

**Notice of the Ordinary meeting of
Joint Regional Sewerage Committee
Agenda | Rārangi take**



Date:	5 May 2026
Time:	9:30 AM
Location:	Council Chamber, Floor 2A, Civic House, 110 Trafalgar Street, Nelson

Chairperson Tasman District Councillor Kit Maling

**Deputy
Chairperson** Nelson City Councillor Tim Skinner

Members Nelson City Council:

Cr Kahu Paki Paki

His Worship the Mayor Hon Dr Nick Smith (Ex Officio)

Iwi Representative:

Vacant

Independent Member:

Tallat Mehmood

Quorum 3

Tasman District Council:

Cr Dave Woods

His Worship the Mayor Tim King (Ex Officio)

Industry Representative (Non-voting)

Philip Wilson

Nigel Philpott

Chief Executive

governance.advisers@ncc.govt.nz

www.nelson.govt.nz

Please note that the contents of these Council and Committee agendas have yet to be considered by Council and staff recommendations may be altered or changed by the Council in the process of making the formal Council decision. For enquiries call (03) 5460436.

Areas of Responsibility:

To manage and operate the wastewater treatment facilities at Bells Island and the associated reticulation network (in Nelson and Tasman) efficiently and in accordance with resource consent conditions to meet the needs of its customers.

Powers to Decide:

The Councils are agreed that the responsibility for all management and administrative matters associated with the JRSC operation shall be with the board, and in particular the committee shall without the need to seek any further authority from the Councils:

Operate a bank account for the business unit; and

Comply with the Procurement Policy of the Administering Council; and

Enter into all contracts necessary for the operation and management of the business unit in accordance with the approved budgets and intent of the Business Plan (subject to above compliance); and

Authorise all payments necessary for the operation and management of the business unit within the approved budgets and intent of the Business Plan; and

Do all other things, other than those things explicitly prohibited by this Memorandum of Understanding or relevant statutes, which are necessary to achieve the objectives as stated in the Strategic Plan, Asset Management Plan or Business Plan approved by the Councils; and

Comply with the Health and Safety Policy and requirements of the administering Council; and

Contribute to the sanitary services assessment process of the Councils; and

Contribute to and comply with the waste management plans of the Councils; and

Contribute to the development of the Councils' Development and Financial Contribution policies; and

Contribute to the Councils' Regional Policy Statement and Regional Plan Reviews; and

Develop and keep under review an appropriate contract for the delivery of waste collection and disposal services with each of its customers; and

Follow generally accepted accounting practices; and Follow good employment practices.

Powers to Recommend to Councils:

Any other matters under the areas of responsibility of the Committee and detailed in the Memorandum of Understanding

All recommendations to Council will be subject to adoption of an equivalent resolution by the other Council unless it is a matter specific to one Council only.

Order of Business

Karakia and Mihi Timatanga

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Karakia Whakamutanga

1 Apologies

No apologies have been received at this time.

2 Confirmation Of Order Of Business

3 Interests

Members are reminded of their obligation to declare any conflicts of interest they might have in respect to the items on this agenda.

4 Public Forum

No requests for public forum have been received.

5 Confirmation Of Minutes

5.1 10 February 2026 - Minutes

That the Joint Regional Sewerage Committee

- 1. Confirms the minutes of the meeting of the Joint Regional Sewerage Committee, held on 10 February 2026 as a true and correct record.**

Minutes of a meeting of the Joint Regional Sewerage Committee held in the Council Chamber, Floor 2A, Civic House, 110 Trafalgar Street, Nelson on 10 February 2026, commencing at 1.00pm.

Present: Tasman District Councillor K Maling (Chairperson), Tasman District Councillor D Woods, Nelson City Councillor T Skinner (Deputy Chairperson), Nelson City Councillor K Paki Paki, Independent Member T Mehmood and Industry Representative (non-voting) P Wilson

In Attendance: Deputy Chief Executive/Executive Director Delivery (A Louverdis), TDC Local Water Done Well Entity Manager (R Kirby), General Manager Regional Services (N Clarke), Senior Governance Adviser (A Bryce) and Governance Adviser (E Bradley-Parrish)

Apologies: Nil

0.4.1 Chairperson and Deputy Chairperson Appointments

Executive Director Delivery, Alec Louverdis opened the meeting and asked for a mover and seconder to the motion on the table to appoint the Chairperson and the Deputy Chairperson.

Motion

Resolved JRSC/2026/1

That the Joint Regional Sewerage Committee

- 1. Notes the Tasman District Council 11 December 2025 resolution CN25-12-3 and the Nelson City Council 11 December 2025 resolution**

CL/2025/197 appointing the Chairperson of the Joint Regional Sewerage Committee to be a Tasman District Council elected member (Cr Kit Maling); and

- 2. Agrees to the appointment of Cr Kit Maling as Chairperson of the Joint Regional Sewerage Committee for the 2025-2028 triennium; and**

Notes the Chairperson's appointment of Cr Tim Skinner as the Deputy

- 3. Chairperson.**

Cr Paki Paki/TDC Cr Woods Carried

1 Apologies

There were no apologies received.

2 Confirmation Of Order Of Business

The appointment of the Chairperson and the Deputy Chairperson was added as the first item of the meeting.

3 Interests

There were no updates to the Interests Register, no interests with items on the agenda were declared.

4 Public Forum

There was no public forum.

5 Reports

5.1 Nelson Regional Sewerage Business Unit General Manager Update Report February 2026

General Manager Regional Services, Nathan Clarke and Operations Manager Regional Services, Brad Nixon spoke to the report and answered questions on variable and fixed costs, Rabbit Island biosolids odour and disposal, temporary and permanent solutions for structural assessments of the Best to Bell Island causeway culvert and the crane truck equipment failure.

In response to a question, Accountant, Andrew Bishop explained amongst other matters, interest rates.

In response to a question, Local Water Done Well Entity Manager, Richard Kirby outlined the Tasman District Council biosolids odour complaint process.

In response to a question, Executive Director Delivery, discussed the iwi representative on the Joint Regional Sewerage Committee and next steps.

Resolved JRSC/2026/2

That the Joint Regional Sewerage Committee

1. Receives the Nelson Regional Sewerage Business Unit General Manager Update report February 2026.

Cr Skinner/TDC Cr Woods Carried

There being no further business the meeting ended at 01.35pm.

Confirmed as a correct record of proceedings by resolution on (confirmation date).
Insert Resolution here (remove bold please):

Report Title: R26-103 General Managers Update Report May 2026

Report Author: Nathan Clarke (General Manager Regional Services)

Report Authoriser: Alec Louverdis (Deputy Chief Executive -Executive Director Delivery)

1 Purpose of Report

- 1.1 To update the Committee on activities undertaken to 31 March 2026 by the Nelson Regional Sewerage Business Unit (NRSBU).

2 Recommendation

That the Joint Regional Sewerage Committee

- 1. Receives the Nelson Regional Sewerage Business Unit General Manager Update Report May 2026 (R26-103).**

3 Summary

- 3.1 Financially NRSBU is above budget for the year to date.
- 3.2 Environmental performance is maintained at a high level.
- 3.3 The Operations and Maintenance contract is running smoothly.
- 3.4 There were two odour notifications for this report period.
- 3.5 Overall financial performance to 31 March 2026 is ahead of budget by
\$814,784.
- 3.6 Fixed income is under budget by \$1,296,695, however the variable income is above budget by \$1,070,721 which offsets the reduced fixed income.
- 3.7 From a cost perspective, expenses are under budget for the year to date by \$1,126,805 primarily due to lower than budgeted financial costs.

4 Health and Safety

- 4.1 H&S for the operations contract is being managed well.
- 4.2 No significant H&S incidents occurred during the period.

4.3 A H&S event register is maintained, with events for the period logged as shown below:

Event Type	Date	Event Details	Summary Findings
Near Miss	03/02/2026	Bucket blown under vehicle by high jammed. Unnoticed when a short distance down the road.	Bucket structural integrity now questionable. No issue with vehicle started to move until
Near Miss	04/02/2026	External contractor replacing a corroded tank level sensors can be blank plate at the top of one of the tank level instruments to ensure they were below the plate level. While confirmation of tank levels, rather	inaccurate due to varying biosolids ATADs. Safety plan included managing density. Plates replaced with exposure to hot liquids, and a check of stainless steel to prevent recurrence of corrosion. SOP updated to ensure manual undoing bolts a corroded part of the plate sprung a leak. No contact with
Near Miss	19/03/2026	Contractor pressure washing sludge and connected pressure washer. Site staff noted their identification tags. Hose tags have been replaced, with Contractor was wearing full PPE for site checked to pathogen risk whilst inside tank. confirm compliance.	Review of hoses near the sludge tank, and tank showed hoses were missing supply to re-use water. Hose tags and replaced with potable water. remainder of
Property Damage	25/02/2026	Staff member reversing ute onsite hit a cracking rear light on ute. camera which would reduce seen in likelihood of recurrence. Staff to mirrors, and reverse sensors did not that surroundings are detect the post.	Ute not fitted with a reverse wooden post, Post in blind spot, unable to be ensure surveyed prior to reversing.

Table 1: NRSS O&M Contract H&S Event Log

4.4 No significant safety issues are currently outstanding.

4.5 The operation contractor has inducted (new or refresher) 12 personnel to the NRSS during January and February. There are 123 current personnel inducted as at the end of February 2025.

4.6 The following training was conducted during January and February:

Month	Training type/details	No of Staff
Feb 26	First Aid	2
Feb 26	Elevated Work Platform	2

Table 2: NRSS O&M Contract Training Log

4.7 The following audit/interaction activities were completed during the January and February:

Month	Audits	Prestart	Tailgates
Jan 26	1	12	1
Feb 26	2	10	1

Table 3: NRSS O&M Contract H&S Interactions Log

5 Operations and Maintenance

5.1 Operational performance of the NRSS continues at a high level.

5.2 The preliminary operating costs against the Target Outturn Cost (TOC) for the 2025/26 year are slightly above the NRSBU 2025/26 business plan forecast budget.

5.3 The increase above budget year to date is expected to continue over the second half of the financial year. The increased costs relate to several

reactive maintenance responses required during the year (biosolids line blockages, Airport pump failure, pond condition management), and a higher maintenance programme at the start of the fiscal year.

5.4 Graph of progress against Target Outturn Cost (TOC):

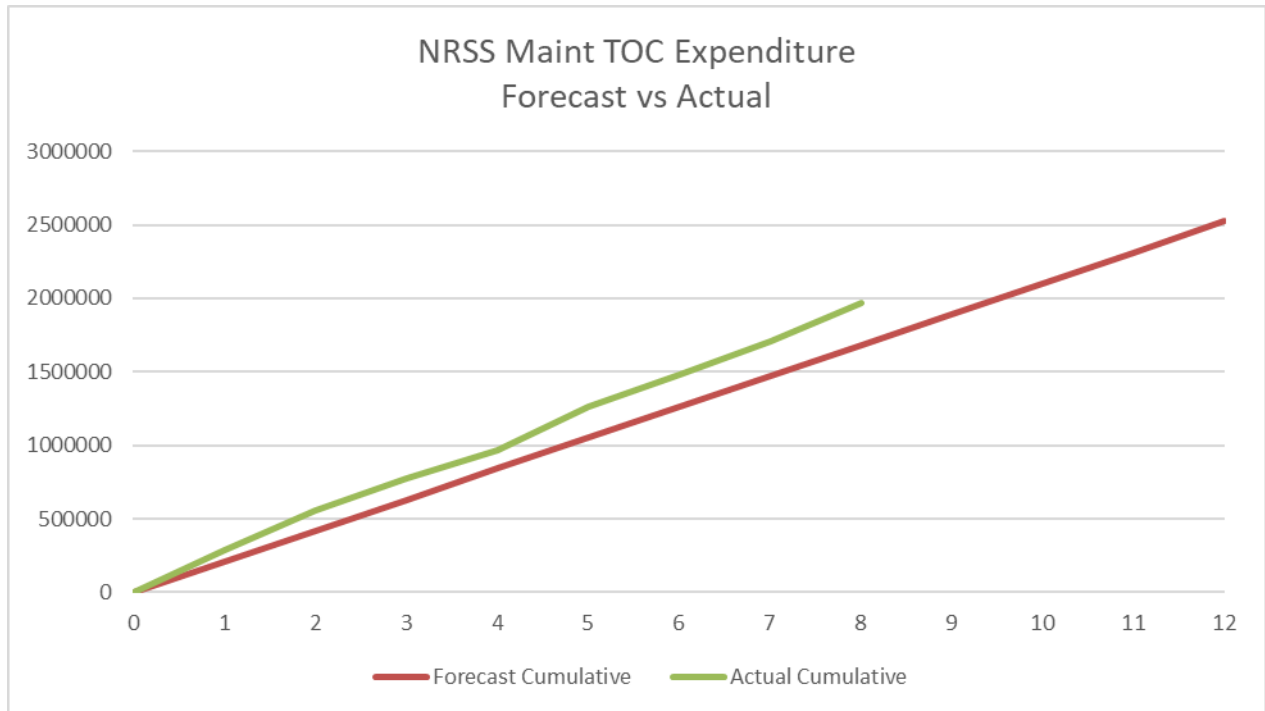


Figure 1: NRSS O&M Contract TOC vs Forecast

5.5 Odour:

5.5.1 There were no complaints received in January, with two received in February. One odour event related to the ponds. The odour happened quickly, and actions taken by NRSBU also mitigated the issue quickly. There was a 24hour period during which there was a distinct odour from the system.

5.5.2 The odour event happened while maintenance was being undertaken on the Primary Clarifier.

5.5.3 The Primary Clarifier was out of services for three weeks during February to enable replacement of the concrete water sealing system.

5.6 Wastewater overflows:

5.6.1 There were no overflows during the period.

5.7 Beneficial reuse of resources:

5.7.1 NRSBU has applied 68,500m³ of treated effluent to land to date so far this irrigation season, with further irrigation not anticipated.

5.7.2 18,091m³ of treated effluent has been processed through the ultra-filtration (UF) plant for re-use onsite or export to Green Acres during the report period.

5.7.3 6,606m³ of UF treated water was exported to Green Acres Golf Course for use for irrigation during the report period.

5.7.4 NRSBU applied 6,555m³ of Biosolids between January and 28 February 2026. This equates to 15.6 tonnes of Nitrogen for fertiliser to the Matoroa/Rabbit Island pine forests.

6 Projects

6.1 Works recently completed:

6.1.1 Beach Rd storm pump renewal – the new pump and controllers have been installed and are operating well.

6.1.2 Airport storm pump – the new pump, intended to be installed following the pumpstation upgrade, was put into service following the storm pump failure in November 2025.

6.1.3 Moturoa/Rabbit Island biosolids disposal for consent stormwater secured.

6.1.4 Installation of isolation valves to rising mains at the treatment plant inlet structure.

6.1.5 Finalising the Bell Island site designation.

6.1.6 Finalisation of the land purchase adjacent to Saxton pumpstation (492 Nayland Rd).

6.1.7 Perimeter fencing to the new Nayland Rd site.

6.1.8 Biosolids tank renewal.

6.2 Projects Underway:

6.2.1 Condition assessment of the concrete rising main between Monaco and Bell Island.

6.2.2 Wakatu pump stations capacity increase.

6.2.3 Airport pump station upgrade including non-return valve replacements.

6.2.4 Emission management plan development.

6.2.5 Biosolids application facility tank odour extraction & treatment, flow actuation.

6.2.6 Concept design for secondary pipework between Songer and Airport pumpstations, including condition investigations of out of service assets.

- 6.2.7 Biosolids pipe renewal using high temperature High Density Polyethylene Pipe (HDPE) pipe systems to enable a longer expected life as part of the renewal works. Whilst proven technology overseas this will be the first installation of this type of pipe in New Zealand.
 - 6.2.8 Bell Island high flow distribution design – design is progressing well to incorporate renewal & upsizing of degraded gravity lines at the WWTP to accommodate full inflow distribution to all facultative ponds. It is forecast this work will be taken to market late in the 2025/26 financial year with works commencing in the construction season in 2026/27.
 - 6.2.9 Secondary treatment system upgrade concept design work is complete. Progress with the work is on hold awaiting determination of how the concept would work with future requirements following the implementation of the WEPS. Officers are working to incorporate this change into the 2027-37 Asset Management Plan, and it is currently anticipated that secondary treatment upgrade work will be deferred until after the next consent is sought. Renewal and minor upgrade works to the existing secondary treatment processes are required to ensure current infrastructure continues to operate effectively until then.
 - 6.2.10 Discharge system resilience and capacity upgrade – design work to increase the resilience and capacity of the pumped discharge system is underway. Design is expected to be completed in the 2025/26 financial year.
 - 6.2.11 Discharge consent variation – this work will add a condition allowing NRSBU to exceed the discharge volume limit in response to weather conditions that could otherwise cause overflows.
- 6.3 Wastewater discharge to land applications for Bell and Best islands:
- 6.3.1 The Bell Island land application consent (which includes both expansion of irrigation along with alteration of irrigation methodology) was lodged with Tasman District Council (TDC) in 2025 and met the requirements under the Resource Management Act 1991 (RMA) to enable it to be processed without consideration of the recently applied WEPS. TDC, as the consenting authority, is now processing the consent application as a non-notified consent.
 - 6.3.2 Officers anticipate submission of the completed application to TDC to occur toward the end of the 25/26 financial year.
 - 6.3.3 Meetings were held with local Best Island residents to discuss the irrigation projects. Residents had some concerns about the

potential health risks, the odour risk, and the potential for impacts to property values.

- 6.3.4 Further work is being considered to ensure that a robust peer review of initial reports to ensure that steps have been implemented where appropriate to mitigate risks to local residents.
- 6.4 Best to Bell Island Causeway Bridge:
 - 6.4.1 During 2025 structural investigations of the Best to Bell Island causeway bridge determined that the design and construction did not provide capacity to support normal heavy traffic loadings, at least when compared to the current bridge design manuals.
 - 6.4.2 A temporary strengthening solution has been developed to allow the causeway to reach normal traffic loading, and this is scheduled to be installed in May 2026. This temporary fix will have a limited (up to around 5 years) life, and as such work has commenced on options to repair or replace the causeway on a more permanent basis. Funding will be included in the 2027-37 NRSBU Asset Management Plan to accommodate the costs for this.

7 Risk

- 7.1 NRSBU has an ongoing process on managing risks and criticality at different levels within the Business Unit process, and this section updates risks previous identified during 2024/25.
- 7.2 Asset management system:
 - 7.2.1 NRSBU identified that the Asset Management Software being used did not result in effective data for Asset Condition and maintenance cost and the change to the software is currently underway with the migration to the new software in progress.
 - 7.2.2 The new system is used by NCCs Transport team and the NCC Parks team.
 - 7.2.3 NRSBU expects to commence using the software in the first quarter of 2026/27 financial year.
- 7.3 Rising main capacity:
 - 7.3.1 The NRSBU provides services for its customers based on requested flows and loads.
 - 7.3.2 The customers are asked to confirm future demand annually, so that NRSBU can understand future capacity requirements and can plan and implement upgrades in a timely fashion.
 - 7.3.3 In response to the request at the end of the 2024/25 financial year, NCC and TDC initially requested sizable increases in future

flows. NRSBU met with NCC and TDC and sought clarification on the flow increases and discussed whether the Councils understood the cost implications for the flow increases.

- 7.3.4 Subsequently, NCC advised that they would reduce the flow capacity requested.
- 7.3.5 NCC and TDC have also advised that they are currently updating catchment models to better refine flow predictions.
- 7.4 Bell Island discharge capacity:
 - 7.4.1 The Bell Island discharge consent allows the treatment plant to discharge for Three hours after high tide, at an average daily limit of 20,000m³, or to a maximum daily limit of 25,000m³.
 - 7.4.2 Since the current consent was issued, the Bell Island treatment plant has had to exceed the discharge limits on four occasions to mitigate or avoid uncontrolled overflows from the ponds. These events have occurred as the result of significant wet weather inflow to the plant.
 - 7.4.3 Officers are working to vary the discharge consent conditions to allow increased discharge limits in response to conditions outside of NRSBUs control (e.g. extreme or extended rainfall).
 - 7.4.4 Concept designs for adding discharge flow capacity for the Bell Island WWTP have been developed, and preliminary discussions have commenced with the consenting authority on the process required to implement changes to discharge flows.

8 Finance

- 8.1 The net income for the nine months ending 31 March 2026 is \$312,000 below budget.
- 8.2 The Quarterly Finance Summary Report is shown below.

Nelson Regional Sewerage Business Unit							
Financial Report							
Income Account for the period to	31 March 2026						
	Quarter	Quarter	Quarter	Actual	2025/26 Budget		
	September 2025	December 2025	Budget	YTD	YTD	Annual	YTD Variation
Income							
Contributions Fixed	2,334,768	2,334,769	2,767,000	7,004,305	8,301,000	11,068,000	(1,296,695)
Contributions Variable	2,253,447	1,882,592	1,662,000	6,056,721	4,986,000	6,648,000	1,070,721
Other Recoveries	106,834	90,668	133,750	315,198	401,250	535,000	(86,052)
Interest	2	2	-	6	-	-	6
Forestry Income	-	-	-	-	-	-	0
Total Income	4,695,052	4,308,031	4,562,750	13,376,229	13,688,250	18,251,000	(312,021)
Less Expenses							
Management	184,674	156,119	191,250	451,642	573,750	765,000	122,108
Electricity	385,930	265,333	302,737	937,157	908,210	1,210,947	(28,947)
Contract Maintenance	395,303	418,696	324,017	1,219,285	972,052	1,296,069	(247,233)
Reactive and Proactive Maintenance	388,800	264,080	279,047	1,031,681	837,142	1,116,189	(194,539)
Monitoring	77,115	121,760	135,040	322,889	405,120	540,160	82,231
Consultancy	35,499	32,924	71,388	84,260	214,163	285,550	129,903
Insurance	37,494	47,426	139,071	126,008	417,213	556,284	291,205
Sundry	51,163	19,841	65,848	93,291	197,543	263,390	104,252
Biosolids Disposal	312,697	314,519	308,588	942,662	925,763	1,234,350	(16,899)
Operating & Maintenance Expenses	1,868,675	1,640,698	1,816,985	5,208,874	5,450,956	7,267,939	242,082
Financial	535,884	451,027	839,500	1,439,722	2,518,500	3,358,000	1,078,778
Depreciation	1,072,186	1,072,185	1,007,500	3,216,555	3,022,500	4,030,000	(194,055)
Total Expenses	3,476,745	3,163,911	3,663,985	9,865,151	10,991,956	14,655,939	1,126,805
Net Income	1,218,307	1,144,120	898,765	3,511,078	2,696,294	3,595,061	814,784

Figure 2: Summary Finance Report to 31 March 2026

8.3 Income:

8.3.1 Fixed contributions year to date under budget by ~\$1.30 million.

8.3.2 The variable contributions year to date are ahead of budget by ~\$1.07 million.

8.3.3 Other recoveries year to date income is under budget by ~\$86,000

8.4 Expenditure:

8.4.1 Total Operating expenses are below budget by ~ \$1.13 million.

8.4.2 Maintenance costs are slightly above budget due to a range of activities including heavy maintenance activities and purchase of pond emergency response chemicals during the first quarter.

8.4.3 The trend for the contract maintenance continues to be above budget but is more than offset by other operational cost savings.

8.4.4 Financial and depreciation expenses are below budget by ~\$884,000 due to lower than budgeted interest rates.

8.5 Finance Discussion:

8.5.1 The financial trend for the year to date is for fixed income to be low.

- 8.5.2 Variable income is above budget with flows and loadings during the third quarter resulting in similar income to the first two quarters.
- 8.5.3 The ongoing trend is ahead of budget. The fixed revenue trend cannot be changed by NRSBU management and is expected that the financial trend will continue for the rest of the financial year.
- 8.5.4 This under recovery on fixed revenue results from changes to interest rates used in the charging model versus the budget and the timing of setting these interest rates. The budget process used means there is a considerable time difference during which changes to interest rates can occur.

9 Conclusion

- 9.1 The NRSBU operation is going well; this period has less adverse weather events.
- 9.2 No overflows occurred and there were only two odour notifications during the period.
- 9.3 Financially the NRSBU is operating ahead of budget. While fixed income is down on budget this is offset by variable income.
- 9.4 It is important to note that the additional revenue comes from the variable contributions, and therefore it is likely that the end of year reconciliation will be required which will result in a rebate to all customers.
- 9.5 The owner's surplus payment is based on the fixed revenue which is below budget and therefore the surplus to the owners will be below budget.
- 9.6 Based on the trend for the first three quarters, the NRSBU customers should expect the end of year variable charge reconciliation to include a surplus payment to distribute the surplus in variable revenue.

Attachments

Nil

Joint Regional Sewerage

Committee

5 May 2026

**Report Title: R26-105 Nelson Regional Sewerage Business Unit Business Plan 2026/27
Feedback Report**

Report Author: Nathan Clarke (General Manager Regional Services)

Report Authoriser: Alec Louverdis (Deputy Chief Executive Executive Director Delivery)

Purpose of Report

1. To consider the feedback on the draft Nelson Regional Sewerage Business Unit (NRSBU) Business Plan 2026-27 and adopt the final NRSBU Business Plan 2026-27 (Business Plan).

Summary

2. The NRSBU Business Plan outlines the work programme for 2026-27 and reflects the third year of the 2024-2034 Activity Management Plan (AMP).
3. The Business Plan was presented to Nelson City Council (NCC) and Tasman District Council (TDC) for feedback.
4. Feedback was received from both Councils – this is attached.

Recommendation

That the Joint Regional Sewerage Committee

1. **Adopts the Nelson Regional Sewerage Business Unit Business Plan 2026-27 (Attachment 1: NDOCS-10803252921-1243).**

Recommendation to Nelson City and Tasman District Councils

That the Nelson City and Tasman District Councils

1. **Receives the Nelson Regional Sewerage Business Unit Business Plan 2026-27 (Attachment 1: NDOCS-10803252921-1243).**

Background and Discussion

5. The draft Business Plan was approved by the NRSBU Joint Committee for provision to NCC and TDC on 10 September 2025.
6. Feedback was received as attached.
7. There are no changes to the programme of works in the final Business Plan.

8. Minor amendments have been made to section 5 (Strategic Goals and Performance Objectives) and section 9 (Three Year Capital Upgrade Plan) of the Business Plan to better reflect the implications of the Taumata Arowai Wastewater Environmental Performance Standards on the Business Plan.
9. Interest rates incorporated in the final Business Plan have been updated to reflect current predictions for 2026/27
10. A draft Business Plan has been prepared to reflect the feedback from the Council's in line with the activities approved through the Long-Term Plan and Asset Management Plan for the 2026/2027 financial year.

Options for the NRSBU Business Plan

11. The following table outlines two options for the NRSBU final Business Plan 2026/27. Officers support option 2.

Option 1: Do not adopt the final Business Plan 2026-27	
Advantages	<ul style="list-style-type: none"> • There are no advantages.
Risks and Disadvantages	<ul style="list-style-type: none"> • NRSBU will not be meeting the requirements of the Terms of Reference adopted by Nelson City and Tasman District councils. • NRSBU will not have approval to continue its works programme. • NRSBU will not meet its legal requirements, capital works programme, health and safety obligations or performance targets. • System improvements to meet consent requirements and levels of service would not be carried out.
Option 2: Adopt the draft Business Plan 2026-27 and submit to NCC and TDC for them to receive – recommended option.	
Advantages	<ul style="list-style-type: none"> • Allows continuation of existing capital programmes. • Allows ongoing renewal and upgrade of the scheme. • Allows NCC and TDC to include this in their consultation process.

Risks and Disadvantages	<ul style="list-style-type: none">• There is a risk that minor changes may be required resulting from NCC and TDC consultation on Fees and Charges.
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Conclusion and next steps

12. The NRSBU Business Plan sets out the goals and expenditure for the business unit for 2026/27.
13. The plan outlines the budgets and aligns with the guidance given by the NCC and TDC in their feedback.

Attachments

1. NRSBU Business Plan 2026-27 Aug 25 Final V 1
2. Nelson City Council position on constraints for the NRSBU and NTRLBU Activity Management Plan
3. 251016 - Regional Business Unit Expenditure

Important considerations for decision making**Fit with Purpose of Local Government**

The NRSBU is a joint committee constituted pursuant to the provisions of Schedule 7 to the Local Government Act 2002 and contributes to the four Local Government well-beings of social, economic, environmental, and cultural.

Consistency with Community Outcomes and Council Policy

The NRSBU Business Plan feeds into the NCC and TDC Annual Plans and the Business Plan has been prepared based on the NRSBU 2024 -2034 Activity Management Plan.

Risk

This report includes allowance or mitigation of environmental and business continuity risks. The business plan will be submitted to TDC and NCC for feedback, this feedback will be considered by the Joint Committee. The risk of not approving the business plan is that this could delay the NRSBU implementing the works outlined and could result in significant adverse effect environmentally, financially and to the sustainability of wastewater in the Nelson Tasman Region.

Financial impact

The NRSBU Business Plan 2026/27 incorporates the capital and operational costs set out in the NRSBU Activity Management Plan 2024-34, with some minor amendments due to inflation.

Degree of significance and level of engagement

The NRSBU is a Joint Committee of the two Councils and its activities are included in the Long-term Plans and Annual Plans of each Council.

Consultation is undertaken by both Councils in the preparation and adoption of these plans.

Climate Impact

A key feature of the capital programme is the ability to implement systems to reduce greenhouse gas emissions and environmental and cultural issues.

Furthermore, the impacts of climate change are considered significantly in the NRSBU AMP, upon which this Business Plan is based.

Inclusion of Māori in the decision-making process

No engagement with Māori has been undertaken in preparing this report but iwi have representation on the Board.

Delegations

The Councils are agreed that the responsibility for all management and administrative matters associated with the JRSC operation shall be with the Board, and in particular the Committee shall without the need to seek any further authority from the Councils:

Operate a bank account for the Business Unit; and

Comply with the Procurement Policy of the Administering Council; and

Enter into all contracts necessary for the operations and management of the Business Unit in accordance with approved budgets and the intent of the Business Plan; and

Authorise all payments necessary for the operations and management of the business unit within the approved budgets and the intent of the Business Plan; and

Do all other things, other than those things explicitly prohibited by this MOU or relevant statutes, which are necessary to achieve the objectives as stated in the Strategic Plan, Asset Management Plan or Business Plan approved by the councils.

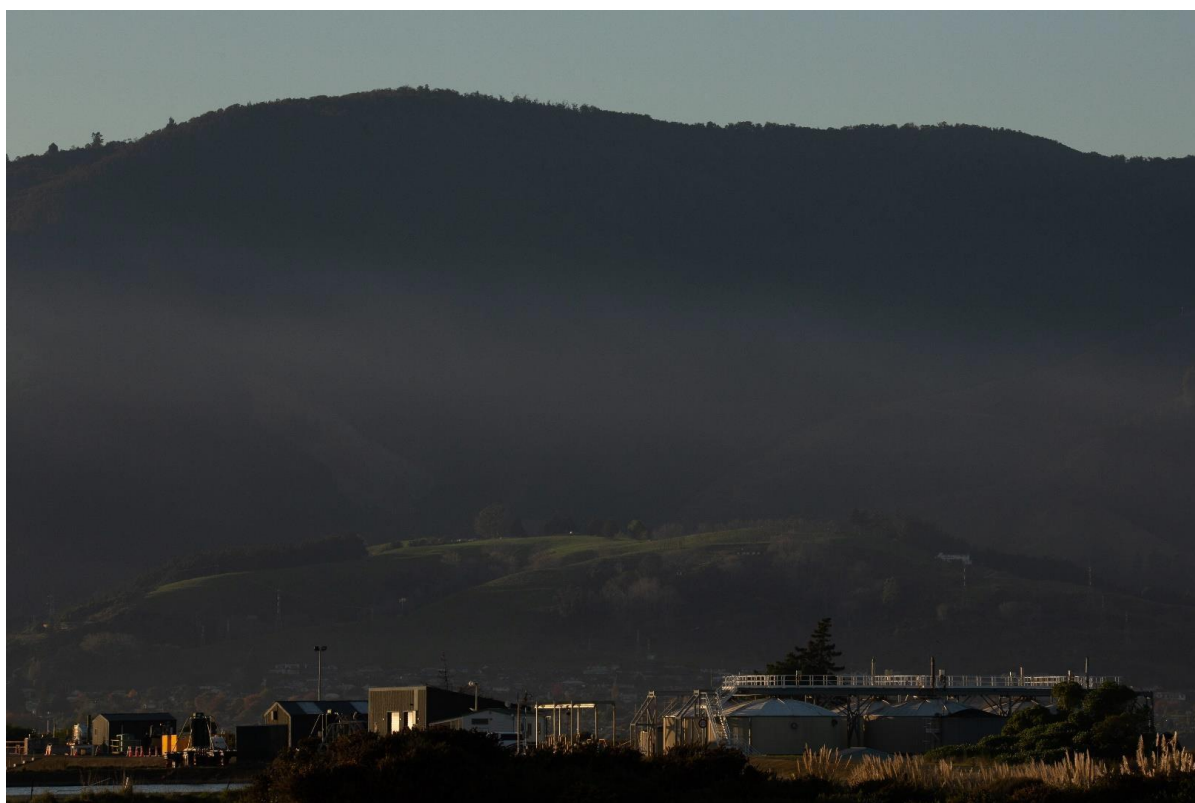
Powers to Recommend to Councils:

Any other matters under the areas of responsibility of the Business Unit and detailed in the Memorandum of Understanding

All recommendations to Council will be subject to adoption of an equivalent resolution by the other Council, unless it is a matter specific to one Council only.

NRSBU | Nelson Regional **Sewerage** Business Unit

Business Plan 2026/27



NRSBU Business Plan 2026-27

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Rev 1 Final May 2026

Final for Joint Committee adoption -
prepared by:

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Operations
Manager NRSBU
with input from

Nathan Clarke – General Manager
NRSBU

Approved by: Nathan Clarke – General Manager NRSBU

Cover Image Bell Island office, GBT building and ATADs, looking southeast towards the Richmond hills.

Nelson Regional Sewerage Business Unit Business Plan

2026/27 Rev 1 Final 10803252921-1243

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1. PURPOSE

The purpose of the Nelson Regional Sewerage Business Unit Business Plan 2026/27 is to summarise management goals and objectives to deliver wastewater collection and treatment services to the region; and to improve the effectiveness and efficiency in the delivery of those services.

2. MEMORANDUM OF UNDERSTANDING REQUIREMENTS

The Memorandum of Understanding states that the NRSBU Board shall by 31 December each year supply to the Councils (Nelson City and Tasman District Councils) a copy of its Business Plan. The Business Plan outlines the management of the Nelson Regional Sewerage Business Unit and the assets for the ensuing year, together with any variations to the charges proposed for that financial year.

The Memorandum of Understanding (MoU) commenced on 1 July 2015 and shall terminate on 30 June 2025. The MoU was extended in 2025 and now terminates on 30 June 2030

The Nelson Regional Sewerage Business Unit was established in July 2000, replacing the former Nelson Regional Sewerage Authority established in the 1970s.

3. INTRODUCTION

This Business Plan 2026/27 outlines the projects and initiatives to be implemented during the year. It also outlines the associated funding required and the details of the performance targets and measures.

The Business Plan is aligned with the NRSBU Activity Management Plan 2024-2034 (AMP) and relates to year 3 of the AMP. It includes business objectives and performance targets (Section 7) and the three-year financial renewal forecasts (Section 8) and the three-year capital plan (Section 9). The following key pieces of information from those other documents are included in the appendices of this business plan:

APPENDIX B: Business Improvement Plan APPENDIX C: Bell Island Treatment Schematic

APPENDIX D: Focus on Community and Environmental Benefits APPENDIX E: Draft 10 Year Capital Expenditure Diagram

4. MISSION STATEMENT

The NRSBU's mission statement is:

Resilient, reliable, and effective infrastructure that supports and protects our community and environment.

Area	Goal
Our approach	Implement and operate infrastructure considering the needs of our community. Our priorities for this are protection of public health, the environment, and cultural values.
Our Vision/Ambition/Aspiration	We will work towards the beneficial reuse of resources.
Our conduct	We will undertake our activities transparently, fairly, respectfully, in a timely manner and we will provide regional infrastructure leadership.

5. STRATEGIC GOALS AND PERFORMANCE OBJECTIVES

The NRSBU aspires to achieve the following goals:

Strategic Goal	Objective (This is what it looks like)	Level of Service (This is how we do it)	
We will implement and operate infrastructure considering the needs of our community. Our priorities for this are protection of public health, the environment, and cultural values.	Containment and conveyance that is resilient and minimises adverse impacts on the health of the environment and community	We have sufficient capacity in our network to cope with peak flows We are resilient to mechanical and electrical failures and natural hazards We can readily maintain the network	
	Resilient wastewater treatment that minimises the impact on the environment and community	The treatment plant can reliably accept (N+1 for critical assets) all peak flows from the network The treatment plant can fully treat all dry weather flows The treatment plant does not create odour issues for the community Effluent Quality meets or exceeds required discharge requirements	
	Long term vision that considers the future needs of the community	Our ongoing business is safeguarded through engagement with council planning processes, We have long term plans for our activities and their impacts and update of the NRSBU Masterplan occurs in the year prior to the AMP Have systems in place for the ongoing monitoring and reporting of emissions, and a plan for emission activities including timing and cost estimates.	
	Alternative methods of biosolids disposal that protect public health and the environment and are sensitive to cultural values	Have a backstop for issues with biosolids disposal	
	We will work towards the beneficial reuse of resources	Use of ongoing improvement processes to identify, implement, and operate feasible biosolids reuse	Treatment to maintain 100% reuse of biosolids Increase reuse value Maintain 100% diversion of biosolids from disposal to landfill
		Identify implement and operate feasible systems and infrastructure for the reuse of wastewater	We minimise the amount of effluent we discharge to water (working towards zero days discharge to water during summer)

The NRSBU functional activities are managed by the Nelson City Council and therefore the NRSBU functional activities shall comply with the requirements of the Nelson City Council Health and Safety Policy and fully subscribe to the vision for a Zero Harm Culture.

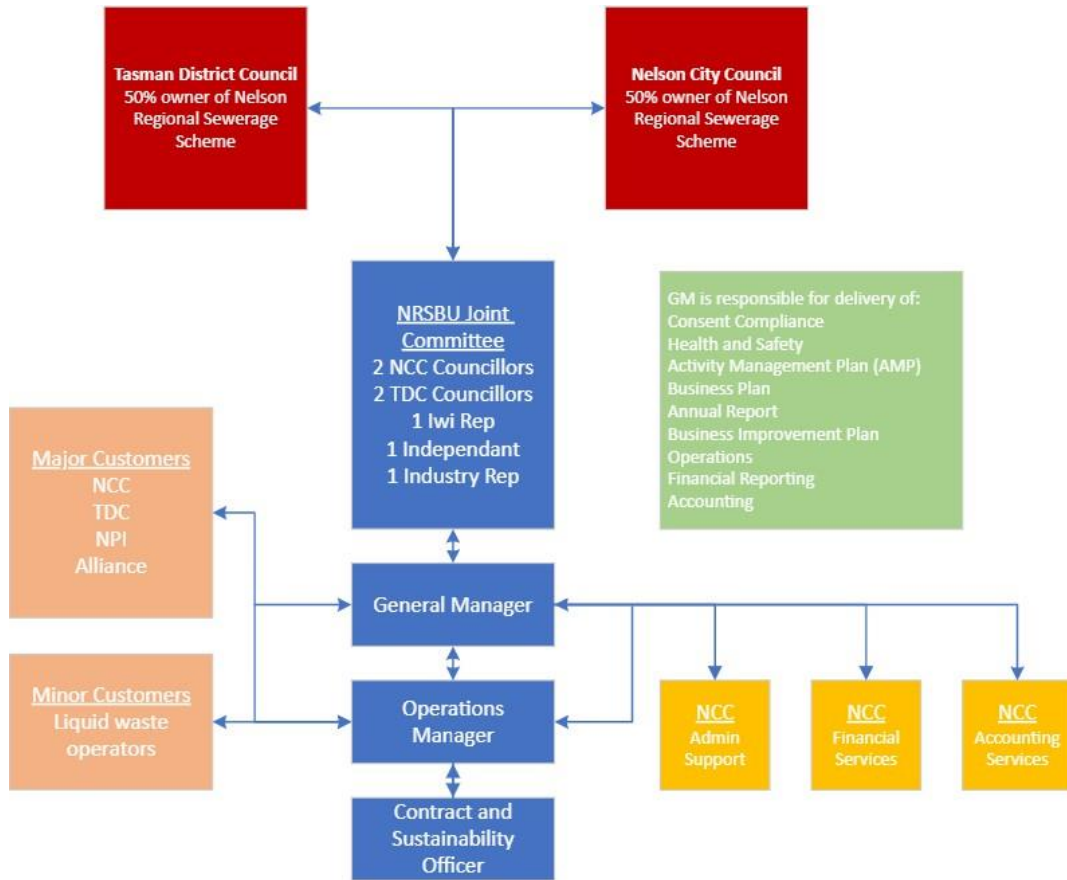
All strategic goals are important and no one goal will be pursued at the expense of another.

It is important to note that following the reversal of the 3 Waters legislative changes, Central Government are now implementing regionally led changes to the delivery of water services in New Zealand, via the Local Waters Done Well strategy. These changes may have a significant influence on NRSBU, however at this time NRSBU is unable to confirm the any outcomes of this work and therefore will continue with Business as Usual.

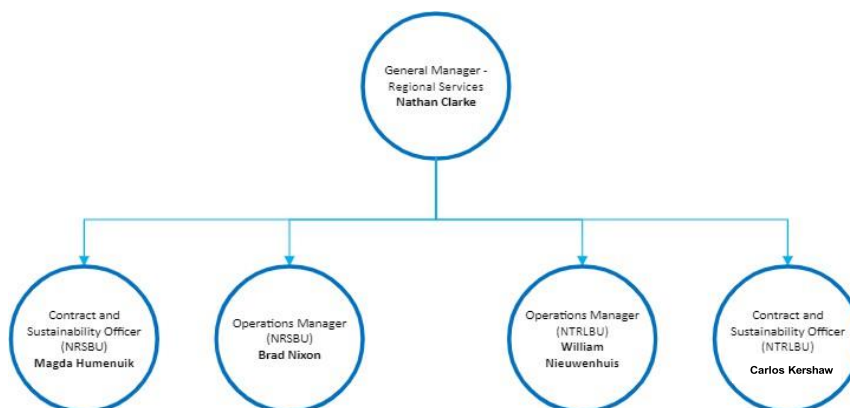
In late 2025 Taumata Arowai issued its Wastewater Environmental Performance Standards. These standards apply set consent conditions for wastewater operations, which would be implemented on the renewal of any existing consents. The standards result in significant impact to the operation of Bell Island WWTP when the consent for the WWTP is renewed. At the time of preparation of this Business Plan the effect on the strategic and operational plans for NRSBU is still being determined as part of the 2027-37 Asset Management Plan (AMP) process. This uncertainty has impacted some capital plans, with deferral of secondary treatment upgrades for the WWTP included in the 2026/27 Business Plan, and changes to the longer term programme or works to for part of the 2027-37 AMP.

6. NRSBU STRUCTURE

The current structure of the Nelson Regional Sewerage Business Unit is as follows:



The Regional Services staffing structure is shown below. This structure has a dedicated Operations Manager for each Business Unit, and one additional staff member for each business unit. This revised structure adds some additional capacity and removes the Activity Manager roles as a dedicated role. The structure is currently fully staffed.



7. BUSINESS OBJECTIVES AND PERFORMANCE MEASURES

The objectives outlined below describe the long-term aims of the business unit. Performance measure targets and dates (where they are not specified below) are set annually in the Business Plan along with performance measures for projects identified in the Activity Management Plan. Performance will be reported quarterly to the Board and annually to the shareholding councils.

Performance Measure (This is how we know we're doing it)	Target
Number of overflows per year (all networks) due to NRSBU network capacity constraints, or mechanical or electrical failures.	Zero
Number of pump stations with redundant pumps and power supply.	All by June 2023*
Pump stations are assessed for structural integrity to a level 3 importance level standard.	All by 2025
Number of pump stations where able to carry out routine PS maintenance works while managing ADWF.	All by 2031
Number of times PWWF flows exceed inlet works capacity.	Zero by 2031
Number of times <i>dry weather</i> diurnal flows bypass the mechanical system annually. OR Treatment capacity of mechanical plant.	Zero OR 500L/s by 2029
Number of odour consent breaches annually. AND Number of odour events notification annually	Zero AND Zero by 2035 (following implementation of anaerobic digestion)
Pond free water above sludge layer.	>1m in all ponds by June 2026
Chemical parameters comply with consents for discharge to water when discharge occurs.	Ongoing consent compliance for all parameters.
Effluent quality appropriate for safe and sustainable use with land irrigation systems.	Pathogens, Nitrogen defined for land application requirements by 2025

Performance Measure (This is how we know we're doing it)	Target
Obtain reuse consents for appropriate land areas for Reuse Water.	Consents for expansion of Bell Island irrigation and implementation of Best Island irrigation in place by June 2027
We have up to date plans as follows: Master plan (50 years focus) Activity Management Plan (10 years Focus) Business Plan (1 year focus, but also with tentative three-year actions)	Master plan adopted by June 2025 Activity Management and Business Plans are reviewed annually
The number of alternate methods/options for biosolids disposal.	One by 2035
Increase in quality of biosolids.	Biosolids Reuse Development Plan update Draft by June 2025
Percentage of biosolids that is reused.	100%
Annual volume of biosolids sold.	Biosolids Reuse Development Plan update Draft by June 2023
Proportion of biosolids to land or reuse/sale	100%
Volume of high-value water-reuse we achieve.	Draft Wastewater reuse plan developed by June 2025
Amount of total flow we can divert from discharge to water during summer period (1 Dec to 31 Mar) AND Number of days effluent is discharged to water in summer period (excluding significant rainfall event) by managing buffer storage in ponds	At least 10,000m ³ /day by 2040 AND Zero by 2040

* Redundant pumps may include Duty / Assist with a Shelf Spare until pumpstation upgrades are complete

8. THREE YEAR RENEWAL EXPENDITURE FORECAST (\$'000)

Renewal Plan (\$,000)	2025/26	2026/27	2027/28	2028/29
Pump Stations and Rising Mains	583	2,685	1,667	856
Inlet, Aeration Basin, Clarifier and Ponds	949		1,706	1,872
Solids Handling and Biosolids pipelines.	1,376		256	360
Rabbit Island	66	31	31	65
Facilities and Roads	80	63	52	52
General	205	213	213	213
Total	3,259	2,992	3,925	3,418

Note: 2025/26 renewals budget includes carryover from 2024/25. 2026/27 renewals budgets do not include carryovers from the 2025/26 financial year

The renewal programme of the NRSBU assets is developed around lifecycle and condition assessment.

An iterative process is followed whereby the renewal programme is considered annually with inputs from the Operation and Maintenance operator and a review of remaining useful life of assets.

Condition assessment reports may be commissioned where additional information is required to ensure optimal spend on renewals.

One key renewal item that is currently unquantified is any repair works arising following the inspection work in 2025/26 for the existing 600mm diameter concrete pipe between Monaco and Bell Island. Whilst renewal funds are allocated in 2026/27 this work may necessitate reprioritisation of the Capital and Renewal plans if more significant repairs are required.

The 2027/28 year includes funding for renewal of the concrete gravity pipelines within the Bell Island Wastewater Treatment Plant, this is now intended to be included as part of the high flow distribution upgrade, currently in the detailed design stage, which may result in some cost efficiencies.

General items are at the discretion of the General Manager.

9. THREE YEAR CAPITAL UPGRADE PLAN

The following table outlines the capital upgrades proposed over the next three years.

Activity	Value (\$k)		
	26/27	27/28	28/29
Bell Island Reuse	271	271	271
Best Island irrigation	1,944	542	1,983
Biosolids Pipeline and Equipment	884		
Desludging ponds	542		
Electrical upgrades		325	1,082
New plant and equipment	22	2,185	914
Reconnection of secondary rising mains	1,498		
Secondary treatment system Upgrade		2,163	2,163
WWTP access and security	55	542	
Total Per FY (\$k)	5,216	6,665	7,490

Commentary on Upgrades for 2026/27

The new NRSBU Activity Management Plan (AMP) sets out a significant work programme to improve the performance of the NRSS. With the rising main duplication works completed the focus moves to improving the conveyance and treatment of the increased flows through the WWTP.

The 2026/27 programme includes upgrade works for the following:

- Continuation of pond desludging (to meet resource consents).
- Bell Island effluent reuse expansion.
- Earthworks and power relocation for Best Island irrigation.
- Design works for WWTP access improvements.
- Reconnection of secondary rising mains.
- Biosolids pipeline and equipment improvements.

Values are as per figures included in year 3 of the AMP and escalated to match inflation. The Business Plan 2026/27 also defers funding for the secondary system upgrade, following finalisation of the Taumata Arowai Wastewater Environmental Performance Standards. This will result in a redirection of the work programme for 2027/28 and 2028/29, however this is being managed through the 2027-37 AMP process. At the time of preparation Capital values beyond 2027/28 are not able to be confirmed as part of this Business Plan.

Programmed work for the irrigation of treated wastewater on Best Island has been accelerated, along with improvements to the WWTP access. Planned CAPEX expenditure for 2026/27 is reduced slightly from the AMP.

10. FINANCIAL PLAN

Nelson Regional Sewerage Business Unit				
Budget Summary				
2026/27 to 2028/29				
	Forecast	1	2	3
	25/26	26/27	27/28	28/29
Income				
Contributors	17,798	16,750	17,805	18,465
Interest	0	0	0	0
Other Recoveries	535	535	535	535
Total Income	18,333	17,285	18,340	19,000
Expenditure				
Operations & Maintenance	5,947	5,727	5,934	5,902
Management	765	781	781	781
Interest	2,844	2,563	3,073	3,680
Insurance	537	547	562	574
Depreciation	4,300	4,385	4,462	4,554
Total Operating Cost	14,392	14,002	14,811	15,490
Surplus/Deficit	3,941	3,283	3,528	3,510
Use of Funds				
Loan Repayment	1,908	1,393	537	1,136
Renewals	2,392	2,992	3,925	3,418
Owners Distribution	3,941	3,283	3,528	3,510
Upgrades	6,802	5,216	6,665	7,725
Land Purchase	0	0	0	0
	15,043	12,884	14,655	15,789
Sources of Funds				
Surplus/Deficit	3,941	3,283	3,528	3,510
Depreciation	4,300	4,385	4,462	4,554
New Loans	6,802	5,216	6,665	7,725

		15,043	12,884	14,655	15,789
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APPENDIX A: Nelson Regional Sewerage Business Unit Committee Activity Schedule 2026-2027

Date	Activity	Papers required
By 30 September 2026	Deliver annual report financial statement to Councils.	Annual Report and Financial Statement.
By 31 December 2026	Review board planning/meeting timetable. Adopt draft business plan for presentation to TDC and NCC. Review and update Interests Register. Adopt business continuity plan.	Planning/meeting timetable. 2027/28 draft Business Plan. Interests Register. Draft business continuity plan.
By 20 March 2027	Adopt final Business Plan for presentation to Tasman District Council and Nelson City Council.	2027/28 Business Plan.
By 30 June 2027	Review board performance Review governance policy. Review Demand Management Plan. Receive report on Contingency Plan review by customer representatives. Receive report on Risk Management review by customer representatives. Review customer satisfaction survey results. Annual review of Strategic Plan. Adopt Energy Conservation Plan. Review Audit Management Report. Annual Carbon Emission Review.	Checklist for committee effectiveness. Governance Policy. Draft Demand Management Plan. Report on Contingency Plan review by customer representatives. Report on Risk Management review by customer representatives. Customer survey report. Strategic plan. Energy Conservation Programme. Carbon Mission Measurement System development

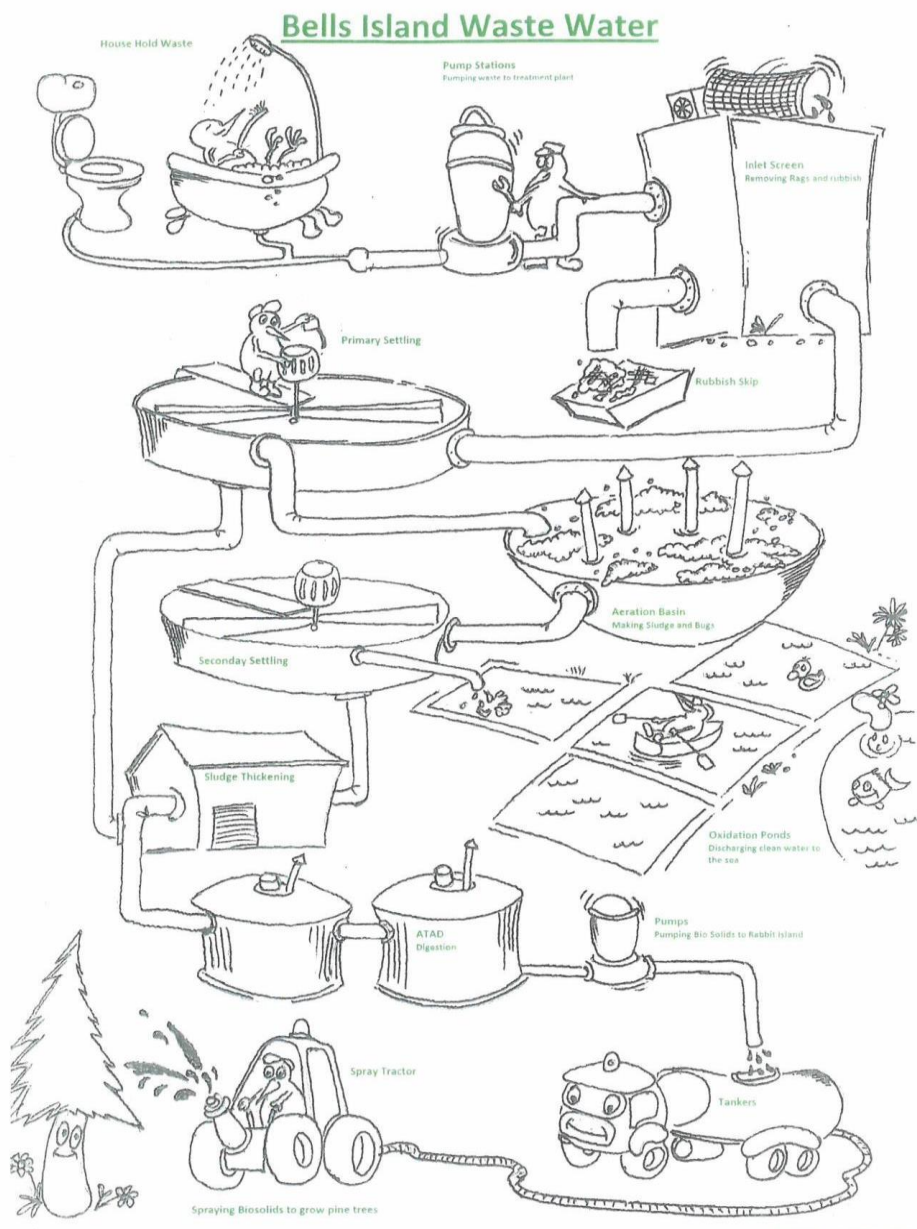
APPENDIX B: Business Improvement Plan

This section describes initiatives to improve the efficiency and effectiveness of the Business Unit and is based on the Nelson Regional Sewerage Business Unit Strategic Plan and referenced to the 2024 Asset Management Plan.

IP	Description	Resource Requirements	Progress
IP-1	<p>Consolidate all data and information; review and develop access method.</p> <p>Continue adding detail to the GIS system, and continue to try to get NCC to host the GIS pages with the increased detail. Ideally this will include links from this system to dashboards, asset information system (AWM) that will have been implemented.</p>	<p>In-house and consultants</p> <p>External consultants will need to work with NCC IT and GIS to host the new system</p> <p>Maintenance and development for the GIS and Asset Management system will remain by consultants.</p>	<p>July 23- 25 progress is expected to include all non-critical but significant assets to have specific assets with data and maintenance information accessible through this single system.</p> <p>Progress to the start of 2026/27 is that all critical and high importance assets should have been included in the AWM (Asset Works Manager) and GIS systems, and 2026/27 this will progress to less important assets</p>
IP-2	<p>Continue sludge removal programme (to be complete during early 27/28).</p>	<p>In-house and Contractor</p>	<p>On-going, Sludge Bund Consent granted 2019/20.</p> <p>Sludge containment area complete 2020/21</p> <p>Desludging commenced – Pond F1 and F2 completed.</p> <p>Sludge containment area full. Alternative disposal option for F3 desludging required.</p> <p>Continue the development of alternative biosolids treatment and Disposal options, including pilot trials with a biosolids solar dryer.</p>
IP-3	<p>Review the long-term strategy (Master Plan) prior to the AMP process.</p>	<p>In-house and consultants</p>	<p>Draft submitted to the Joint Committee and consulted with iwi. Awaiting feedback from NCC and TDC.</p> <p>Have workshop with NRSBU Joint Committee on the Master Plan.</p> <p>Discuss the major issues, constraints, and the current thoughts on how these might be managed. Discuss the adaptive management process.</p>

IP-4	Continue Gas measurement and Management and greenhouse gas minimisation works	In-house and consultants	Measure both CH4 and nitrous oxide emissions from the Bell Island WWTP treatment processes, to develop better understanding of real emissions compared to theoretical emissions.
IP5	Electrical Supply to Bell Island	In-house and Consultants.	<p>Investigation and implementation of mitigation measures.</p> <p>Progress 2022/23 Generators installed, final connection to pumpstations & WWTP required</p> <p>2022/23 Solar array licence and options agreement signed.</p> <p>Investigations underway</p> <p>Additional power cable options review and consent application depending on the solar array and implementation timeframes.</p> <p>Continue to proactively work with Network Tasman to ensure a large enough and n+1 resilient supply to the Bell Island facility.</p>

APPENDIX C: Bell Island Treatment Schematic



APPENDIX D: Focus on Community and Environmental Benefits

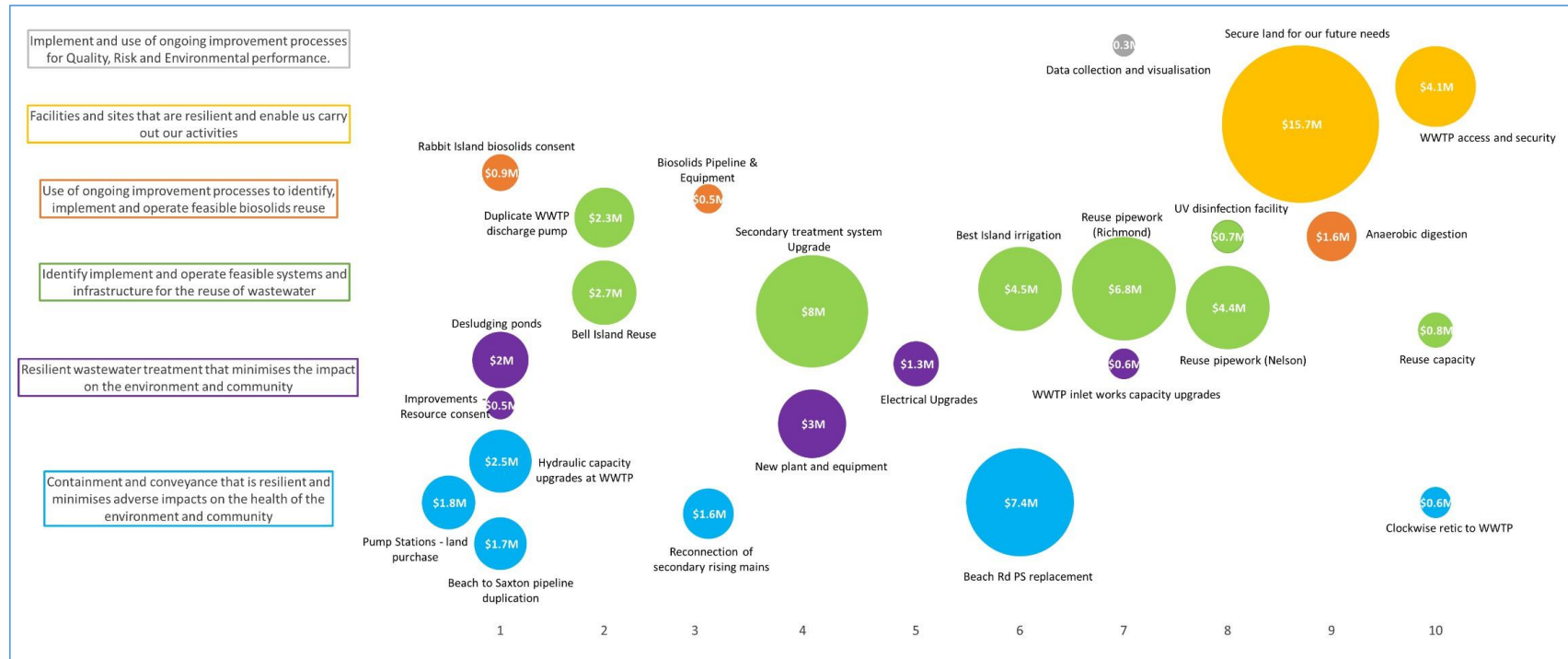
The NRSBU intends to:

- have facilities that are robust and resilient – focusing on collection and conveyance system, followed by Bell Island volumetric treatment capacity.
- reduce overflows into the coastal marine environment and Tasman Bay beyond
- have a greater focus on the immediate coastal marine environment and impacts on the ecology of Tasman Bay
- Develop a water reuse strategy and implement initial reuse actions using existing reuse water and expand as financial constraints allow reuse water volume and infrastructure.
- reduce the volume of wastewater discharged to Waimea Inlet over time
- Maintain focus on biodiversity and estuary health.
- increase attention to facilitating cultural and recreational and educational activities where these don't adversely affect core business activities.

To implement this vision, the NRSBU will:

- develop a programme of work to investigate and implement ways to reduce overflows from the sewerage pump stations to the estuary
- implement the conditions associated with the pump stations Aberrational Discharge resource consent
- further develop investigations into the potential re-use (by others) of treated wastewater and install additional pipework to convey treated wastewater to locations where it can be reused by others in the community (including use for irrigation and industrial processes.)
- investigate potential tree and vegetation planting around the perimeter of Bell Island, and where suitable undertake in conjunction with community groups such as Battle for the Banded Rail
- continue to operate the treatment plant well and achieve high quality effluent
- commission a high-level report into alternative wastewater treatment systems (that would avoid or significantly reduce the discharge of treated wastewater to the Waimea Inlet).

APPENDIX E: 10 Year Capital Expenditure Diagram 2024-34 AMP



- Notes**
1. Expenditure indicated above does not take into account any requirements resulting from any structural changes to the delivery of the water and wastewater services in the region.
 2. The plan above does not currently incorporate any allowance for relocation of treatment components due to cultural or climate change considerations. Indicative changes to expenditure could include items such as land purchase, and relocation of anaerobic digestion to a remote site.



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17 October 2025

Nathan Clark

General Manager Regional Business Units Nelson City Council

PO Box 645

Nelson 7040

Dear Nathan

Nelson City Council position on constraints for the NRSBU and NTRLBU Activity Management Plan

Nelson City Council has taken an early look at the next Long-Term Plan (LTP) and the fiscal envelope we will need to work within. We are working with Tasman District Council as we prepare our next LTPs and Activity Management Plans (AMPs).

The purpose of this letter is to provide you with Nelson City Council's direction for preparing the Nelson Regional Sewerage Business Unit (NRSBU) and Nelson Tasman Regional Landfill Business Unit (NTRLBU) AMPs. A similar letter from Tasman District Council may follow. As you will be aware, when preparing the AMPs which feed into the two Councils' LTPs 2024-2034, you need to take into consideration the expectations of the Councils.

The current economic environment is putting pressure on the affordability of rates for Nelson ratepayers. Nelson City Council is endeavouring to stay within the rates and debt limits agreed in the LTP 2024-2034, with a focus on maintaining our current Standard and Poors credit rating. We are also facing an ageing community and projections that our population will stop growing and potentially decrease in the later part of this century.

Council is proposing that the LTP 2027-2037 will create a ten-year work programme that is within its capacity to deliver and is affordable for our current and future communities. Council's focus is to be good custodians of existing assets and maximise their use, rather than developing new assets.

The following guidance is aimed at providing clear boundaries for the NRSBU and NTRLBU Activity Management Plan (AMP) development so that your time and that of the two the Joint Committees is not wasted, and changes later in the process are minimised.

Council's strategic priorities for the 2027 AMP development are:

- Achievable and deliverable
- Affordable
- Prioritisation of budgets to renew existing assets
- Responds to climate change by creating financial and resourcing capacity in the work programme for prioritised high ROI climate change initiatives
- Sufficient capacity to accommodate emergency management/recovery response to events.

For context, Council's average infrastructure spend in the LTP 2024-2034 was \$94 million. Council staff are being instructed to keep within an average spend of \$50 million - a 47% reduction. We have also instructed staff to prioritise renewals with 75% of the capital budgets to be spent on renewals.

It would be helpful if, when preparing the NRSBU and NTRLBU AMPs, you prioritise your capital budget projects on renewals, and you take a consistent view of the growth in Nelson City as our Council does. We also request that you do not exceed, and preferably reduce, the average capital expenditure going forward to that contained in the LTP 2024-2034 in both the NRSBU and NTRLBU AMPs, which was:

NRSBU:

Draft LTP 2027/37 based on latest information										
AP	AP	AP	AP	AP	AP	AP	AP	LTP	LTP	Average
2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2024-34	2024-34	LTP 27-37
Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Year12	Year13	
2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	
(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
3,969	4,101	4,323	4,718	3,166	3,253	8,794	3,487	4,069	3,504	4,337

NTRLBU:

Draft LTP 2027/37 based on latest information										
AP	AP	AP	AP	AP	AP	AP	AP	LTP	LTP	Average
2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2024-34	2024-34	LTP 27-37
Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Year12	Year13	
2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	
(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
225	97	1,410	5,250	8,078	4,054	536	829	891	845	2,222

Meeting Council's expectations as you prepare your AMPs will reduce the likelihood of you needing to undertake major reworking of your work programme and budgets as we progress through the process of adopting the AMPs and preparing the LTP.

Regards

A handwritten signature in black ink, appearing to read 'Alec Louverdis', with a stylized flourish at the end.

Alec Louverdis

Deputy Chief Executive/Group Manager Infrastructure

[NDOCS-1590798627-2183](#)

Richard.Kirby@tasman.govt.nz

Phone 543 8400

17th October 2025

Nathan Clark

General Manager

Regional

Business Units

Nelson City

Council

PO Box 645,

Nelson 7040

Dear Nathan

Tasman District Council position on constraints for the NRSBU and NTRLBU Activity Management Plan

Tasman District Council has taken an early look at the next Long-Term Plan (LTP) and the fiscal envelope we will need to work within. We are working with Nelson City Council as we prepare our next LTPs and Activity Management Plans (AMPs).

The purpose of this letter is to provide you with Tasman District Council's direction for preparing the Nelson Regional Sewerage Business Unit (NRSBU) and Nelson Tasman Regional Landfill Business Unit (NTRLBU) AMPs. You may have received a similar letter from Nelson City Council. As you will be aware, when preparing the AMPs which feed into the two Councils' LTPs, you need to take into consideration the expectations of the Councils.

The current economic environment is putting pressure on the affordability of rates for Tasman ratepayers. Tasman District Council is endeavouring to stay within the rates and debt limits agreed in the LTP 2024-2034, with a focus on maintaining our current Standard and Poors credit rating. We are also facing an ageing community and projections that our population growth may reduce in future years.

Council is proposing that the LTP 2027-2037 will create a ten-year work programme that is within its capacity to deliver and is affordable for our current and future communities.

Council's focus is to be good custodians of existing assets and maximise their use, rather than developing new assets.

The following guidance is aimed at providing clear boundaries for the NRSBU and NTRLBU Activity Management Plan (AMP) development so that your time and that of the two Joint Committees is not wasted, and changes later in the process are minimised.

Council's strategic priorities for the 2027 AMP development are:

- Achievable and deliverable
- Affordable
- Prioritisation of budgets to renew existing assets
- Responds to climate change by creating financial and resourcing capacity in the work programme for prioritised high ROI climate change initiatives
- Sufficient capacity to accommodate emergency management/recovery response to events.

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For context, Tasman District Council's anticipated infrastructure capital spend this financial year was \$92 million. Council staff are being instructed to keep within an average spend of

\$70 million - a 24% reduction. We have also instructed staff to prioritise renewals.

It would be helpful if, when preparing the NRSBU and NTRLBU AMPs, you prioritise your capital budget projects on renewals, and you take a consistent view of the growth in Tasman District as our Council does. We also request that you do not exceed, and preferably reduce, the average capital expenditure going forward to that contained in the LTP 2024-2034 in both the NRSBU and NTRLBU AMPs

In relation to landfill activities, the NTRLBU should take strategic direction from the new WMMP 2025 but apply these strategic priorities across any proposed activities.

Meeting Council's expectations as you prepare your AMPs will reduce the likelihood of you needing to undertake major reworking of your work programme and budgets as we progress through the process of adopting the AMPs and preparing the LTP 2027-2037.

Regards



Richard Kirby

Group Manager – Community Infrastructure