Council activities

Council structures its work programme around eleven activities:

- Transport
- Water supply
- Wastewater
- Stormwater
- Flood Protection
- Solid waste
- Environment
- Social
- Parks and active recreation
- Economic
- Corporate

If you are interested in finding out more about a particular project this section is a good place to start. The key projects and budgets for the 10 years of this Plan are included in the relevant activity sections.

What has changed since the 2015 Long Term Plan? Solid waste has moved from within the Environment activity and is now a stand-alone activity, recognising the joint landfill operation with Tasman District Council. Civil defence emergency management has moved from the Environment activity to Corporate, which is a more appropriate location. Capital expenditure for central business district enhancement is included in the Economic activity, which is the activity these projects most directly contribute to.

The activity sections are set out in a consistent way. There is a brief description of what each activity covers - **what we do**. Then follows discussion of the rationale for Council's involvement - **why we do it**. The **challenges** Council faces in delivering the activity are next and then the **priorities** give more detail on key projects. The **service levels** explain the standard to which Council aims to deliver and how it measures progress towards targets.

The **drivers of capital expenditure** show where the main capital costs lie. **Assumptions** specific to that activity are followed by a section on **impacts and risks** of the activity and how those risks are mitigated.

At the end of each section is the relevant **summary financial information** that sets out the forecast budget for the next 10 years.

Transport

WHAT WE DO

Council provides transport infrastructure for Nelson city, including the roads and paths used for driving, parking, cycling and walking. Services include road safety, traffic and parking control, and public transport.

WHY WE DO IT

Council aims to provide a transport network, now and into the future that enables the safe and efficient movement of people and goods throughout Nelson. Enabling regional freight and tourism movements is essential for economic wellbeing and the city's amenity. A well-designed transport system is critical to creating a liveable city.

Council aims to minimise the risk of transport disruption as a result of:

- natural hazards such as earthquakes and flooding
- increasing traffic movements and congestion
- road maintenance and renewals.

CHALLENGES

Natural hazards and climate change

The transport network is essential for all other utilities to get up and running rapidly after a disaster, so needs to be resilient to natural hazards such as earthquakes and flooding and the consequences of climate change such as storm surge and coastal inundation. Council responds to this challenge by focusing resources on maintaining and developing alternatives routes to arterial roads, emergency response and repair and integrating the Civil Defence Emergency Management Lifelines Plan into the Transport Asset Management Plan. Council has a robust inspection and renewals programme to ensure Council gets the best value for money for its transport assets.

Existing network capacity

An increase in tourism and commercial vibrancy has seen growth in the number of car and freight users and additional demands on the existing road network including the primary freight corridors to Port Nelson and the airport. Council has a Regional Transport Plan with Marlborough and Tasman District councils that prioritises transport projects and responds to this and other challenges. A key project is to progress the Nelson Southern Link Investigation to better understand the appropriate response to increasing levels of congestion and forecast growth, in tandem with the Rocks Road walking and cycling project. Other projects are a partnership with our neighbours and the New Zealand Transport Agency that consider the best form, function and hierarchy of the Richmond and Stoke South transport network, and improvements to the safety and resilience of the SH6 Blenheim to Nelson route.

Renewal funding

Over recent years Council has significantly increased its investment in looking after and renewing its existing assets with the main areas of increased expenditure on sealed

road resurfacing and the replacement of bridges and retaining walls. However, there is some uncertainty over the New Zealand Transport Agency's level of co-investment in these renewal activities, which will not be resolved until after this Plan is completed. Council responds to this challenge by having a prioritised renewals programme based on improved monitoring and data analysis to identify where the focus is most needed. We regularly update and assess the Road Asset Maintenance Management database.

Growth

The Infrastructure Strategy considers how we will provide and pay for infrastructure to enable growth, and explores opportunities to reduce these costs. To support the growing city, Nelson needs infrastructure that is able to readily adapt to changes in demand. The biggest challenge is to provide a transport network that is safe, enables economic development and allows residents to travel efficiently day to day. Unfortunately, increasing congestion due to limitations in the network is constraining growth, increasing travel times, limiting other travel options and causing safety concerns.

The approach signalled in the 2018 Infrastructure Strategy for Transport includes:

- implementing projects that enable growth and improve travel time reliability on key journey routes
- investing in initiatives that provide and promote transport choice
- integrating the Southern Link with the local network, as the project proceeds
- adopting new technology where it helps us solve issues or meet objectives.

In addition to the money collected by Council through development contributions, more funding is required to cater for the transport demands associated with population growth and development and to help ensure the region has a well-designed transport network that supports a liveable city. Better data collection and analysis, monitoring of demand and growth assumptions and road surface issues will help Council plan for and respond to growth. The Top of the South councils, in partnership with the New Zealand Transport Agency, have collaborated to develop a joint Regional Land Transport Plan that aims to provide the community with an efficient, safe and resilient road network.

The key problems and benefits from solving those problems that face land transport in the Top of the South were collaboratively determined. The following key problems were identified for a coordinated response:

- Constraints on the transport network are leading to delays affecting freight, tourism, business and residential growth
- Lack of redundancy, limited alternative routes and susceptibility of the network to the impacts of climate change and high impact natural hazards increases the risk of losing community connectivity and impacting the economy
- Roads and footpaths do not currently meet the needs of our ageing population, walkers and cyclists thereby creating barriers to those wishing to use alternative modes of transport.

The Nelson Southern Link Investigation and SH6 Rocks Road Walking and Cycling Project

To support this growing city, Nelson needs a transport network that is safe, resilient, enables economic development, supports our tourism industry and provides our residents with choices on how they travel day to day. Unfortunately, increasing congestion is limiting our ability to create a liveable city and to see our region thrive. Our monitoring data shows the problems experienced during peak times are now extending into off-peak times in the morning and afternoon.

Port Nelson is the region's maritime gateway but the movement of freight to and from this key economic hub is hampered by delays due to congestion. Our waterfront has the capacity to be a world class visitor attraction, but is compromised by the heavy vehicles and traffic it currently has to accommodate. Furthermore, Rocks Road functions as a vital lifelines route but is at risk from increasingly frequent severe weather events.

It is important that residents and visitors to the city can enjoy the waterfront, including if they wish to walk or cycle. Cycling is increasingly important as more and more people come to the region to experience the Great Taste Trail and begin or end their cycling experience with time in our city. Council wants to encourage these environmentally friendly modes of transport and needs a network that supports this.

Council supports the Nelson Southern Link Investigation continuing and indeed it is essential that we make progress on this project if we are to address problems in the transport network and make the most of the opportunities to support businesses, residents and visitors.

Accordingly the Draft Regional Land Transport Plan includes funding for the preparation of the Detailed Business Case (years 2018/19 and 2019/2020) as well as pre-implementation work (years 2020/21 and 2021/22). This is a New Zealand Transport Agency project but Council is seeking progression of the Nelson Southern Link Investigation and SH6 Rocks Road Walking and Cycling projects as soon as practical. $574k in 20/21 and $117k in 21/22 has been budgeted as the Council's contribution to the SH6 Rocks Road Walking and Cycling Project.

Technology

Technological change will result in new, currently unknown demands on the transport network to support ride and car share apps and the use of driverless cars. Council wants to do more work in coming years to respond to this change. There are opportunities to use new technology to manage parking demand, encourage more use of electric bikes and cars, trialling and use of autonomous vehicles, and for Nelson to lead the change to a transport system that meets the needs of an ageing population.

Our existing bus ticketing system, is nearing the end of its technological life cycle and a replacement system is needed as soon as possible. A consortium of nine regions has agreed to work together to jointly procure an interim single ticketing solution that will meet immediate ticketing needs for bus services only. This interim solution is expected to be in place for about five years until it is replaced by a New Zealand Transport Agency-driven National Ticketing Programme solution for all of New Zealand's local government public transport providers.

COMMUNITY OUTCOMES

Council's transport activity contributes primarily to the following community outcomes:

- Our urban and rural environments are people-friendly, well planned and sustainability managed
- Our infrastructure is efficient, cost effective and meets current and future needs
- Our communities have access to a range of social, educational and recreational facilities and activities
- Our region is supported by an innovative and sustainable economy
- Our unique natural environment is healthy and protected

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- Improving **collection and analysis of data** to inform future decision making and prioritisation at $6.1 million over the 10 year period
- **City Parking –** Council is intending to retain the first hour free parking with subsequent fees to increase to $2 per hour to raise additional funding to support the CBD
- **Stoke foothills road network –** As part of a wider investigation of priorities for required transport projects over the ten years of this Plan
- **Bridges and retaining walls –** Inspection, maintenance and renewal programme to ensure resilient structural infrastructure. $9.7 million has been allocated over the long term plan
- **Re-sealing programme** – Council's priority is to ensure an appropriate level of service, making sure the road pavements are kept waterproofed, and to maintain safety through required skid resistance levels. $13 million has been allocated across the ten year work programme
- **Investment in roads** - Integration of the local network with any transport solutions flowing from the Nelson Southern Link Investigation to ensure the city has an effective arterial network which includes state highways and securing New Zealand Transport Agency funds for our region
- **Cross town links** – $1.9 million has been allocated to improve central city cycling and walking facilities, including along Nile Street
- The **Tahunanui cycle network** – planned programme of works for implementation in 2019/20 at a cost of $2.1 million
- A **Stoke East / West connection** to improve cycling and walking routes from the Stoke foothills into central Stoke and the Railway Reserve. This is an integrated project with planning beginning in 2018/19 and construction currently programmed for 2022/23
- Repainting of the **Collingwood St bridge** is planned for 2019 at a cost of $350,000
- The **continuation of the footpath programme** with $400,000 per year to renew footpaths
- Consideration of upgrading all roads with an **asphalt cement surface** to increase durability and reduce noise. Such a project would be at the full cost to Council (i.e. no New Zealand Transport Agency funding) of $150 million if it were to proceed
- The **parking meter renewal project**, will provide a study into smarter options for parking in the CBD.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

What Council will provide	Performance measures	Current performance	Targets			Targets years 4 - 10
			Year 1	Year 2	Year 3	
A safe road network	Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network	2016 - 15 serious injury crashes and one fatality 2015 – 11 serious injuries 2014 – 10 serious injuries	One fewer fatality and serious injury crashes on the local road network compared to previous year	0	-1	-5
Smooth sealed road network	Average quality of ride on a sealed local road network, measured by smooth travel exposure by One Network Road Classification	90% in 2016/17, 92% in 2015/16 (target 87% in 2015/16 and 2016/17)	The following Smooth Travel Exposure targets are not exceeded, in each year: One Network Road Classification — Smooth Travel Exposure Target Regional 90% Arterial 85% Primary Collector 80% Secondary Collector 80% Access 75% Low Volume 75%			
Maintenance of sealed local road network	Percentage of the sealed local road network resurfaced	5.6% in 2016/17, 7.4% in 2015/16, 4.8% in 2014/15 (target 6.4-7.4%)	Not less than 3% and not more than 8.5%, in each year			
Good quality smooth footpath surface	Percentage of footpaths that fall within the level of service standard for condition of footpath, as in Asset Management Plan	93% of footpath network with condition rating of 3 or less, 95% in 2014 (only two surveys to date)	95% or more of the footpath network by length has a condition rating between 1 and 3 (1-excellent/3-good/5-very poor)			
Accessibility - Providing transport choices via public transport and, Efficiency – Maximise movement of people via public transport	NBus patronage	2014/15 415,326 annual number of passengers 2015/16 414,212 annual number of passengers 2016/17 426,237 annual number of passengers	4% increasing trend over time			

Efficiency – Maximise movement of people via walk and cycle modes	Percentage of the community that travel to work by walking or cycling	2013 Census - 18.3% of commuters made up of walker/joggers 9.6%, cyclists 8.7%. 2016 Residents Survey - 21% walked or cycled. 2017 Residents Survey - 19% walked or cycled.	Year 1 – 20% combined of all journeys to work by walking or cycling Year 2 – 20% combined of all journeys to work by walking or cycling Year 3 - 21% combined of all journeys to work by walking or cycling Year 4 – 25% combined of all journeys to work by walking or cycling
Responsiveness to service requests	Percentage of customer service requests relating to roads and footpaths to which Council responds within five working days	78% in 2016/17, 82% in 2015/16	80 % of service requests responded to within five working days

DRIVERS OF CAPITAL EXPENDITURE

The main capital expenditure drivers for the region over the next three years are:

- ensuring a resilient and innovative transport network
- planning integrated and sustainable developments to respond to population growth and ageing population needs
- walking and cycling projects to encourage communities to be more active

A proportion of capital expenditure will be allocated from regional funding, as explained in detail in the Regional Land Transport Plan.

ASSUMPTIONS

As well as the general assumptions that apply as the basis for forecasting budgets across Council's work, the following specific assumptions apply to Council's transport activities. It is assumed that:

- National and regional funding identified in the Regional Land Transport Plan will be supported in the National Land Transport Programme
- New Zealand Transport Agency financial assistance rates will increase from the current 49% to 50% in 2018/19 and a further rise of 1% to 51% in 2019/20
- Integration of the Nelson Southern Link project with the local road system has not been included but a detailed business case is planned to be completed by NZTA by 2019/20 with implementation to follow
- Tasman District Council will contribute $89,000 per year to the Nelson / Richmond passenger transport service and $$84,000 to the total mobility service
- The patronage of public transport will continue to meet Council's 45 – 55% target for Fare Box Recovery and this proportion will enable Council to continue to support the public transport level of service
- The public transport SuperGold central government bulk funding allocation will reimburse total costs incurred by Council for administering the scheme

- Energy prices will not increase or decrease significantly over the next three years with a consequent effect on vehicle use or shifts to other modes of transport
- Tasman District Council will continue to promote free parking in Richmond
- Parking meter revenue is collected at a level of approximately $637,000 each year
- Free parking for the first hour will continue over the period covered by this Long Term Plan, with an increased rate of $2 per subsequent hour.

IMPACTS AND RISKS

- Since 2014 there has been a continued upward trend of increased traffic volume along some of our main arterial routes such as Main Road Stoke and Waimea Road. The traffic volume trend is being monitored to inform future capacity requirements. Council is developing better localised traffic modelling capabilities and is working with NZTA on arterial models. The Nelson Southern Link Investigation updated the Regional Transport Model in 2015/16 to better understand future regional and arterial traffic demand
- Following the recent significant growth in traffic volume, Council has subsequently received complaints during the morning and afternoon peaks about the routes that provide an alternative to the arterials of SH6 and Waimea Road. This traffic that is avoiding the arterial routes is typically known as “rat running”. Customer complaints often express a concern for safety due to the rat running traffic often travelling fast as well as a loss of amenity from increased traffic noise
- Access to ongoing NZTA funding will require Council to develop a better understanding of its transport assets and specific asset deterioration curves. Our understanding of carriageway surface ages and conditions has recently improved enough to know that there is a backlog in road surface renewals. This cost is being spread to catch up over a 10 year period; this should reduce the annual cost on average
- If the Nelson Southern Link project goes ahead it might have an impact on Rocks Road retaining its current state highway status. Any proposal to make Rocks Road a local road would be subject to negotiations with NZTA
- Incompatibility of users on some parts of the network. For example, the issue of narrow footpaths and the safe travel of mobility scooters has been mitigated through the construction of the wider, smoother and flatter footpaths in acknowledgment of the ageing population.

TRANSPORT FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	10,927	10,961	11,001	11,898	11,935	12,592	12,972	13,599	14,158	14,626	15,310
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	2,388	3,009	2,826	2,933	3,038	3,171	3,207	3,330	3,369	3,442	3,658
Fees and charges	599	1,432	1,456	1,480	1,505	1,532	1,560	1,589	1,620	1,652	1,686
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1,909	1,830	1,852	1,875	1,903	1,928	1,957	1,987	2,020	2,053	2,090
Total Operating Funding	**15,823**	**17,232**	**17,135**	**18,186**	**18,381**	**19,223**	**19,696**	**20,505**	**21,167**	**21,773**	**22,744**
Applications of operating funding											
Payments to staff and suppliers	9,749	11,736	11,515	12,378	12,247	12,713	12,829	13,248	13,551	13,839	14,500
Finance costs	134	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied *	1,134	825	803	806	914	1,037	1,141	1,231	1,325	1,363	1,370
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**11,017**	**12,561**	**12,318**	**13,184**	**13,161**	**13,750**	**13,970**	**14,479**	**14,876**	**15,202**	**15,870**
Surplus (Deficit) of operating funding	**4,806**	**4,671**	**4,817**	**5,002**	**5,220**	**5,473**	**5,726**	**6,026**	**6,291**	**6,571**	**6,874**
Sources of capital funding											
Subsidies and grants for capital	4,728	2,716	2,993	3,330	4,187	3,745	4,885	4,168	5,052	3,859	4,396
Development and financial contributions	195	266	271	277	284	290	297	304	312	320	329
Increase (decrease) in debt	4,009	(122)	(270)	822	2,216	1,885	1,518	1,611	487	(633)	364
Gross proceeds from sale of assets	23	25	26	27	28	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**8,955**	**2,885**	**3,020**	**4,456**	**6,715**	**5,920**	**6,700**	**6,083**	**5,851**	**3,546**	**5,089**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	629	225	197	820	809	1,506	2,856	3,019	1,952	2,255	1,180
- to improve level of service	10,009	3,671	3,682	4,939	7,048	5,385	5,078	3,945	4,832	2,818	5,830
- to replace existing assets	3,123	3,660	3,958	3,699	4,078	4,502	4,492	5,145	5,358	5,044	4,953
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**13,761**	**7,556**	**7,837**	**9,458**	**11,935**	**11,393**	**12,426**	**12,109**	**12,142**	**10,117**	**11,963**
Surplus (Deficit) of capital funding	**(4,806)**	**(4,671)**	**(4,817)**	**(5,002)**	**(5,220)**	**(5,473)**	**(5,726)**	**(6,026)**	**(6,291)**	**(6,571)**	**(6,874)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Surplus / (Deficit) of operating funding from Funding Impact Statement	**4,806**	**4,671**	**4,817**	**5,002**	**5,220**	**5,473**	**5,726**	**6,026**	**6,291**	**6,571**	**6,874**
Subsidies and grants for capital expenditure	4,728	2,716	2,993	3,330	4,187	3,745	4,885	4,168	5,052	3,859	4,396
Development and financial contributions	195	266	271	277	284	290	297	304	312	320	329
Vested Assets	3,000	4,120	4,211	4,303	4,398	4,499	4,607	4,718	4,836	4,961	5,095
Gains on sale	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(6,734)	(7,001)	(7,267)	(7,562)	(7,887)	(8,237)	(8,623)	(9,021)	(9,449)	(9,894)	(10,354)
Other non-cash income/expenditure	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**5,995**	**4,772**	**5,025**	**5,350**	**6,202**	**5,770**	**6,892**	**6,195**	**7,042**	**5,817**	**6,340**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

	Forecast 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Transport											
Roads: Subsidised											
Sealed Road Resurfacing	613,312	1,170,000	1,195,740	1,222,042	1,248,928	1,277,652	1,308,317	1,339,720	1,373,217	1,408,926	1,446,962
Drainage Renewals	103,087	150,000	153,300	156,672	160,119	163,802	167,733	171,759	176,054	180,632	185,508
Sealed Road Pavement Rehabilitation	276,100	278,000	349,780	188,006	373,611	382,204	391,377	400,771	410,792	421,474	432,852
Structures component replacement - Retaining walls	372,046	552,000	334,586	492,277	607,872	655,206	670,932	687,036	704,214	722,526	742,032
Traffic Services Renewal - Lighting	301,429	367,000	375,074	383,324	391,758	400,768	410,387	420,237	430,744	441,945	453,876
Quarantine/Nayland intersection upgrades	-	-	51,100	52,224	115,392	546,005	1,467,272	2,290,120	821,583	-	-
Waimea Rd/Van Diemen Jct improvements	-	-	-	-	-	59,023	120,880	22,901	1,056,321	361,263	-
CCTV at traffic signals	-	10,000	132,860	-	-	-	-	-	-	-	-
Gloucester Street intersection improvements	-	-	-	-	-	-	78,275	171,759	586,845	602,105	618,360
Jenkins Creek shared path widening	47,437	180,000	-	-	-	-	-	-	-	-	-
Maitai shared path to Anzac Park	20,000	60,000	306,600	261,120	-	-	-	-	-	-	-
Market Rd Intersection improvements	-	-	12,264	-	-	-	-	22,901	93,895	842,947	123,672
Marsden Valley Ridgeway Upgrade	-	-	15,330	52,224	53,373	491,405	55,911	-	-	-	-
Waimea Ridgeway intersection upgrade	-	-	10,220	52,224	106,746	21,840	-	-	-	-	-
Minor Improvements	40,808	525,000	357,700	365,568	373,611	382,204	391,377	400,771	1,173,690	1,204,210	3,091,800
Railway Reserve/Princes Dr cycle crossing upgrade	-	104,000	-	-	-	-	-	-	-	-	-
St Vincent Street Toi Toi Street safety improvements	-	-	-	52,224	160,119	218,402	-	-	-	-	-
Streetlight improvement	-	-	51,100	104,448	106,746	-	-	-	-	-	-
Toi Toi Emano Street intersection	-	-	-	-	-	-	13,419	-	58,685	361,263	61,836
Waimea Road / Hampden Street intersection upgrade	-	40,000	255,500	-	-	-	-	-	-	-	-
Waimea Road Franklyn Street intersection improvements	-	-	15,330	20,890	53,373	764,407	111,822	-	-	-	-
Tahunanui Cycle Network - SH6 Tahunanui Drive connect	-	100,000	817,600	1,148,928	-	-	-	-	-	-	-
UCP Saltwater Creek Crossing	586,246	400,000	-	-	-	-	-	-	-	-	-
Railway Reserve surface renewal	-	-	-	-	-	-	447,288	515,277	469,476	-	-
Arapki Road Upgrade	-	50,000	51,100	313,344	53,373	-	-	-	-	-	-
Main Rd Stoke / Marsden Rd	-	-	10,220	33,841	80,775	35,381	894,576	194,660	-	-	-
Polstead Main Road Stoke intersection upgrade	-	-	10,220	-	213,492	327,603	782,754	-	-	-	-
Streetlight conversion to LED	1,677,001	723,000	-	-	-	-	-	-	-	-	-
Airport Bridge replacement	40,115	-	255,500	-	-	-	-	-	-	-	-
Market Road/Bishopdale Ave intersection improvements	-	-	-	15,667	21,349	218,402	-	-	-	-	-
Montreal Princes Drive intersection	-	-	-	-	-	-	27,956	85,880	938,952	120,421	-
Ngawhatu Suffolk intersection	-	-	10,220	-	-	-	-	-	58,685	60,211	309,180
Polstead Suffolk intersection upgrade	-	-	10,220	-	-	-	-	57,253	117,369	120,421	-
Railway Reserve improvements	-	-	-	12,534	-	27,300	223,644	229,012	234,738	-	-
Sharedzone - Beachville Cres	1,202	40,000	183,960	-	-	-	-	-	-	-	-
Sharedzone - Wigzell	-	-	88,914	10,445	213,492	-	-	-	-	-	-
Stoke Pedestrain Refuges	-	-	10,220	31,334	106,746	174,722	-	-	-	-	-

	Forecast 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Toi Toi/Vanguard intersection upgrade	-	-	16,556	39,481	640,476	109,201	-	-	-	-	-
Waimea Road Retaining Wall at Snows Hill	-	20,000	51,100	10,445	960,714	-	-	-	-	-	-
Atawhai Shared path extension to Todds Valley	-	-	-	-	-	-	-	28,627	11,737	60,211	432,852
Cross Town Links Brook to Central Programme	-	35,000	10,220	104,448	533,730	54,601	559,110	57,253	586,845	-	-
Main Road Stoke cycleway Saxton Creek to Champion Road	83,000	-	81,760	417,792	-	-	-	-	-	-	-
Maitai shared path to Nelson east programme	25,000	50,000	51,100	156,672	800,595	273,003	67,093	-	-	-	-
Nile Street cycle facilities	-	-	51,100	52,224	160,119	54,601	-	-	-	-	-
Stoke East West cycle connection	-	-	-	52,224	106,746	54,601	391,377	400,771	-	-	-
Roads: Unsubsidised											
Grove Street Footpath upgrade	-	-	10,220	52,224	320,238	327,603	223,644	-	-	-	-
Halifax (Maitai to Milton)	-	-	-	-	-	-	-	58,747	117,369	216,758	1,360,392
Hampden Street walkway upgrade	-	-	-	-	-	-	-	-	58,685	240,842	-
Maitai Valley Road shared path modifications	20,000	180,000	-	-	-	-	-	-	-	-	-
Marsden Valley Road Upgrade	-	-	-	10,445	26,687	65,521	100,640	1,943,396	-	-	-
Milton St (Grove to Cambria)	-	-	-	52,224	74,722	54,601	480,835	-	-	-	-
Mount Street and Konini Street upgrade	52,659	50,000	20,440	208,896	373,611	-	-	-	-	-	-
New Footpaths	-	350,000	357,700	365,568	53,373	-	111,822	343,518	352,107	361,263	371,016
Renewals: Footpaths	232,573	400,000	411,253	422,820	434,716	447,382	460,869	474,762	489,552	505,296	522,052
Toi Toi St upgrade	-	50,000	81,760	574,464	106,746	-	-	-	-	-	-
Inner City Enhancements - Carparks											
CBD Carpark resurfacing	-	-	-	-	266,865	546,005	-	400,771	586,845	-	432,852
Church Street improvements	4,003	400,000	51,100	-	-	-	-	-	-	-	-
Polytech to CBD enhancements	-	10,000	10,220	52,224	800,595	109,201	-	-	-	-	-
CBD aesthic elements	3,635	150,000	153,300	156,672	160,119	163,802	167,733	171,759	176,054	180,632	185,508
On and Off St Parking Meters	-	158,500	529,784	287,232	-	-	-	-	-	602,105	-
Stoke Centre Traffic Calming and Ped Safety Works	95,000	-	-	313,344	533,730	1,201,211	782,754	114,506	-	-	-
Strawbridge Sq Layout & access improvement	7,453	-	-	10,445	74,722	655,206	111,822	-	-	-	-
Public Transport											
CBD interchange	-	20,000	40,880	208,896	-	-	-	-	-	-	-
Stoke interchange	-	-	-	-	-	23,616	362,639	-	-	-	-
Projects under $100,000	770,720	934,475	844,767	940,348	1,066,357	1,106,951	1,040,121	1,105,448	1,057,409	1,101,448	1,192,771
Total Transport	**5,372,826**	**7,556,975**	**7,837,918**	**9,458,424**	**11,935,736**	**11,393,432**	**12,424,379**	**12,109,615**	**12,141,863**	**10,116,899**	**11,963,521**

Water supply

WHAT WE DO

Council supplies high quality water to households and businesses through a piped network. The water supply system includes dams and weirs on the Maitai and Roding Rivers, the water treatment plant and the network of pipes and storage reservoirs throughout the city.

Water is metered to ensure it is used efficiently and costs are shared fairly between water users.

WHY WE DO IT

Water supply is a major part of Council's core business because human health and disease prevention, tourism and other industries are all reliant on having a safe, reliable water supply.

Council aims to reliably and efficiently supply water to residents and businesses while also ensuring the ecological, recreational and cultural values of the Maitai and Roding Rivers are recognised and enhanced.

CHALLENGES

Water losses

Council has an ongoing project to track water losses in the network. These losses are as a result of leaks from broken or impaired pipes or earthquake damage, in both the public network and through privately owned water pipes. Losses also result from flushing of the network to clear sediment build-up, water used by the Fire Service and water used in construction. The losses from the public network results in a 20-30% difference between the volume of water leaving the water treatment plant and the amount actually used by the community. A better understanding of where the water is being used is expected to develop in the next three years as contractors and the Fire Service are asked to meter the water they use.

Maitai River water quality

A Council priority is to improve river and stream water quality and quantity. During drought conditions water is released from the Maitai Dam to the Maitai River to ensure sufficient river flows to support ecological and recreational values. This water can be of a lower quality than the natural river water because it is lower in oxygen over the summer months, therefore Council has decided to aerate and mix the dam water to improve the river water quality.

Maitai Dam water quality

Usually water for the Nelson city supply is taken directly from the Roding River and the south branch of the Maitai River. However, during storm conditions the Roding and south branch water can have too much sediment to be used, so water is taken from the Maitai Dam instead. The Water Treatment Plant doesn't work as efficiently when processing this water, as the ultra-filtration membranes have to remove more organic

material. Long term, it is important for the city to be able to rely on the Maitai Dam as a raw water source especially in summer periods when river flows are low and in emergencies. A budget to investigate the option to pre-treat the water via a primary clarifier is included in this Long Term Plan. Another option is to accept that the filtration membranes will have a shorter lifespan and to allow for more frequent replacement. Both of these options will be considered in more detail before a final decision is made.

Discoloured drinking water

Some of the water supply network consists of cast-iron pipes, and water can become discoloured when iron and manganese deposits are loosened while passing through these pipes, leading to customer dissatisfaction. This is being addressed through more detailed investigation into the conditions that allow the deposits to move and operational changes at the water treatment plant. Longer term the renewal of the older cast iron pipes will address the issue. There are approximately 48kms of cast iron pipes in the network and Council has a long term renewal programme for these over the next 3 to 4 decades at a cost of $20-$30 million.

Natural hazards and climate change

Changing weather patterns due to climate change, damage resulting from ground shaking and liquefaction, storm events and other natural hazards have the potential to cause significant and long term disruption to the community and result in a loss of services to affected areas. Council is taking several steps to improve resilience through having an interlinked network that can redirect water throughout the city and improve the earthquake resistance of pipes and reservoirs. Numerous water storage reservoirs around the city hold a total of approximately one day's supply of drinkable water. The water treatment plant can use a variety of raw water sources in the event of an emergency. The recently duplicated water pipeline from the Maitai Dam down the Maitai Valley to the treatment plant and City also provides security against such damage.

COMMUNITY OUTCOMES

Council's water supply activity contributes primarily to the following community outcomes:

- Our unique natural environment is healthy and protected
- Our infrastructure is efficient, cost effective and meets current and future needs
- Our communities are healthy, safe, inclusive and resilient
- Our region is supported by an innovative and sustainable economy.

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- **Water Treatment Plant** - renewal of the last two trains of ultra-filtration membranes in 2018/19 at a cost of $3 million
- **Replacing residential water meters** - residential water meters installed in the mid-1990s have reached the end of their useful lives and Council is planning to

begin a large-scale replacement project. Renewal of commercial and industrial water meters started in 2014/15 and is approximately 50% complete. The project also includes back flow prevention to protect the water supply from the risk of contamination from sources within the pipe network. A total of $3.3 million has been allocated across the 10 year work programme for residential meter replacement

- **Replacing ageing pipes** - including asbestos cement and cast iron pipes, within a budget of approximately $22.9 million over the next 10 years
- **Fire-fighting flows** – local areas where changes in the way the Fire Service measures access to water to fight fires are being identified for upgrading
- **Atawhai storage reservoir** – current storage capacity for the Atawhai area is sufficient to provide one day's drinkable water but to accommodate future growth a second reservoir is needed. This project would be undertaken in conjunction with work on the Atawhai trunk water main in 2021/22
- **Maitai Dam aeration project** – planning to improve the quality of water released from the Maitai Dam into the Maitai River in times of drought will begin in the next three years, with project construction in 2022/23
- **Water leak reduction programme** – Council will continue to search for and repair leaks and quantify unaccounted for water and has budgeted $355,000 over the next 10 years for this.

Waimea Dam

Council initiated a special consultative procedure in 2017 to seek community feedback on a proposal to contribute to the Waimea Dam project. As new information relevant to that decision has been subsequently received, the Consultation Document for the Long Term Plan 2018-28 now invites further community feedback on the project. The Local Government Act 2002 requires that, in this circumstance, the draft Plan be consistent with Council's proposal as circulated in 2017. The draft Plan therefore contains an allocation of $5 million in 2020/21. Decision making on this proposal will be undertaken in parallel with the deliberations on the Long Term Plan.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

What Council will provide	Performance measures	Current performance	Targets			Targets years 4 - 10
			Year 1	Year 2	Year 3	
Quality – good quality water	The extent to which drinking water supply complies with: a) part 4 of the drinking water standards[#] (bacterial compliance criteria), and	Complied 2016/17 Complied 2015/16 Protozoal compliance is not measured for distribution as	100% compliance with parts 4 and 5 of the drinking water standards			

	b) part 5 of the drinking water standards[#] (protozoal compliance criteria)	treatment plant removes any at source	
	Total number of complaints per 1000 connections about any of the following: - drinking water clarity --drinking water taste - drinking water odour - drinking water pressure or flow - continuity of supply - Council's response to any of these issues	21 complaints per 1000 connections in 2016/17 35 complaints per 1000 connections in 2015/16	No more than 50 valid complaints per 1000 connections
Reliability – a reliable supply	Average drinking water standard consumption per day per resident	288L/person per day in 2016/17	Normal demand less than 500L per person per day. This includes both domestic and commercial-industrial
	% real water loss from the system	23% in 2016/17 29% in 2015/16	Real water loss less than 25%
Customer service – prompt response	When attending a call-out in response to a fault or unplanned interruption to the system, the following median response times will be measured: a) attendance for urgent call-outs: from the time notification is received to the time service personnel reach the site	Median 21 minutes in 2016/17 28 minutes in 2015/16	a) Contractor to attend urgent call-outs in a median time of 30 minutes or less
	b) resolution of urgent call-outs: from the time notification is received to the time service personnel confirm	Median 107 minutes in 2016/17 105 minutes in 2015/16	b) Contractor to resolve urgent call-outs in a median time of 480 minutes or less

	resolution of the fault or interruption		
	c) attendance for non-urgent call-outs: from the time notification is received to the time service personnel reach the site	Median 54 minutes in 2016/17 56 minutes in 2015/16	c) Contractor to attend non-urgent callouts in a median time of 120 minutes or less
	d) resolution of non-urgent call-outs: from the time notification is received to the time service personnel confirm resolution of the fault or interruption	Median 330 minutes in 2016/17 346 minutes in 2015/16	d) Contractor to resolve non-urgent call outs in a median time of 24 hours or less

[#] Ministry of Health (2008), Drinking-water Standards for New Zealand 2005 (Revised 2008), Wellington, Ministry of Health

DRIVERS OF CAPITAL EXPENDITURE

The following factors drive the requirement for capital expenditure on water supply:

- The need to continue to renew older pipe network assets, including reduction of water losses and unaccounted for water
- Providing acceptable firefighting flows
- Reducing the higher water pressure areas in the network
- Microbiological and chemical water quality issues that have been identified as needing improvement
- Addressing risks of backflow contamination
- The need to continue to improve security of the network against the risk of hazards.

ASSUMPTIONS

As well as the general assumptions that apply as the basis for forecasting budgets across Council's work, the following specific assumptions apply to Council's water supply activities. It is assumed that:

- Renewals will be continued at a rate that is sustainable, based on consideration of both staffing and financial resources
- While there are expected to be changes to weather patterns due to climate change in the longer term, it is assumed that Nelson's climate will not face substantial change within the next ten years and there will be enough rain to meet our water needs. Factors such as climate change and population growth will receive increased analysis as the 30 year Infrastructure Strategy is reviewed in future years
- There will be reductions in water losses
- Water supply is expected to continue to be funded from water charges

- Council will provide education and promotion of the importance of water conservation, however the demand for water is expected to continue to primarily be managed through Council's water charging system
- The service delivery strategy will be sustained for the term of this Long Term Plan
- The water treatment plant filtration membranes will continue to operate satisfactorily
- Council will retain its 'Ab' water grading

IMPACTS AND RISKS

- To ensure there is a safe supply of water, water supply catchment controls have to limit the range of recreational activities allowed in the Maitai and Roding valleys. For example, no swimming, boating or fishing is allowed in the Maitai Dam. The commissioning of the water treatment plant allowed the slight relaxing of some restrictions, but most are necessary to meet Ministry of Health water quality grading requirements
- Reduced flow rates occur in the Maitai and Roding Rivers below the water supply intakes. The amount of this reduction is controlled and monitored through adhering to Council's resource consents to extract water
- Emergency water treatment is provided by a portable chlorinator using sodium hypochlorite held at the water treatment plant. It is a stand-alone unit, run by a small petrol generator and is sufficient to treat the full Maitai daily flow
- The high risk to trunk main pipes is from earthquakes where sections of key main pipes could be damaged. Council holds replacement pipe stocks to allow single repairs to each main. Aid would be required from other water supply authorities to reinstate trunk mains in the event of multiple major breaks
- The water treatment plant reservoir, and Clearwater, Stoke, Walters Bluff, and Observatory Hill Reservoirs are constructed to category 2 standards, able to withstand a 1 in 1000 year earthquake. All large reservoirs have automatic seismic shut off valves. When excess flow from the reservoir is detected, such as from a broken outlet trunk main, the outlet valve is automatically shut and an alarm is triggered
- Risks posed to water quality range from low to extreme. Completion of the water treatment plant in August 2004 reduced the risk to source water to very low levels. Extreme risk relates to possible backflow from premises into the water reticulation network, thereby putting other consumers in danger. Dual check valves are fitted to all residential connections. These will be replaced when the water meters are updated from 2018/19. Backflow preventers have been installed at all Nelson City Council drainage pump stations. Council has a continuing programme to install backflow preventers, in conjunction with replacing commercial and industrial water meters. The backflow prevention devices will be sourced and installed by Council with the costs recovered from all customers connected to the city water mains
- The Health (Drinking Water) Amendment Act 2007 requires large drinking water suppliers, such as Nelson City Council, to have Water Safety Plans. Nelson City Council has a Water Safety Plan approved by the Ministry of Health that is regularly updated. It includes measures for dealing with deliberate or accidental contamination of the water supply and implementing potential outcomes from the Havelock North contamination investigation.

WATER FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	11,416	12,096	12,526	12,980	13,856	14,224	14,907	15,513	15,817	16,176	16,497
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	32	33	33	34	34	35	36	36	37	38	38
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	8	8	9	8	8	9	10	9	10	10	11
Total Operating Funding	**11,456**	**12,137**	**12,568**	**13,022**	**13,898**	**14,268**	**14,953**	**15,558**	**15,864**	**16,224**	**16,546**
Applications of operating funding											
Payments to staff and suppliers	5,885	6,445	6,692	11,931	7,046	7,261	7,529	7,727	7,841	8,045	8,239
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied *	1,498	1,461	1,541	1,649	2,101	2,141	2,378	2,581	2,609	2,601	2,564
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**7,383**	**7,906**	**8,233**	**13,580**	**9,147**	**9,402**	**9,907**	**10,308**	**10,450**	**10,646**	**10,803**
Surplus (Deficit) of operating funding	**4,073**	**4,231**	**4,335**	**(558)**	**4,751**	**4,866**	**5,046**	**5,250**	**5,414**	**5,578**	**5,743**
Sources of capital funding											
Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	525	398	407	416	425	435	446	456	468	480	493
Increase (decrease) in debt	(310)	3,772	300	5,301	(1,395)	4,437	5,393	(24)	(843)	(910)	(2,198)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**215**	**4,170**	**707**	**5,717**	**(970)**	**4,872**	**5,839**	**432**	**(375)**	**(430)**	**(1,705)**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	55	0	0	0	194	0	362	287	1,642	1,662	257
- to improve level of service	1,226	917	1,164	1,545	1,108	6,154	5,894	785	624	641	677
- to replace existing assets	3,007	7,484	3,878	3,614	2,479	3,584	4,629	4,610	2,773	2,845	3,104
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**4,288**	**8,401**	**5,042**	**5,159**	**3,781**	**9,738**	**10,885**	**5,682**	**5,039**	**5,148**	**4,038**
Surplus (Deficit) of capital funding	**(4,073)**	**(4,231)**	**(4,335)**	**558**	**(4,751)**	**(4,866)**	**(5,046)**	**(5,250)**	**(5,414)**	**(5,578)**	**(5,743)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT											
	Annual Plan 2017/18 ($000)	**Long-term Plan 2018/19 ($000)**	**Long-term Plan 2019/20 ($000)**	**Long-term Plan 2020/21 ($000)**	**Long-term Plan 2021/22 ($000)**	**Long-term Plan 2022/23 ($000)**	**Long-term Plan 2023/24 ($000)**	**Long-term Plan 2024/25 ($000)**	**Long-term Plan 2025/26 ($000)**	**Long-term Plan 2026/27 ($000)**	**Long-term Plan 2027/28 ($000)**
Surplus/(Deficit) of operating funding from Funding Impact Statement	**4,073**	**4,231**	**4,335**	**(558)**	**4,751**	**4,866**	**5,046**	**5,250**	**5,414**	**5,578**	**5,743**
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	525	398	407	416	425	435	446	456	468	480	493
Vested Assets	790	778	795	813	830	850	870	891	913	937	962
Gains on sale	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(4,073)	(4,231)	(4,335)	(4,442)	(4,552)	(4,667)	(4,846)	(5,050)	(5,215)	(5,378)	(5,542)
Other non-cash income/expenditure	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**1,315**	**1,176**	**1,202**	**(3,771)**	**1,454**	**1,484**	**1,516**	**1,547**	**1,580**	**1,617**	**1,656**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

	Forecast 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Water Supply											
Annesbrook (Manchester - Marie St) water renewal	17,400	50,000	1,430,800	-	-	-	-	-	-	-	-
Bolt Road pipe renewal	-	600,000	-	-	-	-	-	-	-	-	-
Brooklands water renewal	141,717	416,262	-	-	-	-	-	-	-	-	-
Capital Roding RC renewal	641	210,000	-	-	-	-	-	-	-	-	-
Atawhai No.2 Reservoir	10,000	50,000	51,100	313,510	53,373	1,180,463	3,021,990	-	-	-	-
Atawhai Reservoir & Pump	-	-	-	-	173,089	-	-	-	-	-	-
Atawhai trunk main	-	10,000	45,035	56,471	109,623	1,965,618	2,012,796	-	-	-	-
Backflow Prevention	157,979	162,197	165,717	169,362	173,089	177,069	181,319	185,671	190,314	195,263	200,534
Ridermains	-	167,603	171,241	175,008	63,466	64,925	66,484	68,080	69,782	71,596	73,529
Church St water renewal	4,003	200,000	-	-	-	-	-	-	-	-	-
Dam Upgrades	-	50,000	102,200	104,448	115,392	2,184,020	120,880	123,781	-	-	-
Kakenga Road water renewal	17,400	210,000	-	-	-	-	-	-	-	-	-
Maitai Pipeline hazard mitigation	-	-	-	-	-	-	-	-	117,369	120,421	123,672
Maitai Resource consent renewal	20,641	190,000	-	-	-	-	-	-	-	-	-
Natural Hazards risk remediation	-	58,131	110,478	112,908	53,373	-	-	-	-	-	-
NCC - TDC Link	-	-	-	-	-	-	-	-	117,369	120,421	24,734
Ngawhatu Valley high level reservoir	-	-	-	-	-	-	55,911	57,253	1,173,690	-	-
Pressure Enhancement	-	-	63,517	112,908	106,746	-	-	-	-	-	-
Pump Stations - Renewals	92,427	50,000	51,100	52,224	53,373	54,601	55,911	57,253	117,369	120,421	123,672
Membranes Water Treatment Plant	353,426	3,000,000	-	-	-	-	-	-	-	-	24,734
Commercial Meters	157,979	150,000	153,300	156,672	160,119	163,802	167,733	171,759	176,054	180,632	185,508
Water Pipes	156,183	39,000	511,000	1,669,967	1,601,190	1,638,015	1,677,330	1,717,590	1,760,535	1,806,315	1,855,080
Residential Meters renewals	22,500	1,100,000	1,124,200	1,044,480	-	-	-	-	-	-	-
Roding Pipeline	-	-	-	112,908	115,392	1,180,463	1,813,194	1,856,715	-	-	-
Tui Glen Road water renewal	-	600,000	-	-	-	-	-	-	-	-	-
Water Loss Reduction Programme	210,641	216,262	220,956	225,817	230,785	236,093	241,759	247,562	117,369	120,421	123,672
Water pump stations - upgrades	-	-	-	-	-	-	111,822	22,901	23,474	1,204,210	-
Water Treatment Plant Renewals	212,377	200,042	204,443	190,815	171,057	273,003	670,932	400,771	410,792	421,474	432,852
Water Treatment Plant Upgrades	-	-	-	-	-	-	181,319	185,671	190,314	198,695	204,059
Projects under $100,000	230,633	671,848	637,033	661,907	600,455	619,727	505,139	587,541	574,004	588,507	665,801
Total Water Supply	**1,805,947**	**8,401,345**	**5,042,120**	**5,159,405**	**3,780,522**	**9,737,799**	**10,884,519**	**5,682,548**	**5,038,435**	**5,148,376**	**4,037,847**

Wastewater

WHAT WE DO

Council collects, treats and disposes of wastewater for the Nelson district. It operates and maintains a network of pipes and pump stations across the city that carry wastewater from Stoke and Tahunanui for treatment at the Bell Island facility, and from the rest of the city to the Nelson Wastewater Treatment Plant at Wakapuaka.

Nelson generates 16 million litres of wastewater a day, with the Nelson treatment plant at Wakapuaka treating around eight million litres and the Bell Island treatment plant in the Tasman district treating the other half.

Nelson City Council owns and operates the Nelson Wastewater Treatment Plant. A separate waste water facility at Bell Island is managed by the Nelson Regional Sewerage Business Unit of which the Nelson and Tasman councils are each 50% shareholders. This plant uses a series of five oxidation ponds to treat wastewater from Stoke, Tahunanui, the Wakatu Industrial Estate, Richmond, Wakefield, Brightwater and Mapua, as well as trade waste from some large industrial operations.

WHY WE DO IT

Wastewater infrastructure is a high priority for Council. Providing a piped wastewater system and wastewater treatment facilities is a core role of Council in order to prevent people from being exposed to diseases associated with wastewater and avoid contamination of the environment. Council aims to provide an efficient system that prevents wastewater from harming people, property or the wider environment.

CHALLENGES

Stormwater inflow and groundwater infiltration into wastewater pipes

There are two main causes of inflow and infiltration. If households' stormwater pipes have been accidentally connected to the wastewater system instead of the stormwater system, rainfall ends up flowing into the wastewater system. Groundwater can also enter the wastewater system if underground stormwater and wastewater pipes are broken. Council will be undertaking work to investigate and communicate on this issue with affected households.

Inflow and infiltration of stormwater and groundwater into the wastewater network puts pressure on the network, and can lead to overflows during wet weather. A multi-year project began in 2015 to investigate inflow and infiltration issues across the city and develop a strategy to reduce them. Work to renew sections of the network found to be in poor condition and where there are environmental benefits began in 2017/18 and will continue over the next ten years to tackle this problem.

Untreated discharges to Nelson Haven

There is one pressurised pipeline (rising main) between Nelson City and the Nelson Wastewater Treatment Plant, which is located adjacent to the Boulder Bank to the North of the city. This pipeline was installed in the mid 1960's and suffered from acid

attack to the inside of the concrete pipes. In the early 1990's the full pipeline was inspected and sections were repaired or replaced with more durable pipes. The repairs were expected to allow the pipeline to remain operational until approximately 2040-2050. In recent years, three minor failures of this pipeline have led to low volumes of untreated wastewater discharging directly into the Nelson Haven as a result of leaking fittings. The total volume of any such leak is hard to estimate precisely, but would be approximately 4-5 cubic metres. Council considers any discharge into the Haven should be avoided and has supported a range of projects aimed at inspecting and repairing any areas of weakness in the pipeline in the short term with the eventual aim of renewing the full pipeline in stages with construction starting on the first stage in 2027/28. Upgrading the two main pump stations at Corder Park and Neale Park are key components of the long term strategy to reduce pressures in the existing pipeline and improve operational performance, particularly in wet weather. The Corder Park pump station upgrade is already completed and work on the Neale Park pump station is underway.

Impact of climate change

The Nelson Wastewater Treatment Plant is low-lying and located in the coastal environment. That means it is particularly exposed to the effects of climate change, including sea level rise, flooding and storm surges. All new pump stations are designed to withstand expected sea level rise predictions for the service life of the pump station.

The potential impacts of climate change are covered in the Infrastructure Strategy, which outlines approaches to address challenges to infrastructure networks. Strategies to increases resilience to natural hazards also include reducing groundwater infiltration and stormwater inflows to the wastewater network. Other ways to respond to climate change include constructing more detention tanks and upgrading wastewater pipes.

Risks to the wastewater network from significant earthquakes

A significant earthquake would be likely to cause significant and long term damage to the wastewater network as a result of ground shaking and liquefaction. In response, Council is planning further hazard vulnerability studies with approximately $155,000 budgeted over the next ten years for investigations. Much of this work will focus on the Nelson Wastewater Treatment Plant, pump stations and the piped network across the city. The studies are expected to lead to a range of specific projects to improve the resilience of the network to earthquakes. The focus will be on minimising damage so it can be quickly repaired with minimum impact on day to day operations. These projects will be identified in future long term plans.

COMMUNITY OUTCOMES

Council's wastewater activity contributes primarily to the following community outcomes:

- Our unique natural environment is healthy and protected
- Our infrastructure is efficient, cost effective and meets current and future needs
- Our region is supported by an innovative and sustainable economy

- Our urban and rural environments are people-friendly, well planned and sustainably managed
- Our communities are healthy, safe, inclusive and resilient

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- **Reducing inflow and infiltration** – Council has made a long term commitment to reducing inflow and infiltration and this should lead to a steady improvement in wet weather flows. Council has committed to investigations to identify issues and carry out repairs. In particular Council's contractors have begun an extensive programme of property inspections and camera inspections of wastewater pipes in an effort to track down sources of stormwater and ground water entry into the wastewater network. Property inspections have identified a number of locations where stormwater from buildings and yards has been directed into the network (inflow) and camera inspections of the mains have identified a range of pipe issues that allow groundwater to enter the network (infiltration). An accelerated programme is proposed with increased expenditure over the next ten years to address both inflow and infiltration. The ongoing work to renew sections of the wastewater network in poor condition began to target areas with high inflow and infiltration in 2017/18 and will continue as a focus area for Council with a budget of $3.7 million allocated in the Long Term Plan. This will include an education programme to inform householders about how they can contribute e.g. by fixing household gully traps that can allow rainwater into the waste water system. The renewal programme will also continue alongside investigations into the opportunity to either upgrade trunk mains and pump stations or construct detention tanks to hold excess wet weather flows until rain events pass. There is also a catchment optimisation project to redirect some of the upper Wakatu/Enner Glynn catchment away from Gracefield Street and divert it to the Quarantine Road pump station
- **Neale Park pump station upgrade** – this is a key pump station on the network with all of the wastewater from the centre of the city and the Port areas directed to Neale Park. Upgrading became a priority following the December 2011 storm event when one of the older pumps was damaged beyond repair. The redevelopment, at a total cost of $7.1 million ($2.1 million in this LTP), will allow for larger collection wells and improve odour control, particularly in summer. Construction has begun and is programmed to be completed in 2019
- **Atawhai rising main** – a programme of ongoing inspections is proposed with remedial work identified as part of the investigation
- **Natural hazard security due to earthquakes, storm events and sea level rise** – hazard vulnerability studies will focus on the Nelson Wastewater Treatment Plant, pump stations and the piped network across the city, linked with similar projects in the stormwater and water supply activities
- **Compliance with National Policy Statement for Freshwater and other Central Government freshwater reforms** - Council, iwi and the wider community are developing environmental standards for streams and rivers in Nelson based on the requirements of the National Policy Statement. These standards are expected to be the basis of rules in the proposed Whakamahere Whakatū Nelson Plan and will set the scene for water quality improvements into the future. Although rules are yet to be finalised, activities that impact on freshwater

will need to respond to any changes in rules from the date of notification of the proposed plan which is expected to be in 2019.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

What Council will provide	Performance measures	Current performance	Targets			Targets years 4 - 10
			Year 1	Year 2	Year 3	
Reliability – a fully operational wastewater treatment system	Level of compliance of treatment plant with resource consent conditions	100% compliance in 2016/17 (were 15 odour complaints in 2015/16)	100% compliance			
	Number of dry weather overflows from sewerage system, per 1000 connections	8 in 2016/17 (down from 12 dry weather overflows in 2015/16)	Fewer than 15 per 1000 connections			
Response – appropriate to reported network issues	These median response times are measured for overflows resulting from a blockage or other fault in the sewerage system: a) attendance time: from when notification is received to the time service staff reach the site, b) resolution time: from the time notification is received to the time service staff confirm resolution of the blockage or fault	Steady over past two years Median response time of 21 minutes in 2016/17 Median response time of 202 minutes in 2016/17	Contractor to attend in median time of 60 minutes or less Contractor to resolve issue in median time of 480 minutes or less			
Quality - environmental protection	Compliance with territorial authority's resource consents for discharge from the sewerage system measured by number of: a) abatement notices b) infringement notices c) enforcement orders	100% compliance i.e. none of the listed actions were identified by regulatory section in 2016/17, also none in 2015/16	100% compliance			

	d) convictions in relation to those resource consents		
	The total number of complaints received about any of the following: a) sewage odour b) sewerage system faults c) sewerage system blockages, and d) Council's response to issues with the sewerage system	16 complaints per 1000 connections in 2016/17 (slightly fewer, was 19 the previous year)	No more than 20 valid complaints a year per 1000 connections

DRIVERS OF CAPITAL EXPENDITURE

The following factors drive the requirement for capital expenditure on wastewater:

- Renewing ageing reticulation pipes to avoid accumulating assets that are past their service life and risk accidental discharges if they fail
- Reducing inflow and infiltration of groundwater and stormwater in the network
- Reducing the risk of failure of the Atawhai rising main
- Improving the efficiency of the Nelson South network by re-directing flows to the Quarantine Road pump station and constructing a new pump station at Awatea Place
- Meeting higher environmental standards for fresh and coastal water in partnership with tangata whenua.

ASSUMPTIONS

As well as the general assumptions that apply as the basis for forecasting budgets across Council's work, the following specific assumptions apply to Council's wastewater activities. It is assumed that:

- Renewals will continue at a rate that is sustainable taking into consideration the resource and finance required
- While there are expected to be changes to weather patterns due to climate change in the longer term, it is assumed that Nelson's climate will not face substantial change within the next ten years. Factors such as climate change and population growth will receive increased analysis as the 30 year Infrastructure Strategy is reviewed in future years
- Wastewater activities of Council will be funded from wastewater charges and, consistent with Council's financial policies, most of the capital expenditure will be borrowed. Development Contributions over the next 10 years will fund all of the increased provision of wastewater treatment that is due to population growth.

IMPACTS AND RISKS

The identified significant impacts the wastewater activity may have on the local community are overflows from pump stations, rising mains and network mains.

- Pump station overflows are generally reported and resolved promptly. Both network and rising main overflows are addressed by carrying out a high level of inspections.

The duplication of the Atawhai rising main will reduce the risk of overflows from those sources

- The risk of wastewater overflows into waterways or onto land that could pose a hazard to the environment or public health is managed by strategies to upgrade key pump stations on the rising main, implementation of emergency response plans, the strategy of reducing inflow and infiltration, and Council's commitment to enhancing pump station storage to meet its obligations under its 'accidental discharge' consent. The maintenance and response contract is monitored for compliance to ensure problems are addressed promptly. Renewal of ageing rising mains is programmed as they reach the end of their service lives. The upgrade of the Corder Park pump station and completion of the Neale Park pump station will significantly lower the risk of failure in the Atawhai rising main. Non-invasive testing of the Atawhai rising main will help to ensure that repair works can be programmed with urgency for any damaged areas of the pipe before it fails
- The risks associated with the operation of the wastewater treatment plants are assessed under the relevant asset management plan, prioritised and the appropriate response identified. Any response requiring a capital investment is identified within the budgets for future works. The risk of failure of the Nelson Wastewater Treatment Plant is being considered through a comprehensive condition assessment and as part of work on resilience to natural hazards and consequences of climate change
- In the longer term, climate change is expected to bring higher groundwater levels through rising sea levels and more intense rain events increasing the risk of inflows and infiltration potentially causing overflows from the network. Where overflows discharge to the wider environment this can pose a potential health hazard to people, particularly where the overflow enters places that people use for recreation or food gathering. This risk is being mitigated by ongoing work to identify properties where stormwater is directed to wastewater pipes and locations where pipes are damaged and groundwater is able to infiltrate the network. A substantial programme of repairing and renewing the damaged sections of the network is proposed every year for the next ten years. In addition, options for either upgrading parts of the network or constructing detention tanks at strategic locations around the city have also been included in the budget for the next ten years.

WASTEWATER FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	7,265	7,794	8,313	8,715	9,430	9,595	9,918	10,266	10,905	11,255	11,740
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1,280	2,337	2,403	2,469	2,576	2,659	2,717	2,777	2,855	2,927	2,999
Internal charges and overheads recovered	(289)	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	718	1,379	1,458	1,551	1,694	1,750	1,773	1,801	1,842	1,902	1,904
Total Operating Funding	**8,974**	**11,510**	**12,174**	**12,735**	**13,700**	**14,004**	**14,408**	**14,844**	**15,602**	**16,084**	**16,643**
Applications of operating funding											
Payments to staff and suppliers	5,099	7,021	7,476	7,724	7,640	7,549	7,749	7,890	8,363	8,617	8,901
Finance costs	0	310	399	529	688	732	713	703	696	712	708
Internal charges and overheads applied *	153	126	147	169	225	327	371	460	524	526	576
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**5,252**	**7,457**	**8,022**	**8,422**	**8,553**	**8,608**	**8,833**	**9,053**	**9,583**	**9,855**	**10,185**
Surplus (Deficit) of operating funding	**3,722**	**4,053**	**4,152**	**4,313**	**5,147**	**5,396**	**5,575**	**5,791**	**6,019**	**6,229**	**6,458**
Sources of capital funding											
Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	398	664	679	694	709	725	743	760	779	800	821
Increase (decrease) in debt	4,043	2,356	1,707	5,007	5,561	(317)	985	1,038	(683)	202	3,156
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**4,441**	**3,020**	**2,386**	**5,701**	**6,270**	**408**	**1,728**	**1,798**	**96**	**1,002**	**3,977**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	300	111	687	3,980	5,387	87	1,320	1,443	643	661	956
- to improve level of service	6,293	4,765	4,084	4,287	3,970	3,500	3,976	3,921	3,024	3,218	4,713
- to replace existing assets	1,570	2,197	1,767	1,747	2,060	2,217	2,007	2,225	2,448	3,352	4,766
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**8,163**	**7,073**	**6,538**	**10,014**	**11,417**	**5,804**	**7,303**	**7,589**	**6,115**	**7,231**	**10,435**
Surplus (Deficit) of capital funding	**(3,722)**	**(4,053)**	**(4,152)**	**(4,313)**	**(5,147)**	**(5,396)**	**(5,575)**	**(5,791)**	**(6,019)**	**(6,229)**	**(6,458)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Surplus / (Deficit) of operating funding from Funding Impact Statement	**3,722**	**4,053**	**4,152**	**4,313**	**5,147**	**5,396**	**5,575**	**5,791**	**6,019**	**6,229**	**6,458**
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	398	664	679	694	709	725	743	760	779	800	821
Vested Assets	930	807	825	843	861	881	902	924	947	972	998
Gains on sale	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(4,478)	(4,605)	(4,716)	(4,890)	(5,147)	(5,396)	(5,575)	(5,791)	(6,018)	(6,229)	(6,458)
Other non-cash income/expenditure	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**572**	**919**	**940**	**960**	**1,570**	**1,606**	**1,645**	**1,684**	**1,727**	**1,772**	**1,819**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

	Forecast 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Wastewater											
Achilles Avenue and Whakatu Lane sewer renewal	14,000	170,000	-	-	-	-	-	-	-	-	-
Atawhai Pump Stations (Brooklands & Marybank)	-	-	88,408	86,065	87,959	472,185	483,518	247,562	-	-	-
Atawhai Rising Main - Stage 1	-	-	-	-	-	-	-	123,781	211,264	216,758	2,473,440
Awatea Place Pump station	111,158	300,000	2,044,000	3,655,680	1,067,460	-	-	-	-	-	-
Bronte Street and Collingwood Street sewer renewal	14,000	355,000	-	-	-	-	-	-	-	-	-
Gracefield Beheading	27,795	80,000	165,717	564,541	1,644,422	-	-	-	-	-	-
Halifax Street and Halstead Street sewer renewal	14,000	200,000	-	-	-	-	-	-	-	-	-
Natural hazards risk remediation	-	-	-	56,471	57,696	118,046	232,702	238,287	-	-	123,672
Neale Park Pump Station	4,440,663	2,116,729	-	-	-	-	-	-	-	-	-
Nelson Wastewater Treatment Plant - Renewals	-	150,000	153,300	156,672	213,492	273,003	279,555	297,260	304,692	312,615	321,055
Nelson Wastewater Treatment Plant - Resource Consent	-	-	102,200	112,908	173,089	177,069	181,319	185,671	-	-	-
Nelson Wastewater Treatment Plant - Upgrade	-	-	30,660	31,334	21,349	10,920	279,555	-	-	120,421	123,672
Nelson Regional Sewerage growth	-	-	511,000	3,393,000	3,468,000	-	-	-	-	-	-
Nelson Regional Sewerage renewals	564,000	317,000	325,000	284,000	470,000	392,000	276,000	309,000	244,000	1,317,000	273,000
Nelson Regional Sewerage upgrade	618,000	2,010,000	1,615,000	-	-	-	-	401,000	470,000	422,000	-
Network Capacity Confirmation for Growth Areas	-	-	-	-	-	59,023	60,440	123,781	586,845	602,105	-
Ngawhatu Valley TM - Stage 2	-	-	-	-	207,706	23,609	1,208,796	1,237,810	-	-	-
Pump Station Storage	75,792	129,757	55,239	183,484	1,067,460	1,092,010	1,118,220	1,145,060	-	-	-
Quarantine Road Sewer Pump Station	-	-	-	-	-	-	-	-	117,369	120,421	1,855,080
Renewals Pump stations	134,581	162,197	165,717	169,362	173,089	177,069	181,319	185,671	190,314	195,263	200,534
Rising/swallows renewals	-	57,979	51,100	52,224	53,373	163,802	55,911	57,253	176,054	60,211	61,836
Saxton Road sewer upgrade	-	-	-	-	-	-	-	22,901	23,474	24,084	927,540
St Vincent street sewer renewal	-	200,000	-	-	-	-	-	-	-	-	-
Stansell #52 and Princes Drive 274/278 Sewer renewal	1,053	150,000	-	-	-	-	-	-	-	-	-
System Performance Improvements	-	100,000	102,200	104,448	1,601,190	1,638,015	1,677,330	1,717,590	1,760,535	1,806,315	1,855,080
Wastewater model calibration	-	100,000	-	-	-	-	-	-	117,369	-	-
Wastewater Network Upgrades	-	-	-	-	-	-	55,911	57,253	586,845	602,105	618,360
Wastewater Pipe Renewals	125,631	90,000	868,700	887,808	907,341	928,209	950,487	973,301	1,056,321	1,083,789	1,113,048
Projects under $100,000	521,321	384,860	260,639	276,817	202,916	278,494	262,038	265,235	271,053	348,690	487,672
Total Wastewater	**6,661,994**	**7,073,522**	**6,538,880**	**10,014,814**	**11,416,542**	**5,803,454**	**7,303,101**	**7,588,416**	**6,116,135**	**7,231,777**	**10,433,989**

Stormwater

WHAT WE DO

The stormwater network includes pipes, open channels, and overland flow paths that convey stormwater to receiving rivers and streams, or directly to the sea.

In many parts of the city a fully reticulated system is not provided and individual properties discharge stormwater to on-site soakage or to roads as part of the primary drainage system.

The stormwater system also includes two pump stations and 12 detention systems. Detention dams are an increasing feature of stormwater management and play a vital role in holding back stormwater for gradual release into pipes and streams after a heavy rainfall event, when the system has more capacity to take the additional flows.

WHY WE DO IT

Managing the flow of stormwater prevents water from accumulating in low lying areas and potentially causing harm to people or damage to buildings, property or the environment.

Maintenance of stormwater pipes reduces the risk of stormwater exiting the reticulation system and infiltrating the wastewater network, which puts pressure on that system. Expanding the stormwater network provides people with disposal options and reduces the likelihood of stormwater being directed into the wastewater network. Controlling the flow of stormwater on hillsides helps address land instability and reduces the risk of landslides.

Council aims to manage stormwater runoff in a way that prevents harm to people, property and the environment. Any response will be based on what is feasible and affordable in any specific location.

CHALLENGES

Capacity of the stormwater network

Some areas of the city have ongoing stormwater drainage issues due to the varying standard of stormwater protection that has been required by Council over the decades and the expansion of the city into areas upstream of existing reticulation. An inadequate stormwater network can contribute to landslides, wastewater inflow and infiltration, and damage to buildings. The current and future impact of climate change is an expected trend for wetter winters and the other seasons being drier. More frequent heavy rainfall events will bring the need for either increased network capacity or a greater community acceptance of adverse impacts. Council is therefore prioritising works in areas at greatest risk.

Maintenance of the stormwater network

There is an extensive network of pipes and open channels (drains) across the city that Council does not own or maintain but may be legally considered to be public drains.

Additionally, many secondary flow paths cross private property. The first step is to develop a consistent approach as to what would be considered a public drain and confirm this through the Land Development Manual currently under review jointly with the Tasman District Council. Following on from this is confirmation of maintenance standards for these drains and what budget provision will be required for ongoing operation and maintenance.

There are associated issues related to private drains within road reserve and across multiple private properties that are also not maintained by Council. As part of the approach outlined above, Council will confirm what, if any, private pipes in road reserve it will seek to re-define as public drains according to the requirements of the Local Government Act 2002.

Natural hazards and climate change

Damage as a result of ground shaking and liquefaction, climate change and storm events can cause significant and long term disruption to the community, and loss of services to affected areas. Council will respond to this challenge by building on the hazard vulnerability studies carried out by the Treasury in 2017. Much of this work is expected to focus on detention dams and pump stations, and piped network linkages to similar projects for the wastewater and water supply activities.

COMMUNITY OUTCOMES

Council's stormwater activity contributes primarily to the following community outcomes:

- Our unique natural environment is healthy and protected
- Our urban and rural environments are people-friendly, well planned and sustainably managed
- Our infrastructure is efficient, cost effective and meets current and future needs
- Our region is supported by an innovative and sustainable economy

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- **Urban streams and rivers** – continuing to develop an inventory to assist in the management and protection of urban streams and rivers
- **Stormwater disposal** - ensuring sufficient options are available to allow for the on-going growth of the city, using a risk-based approach
- **Little-Go Stream –** completing work in progress at a cost of $2.9 million
- **Compliance with the National Policy Statement (NPS) for Freshwater Management** –ensuring Council complies with the Freshwater NPS, and other central government freshwater reforms such as the Clean Water Package and the draft Whakamahere Whakatū Nelson Plan.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

What Council will provide	Performance measures	Current performance	Targets			Targets years 4 - 10
			Year 1	Year 2	Year 3	
Environmental protection	Compliance with resource consents for discharge from the stormwater system, measured by number of: a) abatement notices b) infringement notices c) enforcement orders, and d) successful prosecutions received in relation to those resource consents	No contraventions identified in the previous three years to 2016/17	100% compliance with resource consents for discharge			
Protection from damage to property	a) The number of flooding events that occur b) For each flooding event, the number of habitable floors affected per 1000 properties connected to the stormwater network	One flooding event in 2015/16, none in 2016/17 No habitable floor damage in 2015/16 or 2016/17	No damage from flood events of a level that have a 50% probability of occurring in any one year No more than 10 per 1000 properties with habitable floor damage from events that have a 5% probability of occurring in any one year			
Response to stormwater system issues	Median response time to attend a flooding event, measured from the time that notification is received to the time service personnel reach the site	Median response time 25 minutes in 2016/17 48 minutes in 2015/16	Median response time less than 60 minutes			
Customer satisfaction – minimise valid complaints	Number of complaints received about the performance of the stormwater system, per 1000 properties connected to the	10 complaints per 1000 connections in 2016/17 17 complaints per 1000	No more than 20 complaints per 1000 connections per year			

	stormwater network	connections in 2015/16	

DRIVERS OF CAPITAL EXPENDITURE

The following are the main drivers of capital expenditure needed for the stormwater network:

- There are still large parts of Nelson that do not have access to a reticulated stormwater system. Where these areas are developed on a good gravel base, on-site soakage has not caused any particular problems over the years. Where these areas discharge stormwater onto clay based sites where soakage is very limited, overland flow into open ditches quickly results
- Land stability issues, neighbour to neighbour relationships, public health issues arising from water ponding and insect breeding, together with the aesthetic and economic cost of maintaining open ditches, have led previous councils to support a programme of providing a reticulated stormwater network in the city. The Long Term Plan 2018-28 contains proposed budgets for the development of stormwater strategies across the city that will be used to identify appropriate stormwater disposal techniques and prioritise those areas where a piped network is still considered appropriate. Priority has been given to those areas with poor soakage, high levels of inflow and infiltration into the wastewater network, inundation and land stability issues.

Decisions on priorities for new works and renewal of assets for the stormwater network have been based on the following, and are anticipated to continue to be the primary drivers for capital expenditure:

- Known problem areas with flooding or inundation issues, especially where they are on steep hillsides
- New growth areas
- Secondary flow paths
- High levels of inflow and infiltration into the wastewater network
- Criticality of works
- Multiple network projects, for example a project combining road works, sewerage, and water assets
- In addition, the current and future impact of climate change is a driver of capital expenditure in areas of greatest identified risk.

ASSUMPTIONS

As well as the general assumptions that apply as the basis for forecasting budgets across Council's work, the following specific assumptions apply to Council's stormwater activities. It is assumed that:

- The most efficient, equitable, safe and cost-effective means of disposing of stormwater is a council-provided system for the Nelson urban area
- Stormwater reticulation will be designed for a storm event with a 6.67% probability of occurring in any one year, that is an event occurring on average once every 15 years, with roads and overland flow providing the flow path for larger events
- While there are expected to be changes to weather patterns due to climate change in the longer term, it is assumed that Nelson's climate will not face substantial change within the next ten years. Factors such as climate change

and population growth will receive increased analysis as the 30 year Infrastructure Strategy is reviewed in future years.

IMPACTS AND RISKS

There are potential negative impacts from providing the stormwater network such as:

- Stormwater construction works that can impact on roads and private property
- Stormwater that can become contaminated by substances on the land over which it flows. Industrial waste, tyre residues on roads and sediment are examples of contaminants that subsequently end up in waterways. These effects are to some extent reduced by Council's initiatives under the Nelson Resource Management Plan, National Policy Statement for Freshwater Management and the Whakamahere Whakatū Nelson Plan, which is in preparation
- One risk mitigation is enforcement powers, which are available to Council through the Resource Management Act 1991 and can be used to prevent or respond to pollution

Extreme and high risks associated with the stormwater activity include:

- high intensity rainfall events
- climate change and sea level rise
- secondary flow paths
- areas with low impact design ceasing to function e.g. if low impact design features such as swales are not properly maintained
- stormwater contamination

Mitigation options include:

- ongoing expansion of the stormwater network
- increasing maintenance
- Council and community accepting low level risk in some locations

Capital spending, operations and maintenance budgets have been identified to address the majority of risks. There is a risk of hazardous substances causing stormwater contamination e.g. chemicals from weed control on reserves or paint from residential areas. To mitigate this risk Council funds education programmes targeting residential and industrial properties and is also reviewing its use of chemicals in reserves.

STORMWATER FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	3,998	4,151	4,370	4,676	5,009	5,271	5,555	5,874	6,139	6,434	6,665
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Operating Funding	**3,998**	**4,151**	**4,370**	**4,676**	**5,009**	**5,271**	**5,555**	**5,874**	**6,139**	**6,434**	**6,665**
Applications of operating funding											
Payments to staff and suppliers	1,100	1,344	1,479	1,596	1,616	1,647	1,660	1,617	1,650	1,735	1,629
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied *	707	579	581	673	864	970	1,086	1,280	1,387	1,483	1,651
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**1,807**	**1,923**	**2,060**	**2,269**	**2,480**	**2,617**	**2,746**	**2,897**	**3,037**	**3,218**	**3,280**
Surplus (Deficit) of operating funding	**2,191**	**2,228**	**2,310**	**2,407**	**2,529**	**2,654**	**2,809**	**2,977**	**3,102**	**3,216**	**3,385**
Sources of capital funding											
Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	288	372	380	388	397	406	416	426	436	448	460
Increase (decrease) in debt	434	(18)	1,787	3,547	2,084	1,402	4,519	1,955	1,144	2,436	4,825
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**722**	**354**	**2,167**	**3,935**	**2,481**	**1,808**	**4,935**	**2,381**	**1,580**	**2,884**	**5,285**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	136	0	58	117	48	637	1,292	520	134	136	138
- to improve level of service	2,662	2,504	4,350	6,176	4,933	3,739	6,133	4,508	4,453	5,880	8,340
- to replace existing assets	115	78	69	49	29	86	319	330	95	84	192
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**2,913**	**2,582**	**4,477**	**6,342**	**5,010**	**4,462**	**7,744**	**5,358**	**4,682**	**6,100**	**8,670**
Surplus (Deficit) of capital funding	**(2,191)**	**(2,228)**	**(2,310)**	**(2,407)**	**(2,529)**	**(2,654)**	**(2,809)**	**(2,977)**	**(3,102)**	**(3,216)**	**(3,385)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT											
	Annual Plan 2017/18 ($000)	**Long-term Plan 2018/19 ($000)**	**Long-term Plan 2019/20 ($000)**	**Long-term Plan 2020/21 ($000)**	**Long-term Plan 2021/22 ($000)**	**Long-term Plan 2022/23 ($000)**	**Long-term Plan 2023/24 ($000)**	**Long-term Plan 2024/25 ($000)**	**Long-term Plan 2025/26 ($000)**	**Long-term Plan 2026/27 ($000)**	**Long-term Plan 2027/28 ($000)**
Surplus / (Deficit) of operating funding from Funding Impact Statement	**2,191**	**2,228**	**2,310**	**2,407**	**2,529**	**2,654**	**2,809**	**2,977**	**3,102**	**3,216**	**3,385**
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	288	372	380	388	397	406	416	426	436	448	460
Vested Assets	1,170	1,129	1,154	1,179	1,205	1,233	1,262	1,293	1,325	1,360	1,396
Gains on sale	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(2,191)	(2,228)	(2,310)	(2,407)	(2,529)	(2,654)	(2,809)	(2,977)	(3,103)	(3,217)	(3,385)
Other non-cash income/expenditure	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**1,458**	**1,501**	**1,534**	**1,567**	**1,602**	**1,639**	**1,678**	**1,719**	**1,760**	**1,807**	**1,856**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

	Annual Plan 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Stormwater											
Airlie St	87,411	50,000	-	417,792	-	-	-	-	-	-	-
Anglia/Scotia	-	-	-	-	-	21,895	11,350	11,622	190,314	-	-
Ariesdale/Thompson Terrace	127	-	-	-	32,024	273,003	-	-	-	-	-
Athol Street Stormwater	5,000	-	30,660	-	32,024	27,300	11,182	572,530	-	-	-
Beach Road	-	-	35,770	10,445	266,865	-	-	-	-	-	-
Beatson Road	-	-	-	-	-	59,023	60,440	23,245	380,628	-	-
Black	-	-	-	-	10,675	27,300	223,644	-	-	-	-
Brooklands	-	55,000	-	173,384	-	-	-	-	-	-	-
Arapiki Road	-	-	-	41,831	10,888	273,330	-	-	-	-	-
Freshwater improvement programme	-	-	-	52,224	53,373	54,601	27,956	28,627	117,369	120,421	123,672
Halifax St - Tasman to Milton Street	-	-	-	-	-	-	-	29,374	30,109	12,828	1,113,048
Main Rd Stoke - Hays cnr / Louisson Avenue	-	-	-	41,805	10,701	10,920	615,021	-	-	-	-
Main Rd Stoke - Louisson Avenue to Marsden Road	-	-	-	41,805	10,701	11,630	841,628	-	-	-	-
Milton - Grove Street to Cambria Street	-	-	-	28,235	10,710	268,634	-	-	-	-	-
Mount Street / Konini Street	52,659	10,000	10,220	564,541	10,675	10,920	604,398	-	-	-	-
Poynters Crescent	-	-	-	31,334	10,904	23,609	335,466	-	-	-	-
Railway Reserve - Newall Avenue to Bledisloe Street	-	-	-	-	-	-	-	61,890	28,227	28,961	668,447
Rangiora Terrace	-	-	-	-	-	-	-	-	126,912	-	-
Shelbourne Street	-	-	-	56,454	173,089	-	-	-	-	-	-
Cawthron Crescent	-	30,000	10,659	22,582	240,179	-	-	-	-	-	-
Cherry/Baigent/Ridgeway	-	-	-	-	42,698	21,922	22,845	618,905	-	-	-
Collingwood Street	-	-	-	-	-	-	-	41,772	63,438	26,035	309,180
Dodson Valley	-	-	49,715	22,582	128,095	-	-	-	-	-	-
Emano Reserve Stormwater	-	10,000	10,220	10,445	266,865	-	-	-	-	-	-
Examiner	-	20,000	55,188	10,445	320,238	-	-	-	-	-	-
Golf/ Parkers	-	-	-	39,529	10,675	10,920	483,518	-	-	-	-
Hardy (Tasman-Alton)	-	-	-	-	-	-	54,396	24,756	11,737	602,105	-
Haven Rd open channel upgrade	-	-	-	-	-	-	-	28,627	29,342	30,105	432,852
Isel Place	-	-	-	-	57,696	23,609	11,350	185,671	-	-	-
Jellicoe/Bledisloe/Kaka/Kea/Freyberg/Maple	-	-	-	-	-	-	-	61,909	23,474	12,644	643,713
Karaka	-	-	-	-	-	-	-	60,299	25,382	12,644	334,224
Kauri/Matai/Titoki/Ranui	-	-	-	-	-	-	-	60,299	25,382	12,644	324,206
Kipling	-	-	-	-	-	-	-	55,701	11,737	12,042	247,344
Kowhai	-	-	-	-	32,024	11,029	279,555	-	-	-	-
Little Go Stream upgrade Rutherford St	100,353	290,000	1,533,000	1,044,480	-	-	-	-	-	-	-
Nile Street East	24,998	807,904	-	-	-	-	-	-	-	-	-
Mahoe/Orsman/Matipo	-	-	-	-	57,713	59,041	22,364	495,124	-	-	-
Manson Ave	-	-	55,239	10,445	10,675	295,116	-	-	-	-	-
Manuka	-	-	-	-	-	-	-	55,701	23,474	12,042	618,360
Marsden Valley Cemetery diversion	-	-	-	-	-	-	24,176	12,378	222,033	-	-
Martin	-	-	-	-	-	-	60,440	22,958	12,465	325,438	-
Marybank / Tresillian Ave	-	-	55,239	112,908	11,208	590,231	1,118,220	-	-	-	-
Montcalm/Arrow/Wash Vly/Hastings	-	37,915	1,105,099	1,129,083	807,747	-	-	-	-	-	-

	Annual Plan 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Natural Hazards Risk Remediation	-	-	-	112,908	115,392	118,046	-	-	-	-	-
Nayland Road / Galway	-	206,000	-	-	-	-	-	-	-	-	-
Network Capacity Confirmation for Growth Areas	-	-	-	-	-	-	120,880	123,781	126,876	130,175	133,689
Ngaio/Maitland	-	-	-	-	21,632	11,597	503,199	-	-	-	-
Nikau Rd open channel upgrade	-	-	-	-	-	-	-	22,901	11,737	12,042	185,508
Otterson Street to Pascoe Street Stormwater	-	-	-	-	-	-	-	-	23,474	12,042	309,180
Paru Paru	-	-	-	11,291	11,539	11,805	279,555	-	-	-	-
Pateke	-	-	-	-	11,539	11,805	120,880	-	-	-	-
Public/Private Drains & Open Chanel upgrade programme	-	-	-	-	-	59,023	60,440	61,890	634,379	650,876	668,447
Private / Public Drains	-	58,131	110,478	112,908	115,392	118,046	120,880	123,781	126,876	130,175	133,689
Renwick / Wellington Street / Waimea Road	-	-	-	56,471	56,212	338,523	-	-	-	-	-
Riverside	-	-	-	33,872	11,539	11,805	279,555	-	-	-	-
Rotoiti	-	-	30,660	10,445	117,421	-	-	-	-	-	-
Rutherford Stage 2 - Box Culvert	-	-	63,565	52,224	160,119	-	78,555	123,781	126,876	1,301,751	1,336,894
Seaton/Allisdair	-	-	55,239	20,942	11,208	236,093	-	-	-	-	-
St Vincent / Hastings St Culvert	50,000	10,000	10,220	10,445	10,675	32,760	111,822	174,049	1,760,535	1,806,315	-
Stafford Ave	-	-	-	-	-	-	-	37,134	25,375	12,789	200,534
Stansell Private / Public Drains	-	55,000	5,110	250,675	-	-	-	-	-	-	-
Stormwater Pump Station Renewals	51,518	30,000	30,660	31,334	-	54,601	279,555	286,265	-	-	-
Tahunanui Hills Stormwater- Moana Avenue to Rocks Road	88,321	100,000	92,649	564,541	577,128	590,401	447,288	-	-	-	-
Tide Gate Renewals	-	25,653	20,440	-	-	-	-	-	30,768	19,526	123,672
Tipahi / Eckington	-	-	-	-	-	-	-	-	23,474	325,532	401,068
Tosswill to Tahuna Stormwater Upgrade	-	100,000	30,660	20,890	480,357	273,003	-	-	-	-	-
Totara / Hutcheson	-	-	11,048	11,291	213,492	-	-	-	-	-	-
Trafalgar Square (Betts Carpark)	-	-	-	-	80,775	63,446	64,969	928,357	-	-	-
Tui Glen	-	-	-	36,557	155,849	-	-	-	-	-	-
Vanguard Street Stormwater	-	316,000	-	-	-	59,023	78,555	229,298	-	-	-
Wastney Terrace stormwater	59,698	-	817,600	835,584	-	-	-	-	-	-	-
York Terrace	-	-	-	-	34,618	11,390	11,182	371,343	-	-	-
Projects under $100,000	45,731	370,116	248,412	306,466	205,738	386,512	377,882	424,066	469,987	489,949	360,717
Total Stormwater	**565,816**	**2,581,719**	**4,477,750**	**6,341,193**	**5,009,067**	**4,461,912**	**7,743,146**	**5,358,034**	**4,682,380**	**6,099,081**	**8,668,444**

Flood protection

WHAT WE DO

Council flood protection works include physical upgrades to rivers and streams to increase the volume of water they can carry, increasing the size of culverts, removing gravel in areas where it accumulates and reduces flow capacity, modelling, land use planning and management of detention ponds. This work aims to manage risks associated with flooding from rivers and streams during heavy rainfall events.

Sea water flowing upstream during high tides can also affect the extent of flooding, which is why Council's flood protection assets include tide gates.

Council's flood protection activity only relates to the rivers and streams in Nelson's urban area. The special general charge for stormwater and flood protection is only levied on properties that benefit from these activities. This excludes properties greater than 15ha in area, and all properties located on the eastern side of the Gentle Annie Saddle.

WHY WE DO IT

The proximity of the Nelson foothills, and the location of commercial and residential development on the flood plains and close to waterways, mean that during heavy rainfall water levels can rise rapidly and often localised but intense flash flooding can occur.

Council's flood protection system is intended to protect people and property from harm during extreme rainfall events while minimising the negative impacts of flood protection activities on the recreational and environmental values of waterways.

Council aims to build on work already undertaken and follow a risk based approach that balances affordability against risk impact, recognising that to provide complete protection for all properties would be unaffordable for our community. The results of the stream and river flood models that have been prepared in 2016/17 have been presented to community meetings. It is expected to finalise these models in 2018 in order to use the results to inform the draft Whakamahere Whakatū Nelson Plan. Interim statements will be added to Land Information Memorandum reports until such time as the models are completed.

CHALLENGES

Climate change

Existing flooding issues in the urban area are likely to increase as a result of climate change, sea level rise and more frequent and more intense rainfall events which are predicted to occur in the future. Council plans to respond to this challenge by modelling where flooding is likely to occur, and use this hazard information to inform future development rules in areas subject to flooding. Council also aims to refine a risk-based approach for decision making on flood protection. A risk based approach is expected to better align the probability and consequences of flood events with community values for streams and rivers, and the affordability of flood control schemes.

COMMUNITY OUTCOMES

Council's flood protection activity contributes primarily to the following community outcomes:

- Our unique natural environment is healthy and protected
- Our urban and rural environments are people-friendly, well planned and sustainably managed
- Our infrastructure is efficient, cost effective and meets current and future needs
- Our region is supported by an innovative and sustainable economy

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- **Waterways –** Council will continue to have a focus on maintaining the capacity of existing waterways Any future upgrading of channel capacity will be undertaken following a risk based approach
- **Maitai River flooding –** the main priority is analysing Maitai River flood response options and identifying implications for the central business district of Nelson and the Wood caused by Maitai, Brook and York Stream flood flows
- **Saxton Creek, Orphanage Stream–** completing work in progress at those sites at a cost of $5 million to complete
- **Flood protection strategies** – this work will identify areas with inadequate flood protection services. A more strategic approach is required to identify flood protection requirements across the city and to develop appropriate responses
- **Community consultation** - Council proposes to have an in-depth conversation with the community about a risk based approach to flood protection. It would recognise the likely changing weather patterns and flood risk over the life of this Long Term Plan, and the trade-offs between flood protection, stream and river values with affordability.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

<table>
<tr><th rowspan="2">What Council will provide</th><th rowspan="2">Performance measures</th><th rowspan="2">Current performance</th><th colspan="3">Targets</th><th rowspan="2">Targets years 4 - 10</th></tr>
<tr><th>Year 1</th><th>Year 2</th><th>Year 3</th></tr>
<tr><td rowspan="2">Environmental protection, damage to people and property minimised, and a reliable flood protection network</td><td rowspan="2">The major flood protection and control works that are maintained, repaired and renewed to the key standards defined in the Flood Protection</td><td>No loss of current service potential in any urban streams 2016/17</td><td colspan="4">Network maintained to current service potential</td></tr>
<tr><td>No flood events occurred which required repairs in 2016/17. Previous flood</td><td colspan="4">Flood event damage identified, prioritised and repair programme agreed with community</td></tr>
</table>

	Asset Management Plan	event damage repair underway or completed	
		Repairs from storm events prioritised via repairs consent	High priority work completed as soon as practicable
		2016/17 flood repairs completed to maintain waterways	Network components renewed to continue provision of original design service potential
	Develop risk based Maitai flood response options	New measure	Year 1: Flood analysis and property impacts identified Year 2: Response options identified Year 3: Community engagement on response options Years 4-10: Implementation of response options
	Develop city wide flood protection strategies	New measure	Year 1: Complete flood models for major streams Year 2: Prioritise flood response based on results of risk based analysis Year 3: Identify top priority response options Years 4-10: Engage with the community and implementation of options

DRIVERS OF CAPITAL EXPENDITURE

The main driver of the capital expenditure for flood protection:

- The risk of flood damage to people, property or the environment from extreme rain events.

ASSUMPTIONS

As well as the general assumptions that apply as the basis for forecasting budgets across Council's work, the following specific assumptions apply to Council's flood protection activities. It is assumed that:

- While there are expected to be changes to weather patterns due to climate change in the longer term, it is assumed that Nelson's climate will not face substantial change within the next ten years. Factors such as climate change and population growth will receive increased analysis as the 30 year Infrastructure Strategy is reviewed in future years.

IMPACTS AND RISKS

There are potential negative impacts from providing flood protection such as:

- Channel upgrading works altering land use and ownership if property is required for the work
- Stormwater becoming contaminated by substances on the land over which it flows. Industrial waste e.g. oil, plastic or paint, tyre residues on roads and sediment are examples of contaminants that subsequently end up in waterways. These effects are to some extent reduced by Council's initiatives under the Freshwater Plan, and asset management plans programmed for implementation over the next 10 years
- Unknown stormwater quality, largely depending on behaviours and decisions of residents, visitors and business operators, especially where they discharge a substance into the stormwater system. These effects are lessened by Council providing information, incentives, monitoring and controls to encourage the protection of environmental quality. Ultimately the co-operation of residents, visitors and businesses is essential to achieve improved environmental outcomes. Enforcement powers, when required to prevent or respond to pollution, are available to Council through the Resource Management Act 1991

The extreme and high risks in the flood protection activity are associated with:

- flood events
- secondary flow paths
- stormwater contamination

Mitigation options include:

- capital works to improve capacity using a risk-based approach
- increased maintenance
- identification and regular inspection of secondary flow paths
- increased regulatory activity to monitor the storage and use of hazardous substances under the Nelson Resource Management Plan
- Council and community accepting low level risk in some locations
- Council will also have a focus on the management of contracts and contractors to ensure efficient and effective response to flooding is maintained

Capital spending and operation/maintenance budgets have been identified to address risks. Further resources would be required to support the increased regulatory activity to address hazardous substances.

FLOOD PROTECTION FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	1,237	1,654	1,861	2,111	2,453	2,697	2,705	2,842	3,060	3,190	3,305
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Operating Funding	**1,237**	**1,654**	**1,861**	**2,111**	**2,453**	**2,697**	**2,705**	**2,842**	**3,060**	**3,190**	**3,305**
Applications of operating funding											
Payments to staff and suppliers	198	289	279	306	291	365	305	362	429	329	337
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied *	674	767	922	1,114	1,388	1,483	1,521	1,572	1,662	1,828	1,892
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**872**	**1,056**	**1,201**	**1,420**	**1,679**	**1,848**	**1,826**	**1,934**	**2,091**	**2,157**	**2,229**
Surplus (Deficit) of operating funding	**365**	**598**	**660**	**691**	**774**	**849**	**879**	**908**	**969**	**1,033**	**1,076**
Sources of capital funding											
Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	8,598	4,133	4,632	4,993	1,805	210	943	444	3,673	241	2,615
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**8,598**	**4,133**	**4,632**	**4,993**	**1,805**	**210**	**943**	**444**	**3,673**	**241**	**2,615**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	8,963	4,731	5,292	5,684	2,579	1,059	1,822	1,352	4,642	1,274	3,691
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**8,963**	**4,731**	**5,292**	**5,684**	**2,579**	**1,059**	**1,822**	**1,352**	**4,642**	**1,274**	**3,691**
Surplus (Deficit) of capital funding	**(365)**	**(598)**	**(660)**	**(691)**	**(774)**	**(849)**	**(879)**	**(908)**	**(969)**	**(1,033)**	**(1,076)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Surplus / (Deficit) of operating funding from Funding Impact Statement	**365**	**598**	**660**	**691**	**774**	**849**	**879**	**908**	**969**	**1,033**	**1,076**
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Vested Assets	110	166	170	173	177	181	186	190	195	200	205
Gains on sale	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(366)	(598)	(660)	(691)	(774)	(849)	(879)	(909)	(968)	(1,034)	(1,076)
Other non-cash income/expenditure	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**109**	**166**	**170**	**173**	**177**	**181**	**186**	**189**	**196**	**199**	**205**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

	Forecast 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Flood Protection											
Brook Stream catchment improvements	-	-	-	112,908	115,392	21,840	604,398	618,905	634,379	-	-
Brook Stream fish passage	10,000	80,000	51,100	167,117	-	-	-	-	-	-	-
Brook Stream Outlet low flow	1,305	50,000	-	-	335,250	-	-	-	-	-	-
Arapiki Stream	-	-	-	-	-	-	-	61,890	63,438	65,088	334,224
York Stream Channel Upgrade	2,605,002	-	-	52,224	21,349	382,204	55,911	57,253	1,760,535	-	-
Emano Street Channel	-	-	-	-	-	177,069	60,440	61,890	1,173,690	-	-
Flood Mitigation	212,419	-	161,610	165,165	168,799	118,046	120,880	123,781	126,876	130,175	133,689
Inventory of Urban Streams	27	238,000	102,200	104,448	53,373	-	-	-	-	-	-
Main Rd Stoke/Poormans St/Culvert op. Fire Station	-	20,000	20,440	10,445	266,865	-	-	-	58,685	301,053	-
Maire Stream - Stage 1	149,553	150,000	-	-	-	-	-	-	58,685	60,211	61,836
Maitai flood management	-	100,000	51,100	104,448	106,746	109,201	111,822	-	-	-	-
Murphy Street	-	-	-	-	-	-	-	114,506	58,685	60,211	1,236,720
Oldham Creek stormwater upgrade	-	-	-	-	-	-	-	91,605	58,685	12,042	1,014,110
Orphanage Stream - bunding and Suffolk Road Culvert	33,335	140,000	858,480	668,467	-	-	-	-	-	-	-
Orphanage Stream / Sunningdale	157,808	132,103	-	-	-	-	-	-	-	-	-
Orphanage Stream Upgrade - Stage 2	-	-	-	-	-	-	-	-	126,876	60,211	61,836
Poormans Stream	-	-	-	-	-	-	-	-	117,369	60,211	61,836
Review of Jenkins & Arapiki (airport)	-	-	-	121,433	57,696	58,969	604,398	-	-	-	-
Saxton Creek upgrade	1,300,002	2,795,598	204,400	-	-	-	-	-	-	-	-
Saxton Creek, Main Rd Stoke Culvert to Sea	65,985	150,000	3,089,506	3,951,790	1,200,893	-	-	-	-	-	-
Secondary Flow Paths	-	50,000	102,200	-	-	-	-	-	-	-	-
Wakapuaka Flats Stormwater Network Upgrade	-	-	-	-	-	-	-	-	58,685	60,211	309,180
Whakatu Drive (Storage World)	9,998	604,414	408,800	-	-	-	-	-	-	-	-
Projects under $100,000	-	220,301	241,780	226,011	252,535	191,956	264,286	222,174	345,437	465,143	477,416
Total Flood Protection	**4,545,434**	**4,730,416**	**5,291,616**	**5,684,456**	**2,578,898**	**1,059,285**	**1,822,135**	**1,352,004**	**4,642,025**	**1,274,556**	**3,690,847**

Solid Waste

WHAT WE DO

Council manages the Pascoe Street Transfer Station, which receives domestic hazardous waste, refuse and separated green waste. Council also manages the recycling service to residential properties and promotes waste minimisation.

The joint responsibility for the management of both York Valley Landfill in Nelson and Eves Valley Landfill in Tasman has been transferred to the Nelson Tasman Regional Landfill Business Unit (RLBU), which became operational from 1 July 2017. York Valley Landfill has capacity for 15 more years of waste disposal. The landfill fees for the Joint Venture will be included in the Long Term Plan once confirmed by the RLBU in early 2018.

The focus of the Council solid waste activity over the next few years will be to consider the outcomes from the review of the Nelson Tasman Joint Waste Management and Minimisation (WMM) Plan. The Joint WMM Plan is being reviewed concurrently with the Long Term Plan process.

The joint landfill fees are set by Nelson City and Tasman District Councils. For 2018/19 they are proposed to be $141 per tonne.

WHY WE DO IT

Good public health and wellbeing depends on the safe disposal of waste. Environmental protection also depends on promoting the reduction, reuse, recycling, and recovery of potential solid waste and compostable material. Council provides waste management and minimisation services to reduce the creation of waste, improve the efficiency of resource use, and to reduce the harmful effects of waste on people and the environment.

Managing landfill disposal on a regional level on behalf of Nelson and Tasman residents will result in better outcomes in all aspects of waste minimisation and management.

CHALLENGES

Waste generation

There are limits to both the Nelson and Tasman councils' ability to influence waste generation within the region. To achieve significant change, all residents and businesses will need to take responsibility for their generation of waste and decisions regarding reuse, recycling and disposal. The councils support this change through incentivising recyclables collection, and providing a user pays household refuse collection service. To divert green waste from the landfill Council promotes composting, provides information and discount coupons for compost, worm farm or bokashi bins. Council plans to track household composting as an example of Council supporting the community to make a personal choice about avoiding the creation of waste. Council promotes minimisation and awareness of the 'circular economy' with a programme that includes, for example, recycling and waste reduction at events.

Demand for services

Increasing population, visitors and industry will increase demand for waste management and minimisation services. The approach taken in the Joint Waste Management and Minimisation Plan is to respond to the increasing demand by identifying the following waste streams for priority waste minimisation action:

- organics, including both garden and kitchen waste
- recyclable packing and paper
- inorganic and 'special' wastes
- timber and other construction and demolition waste, and
- hazardous waste.

COMMUNITY OUTCOMES

Council's solid waste activity contributes primarily to the following community outcomes:

- Our unique natural environment is healthy and protected
- Our infrastructure is efficient, cost effective and meets current and future needs
- Our communities are healthy, safe, inclusive and resilient
- Our regional is supported by an innovative and sustainable economy

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- **Nelson Tasman Joint Waste Management and Minimisation Plan 2018** – Council will contribute to achieving the outcomes of this Plan, which will set the waste minimisation and management priorities for the region over the next six years in conjunction with the Tasman District Council.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

What Council will provide	Performance measures	Current performance	Targets			Targets years 4 - 10
			Year 1	Year 2	Year 3	
Measures to encourage the community to reduce waste to landfill	Quantity (kg) per capita, annually, excluding biosolids, material from H.A.I.L sites (contaminated land) and out of region waste e.g. Buller District	598 kg per resident was disposed of at landfill 2016/17 January 2018 estimate NZ average was 734 kg per person per year	Maintain or decrease the amount of waste (kg) per capita to landfill, per year			

Measures to encourage the community to increase composting of food and garden waste	Proportion of households composting food waste and garden waste, from Survey of Residents	From 2014 Survey of Residents: 67% composted food waste, and 73% composed garden waste	Maintain or increase the % of households that compost food and garden waste compared to previous survey results
Support for the collection and recycling of e-waste	Uptake of available subsidies for recycling e-waste	New measure	Consistent or increasing uptake of available e-waste subsidies compared to the previous year

DRIVERS OF CAPITAL EXPENDITURE

The main driver of capital expenditure on solid waste is the demand for waste disposal, which in turn is driven by increasing population, tourist activity and industry.

ASSUMPTIONS

There are no assumptions specific to the Solid Waste activity other than the general assumptions that apply to all Council activities.

IMPACTS AND RISKS

There are potential negative impacts from providing solid waste management. The following outlines some of the major impacts and risk mitigation strategies:

- Pollution of the air, soil and groundwater from the York Valley landfill. This is limited through using best practice to meet resource consent conditions
- Greenhouse gas emissions from the landfill are reduced through capping the landfill site and extracting some methane for sale to be combusted
- The risk of gas collection system failure leading to a landfill fire, or hazardous waste not being identified, leading to impacts on human health and/or the environment is mitigated by regular monitoring.

SOLID WASTE FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	154	0	0	0	0	0	0	0	0	0	0
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	191	193	198	204	209	215	221	227	234	240	248
Fees and charges	955	3,795	3,628	3,690	3,760	3,840	3,929	4,022	4,123	4,225	4,333
Internal charges and overheads recovered	2,105	2,250	2,269	2,315	2,363	2,434	2,485	2,517	2,575	2,635	2,591
Local authorities fuel tax, fines, infringement fees, and other receipts	2,018	2,271	2,403	2,434	2,484	2,558	2,608	2,642	2,702	2,764	2,722
Total Operating Funding	**5,423**	**8,509**	**8,498**	**8,643**	**8,816**	**9,047**	**9,243**	**9,408**	**9,634**	**9,864**	**9,894**
Applications of operating funding											
Payments to staff and suppliers	2,900	5,771	5,741	5,837	5,955	6,113	6,256	6,385	6,549	6,715	6,892
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied *	2,154	2,296	2,310	2,352	2,400	2,466	2,512	2,539	2,592	2,647	2,599
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**5,054**	**8,067**	**8,051**	**8,189**	**8,355**	**8,579**	**8,768**	**8,924**	**9,141**	**9,362**	**9,491**
Surplus (Deficit) of operating funding	**369**	**442**	**447**	**454**	**461**	**468**	**475**	**484**	**493**	**502**	**403**
Sources of capital funding											
Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	5	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(374)	(334)	(338)	(344)	(380)	(351)	(318)	(324)	(405)	(412)	(142)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**(369)**	**(334)**	**(338)**	**(344)**	**(380)**	**(351)**	**(318)**	**(324)**	**(405)**	**(412)**	**(142)**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	0	33	7	34	0	54	0	72	0	0	0
- to improve level of service	0	42	31	31	0	66	73	74	0	121	429
- to replace existing assets	0	30	26	35	27	46	28	50	29	30	31
Increase (decrease) in reserves	0	3	45	10	54	(49)	56	(36)	59	(61)	(199)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**0**	**108**	**109**	**110**	**81**	**117**	**157**	**160**	**88**	**90**	**261**
Surplus (Deficit) of capital funding	**(369)**	**(442)**	**(447)**	**(454)**	**(461)**	**(468)**	**(475)**	**(484)**	**(493)**	**(502)**	**(403)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	**369**	**442**	**447**	**454**	**461**	**468**	**475**	**484**	**493**	**502**	**403**
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	5	0	0	0	0	0	0	0	0	0	0
Vested Assets	0	0	0	0	0	0	0	0	0	0	0
Gains on sale	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(369)	(342)	(347)	(353)	(361)	(367)	(375)	(384)	(383)	(392)	(402)
Other non-cash income/expenditure	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**5**	**100**	**100**	**101**	**100**	**101**	**100**	**100**	**110**	**110**	**1**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

	Forecast 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Solid Waste											
York Valley Landfill											
York Valley upgrade		12,000	-	-	-	-	-	-	-	120,500	428,824
Projects under $100,000	-	92,500	62,839	100,884	26,675	167,184	100,478	196,344	29,350	30,125	30,950
Total Solid Waste	**-**	**104,500**	**62,839**	**100,884**	**26,675**	**167,184**	**100,478**	**196,344**	**29,350**	**150,625**	**459,774**

Environment

WHAT WE DO

As one of only six unitary councils, this Council has both local and regional responsibilities for environmental management. This means Council also needs to consider natural resources such as air, freshwater, coastal environments and soil as well as the quality of the built environment and regional growth.

Regional council environmental responsibilities are important for protecting our environment and community wellbeing into the future. Council delivers these functions and obligations through planning, consent and compliance work as well as integrated and targeted programmes such as Nelson Nature and our science and monitoring programme.

Council's environmental activities include planning, city development, scientific monitoring and reporting, education and assistance, as well as building and resource consents, compliance and enforcement.

Navigation safety is also part of this activity; a responsibility that has been delegated to Port Nelson Ltd and is managed by the Harbourmaster. Council is responsible for the marine environment for 12 nautical miles out from Waimea Estuary to Cape Soucis.

WHY WE DO IT

Council has made the environment one of its key priority areas to meet the Nelson community's aspirations related to the environment, reflect the importance of our region's strong environmental identity and implement the requirements of a wide range of legislative and policy directives. Feedback from the community highlights the need to focus on water quality in streams and at our beaches and the maintenance of our biodiversity areas.

CHALLENGES

Government Legislation and Standards

Recent and planned changes to national policy and standards relating to freshwater, urban development capacity, air, forestry, climate change, and environment reporting require an increasing commitment to the provision of ongoing monitoring information, achievement of environmental improvements, and changes to plans and strategies.

Resource management planning

The Resource Management Act requires Council to ensure its resource management plans are kept up to date and reviewed every ten years. Nelson has a number of resource management plans that are either due or overdue for review, and are to be brought together in the updated Whakamahere – meaning 'to plan' - Whakatū Nelson Plan. This is a complex document being developed from the review Council initiated in 2013. Public feedback in 2015 on Nelson's significant resource management issues and in 2016 on the Regional Policy Statement, and key stakeholder and iwi engagement have helped shape the draft Whakamahere Whakatū Nelson Plan. Public release of the draft Plan is anticipated in August 2018, which will be followed by a full feedback

process before its public notification in mid-2019 and the formal submission and hearing process over the next few years.

Coastal and marine environments

A greater focus on the marine environment is needed because it is so significant to Nelson. Marine biosecurity issues, marine and estuary sedimentation, coastal erosion, and the potential effects of sea level rise also need to be better understood.

Nelson's coastal waters are under threat from invasive marine species. These have the potential to impact on the ecology of Tasman Bay and on the marine economy. Council is responding by increasing its focus on the protection of the marine environment for which it is responsible.

Integration

Implementation of Council's other asset and activity management plans has a significant influence on the achievement of its environmental goals. Integration between the different environmental programmes, including planning, consents and monitoring, is also essential for the achievement of environmental outcomes. Other Council activities, including its infrastructure asset management, now include environmental outcomes in their plans and levels of service to deliver environmental management across the Council organisation. Increased prioritisation of environmental data collection will assist informed decision making and public understanding of the state of our environment.

COMMUNITY OUTCOMES

Council's Environment activity contributes primarily to the following community outcomes:

- Our unique natural environment is healthy and protected
- Our urban and rural environments are people friendly, well-planned and sustainably managed
- Our infrastructure is efficient, cost effective and meets current and future needs
- Our communities are healthy, safe, inclusive and resilient
- Our communities have opportunities to celebrate and explore their heritage, identity and creativity
- Our communities have access to a range of social, educational and recreational facilities and activities
- Our Council provides leadership and fosters partnerships, a regional perspective, and community engagement
- Our region is supported by an innovative and sustainable economy

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- **Freshwater** – Council is expanding the Project Maitai/Mahitahi ecosystem approach to other stream catchments across the region. There is $258,000 for Healthy Streams projects focused on improving stream health in both rural and urban areas. Council has budgeted capital expenditure provision of $108,000 per annum in support of the Healthy Streams Programme outcomes. Strategic linkages have also been formed to ensure funding is directed to infrastructure projects that improve environmental outcomes
- **Biodiversity / Nelson Nature** – Council will focus on the next three years of the Nelson Nature ten year integrated project to deliver regional council biodiversity obligations across land and water areas of the region. It is focused on pest plant and animal control, significant natural areas, management of coastal margins, development of bio-corridors, threatened species and habitat restoration
- **Climate Change** – Council is planning to develop a programme of work to reflect national direction and the Local Government NZ climate change work. The Local Government Leaders Climate Change Declaration also drives this work
- **Natural Hazards** - The management of significant risks from natural hazards has been identified as a matter of national importance in recent Resource Management Act reforms. Council's prior work will inform risk-based hazard planning and infrastructure management, which will be incorporated in the Whakamahere Whakatū Nelson Plan and Council's infrastructure work programme. Recent hazard modelling information will determine what regulatory and other controls are required
- **Coast and marine** - Council recognises there is a range of complex issues related to coastal and marine environment including sea level rise, coastal erosion, marine biosecurity, Tasman Bay water quality and biodiversity, and estuarine health. Council has successfully advocated for Tasman Bay and is now launching a new estuarine health monitoring programme across Nelson's four estuaries – Waimea Inlet, The Haven, Delaware Bay and Kokorua Bay - and developing a programme of work to respond to national and regional initiatives in the coastal and marine areas such as the Sustainable Seas National Science Challenge
- **State of the Environment monitoring** – Council is increasing its state of the environment monitoring programme to respond to national reporting requirements and to provide good long term data about the state of our land, air, water and biodiversity and evidence. This will be used in policy development and to inform our communities
- **Land and marine biosecurity** - To minimise the risk of invasive marine species impacting on the Tasman Bay environment and industry Council will work collaboratively though the Top of the South Marine Biosecurity Partnership and other biosecurity agencies
- **Cost recovery** – Council plans to implement charging for monitoring under section 36 of the Resource Management Act with an expected income of $100,000 per year of the Long Term Plan.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

What Council will provide	Performance measures	Current performance	Targets			Targets years 4 - 10
			Year 1	Year 2	Year 3	
Clean air	Compliance with national Air Quality Standards – number of breaches in each airshed	Number of breaches in airshed A: 1 in 2016 1 in 2017	No more than 3 breaches in winter 2018	Maintain Year 1	Maintain Year 1	No more than 1 breach per winter
		Number of breaches in airshed B1: 1 in 2016 2 in 2017	No more than 1 breach in winter 2018	Maintain Year 1	Maintain Year 1	Maintain Year 1
		Number of breaches in airshed B2: none in 2016 none in 2017	No breaches			
		Number of breaches in airshed C: none in 2016 none in 2017	No breaches			
Natural water ways complying with National Policy Statement Freshwater requirements	% of pristine water bodies maintained at current state (2017 baseline) as a minimum	New measure	100%			
Safe recreational bathing sites, marine and freshwater	% key bathing sites monitored and public advised if water quality standards breached	New measure	100%			
Resource consent processes that comply with statutory timeframes	% non-notified processed within 20 working days %fast track consents within 10 working days	98% in 2017 New measure	100% 100%			
Building unit compliance	% building consents and	99% in 2017	100%			

	code compliance certificates issued within 20 working days		
Dog and animal control	% of all complaints responded to within one day	90% in 2017	90% of complaints responded to within one day
Food safety and public health	% premises receiving inspection as per statutory requirements	New measure	100% of premises are inspected according to legislative requirements on frequency
Alcohol licensing	% of licensed premises receiving two inspections per year	New measure	100% of premises inspected two times per year
Pollution response	% responses to emergences within 30 minutes and all other incidents within one day	New measure	100% of emergencies responded to within 30 minutes and all other incidents within one day

DRIVERS OF CAPITAL EXPENDITURE

The main driver of capital expenditure is to provide environmental monitoring equipment and environmental protection through projects such as planting and fish passage. Although in general capital expenditure is a minor part of total expenditure on this activity as most is operational funding, it is critical for good environmental management. Also capital expenditure to improve environmental outcomes will be seen in core infrastructure activities such as stormwater and wastewater.

ASSUMPTIONS

As well as the general assumptions that apply as the basis for forecasting budgets across Council's work, the following specific assumptions apply to Council's Environment activities. It is assumed that:

- Nelson's climate will remain substantially unchanged for the next decade. Factors such as climate change and population growth will receive increased analysis as the 30 year Infrastructure Strategy is reviewed in future years
- The level of consent processing activity is stable given the state of the economy and consistent with a high growth scenario.

IMPACTS AND RISKS

Potential significant negative effects on the community of the Council's Environment activities, and relevant risk mitigation strategies include:

- Regulation costs - transaction and implementation costs may occur for individuals and businesses as well as constraints on the actions they can

undertake, because of Council carrying out its regulatory and legislative responsibilities. Council limits costs by ensuring best practice is applied to regulatory management. It is accepted that some costs are necessary to achieve environmental and public health and safety goals

- The time it takes for Council to respond to changes in information on hazards and amendments to legislation and regulations. This risk is mitigated by monitoring changes and annually reviewing Council's work programme to ensure highest priority risks are action addressed
- Marine biosecurity incursions in the marina and wider port. The risk is reduced by regular monitoring and membership of Top of South Biosecurity Partnership

ENVIRONMENTAL MANAGEMENT FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	7,177	7,827	8,149	7,922	8,044	8,073	8,230	8,669	8,754	9,043	9,294
Targeted rates	24	12	5	1	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	90	55	31	31	32	32	33	33	34	35	35
Fees and charges	1,159	224	228	231	235	239	254	259	264	269	274
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	3,840	4,384	4,475	4,565	4,640	4,722	4,813	4,899	4,995	5,096	5,192
Total Operating Funding	**12,290**	**12,502**	**12,888**	**12,750**	**12,951**	**13,066**	**13,330**	**13,860**	**14,047**	**14,443**	**14,795**
Applications of operating funding											
Payments to staff and suppliers	11,843	12,183	12,566	12,424	12,606	12,702	12,945	13,456	13,621	13,994	14,325
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied *	284	285	278	272	283	295	308	321	335	352	366
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**12,127**	**12,468**	**12,844**	**12,696**	**12,889**	**12,997**	**13,253**	**13,777**	**13,956**	**14,346**	**14,691**
Surplus (Deficit) of operating funding	**163**	**34**	**44**	**54**	**62**	**69**	**77**	**83**	**91**	**97**	**104**
Sources of capital funding											
Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(4,457)	(215)	(155)	32	77	180	144	187	176	141	141
Gross proceeds from sale of assets	7,677	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**3,220**	**(215)**	**(155)**	**32**	**77**	**180**	**144**	**187**	**176**	**141**	**141**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	0	39	39	40	31	30	32	32	33	34	35
- to improve level of service	372	175	177	236	168	206	176	176	221	190	196
- to replace existing assets	3,477	44	87	46	12	13	13	62	13	14	14
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	(466)	(439)	(414)	(236)	(72)	0	0	0	0	0	0
Total applications of capital funding	**3,383**	**(181)**	**(111)**	**86**	**139**	**249**	**221**	**270**	**267**	**238**	**245**
Surplus (Deficit) of capital funding	**(163)**	**(34)**	**(44)**	**(54)**	**(62)**	**(69)**	**(77)**	**(83)**	**(91)**	**(97)**	**(104)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT											
	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Surplus / (Deficit) of operating funding from Funding Impact Statement	**163**	**34**	**44**	**54**	**62**	**69**	**77**	**83**	**91**	**97**	**104**
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Vested Assets	0	0	0	0	0	0	0	0	0	0	0
Gains on sale	2,251	0	0	0	0	0	0	0	0	0	0
Depreciation	(168)	(34)	(44)	(54)	(62)	(69)	(77)	(83)	(90)	(98)	(104)
Other non-cash income/expenditure	(323)	27	11	3	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**1,923**	**27**	**11**	**3**	**0**	**0**	**0**	**0**	**1**	**(1)**	**0**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

	Forecast 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Environmental Management											
Monitoring the Environment											
Other Catchment Upgrades	-	108,131	110,478	112,908	115,392	118,046	120,880	123,781	126,876	130,175	133,689
Plant & Equipment	-	50,000	51,100	104,448	32,024	65,521	33,547	34,352	70,421	36,126	37,102
Projects under $100,000	-	99,816	140,679	104,256	63,852	65,319	66,861	111,789	70,177	71,972	73,886
Total Environmental Management	**-**	**257,947**	**302,257**	**321,612**	**211,268**	**248,886**	**221,288**	**269,922**	**267,474**	**238,273**	**244,677**

Social

WHAT WE DO

The Social Activity supports community wellbeing through provision of a range of social, arts and heritage facilities such as our libraries or Founders Heritage Park. Council also funds events such as the annual Arts Festival and services such as downloadable heritage walks. It invests in and supports the work of key community-owned facilities such as the Nelson School of Music and the Theatre Royal. Council also funds community development, including through grants to groups providing social services and support to the community. This activity helps strengthen and connect our community, build resilience, support our most vulnerable residents and contribute to making Nelson an attractive and vibrant city.

WHY WE DO IT

Arts and heritage assets and the festivals and events that celebrate our city contribute to our identity and build civic pride. Council receives ongoing feedback from members of the community about the value they place on these assets and activities. This activity also supports vulnerable members of the community through grants to community groups, partnering with social agencies to deliver services and providing social housing as well as delivering some of the important city assets such as public toilets and libraries. These activities contribute to the health and wellbeing of residents and help to build a more cohesive community.

CHALLENGES

Community sector constraints

The ability for community organisations to take a strategic, innovative approach is often limited by reliance on volunteers with limited time and the ongoing need to focus on funding applications in order to continue operating. Council staff work closely with the community sector to support its work and deliver community outcomes.

Arts sector funding

Council recognises that a robust arts sector contributes significantly to Nelson's identity and the wellbeing of the community and that volunteer support and patronage is critical to the ongoing health, wellbeing and sustainability of the sector. Council acknowledges that the sector is not able to be fully self-funded and supports this activity through grant funding, direct provision and partnerships and has made significant investments to upgrade key arts facilities.

COMMUNITY OUTCOMES

Council's Social activities contribute primarily to the following community outcomes:

- Our communities are healthy, safe, inclusive and resilient
- Our communities have opportunities to celebrate and explore their heritage, identity and creativity
- Our communities have access to a range of social, educational and recreational facilities and activities

- Our Council provides leadership and fosters partnerships, a regional perspective, and community engagement
- Our region is supported by an innovative and sustainable economy.

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- **Public libraries** - The precinct around the Elma Turner Library is a vital part of central Nelson. A project to re-develop the library is central to this riverside area, and provides opportunities to collaborate adjoining landowners. Council plans to refurbish this well-used facility so it can continue to be a much-loved hub but with expanded community space. At this stage there is considerable uncertainty about the exact scope of the re-development and community input is needed to help settle on a vision for the upgrade. Using best estimates of the scale of the project, which is currently scheduled for completion in 2021/22, a provision of $14.9 million (inflated) for the redevelopment has been made. This might be adjusted up or down as the project progresses. Timing of the Stoke Library redevelopment would be coordinated with this project so there is a continuity of public library services for Nelson residents
- **Bishop Suter Art Gallery** - Council has increased the operating grant for the Bishop Suter Art Gallery from $550,000 in 2017/18 to $656,000 in 2018/19 to reflect the need make the most of its recent investment in upgrading the facility. Most of the increased grant will be invested in updated financial management systems. Maintenance costs have reduced following the new build, while depreciation costs have increased alongside its increased asset value
- **Nelson Arts Festival** - Based on consultation in 2015, 2016 and 2017 on the future governance of the Nelson Arts Festival, Council decided to establish an independent charitable trust to govern and deliver the Festival in future. The aim is to establish the Trust so that it can shadow the Festival operations in 2018 and be ready to take over full responsibility in time to deliver the 2019 Festival. The outcomes for Council's ongoing funding of the Arts Festival would be managed under a contract with the new Trust
- **Community events** - Council currently supports economic events and is proposing to include funding for community events to sit alongside that, starting at $50,000 in 2018/19 and rising to $75,000 plus inflation in following years. Community events are important for wellbeing as they build feelings of belonging, identity and a sense of pride in our city as well as helping to grow awareness of our diverse community
- **Improved public toilets** - Council has two significant projects to upgrade and extend the Millers Acre and the Tahunanui Lions toilets. Both will see construction completed in 2020/21. These projects are estimated to cost a total of $515,000 and $516,000 respectively.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

What Council will provide	Performance measures	Current performance	Targets			Targets years 4 - 10
			Year 1	Year 2	Year 3	
Community partnerships address community needs and issues	Number of successful projects funded where officers work with groups to increase partnership opportunities & leverage funding	New measure from Community Partnerships Activity Management Plan 2018	One new and successful project funded per year			
Bishop Suter Art Gallery: a regional art gallery that engages, educates and entertains	% users satisfied or very satisfied with the facility Number visits per year	85% in 2016/17 (gallery re-opened after renovation in October 2016)	At least 80% of users satisfied or very satisfied (three yearly survey) At least 30,000 visits to the galleries per year (excl. café)	- Maintain Year 1	Maintain Year 1 Maintain Year 1	Maintain Year 1 (surveyed in Year 6) Maintain Year 1
Theatre Royal: regional theatre widely used	Outcomes as specified in the contract with the Theatre Royal	New measure	Contract requirements met			
Nelson School of Music: independent music school & venue	Outcomes as specified in the contract with the Nelson School of Music	Facility renovation due for completion by 2018/19	Contract requirements met			
Public libraries: well used, welcoming and safe	Customer satisfaction Library membership Door counts Online use (previous 3 years)	94% in 2016/17 98% in 2015/16 77% in 2016/17 73% in 2015/16 505,792 - 16/17 500,116 - 15/16 987,077 - 16/17	At least 90% user satisfaction At least 75% residents are library members At least 500,000 per year (except during redevelopment period)			

		914,209 - 15/16 778,242 - 14/15	Online use increasing each year	
Founders Heritage Park: well used by residents and visitors	% occupancy of available space Number of visitors of the facility per year	New measure 56,637 visitors in 2016/17	95% occupancy maintained Maintain or increase visitor number each year	Maintain year 1 Maintain year 1
High quality, popular and accessible arts events	Nelson Arts Festival, Summer Programme and Opera in the Park well-supported by local community measured by Council survey of attendance every three years Ticket sales vs total tickets available Satisfaction levels of attendees measured at events annually	Summer Festival: 55% 2016/17 43% 2015/16 Masked Parade: 39% 2016/17 34% 2015/16 Arts Festival 27% 2016/17 22% 2015/16 Opera in the Park not held 2016/17 New measure New measure	Council resident survey attendance levels maintained or exceeded: • 53% Summer Festival • 44% Masked Parade • 31% Arts Festival • 30% Opera in the Park Number of tickets sold remains constant in relationship to total tickets available. Nelson Summer Programme: satisfaction surveys conducted at events gives same or increased satisfaction levels (Benchmark Year 1)	

DRIVERS OF CAPITAL EXPENDITURE

The main drivers of capital expenditure on Council's Social activity are:

- Need to refurbish library space to continue meeting current levels of service and cater for population growth
- Ageing community housing infrastructure requiring increased maintenance and renewals and eventually replacement
- Need to refurbish and expand public toilets at key sites to service growth in visitor numbers.

ASSUMPTIONS

There are no assumptions specific to the Social activity other than the general assumptions that apply to all Council activities.

IMPACTS AND RISKS

- Alterations to Nelson Public Libraries and the refurbishment of public toilets would result in some disruption to the public. Projects would be managed to limit disruption as far as possible
- The cost of the Arts Festival to rates and the fact that events may not be accessible to many residents due to cost are negative impacts of this activity. This is mitigated by making a number of events free and considering cost and location in programming of events

SOCIAL FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	12,560	12,742	13,280	13,367	13,997	14,757	15,375	15,530	16,218	16,330	16,804
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	296	171	174	177	180	183	186	189	193	196	200
Fees and charges	917	621	733	641	736	642	762	665	768	668	798
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1,577	1,708	1,733	1,760	1,789	1,818	1,850	1,882	1,897	1,931	1,969
Total Operating Funding	**15,350**	**15,242**	**15,920**	**15,945**	**16,702**	**17,400**	**18,173**	**18,266**	**19,076**	**19,125**	**19,771**
Applications of operating funding											
Payments to staff and suppliers	12,561	12,428	12,990	12,835	13,317	13,572	13,970	13,924	14,634	14,695	15,303
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied *	1,478	1,596	1,631	1,709	1,966	2,251	2,467	2,570	2,636	2,653	2,667
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**14,039**	**14,024**	**14,621**	**14,544**	**15,283**	**15,823**	**16,437**	**16,494**	**17,270**	**17,348**	**17,970**
Surplus (Deficit) of operating funding	**1,311**	**1,218**	**1,299**	**1,401**	**1,419**	**1,577**	**1,736**	**1,772**	**1,806**	**1,777**	**1,801**
Sources of capital funding											
Subsidies and grants for capital	22	23	23	24	24	24	25	25	26	26	27
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	4,340	1,631	1,522	3,143	5,230	5,145	1,157	348	(782)	(647)	(528)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**4,362**	**1,654**	**1,545**	**3,167**	**5,254**	**5,169**	**1,182**	**373**	**(756)**	**(621)**	**(501)**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	572	1,512	921	816	589	626	632	682	714	760	746
- to improve level of service	4,816	690	1,450	3,295	5,548	5,754	1,764	1,101	0	0	0
- to replace existing assets	385	770	573	557	636	466	622	462	436	421	554
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(25)	0
Total applications of capital funding	**5,673**	**2,872**	**2,844**	**4,568**	**6,673**	**6,746**	**2,918**	**2,145**	**1,050**	**1,156**	**1,300**
Surplus (Deficit) of capital funding	**(1,311)**	**(1,218)**	**(1,299)**	**(1,401)**	**(1,419)**	**(1,577)**	**(1,736)**	**(1,772)**	**(1,806)**	**(1,777)**	**(1,801)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT											
	Annual Plan 2017/18 ($000)	**Long-term Plan 2018/19 ($000)**	**Long-term Plan 2019/20 ($000)**	**Long-term Plan 2020/21 ($000)**	**Long-term Plan 2021/22 ($000)**	**Long-term Plan 2022/23 ($000)**	**Long-term Plan 2023/24 ($000)**	**Long-term Plan 2024/25 ($000)**	**Long-term Plan 2025/26 ($000)**	**Long-term Plan 2026/27 ($000)**	**Long-term Plan 2027/28 ($000)**
Surplus/(Deficit) of operating funding from Funding Impact Statement	**1,311**	**1,218**	**1,299**	**1,401**	**1,419**	**1,577**	**1,736**	**1,772**	**1,806**	**1,777**	**1,801**
Subsidies and grants for capital expenditure	22	23	23	24	24	24	25	25	26	26	27
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Vested Assets	0	0	0	0	0	0	0	0	0	0	0
Gains on sale	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(1,307)	(1,351)	(1,362)	(1,382)	(1,399)	(1,557)	(1,716)	(1,752)	(1,788)	(1,793)	(1,798)
Other non-cash income/expenditure	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**26**	**(110)**	**(40)**	**43**	**44**	**44**	**45**	**45**	**44**	**10**	**30**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

	Annual Plan 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Social											
Heritage & Arts Planning											
Art Works Programme	118,491	181,098	82,882	84,705	86,569	88,560	90,685	92,862	95,184	97,659	100,296
Nelson Library											
Book Purchases	417,608	399,538	408,328	417,309	426,491	436,299	446,771	457,495	468,934	481,128	494,117
Elma Turner Library Extension/ Relocation	19,531	400,000	1,226,400	2,506,752	5,337,300	5,460,050	-	-	-	-	-
Stoke Library											
Stoke Library Extension/ Relocation	-	-	-	-	106,746	163,802	1,677,330	572,530	-	-	-
Nightingale Library											
Nightingale Roof Repair	-	-	-	-	-	-	223,644	-	-	-	-
Marsden Valley Cemetery											
New burial area	-	850,000	-	-	-	-	-	-	-	-	-
Public Toiltes, Free											
Millers Acre Toilet	-	45,000	260,610	208,896	-	-	-	-	-	-	-
Tahunanui Lions Toilet upgrade	-	60,000	143,080	313,344	-	-	-	-	-	-	-
Public Toilets, Charge											
Toilet Renewals Programme	-	-	-	15,667	192,143	-	-	-	-	-	-
Greenmeadows Centre											
Greenmeadows Centre	4,235,082	125,000	-	-	-	-	-	-	-	-	-
Stoke Hall											
Stoke Hall Remediation	-	-	-	-	-	-	11,182	458,024	-	-	-
Community Properties											
Refinery Gallery EQ strengthening	-	-	30,660	386,458	-	-	-	-	-	-	-
Community Housing											
Community Housing Renewals	71,572	290,000	296,380	302,899	160,119	109,201	111,822	114,506	117,369	120,421	123,672
Projects under $100,000	518,847	620,716	495,183	431,830	463,748	587,798	456,505	548,705	468,697	481,963	582,186
Total Social	**5,381,131**	**2,971,352**	**2,943,523**	**4,667,860**	**6,773,116**	**6,845,710**	**3,017,939**	**2,244,122**	**1,150,184**	**1,181,171**	**1,300,271**

Parks and active recreation

WHAT WE DO

Council manages a network of approximately 11,250 hectares of parks and reserves for the city. It provides recreation opportunities, such as those at Saxton Field with its wide range of indoor and outdoor sports facilities.

Council is also a key partner supporting a range of international and national sporting to be hosted in Nelson. These activities build on our regional identity and provide economic and social benefits to the city.

WHY WE DO IT

As Nelson city's population continues to grow, protection and management of green space is increasingly important for residents' and visitors' quality of life, and to balance the expanding built environment. Parks and reserves, including sports grounds, have a key role in promoting healthy lifestyles and wellbeing by providing opportunities for exercise and recreation.

Nelson's parks are an important part of the city's character and identity and are recognised as part of the Nelson brand by visitors. The extensive range of parks and green spaces is a point of difference for Nelson City.

The environmental benefits of the city's parks are numerous, including protection of biodiversity, controlling and storing groundwater, carbon storage, improving air and water quality and reducing noise pollution. Reserves and parks also help reduce the impacts of flood events by acting as a buffer between waterways and the built environment.

CHALLENGES

Ageing population

Nelson's population is ageing faster than the national average and all growth over the next few decades is expected to be in the 65+ age group. This is changing the demand for types of recreation, including a declining demand for organised sport. However, many of the most popular recreation activities for New Zealanders, such as walking and swimming, have no age barriers. Council will focus on inclusion and accessibility to make recreation opportunities available for all ages and abilities.

Recreation trends

Nelson's participation rates are well above the national average for informal activities including walking and mountain biking, and below average for traditional sporting codes. Managing and prioritising requests for funding recreation facilities within limited budgets, and accommodating competing interests and needs within reserves is an ongoing challenge. Council ensures that funding is allocated appropriately, and explores opportunities for cost savings. For example, it encourages multi-use facilities, with shared maintenance.

Pests and weeds

Invasive species need to be controlled in landscape and conservation reserves, as well as along waterways and coastal areas where it is particularly important to ensure water quality and habitat isn't affected by spray use. Pest control chemicals are used carefully to avoid contaminating water or affecting parks and reserves users. Council uses organic management where practicable to minimise chemical use. The Parks and Reserves Sustainability Action Plan includes targets aimed at reducing the amount of chemical use per hectare on parks and reserves land.

COMMUNITY OUTCOMES

Council's Parks and Active Recreation activities contribute primarily to the following community outcomes:

- Our unique natural environment is healthy and protected
- Our urban and rural environments are people-friendly, well planned and sustainably managed
- Our infrastructure is efficient, cost effective and meets current and future needs
- Our communities have access to a range of social, educational and recreational facilities and activities
- Our Council provides leadership and fosters partnerships, a regional perspective, and community engagement
- Our communities have opportunities to celebrate and explore their heritage, identity and creativity
- Our region is supported by an innovative and sustainable economy.

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- **Mountain biking** – Providing support for mountain biking will be a key focus over the next 10 years. A particular priority will be ensuring Nelson has enough lower grade mountain biking trails for learner riders and children, and setting up mountain biking hubs. The first priority was the Andrews Farm project in the Brook Valley that provided car parking for 30 vehicles, toilets, a bike wash-down facility, landscaping and access improvements. This project, due to be completed later in 2018, was 50% funded from a Ministry of Business, Innovation and Employment contestable grant. The next priority is the Maitai Recreation Hub that is proposed to be completed by 2021. At this early stage, the project has an estimated cost of $940,000 and we will be seeking external contributions to offset this cost to Council. A recent report by Business and Economic Research Ltd indicated that the economic benefit of mountain biking is very significant for Nelson, both in terms of dollars into the local economy and job creation. The total annual economic impact for Nelson in 10 years' time is expected to be $20 million in GDP and an additional 269 fulltime equivalent (FTE) jobs.
- **Water sports facility at Nelson marina** – construction of the multi-purpose facility is programmed for 2019/20 at a cost of $1.4 million and will be used by a wide range of water sports such as kayaking, waka ama, sea scouts/cadets and rowing

- **Poorman's Stream Walkway** – from Main Road Stoke to Neale Avenue, a $577,000 project to improve walking facilities in Stoke
- **Stoke Youth Park** – Council will engage with the Stoke community, with a focus on engaging youth, to develop this project over the next couple of years. Construction is currently planned for 2021/22
- **Saxton Field** – a hockey turf is planned for renewal in 2018/19 at a cost of $605,000, extension of the walkways and cycleways is due for construction in 2019/20 at a total investment of $245,000 and $823,000 contribution to the extension of the Champion Drive access road is planned to be completed 2020/21
- **Brook Waimarama Sanctuary** – Council will be continuing to support the Sanctuary to be successful with a grant of $250,000 in 2018/19 and $150,000 for every following year over the Long Term Plan.
- **Natureland** – Council will continue to support Natureland with an annual grant of $248,000 plus inflation.
- **Gondola-** Council has previously allocated funding to the Nelson Cycle Lift Society to develop the business case and commercial model for a gondola. The project is now at the stage of seeking investment. Council supports the project as it will deliver economic and recreational benefits to the Nelson Community. Council has an ongoing interest as landowner but not as an investor in the project.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

What Council will provide	Performance measures	Current performance	Targets			Targets years 4 - 10
			Year 1	Year 2	Year 3	
Parks and recreation service that meets or exceeds residents' expectations	Resident satisfaction with parks and recreation, by survey	82% satisfied or very satisfied in 2017	80% or more satisfied or very satisfied			
Iwi heritage recognised in parks and reserves	% new reserves and renewed signs with te reo Māori name where one exists	New measure	100%			
Sufficient open space provided in the City	Area in hectares of Neighbourhood Parks per 1,000 residents	1.7 ha in 2017 (New measure)	At least 1.7 ha per 1,000 residents			
Conveniently located open space i.e. neighbourhood park, public	% residential properties within 800m of open space, approximately 10 min walk	99% of residential properties in 2017	At least 99%			

garden or sportsground						
Play facilities that are conveniently located	% of residential properties within 1km of a playground, approximately 15 min walk	97% in 2017 (New measure)	At least 95%			
Saxton Stadium well utilised	Use rate in hours per annum	New measure	Saxton stadium use achieves target of at least 1,450 hours per annum			
Trafalgar Centre facilities well utilised	Stadium and pavilion annual number of users	New measure (Building closed for renovation 2014-16)	Trafalgar Centre stadium and pavilion annual number of users at least 60,000	At least 70,000	At least 80,000	Maintain Year 3
Marina managed to meet demand	Marina berth occupation rates in relation to target	New measure	Marina berth occupation of 85% at least			

DRIVERS OF CAPITAL EXPENDITURE

The main drivers of capital expenditure for Council's Parks and Active Recreation activity are:

- Capital works at Saxton Field
- Population growth in Nelson and surrounding areas
- Demand for mountain biking investment, including for families
- Increasing domestic and international tourism, with visitors' experiences significantly focused on recreation opportunities and requiring adequate facilities.

ASSUMPTIONS

There are no assumptions specific to the Parks and Active Recreation activity other than the general assumptions that apply to all Council activities.

IMPACTS AND RISKS

- New and increasing use of parks and reserves can result in conflict between different uses. This is monitored by staff and booking systems. Bylaws, engagement, communication, booking systems and meetings may be adjusted in response
- Trees, vegetation and tree roots can encroach on roads, footpaths and interfere with power or telephone wires. Council applies good practice principles to ensure vegetation planting is carefully planned and managed for safety
- Leaf fall can block stormwater systems and exacerbate surface flooding, particularly in autumn. Council's maintenance contracts are structured to reduce this risk
- Seismic assessments to better understand public safety in and around council facilities, and to mitigate earthquake risk, have been carried out which follow Building Act timeframes.

PARKS AND ACTIVE RECREATION FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	12,523	12,584	13,150	13,434	13,983	14,052	14,244	14,627	14,897	15,260	15,774
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	2,288	2,224	2,259	2,339	2,379	2,419	2,345	2,388	2,433	2,479	2,529
Internal charges and overheads recovered	449	449	459	469	479	490	502	514	526	540	554
Local authorities fuel tax, fines, infringement fees, and other receipts	1,662	1,844	1,401	1,438	1,463	1,484	1,532	1,570	1,626	1,640	1,667
Total Operating Funding	**16,922**	**17,101**	**17,269**	**17,680**	**18,304**	**18,445**	**18,623**	**19,099**	**19,482**	**19,919**	**20,524**
Applications of operating funding											
Payments to staff and suppliers	10,929	11,105	10,636	11,494	11,006	10,854	10,891	11,514	11,493	11,801	12,593
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied *	2,840	2,807	2,748	2,778	2,994	2,973	2,922	2,837	2,808	2,741	2,654
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**13,769**	**13,912**	**13,384**	**14,272**	**14,000**	**13,827**	**13,813**	**14,351**	**14,301**	**14,542**	**15,247**
Surplus (Deficit) of operating funding	**3,153**	**3,189**	**3,885**	**3,408**	**4,304**	**4,618**	**4,810**	**4,748**	**5,181**	**5,377**	**5,277**
Sources of capital funding											
Subsidies and grants for capital	575	778	1,116	233	441	876	184	168	372	89	283
Development and financial contributions	1,652	1,800	1,840	1,880	1,921	1,966	2,013	2,061	2,113	2,168	2,226
Increase (decrease) in debt	2,103	482	1,244	711	(1,824)	(1,704)	(3,266)	(2,274)	(2,960)	(3,740)	(3,230)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**4,330**	**3,060**	**4,200**	**2,824**	**538**	**1,138**	**(1,069)**	**(45)**	**(475)**	**(1,483)**	**(721)**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	3,087	2,897	3,099	2,229	3,110	2,254	2,807	2,117	2,556	2,352	2,197
- to improve level of service	1,176	1,638	2,713	2,457	1,677	452	384	1,327	740	79	440
- to replace existing assets	3,220	1,899	2,278	1,549	889	2,954	956	908	1,420	1,218	1,435
Increase (decrease) in reserves	0	(185)	(5)	(3)	(834)	96	(406)	351	(10)	245	484
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**7,483**	**6,249**	**8,085**	**6,232**	**4,842**	**5,756**	**3,741**	**4,703**	**4,706**	**3,894**	**4,556**
Surplus (Deficit) of capital funding	**(3,153)**	**(3,189)**	**(3,885)**	**(3,408)**	**(4,304)**	**(4,618)**	**(4,810)**	**(4,748)**	**(5,181)**	**(5,377)**	**(5,277)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT											
	Annual Plan 2017/18 ($000)	**Long-term Plan 2018/19 ($000)**	**Long-term Plan 2019/20 ($000)**	**Long-term Plan 2020/21 ($000)**	**Long-term Plan 2021/22 ($000)**	**Long-term Plan 2022/23 ($000)**	**Long-term Plan 2023/24 ($000)**	**Long-term Plan 2024/25 ($000)**	**Long-term Plan 2025/26 ($000)**	**Long-term Plan 2026/27 ($000)**	**Long-term Plan 2027/28 ($000)**
Surplus / (Deficit) of operating funding from Funding Impact Statement	**3,153**	**3,189**	**3,885**	**3,408**	**4,304**	**4,618**	**4,810**	**4,748**	**5,181**	**5,377**	**5,277**
Subsidies and grants for capital expenditure	575	778	1,116	233	441	876	184	168	372	89	283
Development and financial contributions	1,652	1,800	1,840	1,880	1,921	1,966	2,013	2,061	2,113	2,168	2,226
Vested Assets	0	0	0	0	0	0	0	0	0	0	0
Gains on sale	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(3,157)	(3,174)	(3,298)	(3,490)	(3,696)	(3,873)	(3,993)	(4,149)	(4,273)	(4,421)	(4,539)
Other non-cash income/expenditure	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**2,223**	**2,593**	**3,543**	**2,031**	**2,970**	**3,587**	**3,014**	**2,828**	**3,393**	**3,213**	**3,247**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

	Forecast 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Parks & Active Recreation											
Horticulture Parks											
Miyazu Garden Pond Relining	-	-	-	36,557	10,675	185,642	-	-	-	-	-
Isel park bridge upgrade	-	60,000	127,750	130,560	-	-	-	-	-	-	-
Neighbourhood Parks											
Reserve Development Programme	75,377	150,000	408,800	52,224	426,984	54,601	447,288	57,253	469,476	60,211	-
Land Purchase: General Reserve	165,551	1,180,000	817,600	835,584	853,968	873,608	894,576	916,048	938,952	963,368	989,376
Landscape Reserves											
Marsden Valley MTB Hub	-	-	-	-	21,349	-	167,733	-	-	-	-
Upgrade: Structures	21,063	-	-	-	32,024	327,603	-	-	-	-	-
Eureka Park walkway development	-	-	20,440	156,672	-	-	-	-	-	-	-
Mountainbike Tracks	-	10,000	102,200	10,445	106,746	10,920	111,822	11,451	117,369	12,042	123,672
Maitai MTB Hub	20,000	20,000	715,400	182,784	-	-	-	-	-	-	-
Retired forestry block conversion programme	-	150,000	255,500	208,897	213,493	218,403	223,645	229,012	234,737	240,840	247,343
Esplanade & Foreshore											
Almond tree flats pedestrian and cycle bridge	-	-	30,600	104,448	106,746	-	-	-	-	-	-
Jenkins Stream (Pascoe to Airport)	-	-	-	-	-	11,466	33,547	572,530	-	-	-
Saxton Creek path (Champion Dr - Saxton field)	-	-	-	-	-	-	-	371,343	-	-	-
Link to Manu Kau reserve	-	-	45,990	156,672	-	-	-	-	-	-	-
Modellers Pond Solution	75,463	-	970,900	-	-	-	-	-	-	-	-
Poormans walkway (Main rd - Neale ave)	49,000	60,000	204,400	313,344	-	-	-	-	-	-	-
Wakapuaka Sandflats bridges and walkway	-	30,000	-	313,344	-	-	-	-	-	-	-
Wakefield Quay sea wall renewal	-	57,792	-	282,010	-	-	-	-	-	-	-
Walkways											
Tahuna Beach to Great Taste Trail (airport)	10,000	604,588	204,400	-	-	-	-	-	-	-	-
Sports Parks											
Trafalgar Park - tower lights renewals	-	-	-	-	12,810	-	-	-	-	-	247,344
Trafalgar Park Field renewal	362,280	-	-	-	-	-	22,364	-	469,476	-	-
Rutherford Park - Saltwater Cr path landscaping	-	-	20,440	470,016	-	-	-	-	-	-	-
Rutherford Park Toilets	-	-	40,880	10,445	533,730	-	-	-	-	-	-
Saltwater Cr bridge (Haven Rd - Traf Park)	-	-	51,100	-	-	382,204	-	-	-	-	-

Trafalgar Centre											
Minor Asset renewals	12,489	35,000	10,220	10,445	10,675	16,380	111,822	11,451	11,737	120,421	185,508
Pools											
Nayland Pool improvements	7,979	-	-	31,334	288,214	-	-	-	-	-	-
Riverside renewals	-	60,000	61,320	135,782	32,024	32,760	33,547	80,154	35,211	36,126	37,102
Play Facilities											
Stoke Youth Park	-	-	53,819	52,224	512,381	-	-	-	-	-	-
Rutherford playground	-	20,000	20,440	261,120	266,865	273,003	279,555	-	-	-	-
Play Equipment Renewals	78,989	90,000	204,400	208,896	85,397	109,201	89,458	114,506	176,054	240,842	61,836
Playground Development Programme	-	185,000	30,660	193,229	32,024	202,022	33,547	211,836	35,211	222,779	37,102
Marina											
Marina boat storage expansion	-	-	204,400	208,896	-	-	-	-	-	-	-
New Trailer Boat Storage Yard	35,000	45,000	102,200	-	-	-	-	-	-	-	-
Marina boat trailer car park improvements	-	100,000	204,400	-	-	-	-	-	-	-	-
Marina Hardstand improvements	79,786	227,000	71,540	-	-	-	-	-	-	-	-
Public boat ramp improvements	-	285,000	286,160	104,448	-	-	-	-	-	-	-
Saxton Field Capital Works											
Alliance Green toilets and pavilion	-	-	-	-	-	-	-	45,802	469,476	-	-
Cricket block renewal	-	-	-	-	-	109,201	-	-	-	-	-
Cricket oval surface renewal	-	-	-	-	21,349	305,763	-	-	-	-	-
Flood lighting for concert safety	-	-	-	-	-	-	-	-	-	24,084	247,344
Athletic Track	-	-	-	-	21,349	960,969	-	-	-	-	-
Saxton field playground	-	-	-	-	-	-	27,956	143,133	146,711	-	-
Courtside lighting and seating for outdoor netball courts	-	-	10,220	-	213,492	-	-	-	-	-	-
Alliance Green levelling, irrigation and drainage	-	-	25,550	-	266,865	-	-	-	-	-	-
New Cycle Path development	329,000	20,000	204,400	20,890	-	-	-	-	-	-	-
General Development	64,047	90,000	91,980	94,003	96,071	98,281	100,640	103,055	105,632	108,379	111,305
Replace hockey turf	15,000	605,000	-	-	-	-	-	-	-	-	-
Regional Community Facilities											
Water sports building at Marina	69,785	600,000	817,600	-	-	-	-	-	-	-	-
Projects under $100,000	1,406,114	1,749,006	1,674,030	1,650,026	1,510,737	1,488,209	1,569,833	1,484,156	1,506,865	1,619,680	1,784,541
Total Parks & Active Recreation	**2,876,923**	**6,433,386**	**8,089,739**	**6,235,295**	**5,675,968**	**5,660,236**	**4,147,333**	**4,351,730**	**4,716,907**	**3,648,772**	**4,072,473**

Economic

WHAT WE DO

Council fosters economic development in Nelson through providing the city infrastructure, enhancing the central city and funding a range of economic development services. It supports Uniquely Nelson and maintains relationships with key partners impacting the local economy such as the Chamber of Commerce, Nelson Marlborough Institute of Technology, Cawthron Institute, Nelson Tasman Business Trust and many others.

Council's City Development team is responsible for the implementation of the National Policy Statement on Urban Development Capacity, the Housing Accord and the Special Housing Areas Act. This activity focuses on ensuring there is an adequate planned supply of residential and business land and facilitates the relationships between developers and the Council throughout the land development process. This team also connects with developers through Council's Developer Advisory Group.

The Nelson Regional Development Agency (NRDA) is a Council Controlled Organisation. Nelson City Council is the sole shareholder and Tasman District Council also contributes funding. Its initiatives include the regional identity project, tracking regional economic performance, and sustainable business support. It uses Council funding to leverage Government and private sector funds.

WHY WE DO IT

Everyone depends directly and indirectly on the wealth generated by the local economy and Council recognises that Nelson businesses need the right economic environment to flourish. The aim of city development is to ensure Nelson continues to be a vibrant, attractive place for residents, visitors and businesses. The key objective of the Nelson Regional Development Agency is to enhance the sustainable economic vitality of the region and strengthen the region's identity through a key focus in: investment attraction, destination management and business development.

CHALLENGES

Economic development

Economic development challenges include sustaining economic growth while our population undergoes significant change as a result of the ageing demographic. In future a larger proportion of our population will be older adults and likely to be retired and on fixed incomes. Attracting talented residents to settle and work in Nelson, establishing and maintaining a vibrant and attractive city centre, building a strong regional identity, recognising and fostering the contribution of Maori economic development and funding the Nelson Regional Development Agency are some of Council's responses to this challenge.

COMMUNITY OUTCOMES

Council's Economic activity contributes primarily to the following community outcomes:

- Our regional is supported by an innovative and sustainable economy
- Our Council provides leadership and fosters partnerships, a regional perspective, and community engagement.

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- **City Development** - Council aims for Nelson to be a vibrant, attractive place by providing for growth and development in positive ways. Funding has been included across many different activity areas for projects which will ensure Nelson's central business district can deliver Council's vision for an attractive, thriving city centre. For example there are a range of projects to improve water supply, stormwater and wastewater in the CBD to ensure the city's infrastructure does not constrain development possibilities. There is also a CBD Enhancement Fund with both capital and operational funding from which projects will be prioritised according to need. Additionally a specialist Council team is responsible for implementing the National Policy Statement on Urban Development Capacity (NPSUDC) and Housing Accord and Special Housing Areas Act (HASHA), including the provision of Special Housing Areas. It works with Tasman District Council, developers, infrastructure providers, and the wider community to ensure there is adequate supply of feasible residential and business land and to ensure our city development partners have the best possible customer journey
- **Nelson Regional Development Agency (NRDA)** – Council oversees the NRDA, which has a tight focus on key sectors, particularly tourism, education, research, food and innovation, and an emphasis on promoting a unique and enduring regional identity
- **Commercial Differential -** City centres around New Zealand have been challenged by the change in shopping patterns and the growth of online commerce. Council wants to support our CBD businesses and see the city centre continue to thrive and is therefore proposing an initiative to help revitalise the central business district through a reduction in the commercial differential in the CBD and the Stoke commercial centre. The differential recognises the additional services that businesses receive, such as extra rubbish collection, street sweeping, and events to attract visitors. Reducing the differential by a proposed 0.5% would reduce rates collected from those businesses by a total of $320,000. The decrease would allow a re-balancing of the relative rating contributions from commercial and residential properties in response to property revaluations in recent years. It would also keep our CBD competitive compared to other centres that do not have such a charge. The net effect of this proposal is that residential property rates would rise by approximately 0.4% - 0.9%, depending on the land value. This would be an annual increase to residential rates for the first five years of the Long Term Plan and a corresponding decrease to the amount charged through the commercial differential. This proposed change would be reviewed each year as part of the rates setting process. For further information refer to Council's Revenue and Financing Policy and Funding Impact Statement.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

The Council-controlled organisations (CCOs) are covered in a separate section of this Long Term Plan, and each has its own detailed performance measures and targets. The Nelson Regional Development Agency and Port Nelson are covered in the CCO section on page *x.*

What Council will provide	Performance measures	Current performance	Targets			Targets years 4 - 10
			Year 1	Year 2	Year 3	
Overview of a healthy local economy	GDP measured as three year average	New measure, 2.7% rolling average for 2014-16 (2.5% national average)	Percentage increase in GDP per annum at least equal to or better than the national average			
Strategic overview of economic development for the benefit of the community	Value of tourism (total spend) annually in Nelson city	New measure	Increase the annual value of tourism spend in Nelson from previous year			
Measures that contribute to the vitality and attractiveness of the Nelson CBD	Total annual spending in the Nelson CBD	New measure	Total annual spending in the Nelson CBD is greater than or equal to previous annual spend.			
Events funding that provides a sound return on investment for Nelson	Return on investment measured by number of out of town visitors attending major events	New measure 15,000 out of town visitors attended major events in year ended June 2017	Number of out of town visitors attending major events greater than or equal to previous three year average, with at least 80% of those visits in the months of March to November			

DRIVERS OF CAPITAL EXPENDITURE

The driver of investment in central city development is the need for central Nelson to be competitive and attractive to residents, visitors and business. Land development and the core infrastructure needed to support this are key to supporting development.

ASSUMPTIONS

There are no assumptions specific to the Economic activity other than the general assumptions that apply to all Council activities.

IMPACTS AND RISKS

Council's Economic activity is funded from rates, which causes a financial effect on ratepayers. There is a risk that funding for the Economic activity does not result in measurable outcomes. This is mitigated by Council ensuring its activities are focussed on the core infrastructure development and central business district activity aligned to the city's vision.

ECONOMIC FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	1,685	1,665	1,798	1,791	1,892	1,888	1,994	1,991	2,106	2,106	2,229
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	400	300	305	310	315	320	326	332	338	345	352
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	(1)	0	0	0	0	1	0	0
Total Operating Funding	**2,085**	**1,965**	**2,103**	**2,100**	**2,207**	**2,208**	**2,320**	**2,323**	**2,445**	**2,451**	**2,581**
Applications of operating funding											
Payments to staff and suppliers	2,074	1,951	2,081	2,070	2,166	2,156	2,258	2,251	2,361	2,356	2,474
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied *	11	14	22	30	41	52	62	72	84	95	107
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**2,085**	**1,965**	**2,103**	**2,100**	**2,207**	**2,208**	**2,320**	**2,323**	**2,445**	**2,451**	**2,581**
Surplus (Deficit) of operating funding	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Sources of capital funding											
Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	200	204	209	213	218	223	229	235	240	247
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**0**	**200**	**204**	**209**	**213**	**218**	**223**	**229**	**235**	**240**	**247**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	200	204	209	213	218	223	229	235	240	247
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**0**	**200**	**204**	**209**	**213**	**218**	**223**	**229**	**235**	**240**	**247**
Surplus (Deficit) of capital funding	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT											
	Annual Plan 2017/18 ($000)	**Long-term Plan 2018/19 ($000)**	**Long-term Plan 2019/20 ($000)**	**Long-term Plan 2020/21 ($000)**	**Long-term Plan 2021/22 ($000)**	**Long-term Plan 2022/23 ($000)**	**Long-term Plan 2023/24 ($000)**	**Long-term Plan 2024/25 ($000)**	**Long-term Plan 2025/26 ($000)**	**Long-term Plan 2026/27 ($000)**	**Long-term Plan 2027/28 ($000)**
Surplus/(Deficit) of operating funding from Funding Impact Statement	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Vested Assets	0	0	0	0	0	0	0	0	0	0	0
Gains on sale	0	0	0	0	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0	0	0	0	0	0
Other non-cash income/expenditure	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

	Forecast 2017/18	**Long-term Plan 2018/19**	**Long-term Plan 2019/20**	**Long-term Plan 2020/21**	**Long-term Plan 2021/22**	**Long-term Plan 2022/23**	**Long-term Plan 2023/24**	**Long-term Plan 2024/25**	**Long-term Plan 2025/26**	**Long-term Plan 2026/27**	**Long-term Plan 2027/28**
Economic Development											
CBD Enhancements	-	200,000	204,400	208,896	213,492	218,402	223,426	228,788	234,508	240,370	246,620
Total Economic Development	**-**	**200,000**	**204,400**	**208,896**	**213,492**	**218,402**	**223,426**	**228,788**	**234,508**	**240,370**	**246,620**

Corporate

WHAT WE DO

Council's Corporate activity includes a range of necessary services to ensure the smooth running of the organisation from managing Council's information technology to running the three yearly Council elections.

Council also manages a small portfolio of properties that were purchased for strategic purposes. These include:

- Anchor building at 258 Wakefield Quay
- Former Four Seasons building at 250 Wakefield Quay
- Former Reliance Engineering building at 236 Wakefield Quay
- Zumo site at 42 Rutherford Street
- Former Mediterranean Foods Building at 23 Halifax Street
- Former Hunting & Fishing building at 81 Achilles Avenue
- Four Seasons building at 105 Achilles Avenue.

Council uses a range of companies and trusts to help achieve agreed community outcomes:

- The Port Company (50% ownership with Tasman District Council)
- Council Controlled Trading Organisations, which are Nelson Airport Ltd (50% ownership with Tasman District Council) and Nelmac Ltd
- Council Controlled Organisations including the Nelson Regional Development Agency, the Tasman Bays Heritage Trust (Nelson Provincial Museum – 50% ownership with Tasman District Council), and the Bishop Suter Trust.

The Corporate activity also includes civil defence emergency management where Nelson City and Tasman District councils work together with local emergency services to promote the resilience of our communities in response to the region's hazards and risks.

WHY WE DO IT

Running local authority elections to provide democratic representation is a fundamental function of local government, as is long term strategic planning. Consultation, opportunities for participation by Māori, communication and annual reports are some of the ways Council involves the community in long term planning and decision making. Support systems need to be provided, and procedures followed, to enable sound democratic decision making. Risk management, transparency and accountability processes also need to be in place, with regular auditing to improve systems.

Council has agreed Statements of Intent for each of the organisations it controls. Overseeing these organisations is important to ensure they have good governance arrangements in place and to ensure they deliver outcomes that contribute to the wellbeing of the Nelson community.

Council's support for civil defence emergency management work helps our community become more resilient by preparing for hazards and risks and having systems to help recover following events. Recent disasters such as the Kaikoura earthquake and flooding in other parts of New Zealand are a reminder of the major impact that even quite localised events can have.

CHALLENGES

Strategic properties

Council owns a number of buildings in strategic sites which have been purchased with future development in mind and need to provide a return to ratepayers in the meantime. Council mitigates this risk by working to maintain tenancies or use the properties for other purposes that contribute to outcomes for ratepayers. There is ongoing work to develop Council owned sites at the Haven Precinct, including looking at cycle/walkways and parking.

Civil Defence Emergency Management

Preparing for the range of hazards and risks that might occur in the region is a focus for the Nelson Tasman Civil Defence Emergency Management Group. For example, it is closely involved in planning for a South Island-wide response to a rupture of the Alpine Fault and, in recent years, planning for tsunami response has become a higher priority. However, floods are the most commonly-occurring major natural hazard in the Nelson Tasman region and have caused the most damage in recent years. Council staff are trained to respond during emergencies, coordinated through the regional Emergency Operations Centre based in Richmond.

COMMUNITY OUTCOMES

Council's Corporate activity contributes primarily to the following community outcomes:

- Our Council provides leadership and fosters partnerships, a regional perspective, and community engagement
- Our region is supported by an innovative and sustainable economy
- Our communities are healthy, safe, inclusive and resilient
- Our communities have opportunities to celebrate and explore their heritage, identity and creativity

COUNCIL'S PRIORITIES FOR THE NEXT THREE YEARS

Priorities for the first three years of the Long Term Plan through until 2020/21 include:

- Extra funding of $75,000 has been allocated for 2020/21 and 2021/22 to support **organisational improvement**
- **Civic House** – A top priority for Council over the term of the Long Term Plan is to address a 40 year underinvestment in working conditions and bring office space at Civic House up to an adequate standard. $5.7 million has been allocated for this work, with construction spread from 2018/19 to 2021/22
- **Staffing** Council is below capacity in some key areas, resulting in risks to project delivery and increased costs from engaging contractors and consultants. To address this $1.2 million will be invested in 2018/19, a further $517,000 in 2019/20 and $482,000 in 2020/21
- **Information Technology** - key Information Technology systems and services need replacing at a cost of $3.4 million because the current software and hardware is at the end of its operational life

- **Civil defence emergency management** – Council will implement the Nelson Tasman Civil Defence Emergency Management Group Plan 2018-22, with Tasman District Council and emergency services and respond effectively to all emergency events
- **CBD revitalisation** - Continuing to work with commercial property owners to support CBD revitalisation and economic activity
- **Commemorations –** Funding of $27,000 has been allocated to commemorate the 100th anniversary of Armistice Day.

SERVICE LEVELS, PERFORMANCE MEASURES AND TARGETS

What Council will provide	Performance measures	Current performance	Targets			Targets years 4 - 10
			Year 1	Year 2	Year 3	
Effective engagement and consultation	% residents satisfied or very satisfied with opportunities to provide feedback, by survey	42% in 2016/17 37% in 2016 No survey 2015 53% in 2014	Annual improvement in the % of residents satisfied or very satisfied with opportunities to provide feedback			
Council Controlled Organisations that deliver net benefit to the community	Council satisfaction with attainment of six monthly CCO targets for all SOIs - refer to CCO section for measures for each CCO	Council satisfied with attainment of six monthly CCO targets for all Statements of Intent in 2016/17	Council receives six monthly reports from all CCOs and is satisfied with attainment of targets			
Promotion of Te Tau Ihu Maori/iwi participation in decision-making processes	Strategic framework established for Chairs of Te Waka a Maui to work with mayors across Te Tau Ihu	New measure	Collaboration between iwi and councils on development of a strategic framework	Strategic framework established and operational	Regular meetings to be held between Mayors and Chairs	Regular meetings to be held between Mayors and Chairs
Effective Civil Defence Emergency	Ability to operate an effective Emergency Operations Centre: % EOC	98 % of EOC management and group roles	95% of EOC management and group roles staffed			

Management (CDEM) response via regional Emergency Operations Centre (EOC)	roles staffed and EOC meets Ministry CDEM requirements	staffed 2016/17 97% in 2015/16 EOC met MCDEM requirements at previous review	EOC meets Ministry of CDEM monitoring and evaluation requirements

DRIVERS OF CAPITAL EXPENDITURE

Most Council expenditure on its Corporate activity is operational spending rather than capital borrowing. The most significant capital spending is on Civic House improvements and renewing IT systems; both driven by organisational requirements.

ASSUMPTIONS

As well as the general assumptions that apply to all Council activities it is assumed that:

- There will be no by-election during the current term of office.

IMPACTS AND RISKS

Sometimes decisions made for the community have a perceived negative impact on the actions or wellbeing of some groups or individuals. Council weighs up the competing demands of different interest groups and aims to make decisions that are in the long term best interests of the city as a whole, taking into account its vision, priorities and strategies. Council ensures its decisions are consistent with the Local Government Act and other legislation.

CORPORATE FUNDING IMPACT STATEMENT	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Sources of Operating Funding											
General Rates, uniform annual general charges, rates penalties	633	948	1,624	2,967	2,755	3,133	3,260	3,234	3,453	3,444	3,537
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	7	5	5	5	5	5	5	6	6	6	6
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	9,438	8,830	9,003	9,530	11,153	11,950	12,642	13,281	13,706	13,958	14,134
Local authorities fuel tax, fines, infringement fees, and other receipts	5,951	5,664	5,589	5,726	5,971	6,165	6,165	6,249	6,417	6,430	6,524
Total Operating Funding	**16,029**	**15,447**	**16,221**	**18,228**	**19,884**	**21,253**	**22,072**	**22,770**	**23,582**	**23,838**	**24,201**
Applications of operating funding											
Payments to staff and suppliers	6,884	7,308	7,752	8,383	8,461	8,813	8,977	9,179	9,731	9,927	10,251
Finance costs	4,536	4,646	5,029	5,607	6,925	7,669	8,313	8,868	9,148	9,284	9,327
Internal charges and overheads applied *	770	772	746	763	821	879	860	850	843	844	833
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**12,190**	**12,726**	**13,527**	**14,753**	**16,207**	**17,361**	**18,150**	**18,897**	**19,722**	**20,055**	**20,411**
Surplus (Deficit) of operating funding	**3,839**	**2,721**	**2,694**	**3,475**	**3,677**	**3,892**	**3,922**	**3,873**	**3,860**	**3,783**	**3,790**
Sources of capital funding											
Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	23,277	11,809	12,684	21,369	13,443	8,947	10,106	401	(1,045)	(6,004)	3,328
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**23,277**	**11,809**	**12,684**	**21,369**	**13,443**	**8,947**	**10,106**	**401**	**(1,045)**	**(6,004)**	**3,328**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	991	924	796	339	393	352	341	349	350	359	362
- to improve level of service	2,257	894	2,070	1,616	1,464	148	196	276	236	142	158
- to replace existing assets	1,509	718	617	420	1,612	763	1,020	742	1,023	801	726
Increase (decrease) in reserves	(25)	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	22,384	11,994	11,895	22,469	13,651	11,576	12,471	2,907	1,206	(3,523)	5,872
Total applications of capital funding	**27,116**	**14,530**	**15,378**	**24,844**	**17,120**	**12,839**	**14,028**	**4,274**	**2,815**	**(2,221)**	**7,118**
Surplus (Deficit) of capital funding	**(3,839)**	**(2,721)**	**(2,694)**	**(3,475)**	**(3,677)**	**(3,892)**	**(3,922)**	**(3,873)**	**(3,860)**	**(3,783)**	**(3,790)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Annual Plan 2017/18 ($000)	Long-term Plan 2018/19 ($000)	Long-term Plan 2019/20 ($000)	Long-term Plan 2020/21 ($000)	Long-term Plan 2021/22 ($000)	Long-term Plan 2022/23 ($000)	Long-term Plan 2023/24 ($000)	Long-term Plan 2024/25 ($000)	Long-term Plan 2025/26 ($000)	Long-term Plan 2026/27 ($000)	Long-term Plan 2027/28 ($000)
Surplus / (Deficit) of operating funding from Funding Impact Statement	**3,839**	**2,721**	**2,694**	**3,475**	**3,677**	**3,892**	**3,922**	**3,873**	**3,860**	**3,783**	**3,790**
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Vested Assets	0	0	0	0	0	0	0	0	0	0	0
Gains on sale	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(1,702)	(1,875)	(1,936)	(1,930)	(2,050)	(2,052)	(1,972)	(1,928)	(1,899)	(1,824)	(1,816)
Other non-cash income/expenditure	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	**2,137**	**846**	**758**	**1,545**	**1,627**	**1,840**	**1,950**	**1,945**	**1,961**	**1,959**	**1,974**

SUMMARY OF CAPITAL EXPENDITURE OVER $100,000 IN ANY ONE YEAR

Project	Forecast 2017/18	Long-term Plan 2018/19	Long-term Plan 2019/20	Long-term Plan 2020/21	Long-term Plan 2021/22	Long-term Plan 2022/23	Long-term Plan 2023/24	Long-term Plan 2024/25	Long-term Plan 2025/26	Long-term Plan 2026/27	Long-term Plan 2027/28
Corporate											
Civic House											
Aircon	-	395,000	255,500	52,224	266,865	76,441	-	125,957	82,158	8,429	8,657
Building modifications	78,318	30,000	1,328,600	1,357,824	1,067,460	-	-	-	-	-	-
Plant & Equipment	78,318	186,000	6,132	10,445	13,358	34,398	7,268	7,443	8,216	8,429	2,473
Renewal Program	275,376	17,000	162,498	5,222	85,397	5,460	33,547	40,077	35,211	47,566	55,652
Floor 1 upgrade	116,742	588,000	-	-	-	-	-	-	-	-	-
Rental properties											
Ex-Four Seasons demolition and resurface	-	-	408,800	-	-	-	-	-	-	-	-
Hunter Furniture Roof renewal	-	-	-	-	26,687	273,003	-	-	-	-	-
Policy											
Haven precinct capital works	-	-	255,500	-	-	-	-	-	-	-	-
Administration											
Building Systems Upgrade	150,000	-	-	-	106,746	-	-	-	-	120,421	-
Computer Hardware & Network	18,455	40,000	-	-	160,119	43,680	44,729	-	-	180,632	49,469
Computer Desktops	490,505	10,000	10,220	10,445	640,476	10,920	11,182	11,451	704,214	12,042	12,367
Motor Vehicles	217,648	86,505	143,622	90,327	92,314	15,867	96,704	99,025	17,054	92,098	106,952
Telephone System	-	-	-	-	106,746	-	-	-	-	-	-
Chamber Sound System Upgrade	231,365	-	-	-	-	-	-	286,265	-	-	-
Core Systems enhancement	285,855	270,328	275,940	282,010	288,214	294,843	301,919	309,166	316,896	325,137	333,914
EDRMS Replacement	-	-	-	-	-	-	559,110	-	-	-	-
IT Infrastructure Hosting Investigation	393,852	-	-	-	-	163,802	-	-	-	-	185,508
Upgrade Top of the South Maps	78,709	-	-	104,448	-	-	-	-	-	-	-
Projects under $100,000	708,155	913,941	637,331	462,622	614,268	344,386	502,414	487,021	444,532	507,263	491,273
Total Corporate	**3,123,298**	**2,536,774**	**3,484,143**	**2,375,567**	**3,468,650**	**1,262,800**	**1,556,873**	**1,366,405**	**1,608,281**	**1,302,017**	**1,246,265**