


**VOTE
2022**
LOCAL ELECTIONS

 **tasman** | Te Kaunihera o
district council | **te tai o Aorere**

PRE-ELECTION REPORT 2022

Tasman
is your home
and your District,
so join us and
stand for your
Council





INFORMATION FOR VOTERS AND POTENTIAL CANDIDATES IN THE 2022 LOCAL GOVERNMENT ELECTIONS

ABOUT THIS REPORT

This Pre-Election Report provides voters and candidates with information about the challenges and opportunities facing our Council and Tasman District. Its purpose is to promote public discussion and informed debate in the lead-up to the local body elections to be held on 8 October 2022.

It explores the evolving context facing the District, takes a close look at our financial position and sets out how we fund our projects, services and facilities.

Whether you're looking to stand for Council or a community board, or are simply voting, this report provides the key facts you need to know.

WHY IT'S BEEN PREPARED

We want to ensure you know and understand what is planned for our district and the challenges and opportunities we face. We hope it will support everyone to make better decisions and understand the current position of our District.

It's prepared by Chief Executive, Leonie Rae, independently from the Mayor and councillors and is a legislative requirement of the Local Government Act 2002.

AUDIT INFORMATION

This report is not required to be audited and includes information from audited reports and unaudited information.



To find out more about what we do, visit tasman.govt.nz and search:

- Annual Plan 2022/2023
- Tasman's 10-Year Plan 2021–2031



STAND

FOR TASMAN

Tasman District Council needs passionate people with aroha for their community and District – will you stand to represent your fellow Tasman residents and lead our beautiful region to a sustainable, vibrant and prosperous future?

IT'S AN OPPORTUNITY TO MAKE A GENUINE DIFFERENCE FOR THE PLACE YOU LOVE.

ELECTORAL OFFICER

Warwick Lampp, 0800 666 048, tasmandc@electionz.com

DEPUTY ELECTORAL OFFICER

Sandra Hartley, 03 543 8400, elections@tasman.govt.nz

ELECTIONS ENQUIRIES – GENERAL

0800 36 76 56, vote.nz

KEY DATES

Friday
15 July

**NOMINATIONS
OPEN**

Noon
Friday 12
August

**NOMINATIONS
CLOSE**

From
Friday 16
September

VOTING

Saturday
8 October

Voting closes at noon

**ELECTION
DAY**

Wednesday
19 October

**FINAL
RESULTS**

A MESSAGE FROM THE CHIEF EXECUTIVE

Nau mai, haere mai, welcome!

You and your family may have lived in the region for many years and would have seen many changes as the region grows, and you love it here. You may have more recently been drawn to the region to be near family. Or you have enjoyed visiting from other parts of New Zealand or the world, and have now made Tasman your home.

You appreciate what the region has to offer, our beautiful beaches and open spaces, great food and wine, fishing and hunting and the many other outdoor activities that are all accessible right on our doorstep. Tasman is unique, our communities are diverse, and we cover a beautiful, wide geographical area.

WHO ARE WE?

Tasman District Council is a unitary council. That means, we deliver the responsibilities of a regional council such as safeguarding the health of our environment, which includes rivers, native forests and ecosystems. We also have the responsibilities of a territorial authority delivering parks and reserves, roads, community facilities and delegated regulatory functions.

The Council supports our communities to live their best life. We work to deliver services that provide the essentials of life, protecting the health, wellbeing, and social connectedness of the community. To do all of this and more and remain affordable is the challenge and the opportunity.

CHANGE IS CONSTANT

Local Government will experience significant change in the coming years as a result of the Government reforms including The Future for Local Government programme, Three Waters, and new legislation to replace the Resource Management Act 1991. The impact of these changes will be significant and intergenerational.

Our climate is a point of national envy throughout New Zealand, but that is also changing. Councils have been planning for the impacts of a changing climate for some time. Decisions have been made, whether they be about planning rules in the Tasman Regional Management Plan, sustainable transport initiatives or

bold decisions such as the construction of the Waimea Community Dam providing water security while delivering sound environmental outcomes for the health of the river. These are all focused on the long-term future for Tasman.

OPPORTUNITIES TO SET THE PATH FOR THE FUTURE OF TASMAN

We receive a varying array of feedback on what you want your Council to deliver for the community.

Consistent across that is; an overwhelming desire to protect our flora and fauna, to manage growth in a controllable and sustainable way, to support our volunteer communities, provide solutions to natural hazards and address climate change along with many, many more competing needs, wants and desires.

Our work at Tasman District Council shapes a growing, thriving region with some important changes in front of us. There's opportunity to set the path and make a difference.



WE PARTNER WITH MANA WHENUA

Like Councils, mana whenua have long-standing relationships with our taiao/environment and communities. They are kaitiaki who aspire for our environment and people to be healthy for the many generations that lay ahead. Partnering with mana whenua will allow us to tap into each other's strengths and enduring commitment to our place and people. The Council is committed to partnering with Te Tau Ihu iwi to develop effective policy and deliver on our collective aspirations. There are many opportunities to improve collaboration with Te Tau Ihu iwi as we deliver our services to Tasman.

GROWTH

With our popularity as *the* livable region we need to face the challenges of growth and the related issues of cost and availability of housing, land use and infrastructure investment. We have the land in the district, especially if we wish to intensify, but we must also consider the demand on our environment. That is a balancing act. In preserving the unique nature of our environment our focus is on sustainable development taking account of our environment, a thriving economy and our natural resources.

COMMITTED ELECTED REPRESENTATIVES

The group of elected representatives is supported by equally committed, experienced and qualified staff working with the community, through science, engineering, community planning and delivery to achieve a sustainable balance.

IT TAKES BOLD LEADERSHIP!

To ask the hard questions, to tackle the difficult issues and make the important decisions. But it is not just about the big decisions. Councillors work every day to provide governance over Council operations. They sit on committees, read a vast array of reports, span many subject areas, become knowledgeable about safe fish passages, how and where slips occur, where to put fences to protect the blue penguins are all examples of this. And what to invest in and what not to invest in.

It is an extremely varied and enjoyable role. Councillors provide, to the organisation, insights into what is important to their communities and, when they are around the Council table, bring all views together to navigate the solution that will be intergenerational.

Sounds like an important role? It is!

GET INVOLVED

We need our communities to be involved, whether its voting for elected members, or running for a seat on the Council or community board. This pre-election report contains important information about some of the challenges and opportunities for our region.

There has never been a more important time in our history to get involved and help our District meet the challenges and see the opportunities that change brings.

While at times it seems we are not the masters of our own destiny we can make bold decisions that are backed by science and research. In my many years working with Councillors, I have never crossed paths with one that does not want to achieve the best outcomes for residents. And some of those decisions are hard and, at times, unpopular.

So, it is a balancing act. We strive to take the best forward and leave the worst behind and make a positive change for a Tasman Inspired!

What part will you play?

Leonie Rae
Acting Chief Executive Officer



We need our communities to be involved, whether its voting for elected members, or running for a seat on the Council or community board.



THE TASMAN YOU LOVE

You know that Tasman is a great place to live, play, work and explore, that's why you call it home!

OUR REGION

Our great climate and environment are two of the main reasons Tasman is a desirable place to live. The District covers a huge and unique geographic area with stunning natural alpine and coastal landscapes.

 **812KM** OF COASTLINE

LAND AREA **9,786 KM²**

 **66%** LAND AREA MANAGED BY DOC

 **THREE NATIONAL PARKS**
ABEL TASMAN, KAHURANGI, NELSON LAKES

OUR ECONOMY

Recovery from the economic and social impacts of the Covid-19 pandemic is ongoing but our strong local economy has fared comparatively well – a productive and innovative primary sector and clever thinking underpins our smart businesses and artisans.

The reduction of visitors to the region has had clear impacts for businesses, such as hospitality and tourism providers. Conversely, we are also experiencing unprecedented long-term growth which is being hampered by labour shortages and disruption to supply chains.

 **\$2,754M** PROVISIONAL GDP

TOURISM EXPENDITURE TO MARCH 2022  **\$139M FOR TASMAN**

 **24,690 PEOPLE** ARE EMPLOYED IN TASMAN

OUR PEOPLE

Tasman District has a diverse population of around 57,900 across a mix of rural and township settlements. By 2031 it is estimated to reach over 64,300 (medium growth projection).

 **POPULATION GROWTH 1.5% PER ANNUM**

9% IDENTIFY AS MĀORI 

 **21%** OF OUR POPULATION ARE AGED OVER 65 YEARS

WE LOVE TASMAN TOO!

Our vision is for thriving and resilient Tasman communities – we are working together for a Tasman District that has a healthy environment, strong economy and a vibrant community



THE EVOLVING CONTEXT

Tasman is a unique, diverse District that's well positioned for the future. Our environment is changing faster than ever and we need to continue adapting to enable thriving and resilient Tasman communities.

Change can be positive, providing opportunities and demanding a fresh way of thinking. This section outlines some of the key changes facing our District that we should all be aware of. These are the things our aspiring elected members should be thinking about, talking about and considering when they talk to people in Tasman during the election period.

CENTRAL GOVERNMENT REFORMS

There are three significant reforms and processes led by the Government that will have an impact on local government – Three Waters, Resource Management and the Future for Local Government. They collectively and individually represent the largest reforms to local government and local governance since the abolition of the provinces in 1877.

The reforms aim to achieve better outcomes for communities and the environment, efficiency improvements and give effect to the principles of Te Tiriti o Waitangi. However, the reforms are progressing on different timelines and add to an increasingly complex and uncertain operating environment for local government now and after the 2022 elections.

This environment is also likely to include Government changes to building control, civil defence and emergency management, freedom camping and waste management.

Government reforms have made planning for the future more challenging but this provides considerable opportunity to further the purposes of local government. The reforms will fundamentally change the system that local government operates within including how decisions are made and by whom, what it delivers and how that happens, and who enables and delivers community wellbeing.

THREE WATERS REFORM PROGRAMME

About the reform

The Government has proposed new organisations to deliver water supply, wastewater and stormwater independent of local councils.

A new water regulator, Taumata Arowai has been established and there will also be reforms to water delivery services.

The Water Services Entities Bill was introduced to the House in June 2022 and is now at Select Committee. The Bill sets out the final structure that Tasman and other councils will operate under.

Find more information at dia.govt.nz/Three-Waters-Reform-Programme.



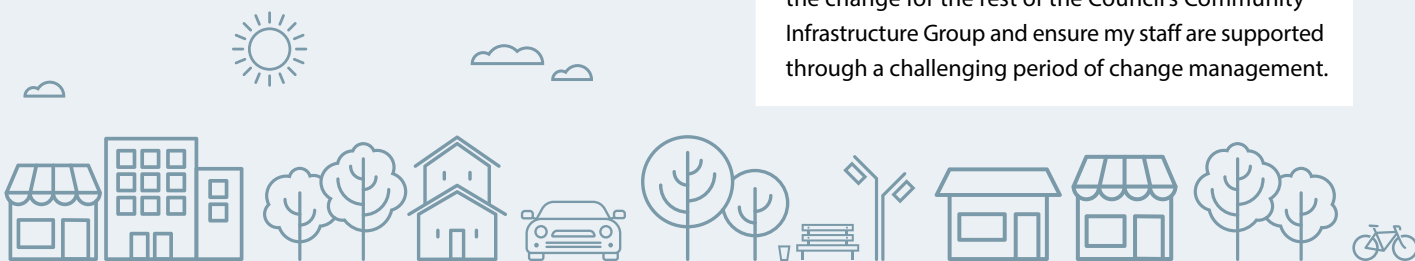
What it means for the Council

These services are crucial to the wellbeing of our communities, the environment and our community's future.

As this reform programme progresses, we will continue to monitor developments and assess the available information to determine how Tasman will be affected.

The Council will make a submission on the Water Services Entities Bill to the Select Committee. The submission will be informed by views of our community, which will be gathered through public webinars and drop-in sessions. **You'll be able to read our submission at tasman.govt.nz/central-government-water-services-entities-bill**

The next Council will need to facilitate the transfer of associated assets, staff and contracts to a new water entity. We will need to manage any impacts of the change for the rest of the Council's Community Infrastructure Group and ensure my staff are supported through a challenging period of change management.



RESOURCE MANAGEMENT REFORM

About the reform

After many years of incremental changes, the Government is undertaking comprehensive reform of the resource management system.

In February 2021, the Government announced it would repeal the Resource Management Act 1991 and replace it with three new pieces of legislation.

The Natural and Built Environments Bill and the Strategic Planning Bill will be introduced in late 2022.

The Climate Change Adaptation Bill is likely to be introduced next year and will deal with the complex issues around adapting to the effects of climate change, including managed retreat.

More information on the reforms of resource management can be found at environment.govt.nz/resource-management-system-reform/overview/



What it means for the Council

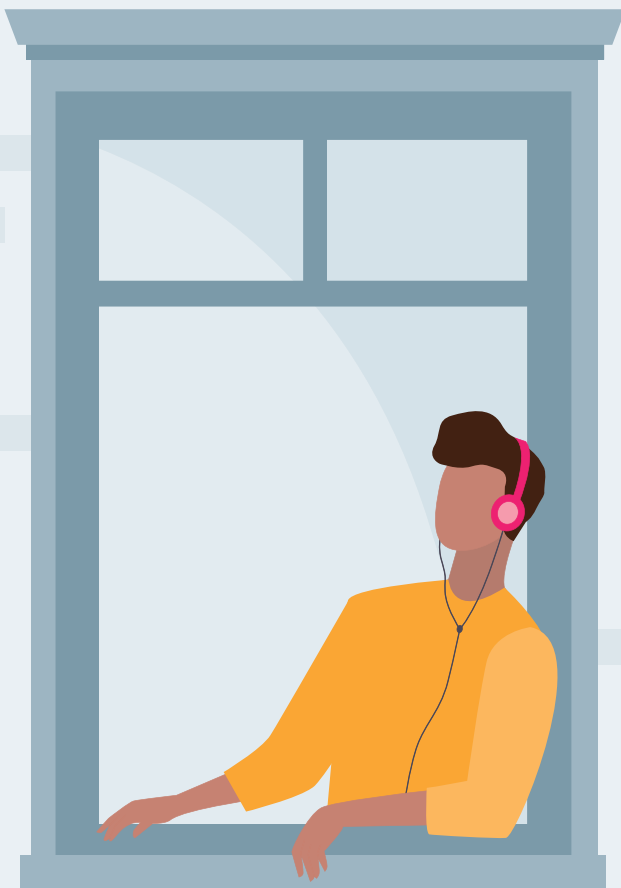
The scale of reform of the resource management system is substantial and will have significant impacts on Tasman District Council. The resource requirements and costs of transition cannot be underestimated, particularly as we move to a new system while fulfilling essential requirements under the current one.

The resource management system is already under significant strain and facing capacity issues. Mana whenua are also constrained in their capacity to fully participate in the current system.

The next Council will make formal submissions on the bills when they are introduced. The success of the new system and the Council's role in it will largely depend on how we plan for, manage and resource the transition to and implementation of the new system.

The Council is currently working on a new resource management plan called Aorere ki uta, Aorere ki tai – Tasman Environmental Plan. We are actively assessing what new resource management legislation will mean for Tasman. We will continue working with our communities through this project to better understand our District's key challenges and opportunities for managing our environment, providing for development, and building resilience.

More information on the Tasman Environment Plan can be found at environmentplan.tasman.govt.nz



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FUTURE FOR LOCAL GOVERNMENT

About the review

The Government is undertaking a fundamental review of the purpose, function and operation of local government.

A Ministerial Inquiry was set up to identify how our system of local democracy needs to evolve over the next 30 years, to improve the well-being of New Zealand communities and the environment, and actively embody the treaty partnership.

A draft report and recommendations for public consultation will be released by the Future for Local Government Panel after the local government elections. The final report will be presented to the Government by June 2023.

You can read more about the review at futureforlocalgovernment.govt.nz



What it means for the Council

The Council will need to contribute to this work, consider the findings of the review and then work with central government to implement any changes that emerge.

In March, the Mayor, councillors and some of our senior managers met with the Panel, as part of its engagement with local authorities. At that meeting, the Panel explored the following five big shifts and how our local context might influence them:

1. Strengthened local democracy
2. Stronger focus on wellbeing
3. Authentic relationship with hapū/iwi/Māori
4. Genuine partnership between central government and local government
5. More equitable funding

The next Council will need to respond to the Panel's recommendations soon after being elected, and then consider the Panel's recommendations to Parliament.

In the future, Government decisions may change the Council's role, functions and structure. This is an opportunity for the next Council to help shape the future direction of the Council and the role it plays in the community.



OUR LOCAL CONTEXT

The size of our district, our rate of growth, our exposure to natural hazards and the geographical spread of our communities provide a range of challenges for us to manage.

OUR REGION

Responding to climate change is key priority for the Council. The Ministry for the Environment advises that climate change is the biggest environmental challenge of our time and we are already feeling some of the consequences. Fires, floods and storm surges have caused some Tasman District residents to be evacuated from their homes in recent years.

Climate change also has significant implications for our infrastructure networks, which continue to be impacted by extreme weather events and is often located in coastal areas. The Council needs to take account of future climate impacts when infrastructure is planned.

Freshwater is becoming a scarce resource and we have seen during recent droughts that water supply is a concern. The Waimea Community Dam is moving close to completion. Once finished, the dam will provide long-term water security, improve water quality, accommodate growth and underpin the economy for a large part of our District.

TASMAN CLIMATE ACTION PLAN REVIEW

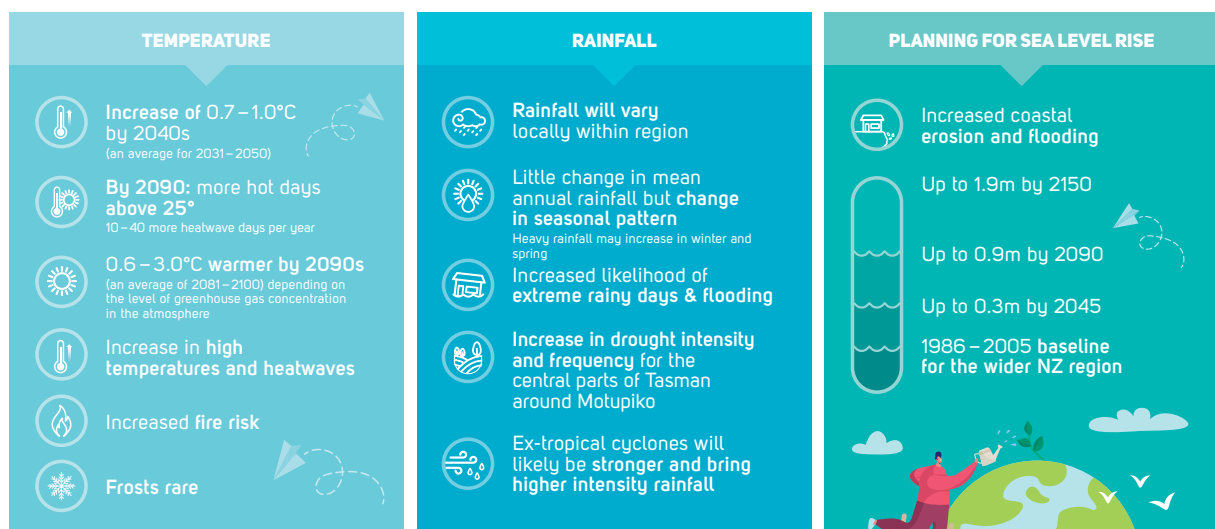
In 2019, the Council adopted the Tasman Climate Action Plan (TCAP). It is our initial response to the urgent need to take action on climate change, to build climate resilience and reduce greenhouse gas emissions. The TCAP is focussed on getting our own house in order and has four goals:

- Council contributes to NZ's efforts to reduce greenhouse gas emissions (inc net carbon emissions)
- Tasman District becomes more resilient to the impacts of climate change
- The Tasman community is informed of climate change actions and options for response
- Council shows clear leadership on climate change issues

We are currently reviewing and updating the TCAP to ensure the Council's response aligns with the Government's recently released Emissions Reduction Plan and the impending National Adaptation Plan.

FORECAST CLIMATE CHANGE IMPACTS FOR THE TASMAN DISTRICT

tasman.govt.nz/climate-change/futurefit



All changes based on 1995 (average for 1986–2005) climate.



OUR ECONOMY

Businesses and households in Tasman are currently experiencing cost pressures from external economic factors including high fuel costs, inflation, higher interest and finance charges, supply chain issues and skills shortages.

The Council is also facing these pressures as we continue delivering our services in the current economic environment. We have a relatively small rating base to fund the significant amount of infrastructure required to service the multiple and disparate population areas in the Tasman District.

JOBS FOR NATURE INITIATIVES

Jobs for Nature – Mahi mō te Taiao is a programme aiming to provide jobs and economic support for people and communities across Aotearoa, while ensuring environmental benefits. It is part of the Government’s Covid-19 recovery package and is intended to run for four years.

Local Jobs for Nature initiatives that are improving our Tasman environment include:

- Wilding conifer control in and around Mt Richmond Park and Tākaka Hill
- Freshwater wetland and salt marsh restoration in the Waimea River Delta
- Fish passage projects to support fish migration in over 4,000 in-stream structures
- Restoration of native vegetation and weed control at Teapot Valley and Pigeon Valley
- Planting and weed control in the Waimea Inlet to enhance and restore key estuarine ecosystems

tasman.govt.nz/jobs-for-nature



OUR PEOPLE

Housing availability and affordability are a real concern for our communities and the population in Tasman is expected to continue to grow.

The Council can be part of the solution through ensuring the right land zoning and infrastructure is in place to help meet the forecast demand.

THE NELSON TASMAN 2022 – 2052 FUTURE DEVELOPMENT STRATEGY

This joint plan with Nelson City Council should be finalised soon. The new Future Development Strategy sets out where and how residential and business growth within the regions will occur and what infrastructure will be needed to support that growth over the next 30 years. The Council will need to give effect to the Strategy by updating long-term infrastructure and funding plans.

tasman.govt.nz/future-development-strategy



WHAT IS COUNCIL ALL ABOUT?

Councils are made up of two parts:



In Tasman, our elected Council comprises the Mayor and 13 councillors. The Mayor represents the District at large, while the councillors represent the five areas (Wards) of the District.

We also have two community boards, with four members each – one covering the Golden Bay Ward and the other covering the Motueka Ward.

The Council and community boards are elected every three years.

Our Kaumātua, Harvey Ruru and Jane de Feu, provide the Mayor and elected members with support around tikanga Māori at civic events.

The Mayor and councillors employ the Chief Executive who has overall responsibility for day-to-day operations of the organisation. The Chief Executive Officer employs 396 staff in a wide variety of roles.

The Council also has a range of committees and subcommittees. These are made up of some or all councillors and are reviewed after each election.

You can read more about our committees at tasman.govt.nz/committees-and-subcommittees

THE COUNCIL IS RESPONSIBLE FOR:

- Setting the budget
- Adopting policies and strategies
- Approving bylaws and RMA plans
- Monitoring the Council's performance
- Engaging with their local communities
- Advocating on behalf of others
- Raising issues to be addressed



NGĀ IWI / COUNCIL PARTNERSHIP

As well as our statutory obligations, the Council aspires to be a trusted partner, making good community decisions in collaboration with iwi/Māori across Te Tau Ihu o Te Waka-a-Māui.


Eight iwi are tangata whenua in Te Tau Ihu. Tasman District also covers the northern-western part of the Ngāi Tahu takiwā (tribal area / territory). There are two marae located within our rohe: Te Āwhina and Onetahua.

In addition to the iwi trusts, our rohe is home to two long standing Māori entities; Wakatū Incorporation and Ngāti Rārua Ātiawa Iwi Trust (NRAIT). These entities represent the customary Māori landowners of many blocks across our rohe and beyond.

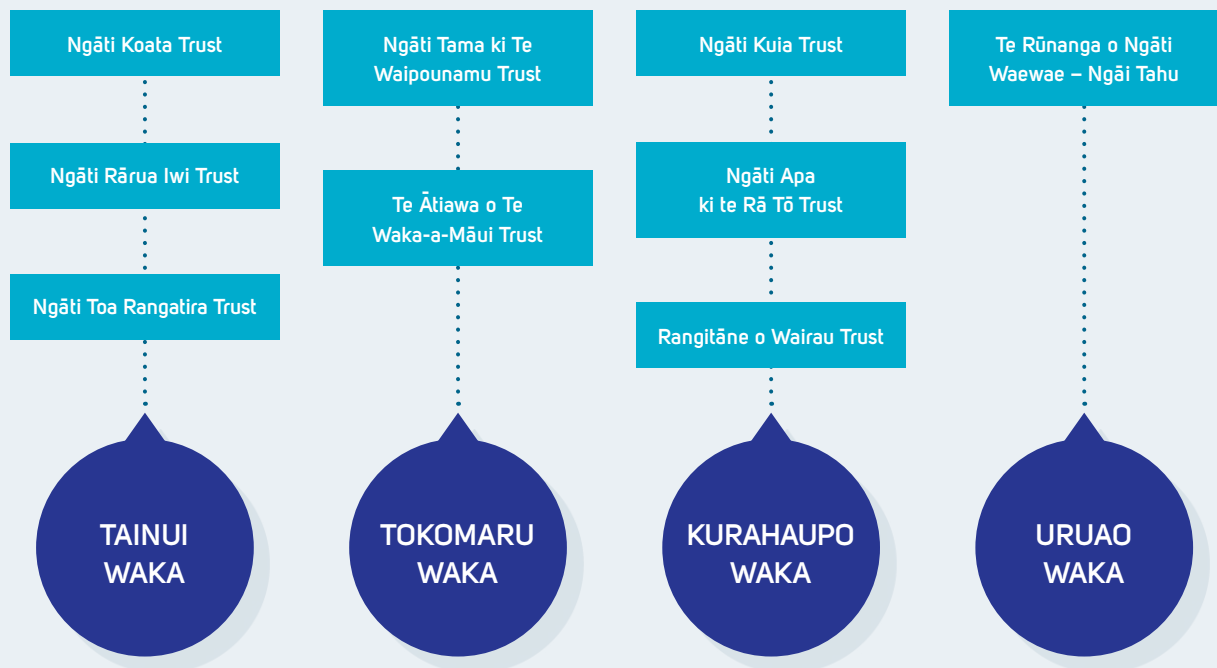
The Council is committed to growing and strengthening our relationships and level of engagement with iwi / Māori. These relationships are strategically important and are based on a range of statutory and non-statutory instruments, supporting opportunities for mutual benefit and advancement. Building relationships requires understanding, partnership and trust.

Our sector reforms are also pointing us towards a shift in governance partnerships and enabling iwi / Māori to be included in decision making. The new triennium is an opportunity to further explore and implement co-governance models for the Council and iwi / Māori.

Tasman's 10-Year Plan has more information about how the Council and iwi/Māori will work together



NINE IWI TRUSTS REPRESENT TANGATA WHENUA IN TASMAN DISTRICT:



WHAT DOES THE COUNCIL DO?

The purpose of local government is to enable democratic local decision making and action by, and on behalf of, local communities. This provides an opportunity for anyone to be directly engaged in the process of governing and for the Council's services to be responsive to the needs of our community.

Tasman District Council is one of only five unitary councils in Aotearoa, meaning we do the work of both a regional council and a territorial authority. We are also responsible for promoting the wellbeing of our communities in the present and for the future.

We have 396 employees across our offices in Richmond, Motueka, Takaka and Murchison. We provide a wide and varied range of services to our communities. These services and activities all contribute to the environmental, economic, social and cultural well-being of Tasman District.

We work closely with neighbouring councils – in particular Nelson City Council, as we jointly deliver a number of services including Saxton Field, the Nelson Regional Sewerage Business Unit, and the Nelson Tasman Regional Landfill Business Unit.

OUR PLANNING CYCLE

Every three years, Council adopts a 10-year plan that sets out the priorities, budgets and levels of service for the next decade. Every candidate standing for Tasman District Council should be familiar with Tasman's 10-Year Plan. Any short-term changes to the plans and budget are laid out in subsequent Annual Plans.

You can read Tasman's 10-Year Plan at tasman.govt.nz/ltp and read the Annual Plan at tasman.govt.nz/annual-plan



REGIONAL FUNCTIONS

-  River and coastal management
-  Biosecurity (plant and animal pest control)
-  Civil defence and emergency management
-  Regional land transport
-  Resource management and environmental information

TERRITORIAL FUNCTIONS

-  Community wellbeing and development
-  Public health and safety
-  Reserves, recreation, libraries and culture
-  Resource management
-  Infrastructure (water supply, stormwater, wastewater, solid waste, roads)

CONTRIBUTING TO THE WAY WE LIVE, WORK AND PLAY IN TASMAN

Council's focus for the next three years will be to respond to our growing populations, renew assets as they wear out, adapt to climate change, improve our infrastructure and complete construction of the Waimea Community Dam.

OUR PRIORITIES AND COMMUNITY WELL-BEING OUTCOMES

TASMAN'S 10-YEAR PLAN SETS OUT OUR STRATEGIC PRIORITIES



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

COMMUNITY WELL-BEING AND COMMUNITY OUTCOMES

Our Council provides leadership and fosters partnerships, including with iwi, fosters a regional perspective and encourages community engagement

Our communities are healthy, safe, inclusive and resilient

Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed

Our communities have access to a range of social, cultural, educational and recreational facilities and activities

Our region is supported by an innovative and sustainable economy

Our infrastructure is efficient, resilient, cost effective and meets current and future needs

Our unique natural environment is healthy, protected and sustainably managed

Our communities have opportunities to celebrate and explore their heritage, identity and culture



PROVIDING SERVICES AND INFRASTRUCTURE

INFRASTRUCTURE STRATEGY

We manage \$1.3 billion worth of infrastructure on behalf of our communities. Council's 30 year Infrastructure Strategy covers the provision of the Council's water supply, stormwater, wastewater, rivers and flood control, and transportation services. The purpose of the Strategy is to identify the significant infrastructure issues we are likely to face and identifies the principal options for managing those issues. The key infrastructure priorities included in the Strategy are:

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

You can read the Strategy in Tasman's 10-Year Plan



WALKING AND CYCLING STRATEGY

After four years in the planning stage, our new Walking and Cycling Strategy was adopted in May. The strategy focuses on providing residents with safer choices about how they travel, by improving walking and cycling across the urban areas of Tasman and sets a framework for the creation of a high standard of connected cycle networks in those areas.

The strategy aligns closely with the Government's recently released Emissions Reduction Plan and will help us deliver an improved safer transport network, contributing to healthy communities and vibrant urban surroundings.

You can read more about the Strategy at tasman.govt.nz/draft-walking-and-cycling-strategy



WHAT ARE WE DELIVERING IN 2022/2023?

Here are some of the planned projects and programmes.

Identify a location for a new regional cemetery with Nelson City Council



Complete Golden Bay Recreation Park grandstand restoration

Restoration of the level of protection from the Motueka River stop banks



Plant 25,000 natives around the Waimea Inlet using contractors and volunteers



Adoption of the Tasman Biodiversity Strategy

Construction of wetlands at Eves Valley and Motupipi



Feasibility work for a new Richmond bus terminus



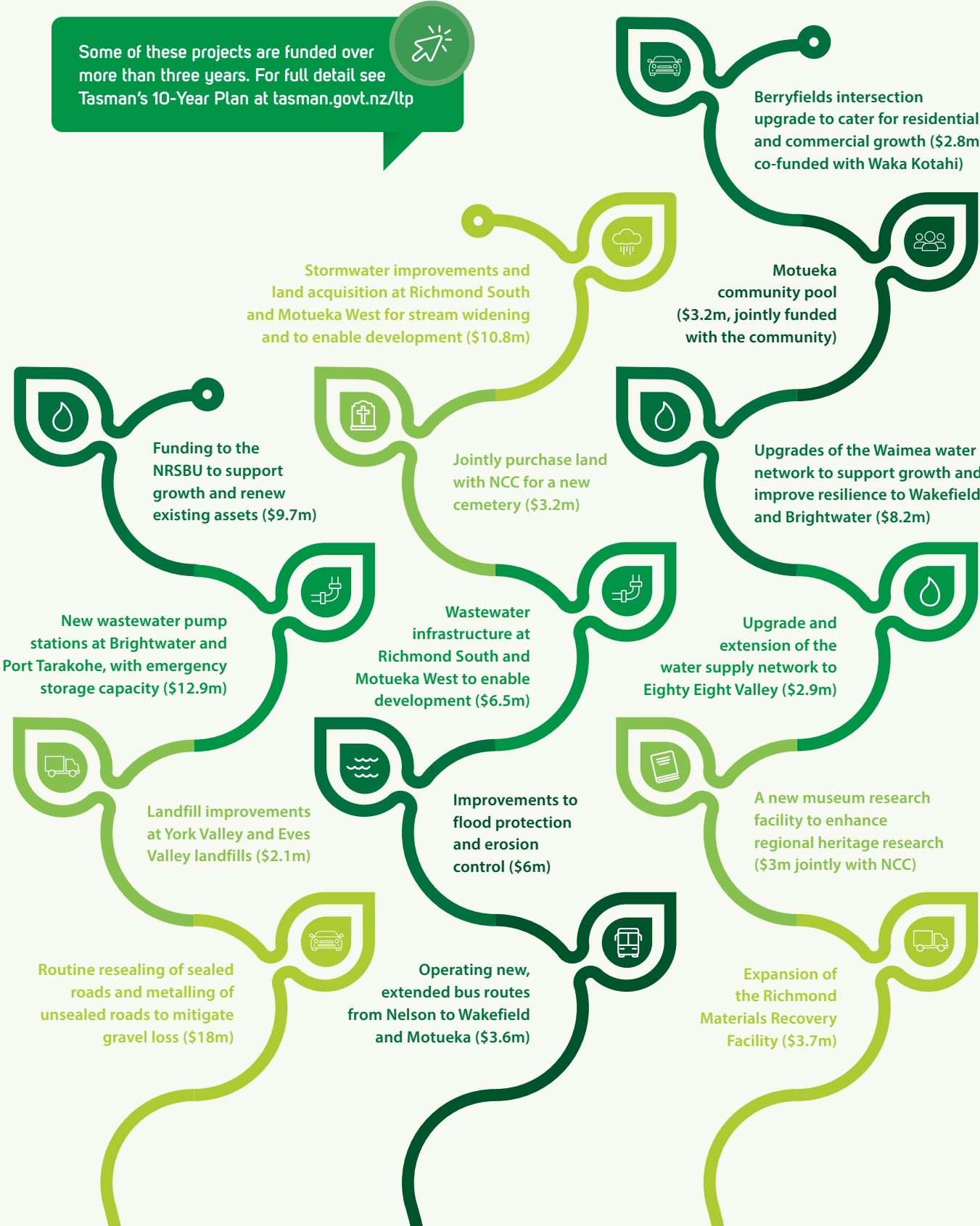
New painted on-road cycle lanes on key routes in Richmond and Motueka



MAJOR PROJECTS

A major project has a significant capital investment or community impact. Here is a snapshot of the major projects we are working on over the next three years to continue improving essential services, providing the infrastructure our growing District needs, investing in community spaces that bring people together and contribute to a thriving and resilient Tasman District.

Some of these projects are funded over more than three years. For full detail see Tasman's 10-Year Plan at tasman.govt.nz/ltp



OTHER COUNCIL PROJECTS

WAIMEA COMMUNITY DAM

Construction is steadily progressing and is now more than 70% complete, despite Covid-19 impacts. The project has continued to face challenges and the most recent cost increase of \$10 million is due to a delay in the work programme and additional mechanical and river diversion costs.

The Council is responsible for fully funding the cost overruns, as well as funding 51% of the operating costs. Information on the funding arrangements agreed to date are detailed in the Annual Plan 2022/2023. The long-term funding arrangements for the additional cost overruns still need to be determined.

Waimea Water Ltd now forecasts the dam to be completed in February 2023 to begin filling the reservoir and providing service. The permanent pipework will be commissioned in early 2024, two years later than originally planned. The dam will operate on temporary facilities, while the permanent pipework is being installed.

You can see how the dam is progressing or take a virtual tour at waimeawater.nz



Meanwhile, the environmental offset programme on Rough Island has seen 40,000 natives planted over three years. When completed, the dam will provide water security and benefits for many generations to come.

THE CIVIC BUILDING: BUILDING FOR THE FUTURE

The five buildings that make up our Richmond campus are of different ages and construction. They do not collectively meet current seismic standards. The new Council will need to consider and consult the community on options for future accommodation, all of which will incorporate value for ratepayers regardless of the future of local government in Tasman.

DIGITAL INNOVATION PROGRAMME (\$13.3 MILLION OVER 2021–2024)

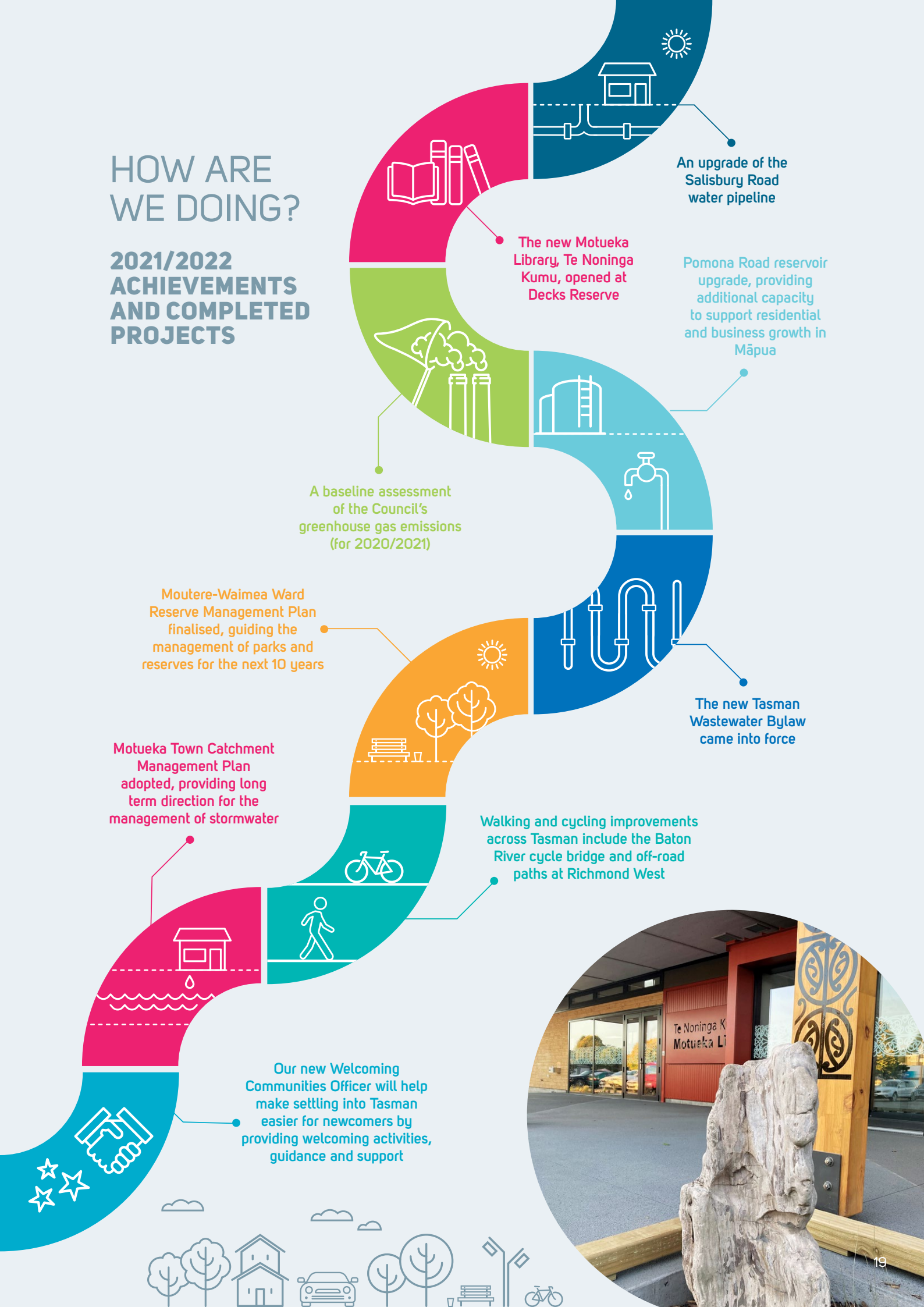
This programme will ensure we have the systems and capability to manage the needs of the Tasman community with the aim being to 'Deliver, Differently'. It is the digital backbone to enable the re-imagining of services, their delivery and the fulfilment of the Council's commitments.

Residents will be easily able to gain access to their information and the processes they need and Council staff will have a common system providing one consistent view of the District, supporting decision-making and choices for Tasman's future.



HOW ARE WE DOING?

2021/2022 ACHIEVEMENTS AND COMPLETED PROJECTS



RESIDENTS SURVEY RESULTS

We believe Tasman District is a great place to live, work and play. This is consistently backed up by our annual residents survey.

AREAS WHERE WE ARE DOING WELL

87%

of residents are happy with our recreational facilities (e.g. playing fields and neighbourhood reserves)



75%

of residents are happy with the service they received when they contacted a Council office



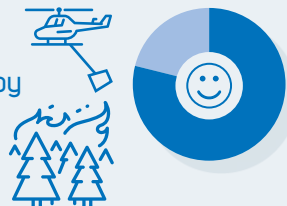
96%

of residents are happy with our library services



79%

of residents are happy with emergency management



93%

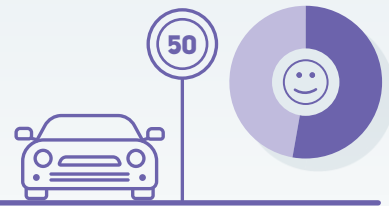
of residents are satisfied with the kerbside recycling provided



AREAS WHERE WE WANT TO LIFT OUR PERFORMANCE

53%

of residents are happy with roads



66%

of residents are satisfied with Council-provided environmental information



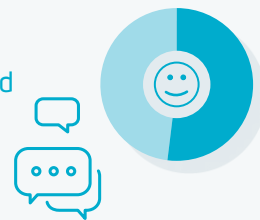
63%

of residents are happy with footpaths



52%

of residents are satisfied with the way Council consults the public in the decisions it makes



60%

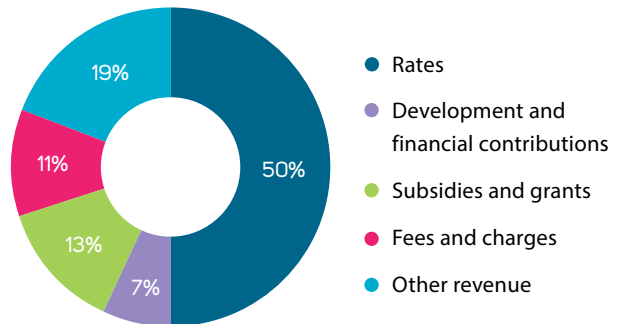
of residents are happy with our community programmes and events



COUNCIL'S FINANCES

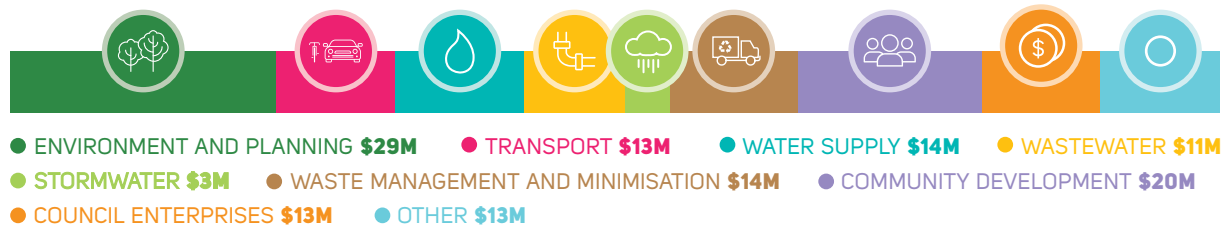
WHERE DOES THE MONEY COME FROM?

It takes around \$178.6 million to run our District every year. 50% of our funding comes from rates. Our other sources of revenue includes fees and charges, Government and grant funding, applying for subsidies, and increasing earnings and dividends from our commercial investments.

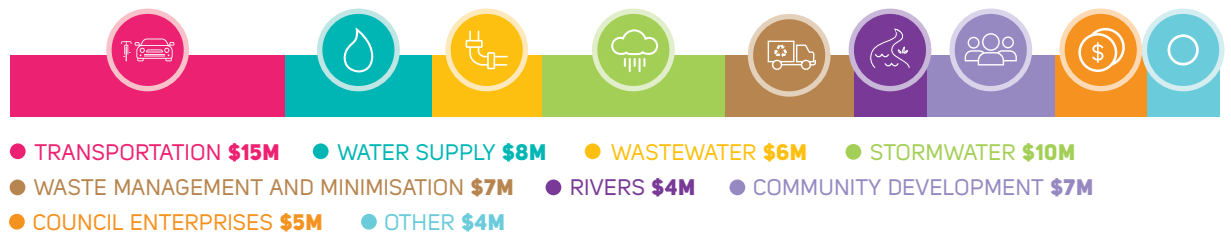


WHERE DOES THE MONEY GO?

OPERATIONAL EXPENDITURE (the costs of providing ongoing services)



CAPITAL EXPENDITURE (to purchase or create assets)



The above numbers are based on the 2022/2023 Annual Plan.

THE 10-YEAR PLAN AND OUR FINANCIAL STRATEGY

Tasman District Council's current Financial Strategy is set out in our 10-Year Plan, and guides Council's future funding decisions and informs the capital and operational spending for the 10-Year Plan. Over the next few years, forecast rates income increases and debt levels are projected to be very near the Council's limits.

The Financial Strategy aims to enable us to invest in areas that will deliver benefits in the future and be well positioned to assist the District to respond to any remaining economic impacts from Covid-19. The Council has three inter-related goals for its Financial Strategy:

- Provide good stewardship of community resources
- Deliver value for current and future residents
- Use debt as a tool for intergenerational equity and retain borrowing headroom




THE 2022/2023 ANNUAL PLAN (ANNUAL BUDGET)

The Council adopted the Annual Plan for 2022/2023 on 23 June. We considered changed circumstances since the adoption of the 10-Year Plan in June 2021, which resulted in a higher-than-planned rates income increase of 5.05%.

Through this Annual Plan, we have also made efforts to minimise rates increases though:

- Reductions in the budget for consultancy
- Lower budgets for maintenance and operations
- Higher forecast revenue from fees and charges
- Deferral of projects in the capital programme
- Deferral of \$2 million of the Digital Innovation Programme

You can read our Annual Plan at tasman.govt.nz/annual-plan



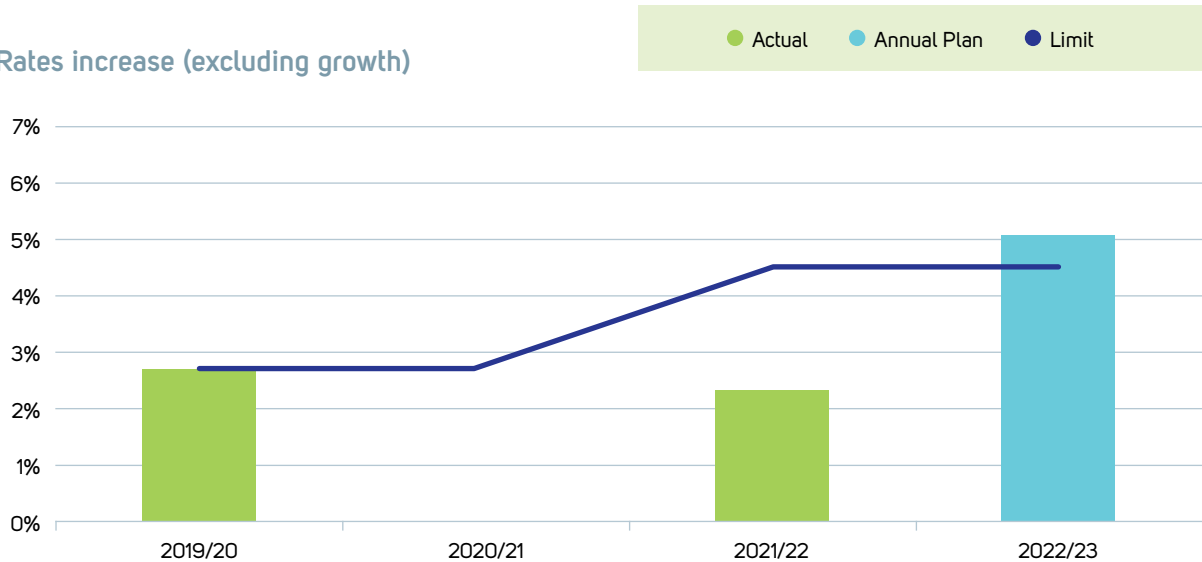
RATES

Our strategy is to maintain rates increases at modest and stable levels. The annual rates requirement is determined through the Council's Annual Plan or 10-Year Plan process. Rates are then apportioned out to individual properties based on the rating factor the rate is charged on. Changes driving higher costs mean we have a larger increase in rates (5.05%) for the financial year 2022/2023 than was planned for Year Two of the 10-Year Plan.

The main changes that created pressure to increase rates revenue were:

- Complying with Water Services Act 2021
- Maintaining Council's insurance cover
- Attracting and retaining staff in a competitive labour market
- Funding further cost overruns in the Waimea Community Dam
- Increases in cubic metre water rates
- Taking advantage of Waka Kotahi funding to improve walking and cycling infrastructure

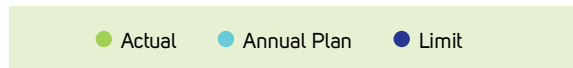
Rates increase (excluding growth)



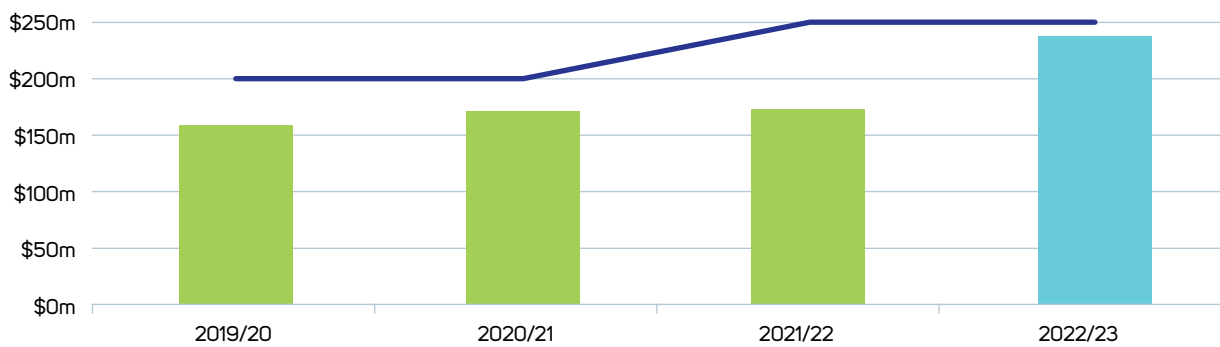


DEBT

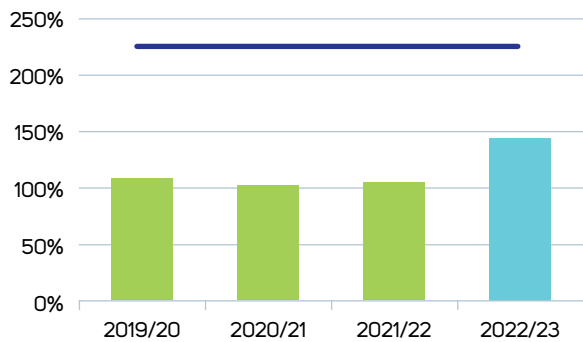
The Financial Strategy includes a cap on net debt-to-revenue to keep debt at manageable levels. This was increased in the 10-Year Plan from \$200 million to \$250 million. The Council's net debt at 30 June 2022 is \$173.8 million, meaning we have \$76.2 million left before we reach the debt cap.



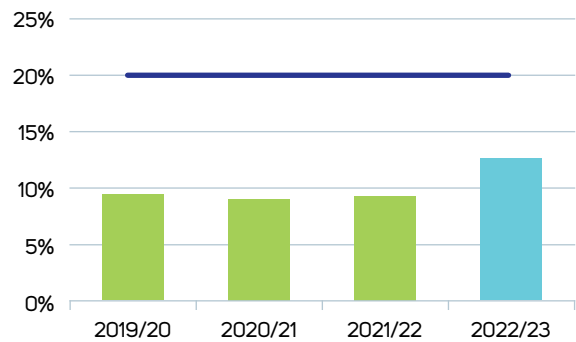
Total net debt



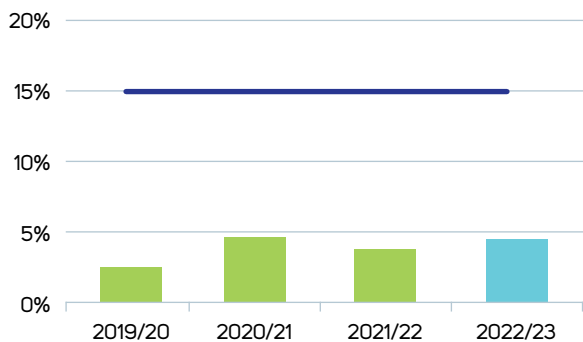
Net external debt/total operating revenue



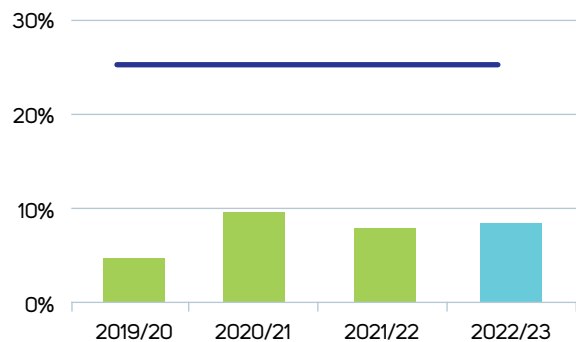
Net external debt/equity



Net interest/total operating income



Net interest/total rates income



INVESTMENTS

The Council has prioritised improving the returns from its commercial and semi-commercial investments, including commercial investment property, Port Tarakohe, forestry holdings, holiday parks, aerodromes and the Motueka Harbour and Coastal Works reserve fund. We also maintain equity investments and other shareholdings, including in Port Nelson Limited and Nelson Airport Limited.

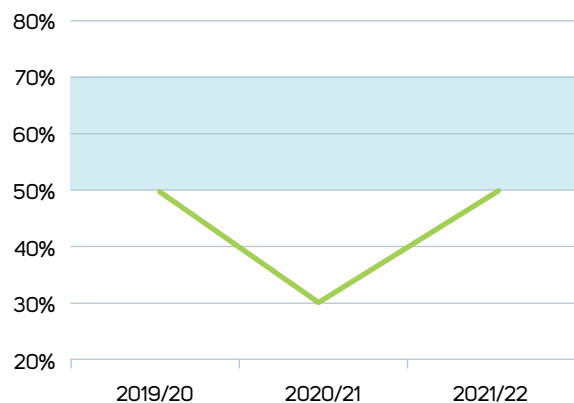
The following is a summary of the Council's return on investments compared with the targets specified in the Financial Strategy. The 2021/2022 returns have been sourced from the companies' 2021/2022 Statements of Intent (SOI).

PORT NELSON LIMITED

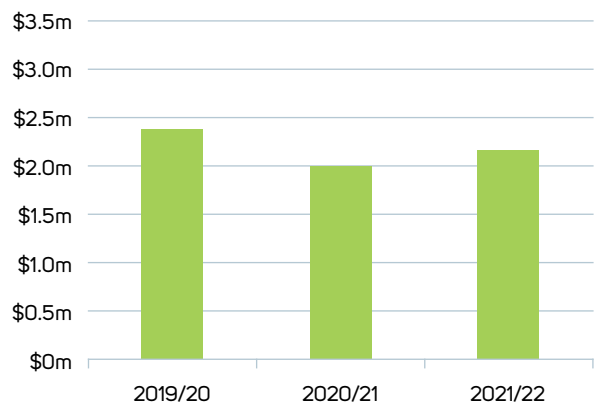
The Tasman District Council is a 50% shareholder with Nelson City Council.
Target return: Annual dividend of not less than 50% of net profit after tax.



Dividend as % net profit after tax



Port Nelson dividend received



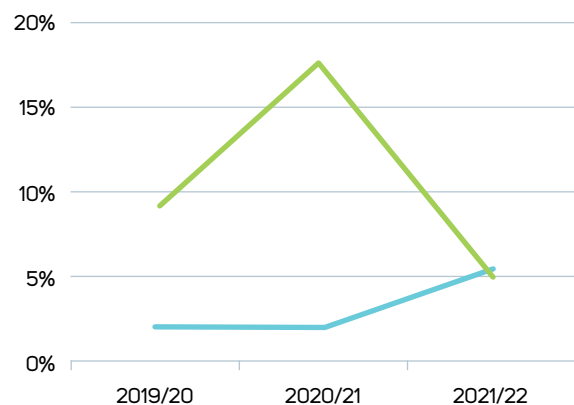
NELSON AIRPORT LIMITED

The Tasman District Council is a 50% owner with Nelson City Council.

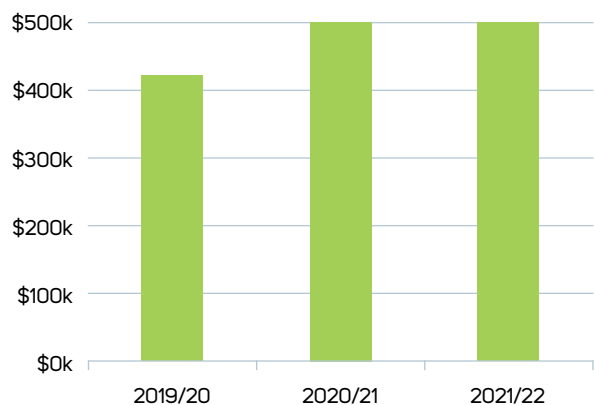
Target return: Annual dividend both higher than previous financial year and inflation (CPI) for the last published period.



% increase in dividend



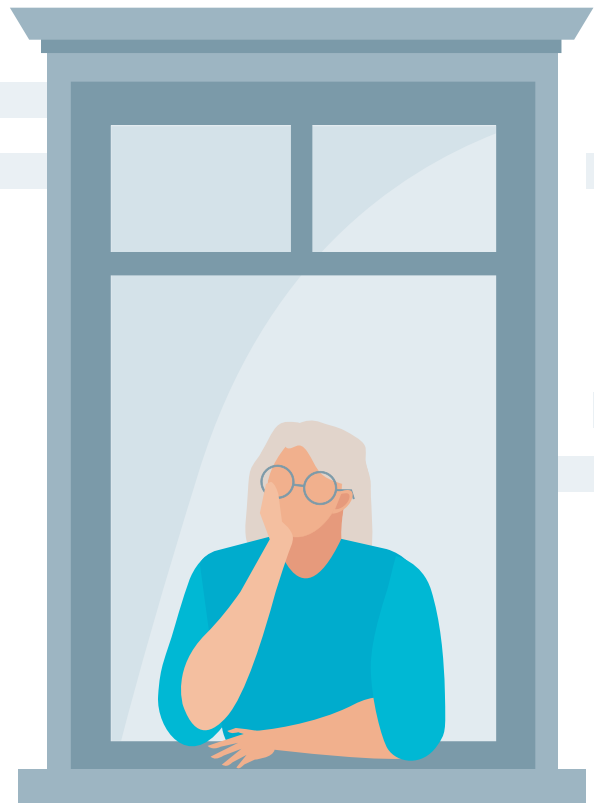
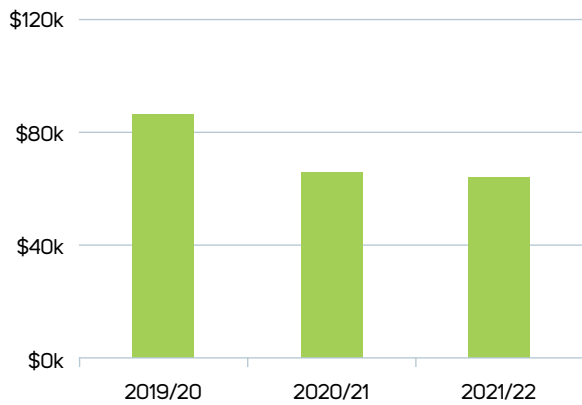
Nelson Airport dividend received



NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY (LGFA)

The Council is a minority in the LGFA and as such receives dividends from it. **Target return:** Annual dividend equal to the LGFA cost of funds plus 2%.

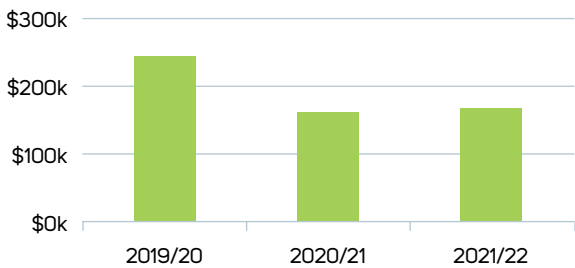
LGFA dividend received



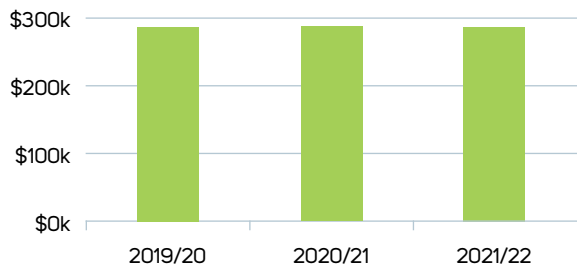
COMMERCIAL FORESTRY

10% of net forestry revenue derived from Moturoa / Rabbit Island must be used for the maintenance of Moturoa / Rabbit Island each year.

10% net forestry revenues



Internal dividends for maintenance



WAIMEA WATER LIMITED

There is no targeted return on this investment. The company is operated on a break-even basis only. There will be no dividends paid to shareholders.



COUNCIL'S FINANCIAL POSITION

The Council's forecast net worth for 2022/2023 is \$1,882,128B. This is calculated as the difference between our total assets (what Council owns) and total liabilities (what Council owes to lenders and suppliers).

SUMMARY STATEMENT OF FINANCIAL POSITION

as at 30 June (\$'000)

ACTUAL 2019/2020	ACTUAL 2020/2021	ESTIMATE 2021/2022		ANNUAL PLAN		LONG TERM PLAN 2021 – 2031	
				2022/2023	2023/2024	2024/2025	2025/2026
CURRENT ASSETS							
89,077	40,157	50,254	Financial assets	30,048	55,842	55,402	53,925
-	-	-	Other current assets	-	-	-	-
89,077	40,157	50,254	Total current assets	30,048	55,842	55,402	53,925
CURRENT LIABILITIES							
66,003	25,909	24,003	Current portion of borrowings	34,003	8,503	22,003	10,003
33,389	45,224	21,835	Other current liabilities	30,294	42,451	42,005	40,494
99,392	71,133	45,838	Total current liabilities	64,297	50,954	64,008	50,497
(10,315)	(30,976)	4,415	Working capital	(34,249)	4,888	(8,606)	3,428
NON-CURRENT ASSETS							
19,159	12,451	54,388	Financial assets	3,915	9,992	9,963	9,935
1,764,183	1,943,840	1,981,323	Other non-current assets	2,154,931	2,098,850	2,120,213	2,253,388
1,783,342	1,956,291	2,035,711	Total non-current assets	2,158,846	2,108,842	2,130,176	2,263,323
NON-CURRENT LIABILITIES							
148,181	144,062	185,760	Term borrowings	224,311	275,546	261,292	264,224
33,056	17,993	5,534	Other non-current liabilities	18,158	22,990	22,976	22,972
181,237	162,055	191,294	Total non-current liabilities	242,469	298,536	284,268	287,196
1,591,790	1,763,260	1,848,833	Total net assets	1,882,128	1,815,194	1,837,302	1,979,555
1,591,790	1,763,260	1,848,833	Total equity	1,882,128	1,815,194	1,837,302	1,979,555

The financial information contained in this report includes both actual and forecast figures. The 2021/2022 figures have been estimated using the Council's draft June 2022 figures prepared 8 July 2022 adjusted for outstanding year-end items such as accounting for Council's investments in associates, depreciation adjustments and joint venture consolidation. The adjustments were based on either the 10-Year Plan 2021 – 2031 budgets or best financial information available. Please note the difference between the estimated and actual year end results could be material.



HOW COUNCIL'S SPENDING IS FUNDED

The Funding Impact Statement shows the amounts we receive and pay out each year. It shows what's received, how it's used to provide services, what is spent on assets to provide future services and how these assets are funded.

WHOLE OF COUNCIL FUNDING IMPACT STATEMENT

as at 30 June (\$000)

ACTUAL 2019/2020	ACTUAL 2020/2021	ESTIMATE 2021/2022		ANNUAL PLAN		LONG TERM PLAN 2021 – 2031	
				2022/2023	2023/2024	2024/2025	2025/2026
SOURCES OF OPERATING FUNDING							
40,605	40,821	44,067	General rates, uniform annual general charges, rates penalties	47,316	50,750	54,343	59,384
35,739	37,222	38,425	Targeted rates	41,037	41,978	46,489	49,879
5,708	9,767	10,322	Subsidies and grants for operating purposes	6,364	8,174	6,248	6,248
15,196	17,266	18,269	Fees and charges	19,864	18,416	18,696	18,826
3,857	3,427	3,291	Interest and dividends from investments	3,323	3,571	3,570	3,568
27,130	25,345	37,211	Local authorities fuel tax, fines, infringement fees, and other receipts	29,044	29,256	27,963	27,695
128,235	133,848	151,585	Total sources of operating funding	146,948	152,145	157,309	165,600
APPLICATIONS OF OPERATING FUNDING							
100,277	105,359	117,537	Payments to staff and suppliers	121,173	123,740	118,664	121,750
7,938	7,438	7,406	Finance costs	8,085	8,173	8,139	7,943
-	-	-	Other operating funding applications	-	-	-	-
108,215	112,797	124,943	Total applications of operating funding	129,258	131,913	126,803	129,693
20,020	21,051	26,642	Surplus/(deficit) of operating funding	17,690	20,232	30,506	35,907
SOURCES OF CAPITAL FUNDING							
6,143	18,438	17,614	Subsidies and grants for capital expenditure	17,257	4,477	9,251	5,973
10,527	16,832	22,709	Development and financial contributions	12,192	12,270	10,344	10,424
54,634	(39,000)	6,635	Increase/(decrease) in debt	35,130	18,134	(754)	(9,068)
16	172	11	Gross proceeds from sale of assets	62	62	62	62
-	-	-	Lump sum contributions	-	-	-	-
-	-	-	Other dedicated capital funding	-	-	-	-
71,320	(3,558)	46,969	Total sources of capital funding	64,641	34,943	18,903	7,391
APPLICATIONS OF CAPITAL FUNDING							
Capital expenditure							
884	2,880	4,109	• To meet additional demand	330	4,330	61	63
30,860	42,203	15,127	• To improve the level of service	14,113	12,179	13,883	4,464
22,247	28,944	48,145	• To replace existing assets	51,605	40,040	35,648	38,753
(1,896)	(7,098)	(1,024)	Increase/(decrease) in reserves	216	(1,265)	(154)	46
39,245	(49,436)	7,254	Increase/(decrease) in investments	16,067	(109)	(29)	(28)
91,340	17,493	73,610	Total applications of capital funding	82,331	55,175	49,409	43,298
(20,020)	(21,051)	(26,642)	Surplus/(deficit) of capital funding	(17,690)	(20,232)	(30,506)	(35,907)
-	-	-	Funding balance	-	-	-	-

STAND

FOR TASMAN

Tasman
is your home
and your District,
so join us and
stand for your
Council

KEY DATES

Friday
15 July

**NOMINATIONS
OPEN**

Noon
Friday 12
August

**NOMINATIONS
CLOSE**

From
Friday 16
September

VOTING



Saturday
8 October
Voting closes
at noon

**ELECTION
DAY**

Wednesday
19 October

**FINAL
RESULTS**