strong message from the community that traffic congestion was a concern, particularly in Richmond. There were many requests for the Hope Bypass to be implemented as a priority. As a state highway, this project is led and funded by NZTA. Both Tasman District Council and Nelson City Council have advocated for this project and the government has indicated in principle its support.

CHOICE 2.1: SEALED ROAD MAINTENANCE

In recent years our roads have deteriorated due to a decrease in investment for maintenance and renewals below what was needed to keep up with wear and tear. NZTA investment support for road maintenance has been restricted. We see deterioration in our roads through more and larger potholes, cracks, and rougher road surfaces. Longer term this will undermine the structural integrity of the roads, making repairs much more expensive. When road conditions become dangerous, we undertake reactive maintenance. This is much more costly than carrying out maintenance in a planned and systematic way. NZTA currently supports road maintenance up to a certain level with 51% funding, while the remaining cost is covered through rates.

OUR PREFERRED OPTION A

Invest to maintain sealed road condition

We plan to increase the budgets for road maintenance significantly. This level of investment would be enough to avoid any further substantial deterioration of sealed road conditions and allow for some gradual improvement focused on high use roads.

The additional investment allows us to address more deteriorating road conditions as part of a planned programme, which is more cost-effective than constantly reacting to urgent issues.

The rates and debt impacts of this option are included in our proposed Plan.

We anticipate receiving NZTA funding for 51%, forecast to be $75.9 million over 10 years, for this option. If NZTA funding is not provided at this level, we will use the Council's funding to undertake as much sealed road maintenance as we can but the amount of work would be reduced.

Benefits and costs

- (+) The number and scale of potholes, cracks, roughness would not increase.
- (+) The general condition of sealed roads would not deteriorate further and would gradually improve on busier roads.
- (+) Resilience of the road network would be maintained.
- (+) Less time and money would be spent inefficiently on reactive repairs to sealed roads when they approach or reach dangerous condition.
- (+) NZTA funding is likely to be available to support this level of road maintenance.
- (−) Higher level of rates to pay for the Council's 49% share of investment to maintain road condition.

Operational costs (10 years): $77.6 million
Capital costs (10 years): $71.2 million

Rates revenue (all types of rates):
Year 1: $3.4 million
Year 2: $3.8 million
Year 3: $4.2 million
Years 4 – 10: $42.0 million

This is equivalent to an average rates cost of $149 (incl GST) per household/business per annum from 2024/2025.

Impact on debt: ▲ $27.1 million

Effect on levels of service: ▲

ALTERNATIVE OPTION B

Higher investment to improve sealed road condition

In this option we would invest further in the maintenance of sealed roads. This would be over and above the level in our preferred Option A, and more of the investment would be in the next few years. This level of investment would improve sealed road conditions over time. The additional investment would allow us to address further deteriorating road conditions as part of a planned programme.

Benefits and costs

- (+) Fewer and smaller potholes, cracks, roughness, and general condition of sealed roads would improve.
- (+) Even less time and money would be spent inefficiently on reactive repairs to sealed roads when they approach or reach dangerous condition.
- (−) Even higher level of rates to pay for the investment to maintain and improve sealed road condition.
- (−) Funding from NZTA is unlikely to be available for this increased level of maintenance. This means we are likely to fund all of the additional investment forecast to be $72.8 million over 10 years.

Compared with Option A – Additional rates revenue increase (all types of rates) by:
Year 1: $1.5 million
Year 2: $1.7 million
Year 3: $2.0 million
Years 4 – 10: $19.9 million

This is equivalent to an average rates increase of $67 (incl GST) per household/business per annum from 2024/2025 in addition to Option A.

Impact on debt: $14.7 million increase compared with Option A

ALTERNATIVE OPTION C

Lower investment with deteriorating sealed road condition

This option would involve continuing our investment in road maintenance at a similar level to recent years, i.e. below the level required to maintain their condition. This level of investment would not be enough to prevent significant deterioration of our sealed roads so conditions would worsen over time. Less of the deterioration would be addressed than through a planned programme and we would have to respond more frequently to problems when they became urgent.

Benefits and costs

- (+) Lower level of rates to pay for sealed road maintenance.
- (−) Road conditions would deteriorate, particularly on roads with lower traffic volumes.
- (−) The number and scale of potholes, cracks, roughness and general condition of sealed roads would deteriorate further particularly on roads with lower traffic volumes.
- (−) Inefficient, reactive maintenance would increase.
- (−) Longer term, costs would be higher if we wanted to bring the network condition back to levels similar to now in the future.
- (−) The roading network would become less resilient.

Compared with Option A – Rates revenue reduction (all types of rates) by:
Year 1: $1.0 million
Year 2: $1.0 million
Year 3: $1.3 million
Years 4 – 10: $12.2 million

This is equivalent to an average rates decrease of $45 (incl GST) per household/business per annum from 2024/2025 compared with Option A.

Impact on debt: ▼ $7.8 million reduction compared with Option A by year 10

CHOICE 2.2: PUBLIC TRANSPORT

We know that our new and improved eBus service is valued and helps get people around our great District. The public response has been positive, with a good level of patronage and encouraging feedback. We've had a lot of feedback asking for this service to be expanded to meet the needs of more people.

Here is what we currently offer:

We improved the bus services connecting Nelson and Richmond and introduced new weekday eBus routes to and from Wakefield and Motueka. Wakefield has six return services per day, and Motueka four. The Nelson-Richmond route offers regular eBus services every 30 minutes, seven days a week. Additionally, we support three community transport services that service Wakefield, Motueka, and Golden Bay. These support our smaller and rural communities to connect with our larger towns, and complement our eBus services, offering different routes and times and more customisable services for those with specialised transport needs.

These bus services are funded by a combination of subsidies from NZTA, revenue from fares, and rates. Nelson City Council and Tasman District Council work together on these services, meaning that any future changes need to be coordinated and have joint support.

OUR PREFERRED OPTION A

Maintain existing services and expand Motueka and Wakefield services to weekends

We plan to keep the existing services (with minor network adjustments identified during the 12-month review) and improve regional eBus services by expanding Motueka and Wakefield routes to weekends in 2026. We would make improvements to bus stop infrastructure and enhance information/wayfinding features.

The expansion of eBus services for Motueka and Wakefield to weekends is subject to a review of weekday patronage and demand prior to this going ahead.

The rates impact of this option is included in our proposed Plan.

We anticipate receiving NZTA funding of 51% per annum or $13.4 million over 10 years towards the cost of expanding the eBus services to weekends. If NZTA funding is not provided at the anticipated level, we would not proceed with the extension of services to weekends.

Benefits and costs

- (+) Regular regional services similar to those on weekdays at weekends from 2026 onwards.
- (+) Increased patronage and fewer cars on the road, leading to lower greenhouse gas emissions and less congestion.
- (+) Increased mobility at weekends for those without access to private motor vehicles.
- (+) Continued support for community transport services.
- (−) No change to Wakefield or Motueka weekend eBus services until 2026.
- (−) Higher level of rates to pay for the increased services at weekends.

Operational costs (10 years): $26.2 million
Capital costs (10 years): $0

Rates revenue (all types of rates):
Year 1: $1.0 million
Year 2: $1.1 million
Year 3: $1.2 million
Years 4 – 10: $9.5 million

This is equivalent to an average rates cost of $43 (incl GST) per household/business per annum from 2024/2025.

Impact on debt: $0

Effect on levels of service: ▲

ALTERNATIVE OPTION B
Increased frequency of services

In this option, the existing services and weekend eBus services to Motueka and Wakefield would be as described in our proposal for Option A. In addition to this, we would be able to increase the frequency of bus services during peak hours to 15 minutes on the key urban routes from 2029. This would impact the Nelson to Richmond routes within Tasman, but not the Motueka or Wakefield routes.

Areas experiencing urban growth or increased residential or business intensification would also be considered for further public transport services.

Increasing the frequency of eBus services on urban routes is dependent on us securing funding from NZTA of 51% per annum or $7.5 million over 10 years. If NZTA funding is not provided at the anticipated level, we would not proceed with the increased frequencies.

Benefits and costs

- ➕ Convenience of taking public transport would increase and patronage could be expected to grow.
- ➕ Fewer cars on the road, leading to lower greenhouse gas emissions and less congestion.
- ➕ Increased mobility for those without access to private motor vehicles.
- ➖ Higher level of rates to pay for the increased frequency of services.

Compared with Option A – Additional rates revenue increase (all types of rates) by:
Year 1: $0
Year 2: $0
Year 3: $0
Years 4 – 10: $7.2 million

This is equivalent to an average rates increase of $55 (incl GST) per household/business per annum from 2029/2030 in addition to Option A.

Impact on debt: $0

ALTERNATIVE OPTION C
Provide existing services only

In this option, existing services would continue the same as now. There would be no expansion of the services for Wakefield or Motueka to weekends, and no increased frequency for the Nelson-Richmond routes.

Benefits and costs

- ➕ No increase in the rates required to help fund enhanced bus services.
- ➖ No regional eBus weekend services provided so no reduction of cars on the road, congestion and greenhouse gas emissions between Richmond and Wakefield or Richmond and Motueka.
- ➖ No increase in the convenience of public transport for Motueka, Māpua and Wakefield.
- ➖ No improved mobility for those without access to private motor vehicles.

Compared with Option A – Rates revenue reduction (all types of rates) by:
Year 1: $0 million
Year 2: $0 million
Year 3: $0.2 million
Years 4 – 10 $1.3 million

This is equivalent to an average rates decrease of $7 (incl GST) per household/business per annum from 2024/2025 compared with Option A.

Impact on debt: $0

CHOICE 2.3: SAFETY FOR PEDESTRIANS AND CYCLISTS

We heard in our early engagement and residents survey that a barrier to walking and cycling for many people is how safe they feel on our roads. In the last 10-Year Plan we were able to leverage additional funding from NZTA, bringing many walking and cycling improvement projects forward. However, Central Government is unlikely to provide this funding in the future. This means we would need to fund more of the cost of any further projects through rates and borrowing. There is a high degree of uncertainty about the level of NZTA funding that will be available for walking and cycling projects.

Cycleways, footpaths and shared pathways all play a role in the safety of pedestrians and cyclists, as does the speed of other vehicles on the road. We consulted on our Speed Management Plan earlier in the year, and any changes based on this community feedback will need to be budgeted for.

OUR PREFERRED OPTION A

Modest further investment in improvements to safety for pedestrians and cyclists

We plan to implement the Speed Management Plan with a focus on reducing speeds around schools initially. This would also likely involve speed sign changes followed by progressive changes to other roads over time.

Residential greenways in selected urban areas would be developed to support lower speeds and improved safety for pedestrians and cyclists in areas where higher density development is planned.

A modest investment in new footpaths and shared pathways would address gaps and faults in the walking and cycling networks. This option would also see improvements made to Tasman's Great Taste Trail to relocate the Wai-iti Recreation Reserve to the Hoult Road section off the State Highway due to safety concerns.

The rates and debt impacts of this option are included in our proposed Plan.

We anticipate receiving NZTA funding towards the costs of providing the walking and cycling projects in this option. If NZTA funding is not provided at the expected level, we will use the Council's funding to undertake walking and cycling projects. However, the amount of work would be reduced by the forecast 51% or $8 million of NZTA funding over 10 years.

In this scenario we will focus initially on maintaining the existing walking and cycling assets and implementing speed management controls outside schools. Other pedestrian and cycling safety improvements would only be carried out to the extent that our funds permit. We expect this to mean little or no increase in either, how safe residents consider the road environment for walking and cycling, or in use of cycle routes.

Benefits and costs

- (+) Existing walking and cycling infrastructure would be maintained and renewed when necessary.
- (+) The cycleways developed over recent years would continue to provide for cyclists.
- (+) Improved safety from speed management particularly around schools.
- (+) Some possible reduction in cars on the roads and associated congestion.
- (+) Improved safety on the Wai-iti Recreation Reserve to the Hoult Road section of Tasman's Great Taste Trail – currently a 100km/h speed zone with very little buffer.
- (−) The momentum of walking and cycling improvements developed over recent years will reduce, and we may not achieve the goal of doubling walking and cycling trips by 2030.
- (−) Upgrades of intersections in Richmond to improve safety for cyclists and pedestrians would not take place. This means we wouldn't maximise the benefit of the existing investment in cycleways.

Operational costs (10 years): $0
Capital costs (10 years): $15.7 million

Rates revenue (all types of rates):
Year 1: $0
Year 2: $0.1 million
Year 3: $0.1 million
Years 4 – 10: $3.1 million

This is equivalent to an average rates cost of $6 (incl GST) per household/business per annum from 2026/2027.

Impact on debt: $6.0 million

Effect on levels of service: ▲

ALTERNATIVE OPTION B

Enhanced investment in improvements to safety for pedestrians and cyclists

This would include everything described in option one, with the additional safety improvements made at intersections in Richmond to enable better access for walkers and cyclists, completing the most critical remaining aspect of the key walking and cycling routes outlined in our Walking and Cycling Strategy.

We have estimated receiving $1.2 million of NZTA funding towards improving intersections for pedestrian and cyclist safety in this option. Without this funding, we would not proceed with these projects.

Benefits and costs

- ⊕ Enhanced safety for cyclists and pedestrians in Richmond where the most acute needs are in terms of safety and access issues in the transport network.
- ⊕ Maximises the benefits of previous investment in cycle lanes in Richmond by providing safety and improved connectivity at intersections.
- ⊕ Reduced cars on the road. Lower congestion, lower greenhouse gas emissions.
- ⊖ Higher level of rates and debt.
- ⊖ Funding from NZTA for these projects is unlikely.

Compared with Option A – Additional rates revenue increase (all types of rates) by:
Year 1: $0
Year 2: $0.1 million
Year 3: $0.1 million
Years 4 – 10: $1.1 million

This is equivalent to an average rates increase of $5 (incl GST) per household/business per annum from 2029/2030 in addition to Option A.

Impact on debt: $1.2 million

ALTERNATIVE OPTION C

Reduced investment in improvements to safety for pedestrians and cyclists

In this option, there would be limited funding available to implement the Speed Management Plan, with only speed limit changes around schools implemented. This option would also mean that there would only be very limited development of residential greenways in higher-density urban areas, and minimal to no new footpaths, shared pathways, and offroad shared pathways. There would also be no funding for improvements to the Great Taste Trail between Wai-iti Recreation Reserve and Hoult Road.

We anticipate receiving $2.2 million of funding from NZTA in this option.

Benefits and costs

- ⊕ Lower level of rates and debt.
- ⊖ Limited or no enhancement to safety for cyclists and pedestrians.
- ⊖ Limited or no further reduction of cars on the road and no congestion benefits from mode shift to walking and cycling.
- ⊖ Implementation of the Speed Management Plan would be limited to schools, with no expansion to other areas.
- ⊖ Limited greenways to provide safer streets and improved urban environment around intended areas of growing residential intensification.

Compared with Option A – Rates revenue reduction (all types of rates) by:
Year 1: $0
Year 2: $0
Year 3: $0
Years 4 – 10: $2.0 million

This is equivalent to an average rates decrease of $2 (incl GST) per household/business per annum from 2024/2025 compared with Option A.

Impact on debt: $4.5 million reduction compared with Option A

CHOICE 3:
CLIMATE CHANGE AND RESILIENCE

The Tasman District, like many other parts of the world, is facing the impacts of climate change. Rising sea levels, increasing temperatures, and more frequent extreme weather events are just some of the challenges that we face. We may not have a choice about climate change happening to us, but we do have a choice in how we respond. Both law and common sense tell us to reduce our greenhouse gas emissions, prepare for the impacts of climate change, build resilience, and respond to the effects we are already experiencing.

Work is continuing on adapting our district to the impacts of climate change and growing our resilience. In particular, we are taking an adaptive planning approach, as recommended by the Ministry for the Environment. A comprehensive regional climate change risk assessment is being completed in collaboration with Nelson City Council. This will enable a better understanding of climate change risks, and the consequential impacts on people, economy, governance, and the built and natural environments. The risk assessment will inform our identification and evaluation of a range of adaptation options. Community engagement will be a critical part of the identification and assessment of options.

We also have a significant programme of work aimed at reducing our own operational emissions and supporting the Tasman community to reduce its emissions. Work on further reductions in Council and community emissions is included across the ten years of the Plan.

We have developed a comprehensive draft Tasman Climate Response Strategy and Action Plan (The Plan). It provides detailed actions we plan to take across a wide range of Council's activities. Priority actions include: emission reduction measures in the transport, energy and waste sectors; empowering communities to act; initiatives to strengthen the resilience of our communities and ecosystems.

Budgets addressing climate change and resilience are embedded across many parts of what we do. Often these actions are not planned solely to address climate change and have other substantial benefits. The Plan shows what we plan to spend and where we intend to spend it over the next 10 years.

For more information on our climate response, including the draft Plan, please visit **shape.tasman.govt.nz/tasman-climate-response-strategy-and-action-plan**.

OUR PREFERRED OPTION A
Affordable level of investment spread over the next 10 years

We plan to continue investing in a range of initiatives from our Climate Action Plan. These measures would cost approximately $69.1 million over 10 years. In many cases, there are reasons the spending is needed in addition to responding to climate change.

The rates and debt impacts of this option are included in our proposed Plan.

This option includes:

- $6.1 million on adaptation actions such as:
  - Catchment enhancement.
  - Green infrastructure development in rural areas.
  - Maintaining and improving our Climate Risk and Resilience Explorer tool.
  - Developing a regional climate adaptation strategy and adaptation plans for individual communities.
  - Addressing climate change risks at closed landfills.
- $63 million on mitigation actions such as:
  - Expanding regional eBus services to weekends.
  - Modest investment in safety improvements for pedestrians and cyclists.
  - Capturing and reusing landfill gas.
  - Minimising waste and reducing waste to landfill.
  - Auditing greenhouse gas emissions inventories.
  - Transitioning Council's vehicle fleet to electric vehicles.
  - Installing electric vehicle chargers.
  - Continuing investments in commercial forestry and planting initiatives to sequester carbon.

These projects would involve a combination of both capital and operational spending.

Under this option enhanced services would be provided in adaptation planning, ecological adaptation, public and active transport and reducing methane emissions from waste.

Benefits and costs

- ➕ Reduces our greenhouse gas emissions and those from the community.
- ➕ Engages communities in planning for adaptation to climate change impacts.
- ➕ Supports the preservation of biodiversity and restoration of native habitats.
- ➕ Enables landfill gas to be used to generate energy.
- ➕ More materials can be recovered and re-used rather than being wasted.
- ➖ Opportunities to generate solar power and improving the insulation of homes would not be taken up.
- ➖ Opportunities to provide leadership and influence the community on climate change will depend solely on staff time.

Operational costs (10 years): $52.3 million
Capital costs (10 years): $16.8 million

Rates revenue (all types of rates):
Year 1: $2.3 million
Year 2: $2.6 million
Year 3: $2.9 million
Years 4 – 10: $27.9 million

This is equivalent to an average rates cost of $102 (incl GST) per household/business per annum from 2024/2025.

Impact on debt: ▲ $14.7 million

Effect on levels of service: ▲

ALTERNATIVE OPTION B
Higher level of investment

This option would mean a higher investment, but a more proactive response to climate change to meet the needs of our community. It may result in us spending less on purchasing electricity in the future and being more proactive in anticipating and minimising climate change risks to infrastructure.

In addition to the investment in our preferred option, an extra $5.7 million over 10 years would be invested in:

- Planning for resilient infrastructure.
- Progressing ecological adaptation initiatives.
- Implementing energy efficiency/solar initiatives for our assets.
- Reducing emissions from Richmond Aquatic Centre.
- Providing a small funding contribution to the Warmer Healthier Homes initiative.
- Progressing actions relating to the Climate Action Plan's leadership goal, including partnering on projects with others.
- Progressing actions relating to the Plan's information provision and communication goal.

Benefits and costs

- ➕ Further reduces our greenhouse gas emissions and those from the community.
- ➕ Avoids the need to repair/rebuild new infrastructure, by incorporating resilience to climate-related risks into planning.
- ➕ Initial investment in solar generation will reduce future power costs.
- ➕ Enhanced ecological adaptation to climate change.
- ➕ Improved health of occupants of insulated homes.
- ➕ Enables partnerships with the community to lead and influence climate change, mitigation and adaption.
- ➖ Higher costs increasing rates and debt levels.

Option B has the following effect on rates revenue (all types of rates) in addition to the rates impact of Option A:
Year 1: $0.4 million
Year 2: $0.4 million
Year 3: $0.4 million
Years 4 – 10: $3.5 million

This is equivalent to an average rates increase of $17 (incl GST) per household/business per annum from 2024/2025 in addition to Option A.

Impact on debt: $1.5 million increase in addition to Option A at year 10.

CHOICE 4:
INVESTING IN COMMUNITY FACILITIES

We have been asked by several communities around the District for financial support in developing community facilities. People in these communities currently have to travel long distances to reach similar services in other towns. In some cases, existing buildings have become unsafe, are not practical or need further development.

These requested facilities are:

- Waimea South Community Facilities (in Wakefield and Brightwater)
- Motueka Swimming Pool
- Tapawera Community Hub
- Murchison Sport, Recreation and Cultural Centre – Stage 2

Head to page 24 for details on what is planned for these facilities.

OUR PREFERRED OPTION A
Invest in new and improved community facilities

We plan to invest in all these community facilities across the course of the 10-Year Plan.

The investment in these facilities would be funded by a contribution fundraised by the local community, with the balance funded by the Council.

We can fund much of the Council's contribution to the development of these facilities using Reserves and Community Services Financial Contributions (RFCs). This means that the cost of building these facilities would have little impact on rates. However, the costs of operating the facilities would increase rates once they are open.

The rates and debt impacts of this option are included in our proposed Plan.

Investing in these facilities through RFCs contributes to the Council's net debt level. However, RFCs are funds that must eventually be used once collected and the key choice that the Council has is how best to spend these funds.

*For this reason, the debt impact figures listed here, for all options, show just the rates funded debt associated with the facilities. Head to pages 24 and 25 for a breakdown of how we propose to fund these facilities.

Benefits and costs

- ⊕ Improved services providing opportunities for communities to connect, socialise, learn and participate in a wide range of social, cultural, recreation, sport and arts activities.
- ⊕ Improved community resilience and coherence.
- ⊕ Reduced need to travel to facilities located further from home – less time, activities would be more accessible.
- ⊕ Provide for volunteer opportunities.
- ⊕ Improves health – including mental health.
- ⊕ Positive impact on social and cultural well being.
- ⊕ Improved community safety through e.g. learning swimming and water skills.
- ⊖ Higher increase in rates, particularly from operating costs when new and improved community facilities start to operate.
- ⊖ Higher Council debt levels, meaning there would be less capacity to borrow for other purposes.

Operational costs (10 years): $9.7 million
Capital costs (10 years): $41.9 million

Rates revenue impact:
Year 1: $0
Year 2: $6,814
Year 3: $0.1 million
Years 4 – 10: $9.6 million

To see the average rates impact per household/business for each facility please see Option B on page 23.

Debt impact:* ▲ $5.7 million at year 10

Effect on levels of service: ▲

ALTERNATIVE OPTION B

Invest in some of the new and improved community facilities but not others

We could choose to invest in some of the new and improved community facilities and not others. This would help reduce the impact on the Council's debt and rates increases.

Benefits and costs

- ➕ Helps to reduce rates increases and Council debt levels.
- ➕ Improved services will be provided in some communities where the facilities are built.
- ➖ Depending on which community facilities projects are included, the benefits noted in Option A will be reduced or not provided in some communities.

Waimea South Community Facilities rates impact:
Year 1: $0
Year 2: $5,394
Year 3: $0.1 million
Years 4 – 10: $2.6 million

This is equivalent to an average rates cost of $13 (incl GST) per household/business per annum from 2028/2029 when the full cost commences.

Debt impact:* $1.7 million at year 10

Motueka Swimming Pool rates impact:
Year 1: $0
Year 2: $0
Year 3: $11,640
Years 4 – 10: $5.8 million

This is equivalent to an average rates cost of $29 (incl GST) per household/business per annum from 2028/2029 when the full cost commences.

Debt impact:* $2.7 million at year 10

Tapawera Community Hub rates impact:
Year 1: $0
Year 2: $1,419
Year 3: $39,300
Years 4 – 10: $1.1 million

This is equivalent to an average rates cost of $6 (incl GST) per household/business per annum from 2028/2029 when the full cost commences.

Debt impact:* $0.3 million at year 10

Murchison Sport, Recreation and Cultural Centre – Stage 2 rates impact:
Year 1: $0
Year 2: $0
Year 3: $0
Years 4 – 10: $0.1 million

This is equivalent to an average rates cost of $6 (incl GST) per household/business per annum from 2033/2034 when the full costs commence.

Debt impact:* $1.0 million at year 10

ALTERNATIVE OPTION C

Don't invest in any of these community facilities

While many in our community have advocated for the new and improved community facilities, this is a discretionary area for our spending.

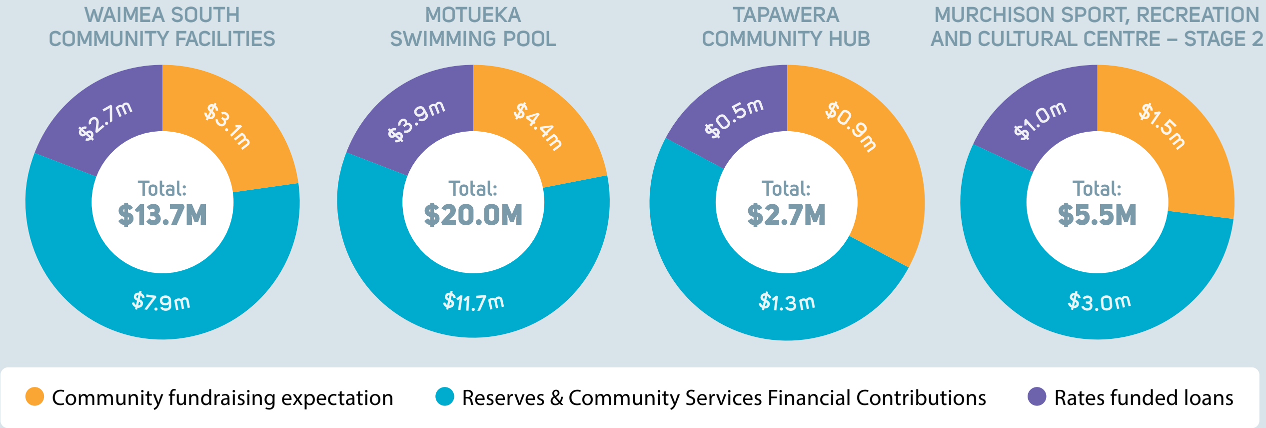
In a period where there are substantial cost pressures for us and the community, we could choose not to invest in new or improved community facilities over the next 10 years, delaying any rates impact from operating the facilities and helping offset net debt. However, we will still need to invest the accumulated RFC funds longer term either on these community facilities or others.

Benefits and costs

- ➕ Helps to reduce rates increases and our net debt levels.
- ➕ Current services would be maintained.
- ➖ The benefits noted in Option A are not provided.

See information on the rates and debt impact for option A.

FUNDING REQUIRED FOR COMMUNITY FACILITIES DEVELOPMENTS



If the level of community fundraising indicated in the diagram above is not achieved, we would consider delaying the project to allow more fundraising to take place, explore other funding options, or as a last resort cancel the project.

Waimea South Community Facilities

The Waimea South Community Facilities includes a new community facility consisting of an indoor three-quarter size court, performance space, meeting rooms, kitchen and associated car parking. This is proposed to be provided at Wakefield Recreation Reserve and would cater to community, recreation, theatre and arts groups.

This option also includes an extension/upgrade of the existing facility to better meet community needs at the Brightwater Recreation Reserve. An upgrade to the Brightwater Hall would include new kitchen and toilet facilities and reconfiguring the space to create an indoor court and entrance improvement. The Wanderers Building would also be enhanced with new changing and storage facilities.

These proposed projects are planned to commence in 2025/2026 and to be fully open in 2027/2028. The costs of servicing the debt and operating these facilities starts at about $52,000 in 2026/2027 increasing to around $440,000 by 2033/2034 (inflation adjusted).

These community facilities will provide accessible opportunities to engage in sport and recreation, arts and culture and a wide variety of community events. The Waimea South Facilities reflect an investment in social infrastructure which would promote connection throughout the community.

- ➕ Enhanced facilities meet a broader range of community needs.
- ➕ Facilities provide an opportunity for social and community connection.
- ➕ Increased accessibility and convenience for local residents.
- ➖ Higher increase in rates, particularly from operating costs.
- ➖ Higher net debt levels, meaning there is less capacity for us to borrow for other purposes.

Motueka Swimming Pool

The proposed Motueka swimming pool aims to address the town and wider area's aquatic recreation needs for many years to come. Designed to cater to a diverse range of users, the facility would be a place for children developing water skills and learning to swim, competitive swimmers, those seeking hydrotherapy, and recreation for all. With the nearest public swimming pool located in Richmond, the introduction of this facility seeks to eliminate the time and travel costs, encouraging more frequent use by residents. The proposed pool offers significant social and health benefits to both residents and visitors.

The plan includes a six-lane, 25-metre main pool with spectator seating, a combined leisure and learn-to-swim pool, a warm water/hydrotherapy pool, a toddlers' splash pad, a spa pool and associated amenities such as changing rooms and a reception area.

We have purchased a site at King Edward Street, Motueka which could be a potential location for the Motueka Swimming Pool.

Construction would commence in 2026, with the pool opening in 2028.

The annual costs of servicing the debt and operating the Motueka Swimming Pool commence at about $12,000 in 2026/2027 increasing to around $1.1 million (inflation adjusted) by 2033/2034.

- Fulfils a request that the community has sought for over a decade.
- Would provide social and health benefits to a wide range of users.
- Makes swimming more accessible and convenient to local residents.
- Supports public health and safety with more opportunities for people to learn to swim.
- Higher increase in rates, particularly from operating costs.
- Higher net debt levels, meaning there is less capacity for us to borrow for other purposes.

Tapawera Community Hub

The proposed Tapawera Community Hub is a grassroots initiative that would replace the current community centre and bring several services together under one roof. This redevelopment aims to create a contemporary, purpose-built facility, responsive to the changing needs of the community. The hub would offer a range of activities and events to foster social interaction, cultural diversity, and community cohesion. It would also provide a venue for local groups, clubs, and organisations to meet and collaborate.

As well as being a home to the opportunities shop, the hub would be a central access point to visiting social and health services. The proposal includes smaller rooms for one-on-one appointments, a boardroom, and a larger space for workshops and functions. The ongoing funding of the hub is further supported by having a range of spaces for community hire.

Demolition of the existing building is proposed to start in late 2024, with construction of the new facility beginning in 2025.

The costs of servicing the debt and operating this facility starts at about $1,500 in 2025/2026 increasing to $172,000 (inflation adjusted) by 2033/2034.

- Consolidated services under one roof would enhance efficiency and streamline access for the community.
- Provides a more functional space, better equipped to meet the diverse needs of residents.
- Social interaction and community connection is encouraged.
- The spaces for hire create an ongoing revenue stream for the hub.
- Higher increase in rates, particularly from operating costs.
- Higher net debt levels, meaning there is less capacity for us to borrow for other purposes.
- The demolition and new construction will mean a disruption of access for residents in the short term.

Murchison Sport, Recreation and Cultural Centre – Stage 2

The Murchison Sport, Recreation, and Cultural Centre, established in 2008 and currently well-utilised by the community, is managed by an incorporated society. The existing facility offers a sports hall, function room, meeting room, and a fully equipped commercial kitchen, accommodating various activities such as indoor/outdoor sports, meetings, conferences, exhibitions, and private functions.

The management committee has proposed a significant extension to address identified needs. The expansion plan includes the addition of office spaces, a community room, two squash courts, a fully equipped gym, unisex facilities, and new storage. This extension aims to enhance the services and capabilities of the centre.

The proposed extension of the Murchison Sport, Recreation, and Cultural Centre would enhance its capabilities, providing the community with a more versatile space for sports, recreation, cultural activities, and community engagement. The presence of a fully equipped gym and squash courts would promote a healthy and active lifestyle for individuals and groups within the community.

We propose that funds would be available to start this project in 2032, however, a needs analysis and feasibility study would be required before any investment is made.

The costs of servicing the debt and operating these enhanced facilities start at about $1,000 in 2031/2032 increasing to around $90,000 (inflation adjusted) by 2033/2034.

- Significantly improves the current centre, catering to a broader range of community needs and activities.
- Positive contribution to the health and well-being of the community.
- Space to foster community engagement.
- Higher increase in rates, particularly from operating costs.
- Higher Council debt levels, meaning there is less capacity to borrow for other purposes.

THE BALANCING ACT

Progress doesn't come without careful planning. It comes with a responsibility to ensure every dollar stretches as far as possible.

For Tasman's 10-Year Plan 2024 – 2034 the Council is planning changes to our Financial Strategy to ensure that we can keep serving our growing region in a sustainable way. In Tasman's 10-Year Plan 2024 – 2034 we are moving from a static cap to a dynamic cap for both rates increases and debt levels. A dynamic cap is one which can change as our community and rating base grows.

The new rates revenue increase cap is based on both an allowance for inflation each year and an allowance for service change, in addition to increases in rates revenue because of growth. The allowance for service change reflects that the range of services that we provide may change over time as a result of needs in the District and/or mandates from Central Government. The allowance for service changes will be fixed at 3.0%, whereas the allowance for inflation will move with the increase in the price index for local government.

We are forecasting that the rates increase cap will be exceeded in 2024/2025 and 2025/2026. This will be due to rising interest and insurance rates, and changing Government requirements in the first two years of Tasman's 10-Year Plan 2024 – 2034.

The dynamic debt cap would be set at 150% of the Council's revenue. A cap that varies proportionally to our revenue has been selected because as our revenue increases, our capacity to service loans improves. We are not planning to collect revenue (via rates) ahead of an emergency event taking place to create reserves to use in response and recovery. We expect a level of Government support will be available to help in recovery from a substantial emergency event.

In addition, we anticipate re-prioritising our planned work and using the borrowing capacity we have above the debt cap to fund response and recovery. In the years following an emergency event, it may be necessary to increase rates (and other forms of revenue) to service the loans used.

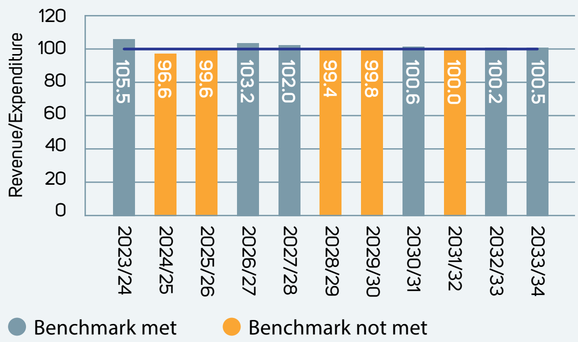
We are forecasting that we will exceed the net debt cap in the last two years of Tasman's 10 Year Plan due to the major costs involved in replacing the Motueka and Tākaka wastewater treatment plants. The budgets included for these projects are realistic at this stage of the planning but we will explore options to reduce their costs as the planning progresses.

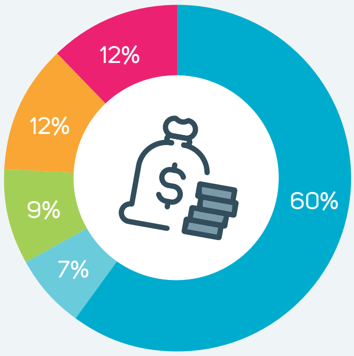
In addition, depreciation (i.e. the way we spread the costs of the wearing out of assets over their useful life) has increased substantially as the value of the assets has risen. We have been moving towards fully funding depreciation to completely cover the costs of renewing our assets. In our new Financial Strategy we're opting to take a bit more time, an extra five years, to achieve this change. This reduces rates in the short term but means we will need to borrow more in the future to renew assets as they reach the end of their lives.

The Council's everyday expenditure should be met by everyday income. We have been unable to achieve that goal for five years of Tasman's 10-Year Plan, either 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.

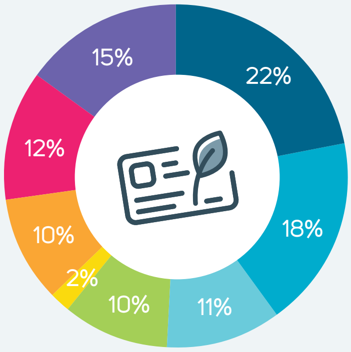
Balanced Budget Benchmark (%)





Where the money comes from over the next 10 years

- Rates
- Development and financial contributions
- Subsidies and grants
- Fees and charges
- Other revenue (e.g. dividends, commercial income etc)



What we will spend the money on over the next 10 years

- Environment and Planning
- Community Development
- Water Supply
- Wastewater
- Stormwater
- Waste Management and Minimisation
- Transportation
- Other

INVESTING FOR THE LONG TERM

We intend to be prudent managers of our assets and our environment.

The safety and security of our infrastructure services is a priority in our Infrastructure Strategy. We are committed to maintaining and investing in existing assets to improve performance and prolong their lifespans, and to supporting and developing the resilience of our communities to withstand and recover from unplanned events. This will also improve the impact our assets have on our environment.

With a population that is both growing and ageing, we recognise the demand to meet the evolving needs of our community. We have a responsibility to provide infrastructure that supports the growth we are experiencing in Tasman, to enable new housing and businesses to develop.

INVESTMENT LEVELS

Overall, our proposed investment in infrastructure has grown, driven by the need to meet our Infrastructure Strategy priorities, new standards, growth, as well as the increased costs of undertaking work.

Wastewater and transport will have substantial increases in investment, particularly driven by the planned replacement of Motueka and Tākaka wastewater treatment plants and addressing an historic under-investment in transportation.

Our water supply investment is lower than in the previous Infrastructure Strategies. We have invested significantly in improving water quality to meet higher regulations over the last few years and this will continue, along with a focus on renewals.
Our investment in stormwater is primarily focused on accommodating growth in Richmond South.

This is a common-sense approach which aims to ensure the safety, resilience and responsiveness to the needs of our growing region.

PROPERTY VALUES AND RATES

The general rate applies to every eligible property in the District. Targeted rates are applied to different properties depending on the services provided to that area.

The share of costs we charge to each property through rates depends on the services provided and valuation of the property, relative to the values of all the properties across the District.

PROPERTY REVALUATION 2023

All properties in the Tasman District were revalued by Quotable Value in September 2023 and these values are used to calculate rates bills. The revaluation does not change the amount of revenue we collect. However, it can affect an individual householder or businesses' bill. If your property value has increased by more than the average across the District – your rates are likely to increase to a greater extent. If your property value has increased less than the average across the District – your rates may increase to a lesser extent.

If you think of our rates income as a pie, the revaluation does not change the overall size of the pie, but it can change the size of a householder or business's slice.

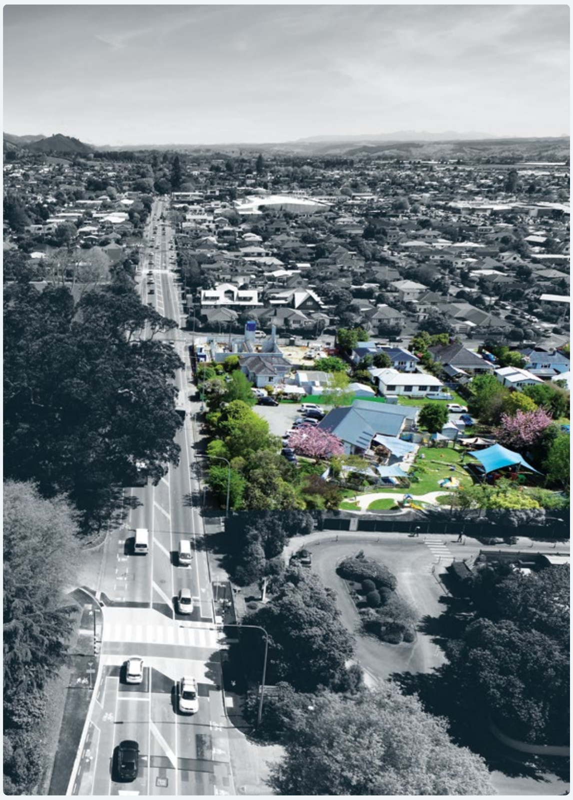
More information on the proposed rates for a particular property can be found on our website **tasman.govt.nz** (search 'rating valuations').

In the revaluation, in general terms, horticultural and lifestyle property values increased more than utilities, forestry, pastoral, dairy and industrial properties, which have themselves increased in value more than commercial and residential properties.

Residential values have increased more in Golden Bay, Motueka and Moutere Waimea than in Richmond.

The following pages present what the indicative rates increases will be on example properties.

It covers the total indicative rates increases including both the increases in the general and targeted rates. Metered water has been included using set volumes . Depending on particular circumstances and the effect of specific targeted rates, individual circumstances will vary from these examples. The following examples are GST inclusive.



EXAMPLE PROPERTIES

These examples provide a general indication of the proposed rates different property types will experience in the 2024/2025 year and include the impact of the 1 September 2023 revaluation. They include the effects on rates of all the preferred options in this Consultation Document and the associated policies we are consulting on.

Note: The figures in this document were based on preliminary valuations only. The figures have now been updated based on confirmed data in the online version of this document. Properties marked ✪ on subsequent pages indicate example properties for which the figures have changed.

More property examples and extra details can be found in our draft Funding Impact Statement – head to **shape.tasman.govt.nz/10YP**.

COMMERCIAL, INDUSTRIAL AND RURAL RATES EXAMPLES

COMMERCIAL QUEEN ST, RICHMOND ✱

% change for 2024/2025 **+4.14%**

2023 CV: $1,630,000
2023/2024 Actual rates: $10,137
2024/2025 Proposed rates: $10,557

Metered water – uses 343m³

Weekly increase **$8.08**

COMMERCIAL HIGH ST, MOTUEKA

% change for 2024/2025 **+1.72%**

2023 CV: $1,750,000
2023/2024 Actual rates: $7,839
2024/2025 Proposed rates: $7,974

No metered water

Weekly increase **$2.60**

INDUSTRIAL CARGILL PL, RICHMOND ✱

% change for 2024/2025 **+9.92%**

2023 CV: $1,240,000
2023/2024 Actual rates: $5,036
2024/2025 Proposed rates: $5,536

Metered water – uses 51m³

Weekly increase **$9.61**

UTILITY

% change for 2024/2025 **+33.55%**

2023 CV: $133,210,000
2023/2024 Actual rates: $197,476
2024/2025 Proposed rates: $263,730

Weekly increase **$1,274.11**

DAIRY FARM COLLINGWOOD, BAINHAM ✱

% change for 2024/2025 **-6.96%**

2023 CV: $7,020,000
2023/2024 Actual rates: $18,796
2024/2025 Proposed rates: $17,488

No metered water

Weekly decrease **$25.15**

FORESTRY LAKES-MURCHISON ✱

% change for 2024/2025 **+25.62%**

2023 CV: $1,910,000
2023/2024 Actual rates: $3,902
2024/2025 Proposed rates: $4,902

No metered water

Weekly increase **$19.24**

HORTICULTURAL RICHMOND ✱

% change for 2024/2025 **+8.35%**

2023 CV: $1,360,000
2023/2024 Actual rates: $4,578
2024/2025 Proposed rates: $4,961

Metered water – uses 177m³ (not affiliated with Dam)

Weekly increase **$7.36**

Note: Properties marked ✱ show example property changes from preliminary data previously published.

COMMERCIAL, INDUSTRIAL AND RURAL RATES EXAMPLES (CONTINUED)

HORTICULTURAL HOPE ✱

% change for 2024/2025 **+9.09%**

2023 CV: $3,390,000
2023/2024 Actual rates: $7,665
2024/2025 Proposed rates: $8,362

Affiliated with Dam*

Weekly increase **$13.40**

PASTORAL FARMING WAKEFIELD ✱

% change for 2024/2025 **-2.83%**

2023 CV: $3,210,000
2023/2024 Actual rates: $10,425
2024/2025 Proposed rates: $10,131

Wai-iti Dam supply

Weekly decrease **$5.66**

LIFESTYLE NEUDORF

% change for 2024/2025 **+13.92%**

2023 CV: $680,000
2023/2024 Actual rates: $3,760
2024/2025 Proposed rates: $4,283

Dovedale rural water supply – 2m^3/day restrictor

Weekly increase **$10.06**

LIFESTYLE TASMAN

% change for 2024/2025 **+7.62%**

2023 CV: $1,230,000
2023/2024 Actual rates: $5,258
2024/2025 Proposed rates: $5,658

Rural water extension to urban water supply – 2m^3/day restrictor

Weekly increase **$7.70**

LIFESTYLE WAKEFIELD

% change for 2024/2025 **+5.88%**

2023 CV: $2,900,000
2023/2024 Actual rates: $8,471
2024/2025 Proposed rates: $8,969

Eighty-Eight Valley rural water supply – 3m^3/day restrictor

Weekly increase **$9.58**

LIFESTYLE BRONTE

% change for 2024/2025 **+11.99%**

2023 CV: $2,140,000
2023/2024 Actual rates: $7,058
2024/2025 Proposed rates: $7,904

Redwood Valley rural water supply – 3m^3/day restrictor

Weekly increase **$16.26**

LIFESTYLE HOPE ✱

% change for 2024/2025 **+10.64%**

2023 CV: $1,350,000
2023/2024 Actual rates: $5,364
2024/2025 Proposed rates: $5,934

Affiliated with Dam*

Weekly increase **$10.96**

*Waimea Community Dam affiliated water consent holders

Note: Properties marked ✱ show example property changes from preliminary data previously published.

RESIDENTIAL RATES EXAMPLES

RESIDENTIAL MURCHISON ✱

% change for 2024/2025 **+20.39%**

2023 CV: $420,000
2023/2024 Actual rates: $2,903
2024/2025 Proposed rates: $3,495

Metered water – uses 131m³

Weekly increase **$11.38**

RESIDENTIAL TĀKAKA

% change for 2024/2025 **+15.52%**

2023 CV: $620,000
2023/2024 Actual rates: $3,040
2024/2025 Proposed rates: $3,512

No metered water

Weekly increase **$9.07**

RESIDENTIAL WAKEFIELD

% change for 2024/2025 **+6.03%**

2023 CV: $780,000
2023/2024 Actual rates: $4,478
2024/2025 Proposed rates: $4,749

Metered water – uses 185m³

Weekly increase **$5.20**

RESIDENTIAL MOTUEKA ✱

% change for 2024/2025 **+2.48%**

2023 CV: $640,000
2023/2024 Actual rates: $3,739
2024/2025 Proposed rates: $3,831

Metered water – uses 87m³

Weekly increase **$1.78**

RESIDENTIAL BRIGHTWATER

% change for 2024/2025 **+8.10%**

2023 CV: $700,000
2023/2024 Actual rates: $4,224
2024/2025 Proposed rates: $4,567

Metered water – uses 117m³

Weekly increase **$6.59**

RESIDENTIAL MĀPUA

% change for 2024/2025 **+7.63%**

2023 CV: $940,000
2023/2024 Actual rates: $2,819
2024/2025 Proposed rates: $3,034

No metered water or Council wastewater connection

Weekly increase **$4.13**

RESIDENTIAL RICHMOND

% change for 2024/2025 **+4.05%**

2023 CV: $880,000
2023/2024 Actual rates: $4,609
2024/2025 Proposed rates: $4,795

Metered water – uses 103m³

Weekly increase **$3.58**

Compare your rates on our rates calculator:
tasman.govt.nz/rates-search

Available from mid April

Note: Properties marked ✱ show example property changes from preliminary data previously published.

INDEPENDENT AUDITOR'S REPORT

To the readers of Tasman District Council's consultation document for its proposed 2024–2034 long term plan

I am the Auditor General's appointed auditor for Tasman District Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its long term plan. Section 93C of the Act sets out the content requirements of the consultation document and the Council requested me to audit the consultation document. I carried out this audit using the staff and resources of Audit New Zealand. We completed our audit on 25 March 2024.

OPINION

In our opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2024 – 2034 long term plan, because it:
  - fairly represents the matters proposed for inclusion in the long term plan; and
  - identifies and explains the main issues and choices facing the Council and district, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

EMPHASIS OF MATTER – UNCERTAINTY OVER FUNDING OF ROADING PROJECTS

Without modifying our opinion, we draw attention to pages 14 to 19, which outline the high level of uncertainty over Waka Kotahi NZ Transport Agency's (NZTA's) expected funding of sealed road maintenance, public transport, and safety for pedestrian and cyclists roading programmes. If NZTA does not provide funding or provides less funding than assumed, the amount of work that the Council does will be reduced for sealed road maintenance and safety for pedestrian and cyclists roading programmes, and for public transport, the Council will not proceed with the extension of services to weekends.

BASIS OF OPINION

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor General's Auditing Standards and the International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information that were consistent with those requirements*.

We assessed the evidence the Council has to support the information and disclosures in the consultation document. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

We did not evaluate the security and controls over the publication of the consultation document.

RESPONSIBILITIES OF THE COUNCIL AND AUDITOR

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and long term plan, whether in printed or electronic form;
- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and long term plan that meet the purposes set out in the Act; and
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand.

We are responsible for reporting on the consultation document and reporting on the matter described in sub section 93, as required by section 93C(4)(a) and 93C(4)(b) of the Act, as agreed in our audit engagement letter. We do not express an opinion on the merits of any policy content of the consultation document.

INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1, *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour; and
- quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits and reporting on the Council's debenture trust deed assurance engagement, we have no relationship with or interests in the Councils.

John Mackey,
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

WHAT ELSE IS ON THE HORIZON?

As we form Tasman's 10-Year Plan, there are several policies and plans that must weave together. These are closely related to Tasman's 10-Year Plan and the proposed changes to the fees and charges and policies are reflected in the financial modelling underpinning the 10-Year Plan.

Consultation on these documents is taking place alongside consultation on Tasman's 10-Year Plan. Please take the opportunity to consider our proposals and let us know what you think by making a submission at **shape.tasman.govt.nz/10YP**.

REVENUE AND FINANCING POLICY

This policy sets out the principles and framework we use for funding our day to day spending (operating expenditure) and investment in assets (capital expenditure). We are proposing to:

- Change from charging for some river rates based on land value to charging on capital value. Capital value is the full value of a property, including any assets built on the land.
- Increase the proportion of rates gathered by the Uniform Annual General Charge (UAGC). The UAGC is a fixed fee that everyone pays for certain basic services, regardless of their property's value or size.
- Make changes to the areas where stormwater, River X & Y, Richmond CBD, and the Refuse and Recycling rates are charged.

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

Under this policy developers are required to contribute a fair, equitable, and proportionate share of the capital costs for the necessary infrastructure to support new development. The key changes proposed in the new policy are:

- Revised charges with increases in most areas, reflecting the increased cost of providing growth infrastructure.
- Simplified criteria for the Small Homes discount.
- Introduction of criteria for determining which non-residential developments are eligible for a special assessment.
- Remissions for specific types of development on some categories of Māori land.

RATES REMISSION POLICY

This policy provides for rates relief in certain circumstances. We propose to:

- Include a new rates remission for social housing providers and papakāinga.
- Make several other relatively minor changes, namely:
  - » Improve the definition of an Uninhabited Dwelling in the Land Occupied by a Dwelling that is Affected by Natural Disaster Rates Remission Policy.
  - » Broaden the eligibility for remissions in the Sporting, Recreation or Community Organisations Rates Remission Policy.
  - » Update the Low Valued Properties threshold in the Low Valued Properties Rates Remission Policy.
  - » Make three changes to the Excess Metered Water Rates Remission Policy.
  - » Add new criteria for accepting non-receipt of the invoice or the sole ratepayer being deceased, as grounds to avoid rates penalties in the Remission of Penalties Policy.

POLICY ON POSTPONEMENT AND REMISSION OF RATES ON MĀORI LAND

This is a new policy that uses rates remission to help remove or reduces barriers to the use of Māori freehold land and certain other land in collective Māori ownership.

COMMUNITY FACILITIES FUNDING POLICY

This policy provides a consistent approach to how we fund community facilities. We are proposing to:

- Slightly reduce the proportion of the costs we require from community fundraising for developing new and renewing community facilities.
- Confirm the use of the District Facility Rate and the Shared Facilities Rate to fund community facilities.

TASMAN CLIMATE RESPONSE STRATEGY AND ACTION PLAN

This is our roadmap, steering us toward a low-carbon, resilient, and innovative District. It provides detailed actions we plan to take across a wide range of our activities. Priority actions include emission reduction measures and initiatives to strengthen the resilience of our communities and ecosystems. View the draft document at **shape.tasman.govt.nz/tasman-climate-response-strategy-and-action-plan**.

SCHEDULE OF FEES AND CHARGES 2024/2025

We set charges for a range of services where the individuals using the service get the benefit of the service, such as a building consent or dropping off waste at a resource recovery centre. Revenue from charges helps to reduce the level of rates.
For 2024/2025, we are proposing to:

- Increase most fees and charges by 10% to recover costs and account for inflation.
- Increase the hourly charge out rate for most activities and introduce tiered staff-charge out rates for building assurance and resource consent activities.
- Make multiple further changes in the schedule of fees and charges (see the full schedule for details).

For more information and to tell us what you think about any of these policies and plans, go to shape.tasman.govt.nz/10YP.

UPCOMING ISSUES

There are a couple of things we want to acknowledge we are thinking about, but are not yet ready for community consultation.

Richmond office building

The current Council building in Richmond will not be legally usable in its current state after June 2033 due to its low seismic rating. The building also faces several design challenges in its day-to-day operations with internal systems not up to an acceptable standard.

At present, the Council is in the process of exploring various options. These options include the significant investment of retrofitting and expanding the current building, constructing a new facility, or opting for a leased space. The decision-making landscape is complex, given the evolving nature of office work norms. There is the potential for council-controlled organisations across multiple councils to manage three waters services and this may trigger the consideration of local government amalgamation in the region.

Over the next three years, we will work towards a detailed proposal and consultation with the community. In this 10-Year Plan, the leased option is being used as a budget placeholder in the meantime while we work through our options.

Water rates harmonisation

Our three rural water supply schemes – Dovedale, Eighty-Eight Valley, and Redwood Valley – need to be upgraded to ensure safety and reliability of water supply. This is raising prices for households causing an increasing number to opt out of the service creating higher costs for those who remain within the scheme. Deficits are accumulating creating an inconsistency across the schemes.

We will undertake further work, assessing our options for making the water schemes more affordable. This may involve exploring water rates harmonisation for a fair and equitable charging regime. We plan to consult with the community on these options during the 2024/2025 year.

HOW TO EXPRESS YOUR VIEWS ON THE CHOICES FOR CONSULTATION

Ko tōu reo, ko tōku reo, te tuakiri tangata. Tīhei uriuri, tīhei nakonako.
Your language and my language are expressions of identity.
May our descendants live on and our hopes be fulfilled.

TELL US WHAT YOU THINK OF OUR PLANS BY 4.00 PM ON 28 APRIL 2024.

We invite you to take time to consider our future, think about it choice by choice and share your views to keep Tasman progressing for generations to come. Here is a summary of the choices and options before you.

In the submission form, you can just tick the box for which option you support, or you are welcome to add further comments to explain your response. You can also leave a question blank if you're not sure or don't have an opinion. You are also welcome to speak at a public hearing to share your feedback.

CHOICE 1: FINANCIAL SUSTAINABILITY

Option A – Our proposal: Retain services, respond to climate change and invest in community facilities

Option B: Reduce services

Option C: Sell assets

If you support the proposal choose Option A. If you do not support the proposal you can choose either Option B or Option C or both Option B and C. If you select Option B or C, you can also tell us which services you think should be reduced and/or which assets you think should be sold. Which options you select in the key issues on transport, responding to climate change and community facilities could also affect financial sustainability.

CHOICE 2.1: TRANSPORT – SEALED ROAD MAINTENANCE

Option A – Our proposal: Invest to maintain sealed road condition

Option B: Higher investment to improve sealed road condition

Option C: Lower investment with deteriorating sealed road condition

If you support the proposal choose Option A. If you do not support the proposal choose Option B or Option C.

CHOICE 2.2: TRANSPORT – PUBLIC TRANSPORT

Option A – Our proposal: Maintain existing services and expand regional eBus services to weekends

Option B: Option A plus increased frequency of services for the Nelson – Richmond route

Option C: Existing services remain with no enhancements

If you support the proposal choose Option A. If you support Option A and would also like to see increased frequency of services, choose Option B. If you do not support the proposal choose Option C.

CHOICE 2.3: TRANSPORT – SAFETY FOR PEDESTRIANS AND CYCLISTS

Option A – Our proposal: Modest investment in improvements to safety for pedestrians and cyclists

Option B: Enhanced investment in improvements to safety for pedestrians and cyclists

Option C: Reduced investment in improvements to safety for pedestrians and cyclists

If you support the proposal choose Option A. If you would like to see enhanced investment in safety for pedestrians and cyclists choose Option B. If you do not support the proposal and would like to see very low investment improvements to safety for pedestrians and cyclists choose Option C.

CHOICE 3: CLIMATE CHANGE AND RESILIENCE

Option A – Our proposal: Affordable level of investment in climate change mitigation and adaption planning

Option B: Enhanced level of investment in climate change mitigation and adaption planning

Option C: No Option C for this key issue

If you support the proposal choose Option A. If you support Option A and would like to see enhanced investment in responding to climate change choose Option B. If you would like to see lower investment in responding to climate change, choose Neither option.

CHOICE 4: INVESTING IN COMMUNITY FACILITIES

Option A – Our proposal: Invest in new and improved community facilities

Option B: Invest in some of the new and improved community facilities but not others

Option C: Don't invest in any of these community facilities

If you support the proposal choose Option A. If you think we should invest in some of the community facilities and not others, choose Option B and indicate which ones you think we should invest in. If you do not think we should be investing in any of the community facilities, choose Option C.

COMMUNITY CONSULTATION CALENDAR

DATE AND TIME	MEETING/DROP IN	VENUE
Thursday 28 March, 7.30 pm	Tasman Area Community Association meeting	Tasman Church, 6 Williams Road
Tuesday 2 April, 7.00 pm	Brightwater Community Association meeting	Wanderers Club Rooms, 14 Lord Rutherford Road North
Wednesday 3 April, 4.00 pm – 7.00 pm	Drop-in session	Motueka Library Meeting Room, 32 Wallace Street
Monday 8 April, 1.00 pm	Murchison and Districts Community Council meeting	Murchison Recreation Centre, 34 Hampden Street
Monday 8 April, 7.00 pm	Māpua and Districts Community Association meeting	Māpua Community Hall, 72 Aranui Road
Tuesday 9 April, 7.00 pm	Dovedale Residents Committee meeting	Dovedale Hall, Dovedale Road, Upper Moutere
Thursday 11 April, 7.00 pm	Motueka Valley Association meeting	Ngātīmoti Fire Station Community Room, 1425 Motueka Valley Highway
Friday 12 April, 4.00 pm – 7.00 pm	Drop-in session	Tākaka Service Centre, 78 Commercial Street
Monday 15 April, 7.00 pm	Wakefield Community Council meeting	Wakefield Village Hall, 10 Whitby Way
Tuesday 16 April, 7.00 pm	Tapawera and Districts Community Council meeting	Tapawera Community Centre, 95 Main Road
Tuesday 16 April, 7.00 pm	Redwood Valley Social Society meeting	Redwood Valley Hall, 484 Moutere Highway

SUBMISSION FORM

There are several ways for you to provide your views:

> ONLINE

Complete the submission form online at **shape.tasman.govt.nz/10YP**.

> EMAIL

Send us a message at **LTP@tasman.govt.nz**.

> IN WRITING

Complete the submission form and drop it in to any Tasman District Council office or library, or post it for free using the Freepost envelope provided.

Name ______________________ Organisation _if applicable_ ______________________

Address ____

Email ______________________ Phone ______________________

Would you like to speak at a public hearing? ◯ Yes ◯ No

If yes, please provide a phone number above and indicate your preferred location below.

◯ Richmond, 8 May 2024 ◯ Tākaka, 9 May 2024 ◯ Motueka, 10 May 2024 ◯ Via Zoom

Demographic questions

We are collecting submitters' demographic information to help understand who in our community is participating in this consultation and to help improve our processes in the future. If you do not feel comfortable providing these details, leave them blank.

Gender: ◯ Male ◯ Female ◯ Other ◯ Prefer not to say

Age: ◯ Under 30 ◯ 30 – 45 ◯ 46 – 65 ◯ 65+

What ethnicities do you identify with? ______________________

Privacy

As part of the submission process, we are asking for some personal information about you. We collect this information so that you can have a say on Tasman's 10-Year Plan 2024 – 2034 and so we can contact you about your submission, hearings and Council's final decisions. We also ask for demographic information to help us understand who is engaging with us. This helps us understand if we are hearing from a diverse range of our community.

Submissions will only be accepted if a name and contact details are supplied. This is so we can contact you and so we can make sure we don't have duplicate submissions. The other demographic information is not compulsory.

Your full submission, including your name, will be made available to Councillors and the public on our website. Your contact details and demographic information will only be accessed by Council staff.

A summary of submissions may also be made publicly available and posted on our website.

All information will be held by the Tasman District Council with submitters having the right to access and correct personal information. If you have any questions about Council's privacy practices or would like to gain access to your personal information, you can contact the Legal and Democracy Services Team at **LGOIMA@tasman.govt.nz**.

CHOICE 1: FINANCIAL SUSTAINABILITY

Do you support Option A (our preferred option) – Continue to deliver the current level of services, respond to climate change and invest in community facilities?

- ◯ Yes ◯ No ◯ Not sure

If No, do you prefer (please select either Option B or Option C or both Options)

- ◯ Option B – Reduce our services to the community
- ◯ Option C – Sell Council assets

If you prefer Alternative Option B (reducing services), which services do you support being reduced? Choose one or more of the following:

- ◯ Libraries ◯ Community partnerships ◯ Economic development ◯ Parks maintenance

If you prefer Option C (selling assets), which assets do you support the Council selling? Choose one or more of the following:

- ◯ Shares in Infrastructure Holdings Ltd (IHL) ◯ Property not required to deliver core services ◯ Forestry

Do you have any comments about financial sustainability?

____

____

____

____

CHOICE 2: TRANSPORT

Choice 2.1: Sealed road maintenance

Do you support Option A (our preferred option) – Invest to maintain sealed road condition?

- ◯ Yes ◯ No ◯ Not sure

If No, do you prefer:

- ◯ Option B – Higher investment to improve sealed road condition; or
- ◯ Option C – Lower investment with deteriorating sealed road condition

Do you have any comments about road maintenance?

____

____

____

____

Choice 2.2: Public transport

Do you support Option A (our preferred option) – Maintain existing services and expand Motueka and Wakefield services to weekends?

◯ Yes ◯ No ◯ Not sure

If No, do you prefer:

◯ Option B – Increased frequency of services; or

◯ Option C – Provide existing services only

Do you have any comments about public transport?

Choice 2.3: Safety for pedestrians and cyclists

Do you support Option A (our preferred option) – Modest further investment in improvements to safety for pedestrians and cyclists?

◯ Yes ◯ No ◯ Not sure

If No, do you prefer:

◯ Option B – Enhanced investment in improvements to safety for pedestrians and cyclists; or

◯ Option C – Reduced investment in improvements to safety for pedestrians and cyclists

Do you have any comments about walking and cycling?

CHOICE 3: CLIMATE CHANGE AND RESILIENCE

Do you support Option A (our preferred option) – Affordable level of investment spread over the next 10 years?

◯ Yes ◯ No ◯ Not sure

If No, do you prefer:

◯ Option B – Higher level of investment; or

◯ Neither Option A or B

Do you have any comments about climate change and resilience?

CHOICE 4: INVESTING IN COMMUNITY FACILITIES

Do you support Option A (our preferred option) – Invest in four new and improved community facilities?

◯ Yes ◯ No ◯ Not sure

If No, do you prefer:

◯ Option B – Invest in some but not others; or

◯ Option C – Don't invest in any of these community facilities

If you prefer Option B (some but not others), tell us which ones you want funded:

◯ Waimea South Community Facilities ◯ Motueka Swimming Pool ◯ Tapawera Community Hub

◯ Murchison Sport, Recreation and Cultural Centre – Stage 2

Do you have any comments about funding community facilities?

REVENUE AND FINANCING POLICY

Do you have any comments or feedback on the proposed changes to the Revenue and Financing Policy?

Comments:

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

Do you have any comments or feedback on the proposed changes to the Development and Financial Contributions Policy?

Comments:

RATES REMISSION POLICY

Do you have any comments or feedback on the proposed changes to the Rates Remission Policy?

Comments:

POSTPONEMENT AND REMISSION OF RATES ON MĀORI LAND POLICY

Do you have any comments or feedback on the Postponement and Remission of Rates on Māori Land Policy?

Comments:

COMMUNITY FACILITIES FUNDING POLICY

Do you have any comments or feedback on the Community Facilities Funding Policy?

Comments:

SCHEDULE OF FEES AND CHARGES

Do you have any comments or feedback on the proposed fees and charges for 2024/2025?

Comments:

TASMAN CLIMATE RESPONSE STRATEGY AND ACTION PLAN

Do you have any comments or feedback on the Tasman Climate Response Strategy and Action Plan?

Comments:

ANY OTHER FEEDBACK

Do you have any other comments or feedback?

Topic: ______________________________

Comments: ______________________________

1. Fold here

2. Fold here

Freepost Authority 172255

Free

Tasman District Council
Private Bag 4
Richmond 7050

Attention: Tasman's 10-Year Plan 2024 – 2034

tasman district council | Te Kaunihera o te tai o Aorere

Tape here