



NEWSLINE

PĀNUI 29 MARCH 2024
10-YEAR PLAN SPECIAL

tasman district council Te Kaunihera o te tai o Aorere

KEEPING YOU INFORMED ABOUT NEWS AND EVENTS IN TASMAN DISTRICT



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.

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

Our *Te Taihu Together* relationship agreement, between the eight Te Taihu 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, 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. Our 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 services while safeguarding vital community services we are committing to a sustainable future for all of Tasman.

Consultation is open for a month, during which time we want your feedback before we make any final decisions and finalise the plan at the end of June.

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



COMMUNITY CONSULTATION MEETINGS AND DROP-IN SESSIONS



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

Come along and have your say

YOUR INVESTMENT, YOUR FUTURE

Hapaitia te ara tikia pumau ai te rangatiratanga mo ngā uri whakatipu. Foster the pathway of knowledge 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 shortterm 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 wellbeing 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 the consultation 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.

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.



PROPOSED RATES

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

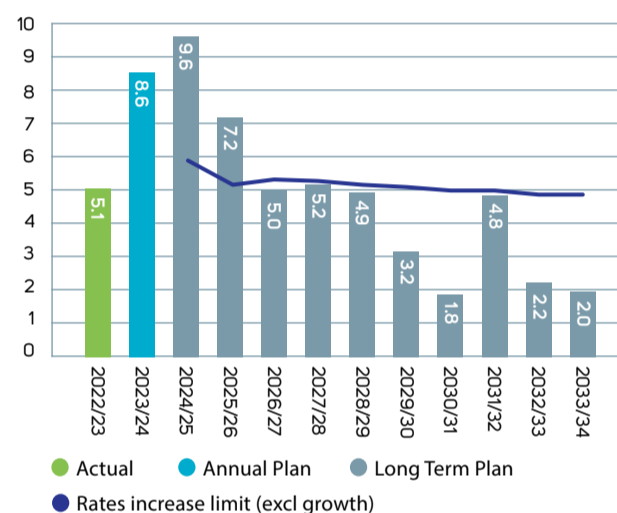
Tasman's 10-Year Plan 2024 – 2034 proposes an average increase across the 10 year plan in **rates revenue** of 4.6% (excluding growth) with increases of 9.6% and 7.2% respectively (excluding growth) in the first two years.

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.

Proposed Rates Revenue Increases (%)



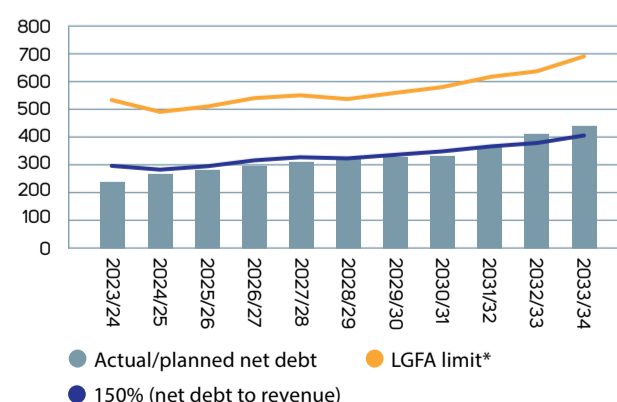
Fees that we charge for services are an important source of revenue and we are consulting on a revised schedule of fees.

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.

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 the consultation 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.

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.

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



For more information on each option and to have your say, visit shape.tasman.govt.nz/10YP

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.



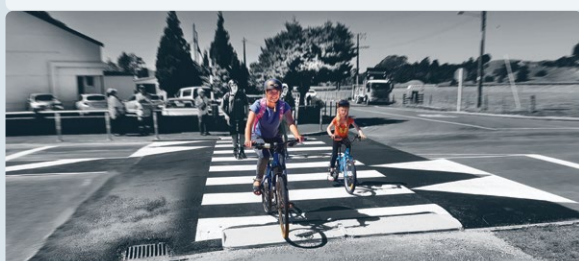
CHOICE 2.3: TRANSPORT – SAFETY FOR PEDESTRIANS AND CYCLISTS

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.



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 Council's 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.

TIMELINE



Community Engagement
January 2023 – June 2023



Building the Draft Plan
July 2023 – February 2024



Community Consultation
March 2024 – April 2024



Finalise and Adopt
May 2024 – June 2024

We are here