

File Ref: C135-F04

Ask For: Judith North

10 July 2009

Notice of Committee Meeting – Monday, 20 July 2009

A meeting of the Community and Financial Planning Committee will be held in the Council Chambers, District Council Administration Building, Seymour Street, Blenheim on **Monday, 20 July 2009 commencing at 1.30 pm.**

B U S I N E S S

As per Agenda attached.

ANDREW BESLEY
CHIEF EXECUTIVE

Marlborough District Council

**Meeting of the COMMUNITY AND FINANCIAL PLANNING COMMITTEE
to be held in the Council Chambers, District Administration Building, Seymour Street,
Blenheim, on MONDAY, 20 JULY 2009, commencing at 1.30 pm**

Committee	Clrs G A Hope (Chairman) G S Barsanti J L Andrews C R Bowers F D Maher G Taylor N W Weetman Iwi representative Mayor A T Sowman (ex-officio)
Department Head	Mr M F Fletcher (Manager, Corporate Finance), Mr D G Heiford (Manager, Support Services)
Staff	Ms J R North (Committee Secretary)

In Public

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1. Marlborough Positive Ageing Accord Report (C225-05)

(Report prepared by Lyne Johnson)

Purpose

1. The purpose of this report is to provide Council with an update as part of the annual review of the Positive Ageing Accord.

Background

2. In 2007, at the request of the Marlborough Older Persons Forum, Council commenced a process to develop a Positive Ageing Strategy that included, among other actions, reporting to the Office of Senior Citizens on contributions to the wellbeing of older people in Marlborough.
3. After discussions with forum members, it was subsequently agreed to develop a Marlborough Positive Ageing Accord, recognising that achieving positive outcomes for older people necessitated the commitment of multiple agencies and ultimately entailed a whole of community response.
4. As a result of this Council agreed as follows:
“That Council agree to join the Marlborough Positive Ageing Accord and include current activities supporting positive ageing in the schedule of actions.” (Minute A.07/08.460)
5. The other current partners of the Accord are Nelson Marlborough District Health Board, Ministry of Social Development Work & Income, Presbyterian Support, Age Concern Marlborough and GreyPower Marlborough.
6. Each of these organisations joined with Council in developing a schedule of actions that they each undertake to support positive ageing. These actions were recorded in the National Positive Ageing Action Plan, which is compiled by the Office of Senior Citizens and results are included in the office’s annual report.
7. Along with individual actions from each of the partners in the accord, there are joint actions which the governance group have worked on collaboratively.

Review

8. The governance group has met regularly to implement the joint actions, which have included:
 - Design and implementing an Information Strategy by June 2009 to communicate information on positive ageing to the Marlborough community.
 - Conduct a survey by June 2009 to determine awareness and knowledge of Marlborough residents of the rights and entitlements of older people.
 - Hold a two yearly expo to provide information and advice to older people to support and extend their lifestyle choices.
 - By December 2008 establish a feedback and reporting process between advocacy groups and service providers to improve services and accessibility for older people.
 - Implement the Marlborough Positive Ageing Accord Action Plan to coordinate and integrate actions of agencies and organisations that provide services to older people.
9. **Attached** for Council’s information is an update on achievements to 30 June 2009, which include both the collective and Marlborough District Council actions.

Progress

10. The Governance Group have made good progress on their joint actions including:
 - Successfully holding a Seniors Expo in March 2009 with very positive feedback.
 - Completing a survey of older people to find out their information needs, copy **attached**.
 - Development of an information strategy for the Positive Ageing Accord Group to work on implementing for 2009/2010, copy **attached**.
11. To progress the information strategy a relationship with local community newspapers is to be developed, given that this is one of the major mechanisms for communicating with older people, as identified in the information survey.
12. The Positive Ageing Accord group reports progress to the Marlborough Older Persons Forum, which meets monthly, and also reports on an annual basis to the Office of Senior Citizens.

Summary

13. The Marlborough Positive Ageing Accord was implemented in June 2009 as a partnership with key service providers for older people. Council undertook to be a partner in the accord and has taken the lead role in ensuring implementation of the action plan.
14. Progress has been made in the first year of implementation of the accord and it is expected that this will continue in the 2009/2010 year.

RECOMMENDED

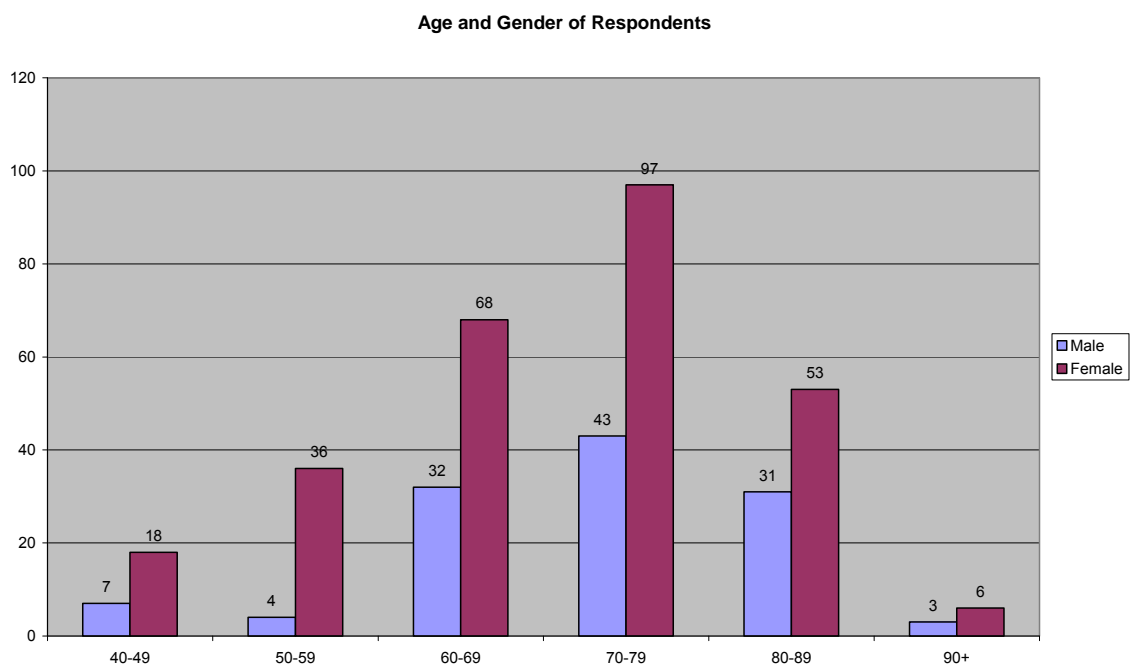
That the information be received.

Marlborough Positive Aging Survey: Key Findings

Background

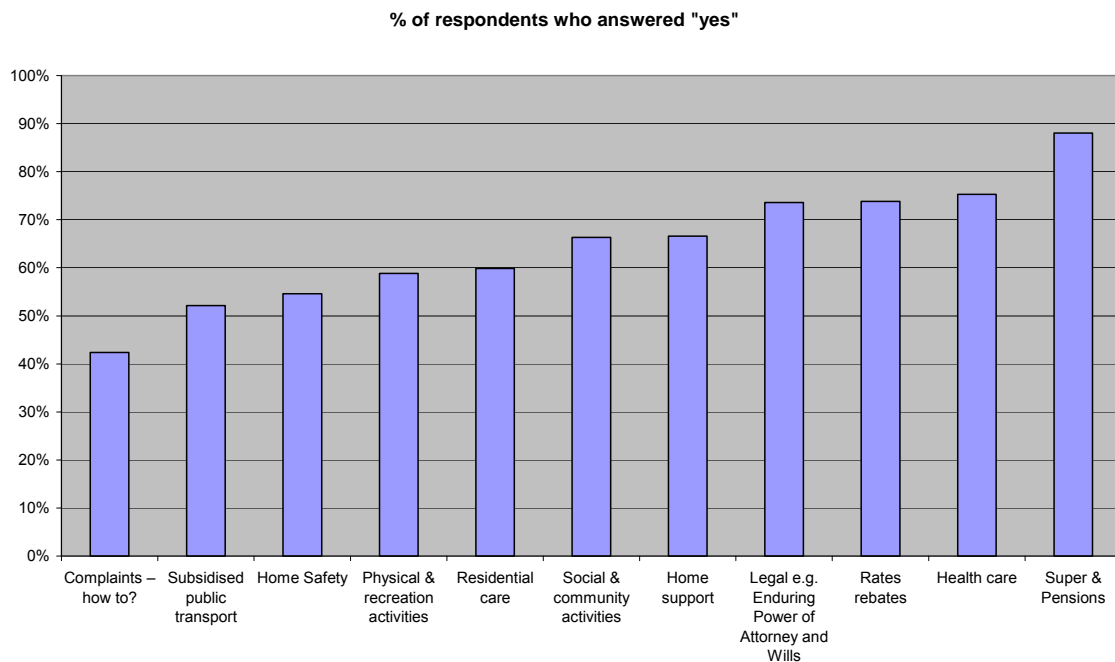
The Marlborough Positive Aging Accord group undertook a survey of Marlborough residents aged 40 years and over, asking questions relating to whether people knew where to get information on topics related to positive aging, and what ways people liked to get information. The survey was undertaken in March-April 2009, and was distributed through a range of avenues, including print media, newsletters, and at a positive aging expo.

Just over 400 valid questionnaires were returned. 60% of respondents were aged between 60 and 80, and 65% were female. Although the sample is neither random nor representative of the actual population, the results do give some strong indications both of the sorts of information that older people might find most useful, and the best ways of getting the information to them.



Key findings

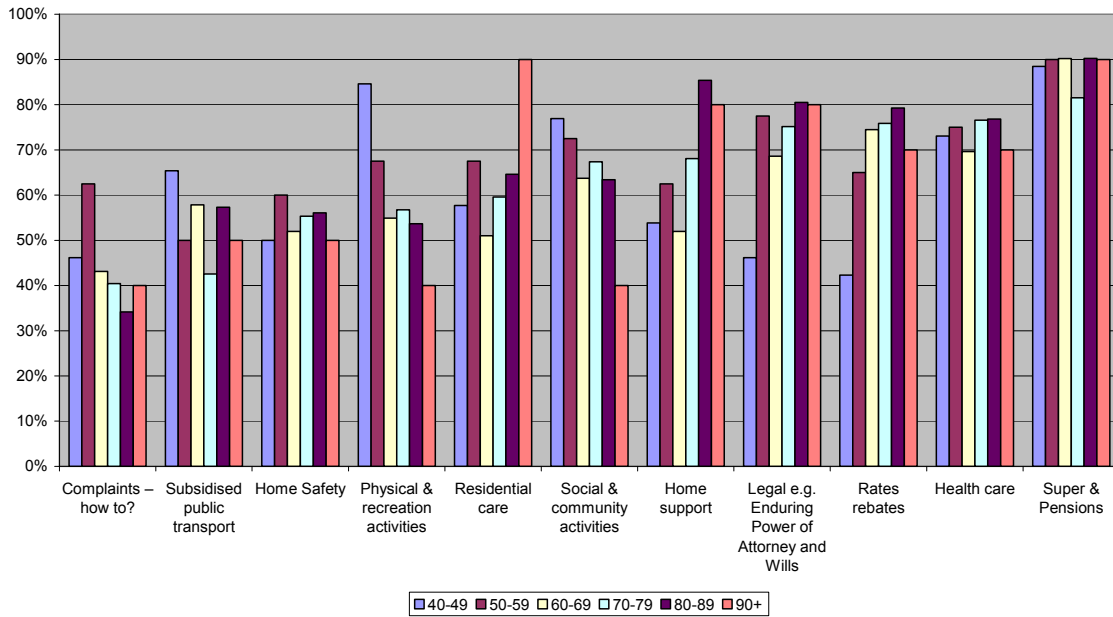
Responses to the question “Do you know where to find information on the following topics?”



88% of respondents said that they knew where to get information on superannuation and pensions. At the lower end, only 42% said they knew where to get information on how to make complaints. Knowing where to get information on how to make complaints was the lowest or second lowest scoring topic across all age groups.

Responses to this question were largely consistent across gender, but variations did arise within the different age bands. For example, knowledge about rates rebates was lowest in the 40 – 49 group. Recalling that the sample was weighted to people over 70, it is useful to look at responses to this question within each age band, and appreciate the small sample size for the younger age groups.

Answered "Yes" to info question (Age)

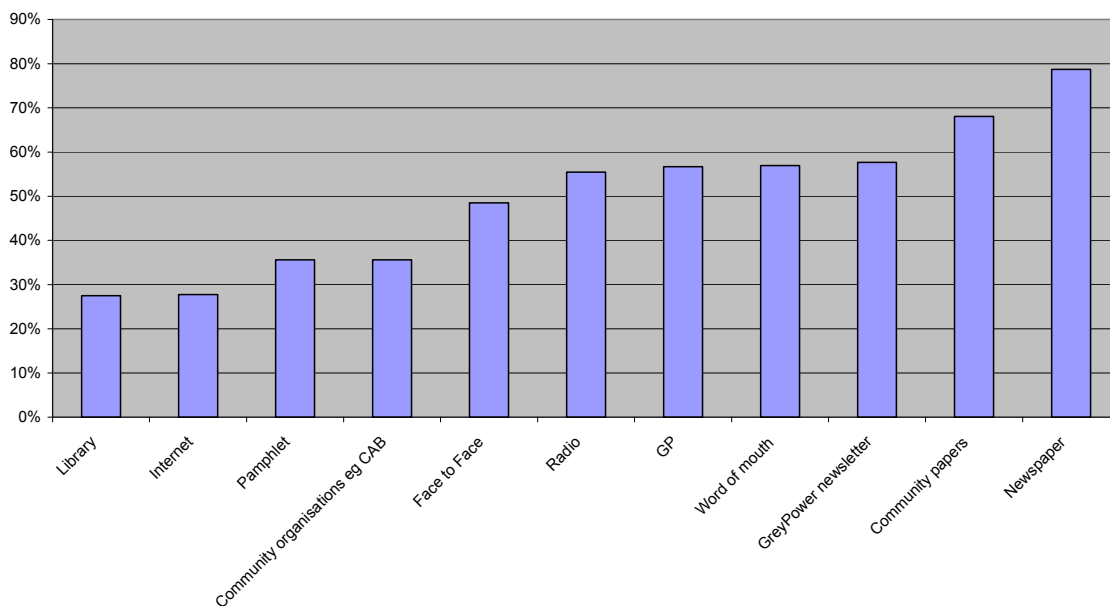


The high number of “yes” responses for superannuation, healthcare, rates, and legal may reflect the cues and associations within the question. People could safely “guess” that a lawyer or attorney would be a good place to go for information on legal matters, or that the council would be a place to get information on rates rebates.

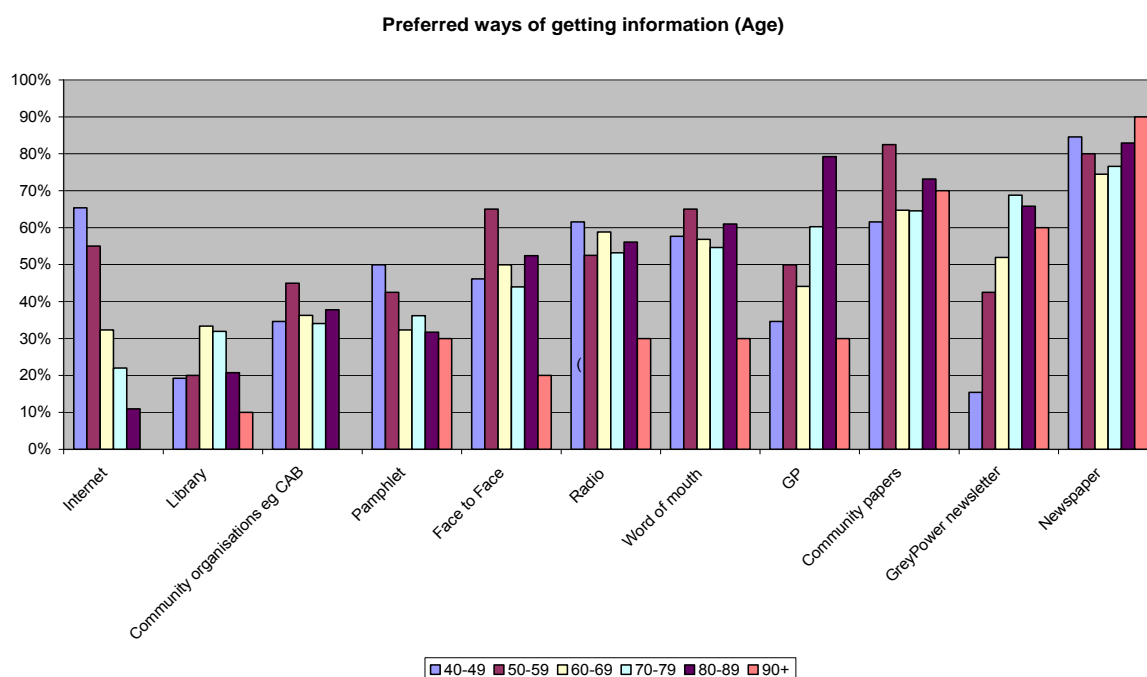
Note that this question did not test whether or not people actually *had* the information they needed, or whether the information they held was correct.

Responses to “What ways do you like to get information?”

Preferred sources of information



Newspapers were a preferred source of information for 79% of respondents. The Library and the Internet were liked by only 27% and 28% respectively. This question showed variation across age bands. The internet, for example, was a preferred source of information for 55% of respondents aged 50 - 59, but only 22% of those aged 70–79.



Note that responses to this question were not exclusive: people could identify more than one way of getting information. Looking at *all* the sources of information that people said they liked to get information from, 94% of respondents included at least one of either newspapers, community papers, or the Greypower newsletter as a way that they liked to get information. This gives a good indication of the most useful way of getting information to people. For the age group 40 – 69, the internet is also likely to be an increasingly effective tool.

Opportunities

As far as what topics are most in demand, there is evidently a high level of confidence about where to get information on superannuation and pensions. All topics, including this one, show scope for improving, but there does appear to be a need for information on “how to make complaints”.

This could be packaged as a “rights and redress” information package, bundling both information about entitlements with advice about places (or people) to go to for help if required. This could include local organisations and offices such as the Banking Ombudsman, or the Office of the Health and Disability Commissioner.

Other topics would lend themselves to equivalent treatment, and the Accord group may wish to consider developing a calendar of topics, providing a series of information releases over the course of the year.

The survey results suggest some specific opportunities for organisations interested in communicating with older people. The very low number of people citing the library as a way that they like to get information, for example, may be an issue Marlborough District Council wish to consider. Grey Power may wish to consider whether it could make more effective use of the internet to make contact with potential members in the 50 – 59 age group.

Marlborough Positive Ageing Accord: Schedule of Actions 2008/2009

Agency	Goal(s)	Objective	Actions	Measures of achievement
<p>Marlborough District Council and Marlborough Positive Ageing Accord Group</p> <p>www.marlborough.govt.nz</p>	<p>Uniting the community to support positive ageing</p> <p>Goals 5 & 10 Keeping active</p> <p>Goals 2 & 5 Access to services</p> <p>Goals 2, 4, 5 & 7 Marlborough Positive Ageing Accord Action Plan</p>	<ul style="list-style-type: none"> ▪ Older people and people in the community are aware of older people's rights, entitlements and services in the community 	<ul style="list-style-type: none"> ▪ Positive Ageing Information Strategy implemented ▪ Feedback from surveys informs initiatives to raise awareness of positive ageing matters in the community 	<p>Design and implement an information strategy by June 2009 to communicate information on positive ageing to the Marlborough community</p> <p><i>An information strategy has been developed for the 2009/10 year based on the feedback from the Information Survey.</i></p> <p>Conduct a survey by June 2009 to determine Marlborough residents' awareness and knowledge of the rights and entitlements of older people</p> <p><i>The survey was completed in April 2009 with the results providing the basis for the Information Strategy.</i></p>
	<p>Goals 1-10</p>	<p>Older people are healthy, active and engaged in the community</p>	<ul style="list-style-type: none"> • Expo held was well attended and a range of agencies participated 	<p>Hold a two-yearly expo to provide information and advice to older people to support and extend their lifestyle choices</p> <p><i>The Seniors Expo was held on 25 March 2009 with over 1500 people attending. An evaluation undertaken showed the event to be successful and needed on a bi annual basis.</i></p>

		Older people have accessible services that meets their needs	<ul style="list-style-type: none"> • Reporting process for service improvements established and service complaints to advocacy groups decreased 	By December 2008 establish a feedback and reporting process between advocacy groups and service providers to improve services and accessibility for older people <i>The Accord Governance Group reports back through the Marlborough Older Persons Forum on a monthly basis.</i>
		<i>Older people's needs are addressed</i>	<ul style="list-style-type: none"> • Marlborough Positive Ageing Accord Action Plan implemented 	Implement the Marlborough Positive Ageing Accord Action Plan to co-ordinate and integrate actions of agencies and organisations that provide services for older people <i>The Governance Groups met two monthly to implement the plan. A review has been completed and it is anticipated that many of the same actions will continue in 2009/10 to maintain levels of service.</i>
Marlborough District Council	3	Improve the thermal and energy efficiency of older peoples homes	<ul style="list-style-type: none"> • Retrofit thermal insulation of MDC housing stock 	Completed by 30 June 2009 <i>Thermal insulation retrofit was completed by 31 May 2009.</i>
	3	Assist older people's access to affordable housing	<ul style="list-style-type: none"> • Provide a stock of housing units suited to the needs of older people at rents equal or less than prevailing market rents 	Monthly reports provided from property manager <i>Reports received.</i> Annual review of affordability undertaken <i>Rent review undertaken in May 2009 –proposed increase of 3.4\$ will still have rents at less than market rate.</i>

	4,10	Improve older people's access to services and connectedness to the community	<ul style="list-style-type: none"> • Provide a low cost public transport service servicing routes and destinations needed by older people • Manage Total mobility scheme • Provide reserved parking for people with disabilities 	<p>User survey undertaken annually <i>The survey was completed with positive feedback.</i></p> <p>3% patronage increase per annum</p> <p><i>The introduction of free bus travel with Super Gold card has increased patronage by approx 50%.</i></p> <p>Regular reporting on scheme to responsible Council committee</p> <p><i>Total Mobility Forum met twice in October and April. Noted an increase in demand from older users e.g. approx 60% of the scheme users are affiliated to Age Concern.</i></p> <p>Ensure % of disability parks meets or exceeds national standards</p> <p><i>An additional 7 parking spaces have been made available for disability use. This does not include areas not under Council control such as the Combined Clubs which have increased spaces due to demand.</i></p>
	6, 10	Assist older people's access to information for learning and recreation	<ul style="list-style-type: none"> • Manage a Biennial Seniors expo 	<p>Expo held by 30 June 2009 <i>Seniors Expo successfully held on 25 March 2009 with 78 stall holders and over 1,500 attending – evaluation report completed.</i></p>

			<ul style="list-style-type: none"> • Provide Library services that are suited and responsive to the needs of older users 	<p>Review and report from Manager Library Services by 30 June 2009. <i>Services provided for older users include large print, talking books, DVDs/Videos, Homebound service, Bookchat, seating areas, toilet facilities, wheelchair access, disability parking, internet access.</i></p>
	2,6,10	Assist older people's access to services and amenities for physical activity and recreation	<ul style="list-style-type: none"> • Implement Physical activity strategy actions relating to older people • Ensure Council-funded recreational facilities are accessible to older people 	<p>Contracts with service providers include services and activities relevant to the needs of older people. <i>Services provided under contract with Sport Marlborough. Ongoing assessment of Reserves accessibility particularly pathways to accessible standards. Installation of PC to meet or exceed accessible standards.</i></p> <p>Barrier free audit included in development of new aquatic centre <i>Barrier Free Audit has been undertaken for the new Aquatic Centre. Members of the Access & Mobility Forum also providing input.</i></p>
	10	Provide opportunities for older people to participate in Council's decision-making processes	<ul style="list-style-type: none"> • Convene Older Persons Forum and provide pathways to Council processes 	<p>10 meetings of older persons forum held per annum <i>11 Forums were held with a large range of issues progressed such as health, transport, access, housing and Council specific issues.</i></p>

	5	Assist in ensuring that older people feel safe and secure in their homes and communities	<ul style="list-style-type: none"> • Co-ordinate Neighbourhood Support scheme 	<p>Review and report on possible extension of the scheme by 30 June 2009</p> <p><i>Historical records have progressively been updated over the last year. Plans to reactivate and establish new networks over the next 12 months in key areas as well as support resident initiated networks. Plan to discuss options with Older Persons Forum.</i></p>

2. Festivals & Events Review (R270-00)

(Report prepared by L Johnson)

Purpose

1. The purpose of this report is to provide Council with an opportunity to review its future role and requirements in relation to provision of ratepayer funded, festivals and events.

Background

2. Since 1997 Council has had a contract with the Marlborough Festivals and Events Trust for provision of festivals and events for the Marlborough community.
3. The intent of the contract was to provide a programme of services that supported:
 - Community based festivals and events that celebrate local culture and identities; and
 - Community participation in festivals and events; and
 - Optimal use of community resources.
4. The value of this contract is \$150,000 per annum and is due to expire on 30 June 2010, with no right of renewal.
5. This provides Council with an opportunity to review its future role and provision of festivals and events, and if this is to continue, the mechanism(s) by which these will be provided.

Current Contracted Services

6. The contract makes provision for the Trust to provide Council with an annual programme of events for consideration. These are put forward through Council committee process for approval prior to the year the events are held to provide the Trust with sufficient time to plan and implement the approved programme and to allow Council to have input on the events they wish to have provided..
7. The services currently contracted are as follows:
 - Southern Jam Youth Jazz Festival
 - Children's Theatre
 - Senior Citizens Concerts
 - Blenheim Christmas Parade
 - Christmas Festival (note - has replaced the New Year's Eve concert)
 - Summer Concert Series
 - Monthly Event Guide
 - School Holiday Programme
 - Online Calendar of Events
 - Online Regular Activities Guide
 - Support of Other Community Groups and Events.
8. These events are predominantly free of charge, or with a minimal charge, and are designed to bring the community together with active or passive participation. The activities have a focus

limited to a particular group or groups within the region and are focused at the community benefit end of the continuum, which would see other commercial type events focused at the economic end of the same continuum.

9. In essence, this is the feel good factor of community based events.

Review and Options

10. In order to undertake a review of this nature it is important firstly to consider what outcomes Council is seeking from its investment in community based events.
11. The shared commitment and outcome expressed in the contract is to jointly work towards the outcome of “Marlborough people celebrating their community”. It is noted that in achieving this outcome, particular commitment is given to:
 - supporting events that enhance community wellbeing and pride of Marlborough residents in their district; and
 - supporting a variety of events spread throughout the year, that target a wide range of groups in the community; and
 - supporting events that encourage organisations to work together, share resources and maximise community involvement.
12. The next consideration is whether Council’s investment in festivals and events is achieving these outcomes and whether the current level of investment (\$150,000 per annum) is value for money in doing this.
13. Consideration needs to be given to the following questions as part of a review process:
 - Does Council wish to continue to provide community based events?
 - If so, does Council wish to endorse the current outcomes as indicated above?
 - Does Council wish to review its current level of investment in achieving these outcomes (currently \$150,000 per annum)?
 - Is Council happy with the current mechanism for delivering these outcomes (contracting to one provider)?
14. If Council wishes to continue to be involved in the provision of community based events and is agreed on the outcomes it wishes to achieve and the amount of investment in relation to these, then it has the following options for implementation.
 - Re-enter a contract with Marlborough Festival and Events Trust as a known and proven provider of community based events.
 - Call for tenders for provision of an event programme that would deliver the outcome of Marlborough people celebrating their community and negotiate a contract with the successful tenderer. This option could include provision for part tenders.
 - Alternatively, Council could establish a contestable community based events fund to support community events and seek applications for delivery of this each year.

Summary

15. The current contract is due to expire on 30 June 2010.
16. Council must make some fundamental decisions around its future role in delivery of community based events in terms of whether it wishes to continue to be involved in this and, if so, to what extent and the level of investment.
17. A decision on this before the end of 2009 will ensure sufficient planning time is available for any contractor to deliver services in the 2010/2011 year if that is determined as the way forward.

RECOMMENDED

No recommendation pending discussion by the Committee.

3. Community Grants (S360-03)

(Report prepared by M Fletcher)

1. At Council's 25 June 2009 meeting the Mayor advised that he had requested the Chief Executive to investigate whether funding could be found to reinstate the Community Grants Contestable Fund to its historic level of \$100,000.
2. A preliminary review of 2008/09 expenditure indicates that some budgets will be sufficiently under spent; that collectively, they will be able to finance the additional \$50,000 required.
3. This will be confirmed when the preparation of the 2008/09 year's financial statements are more advanced, however, confidence exists that the additional funding will be available.

RECOMMENDED

That Council agree that planning for the Community Grant Contestable Fund allocation process proceed on the basis that \$100,000 will be available for allocation with the funding top up to be provided from under spent budgets as approved by the Chief Executive.

4. Marlborough District Libraries Activity Report (L270-01)

(Report prepared by G Webster)

1. Purpose

The purpose of this report is to update Council on the operations of the Library services.

2. May 2009 Statistics

	Issues	Returns	Reference Enquiries	Door Count	Reserves Placed
District Library, Blenheim	43,663	43,474	1,581	35,798 visits	1,518
Branch Library, Picton	6,462	6,656	Not collected	8,657 visits	319
TOTAL	50,125	50,130	1,562	44,455 visits	1,837 reserves

3. Issues

The issue statistics recorded in May 2009 in the District Library are 373 fewer than those recorded in May 2008.

The year to date total to the end of May 2009 is down by 1% on the same period last financial year.

Picton Library and Service Centre have recorded 128 more issues in May this year compared with 2008.

The year to date difference is recorded at 0%.

4. Door Count

The District Library's door count (Foot traffic) for May 2009 is up by 35% on May 2008.

Picton Library and Service Centre is up by 39% on the same May period.

5. Membership

New members joining the libraries in May were:

District Library, Blenheim	190
Branch Library, Picton	32
TOTAL	222

6. Sunday Opening Trial at Picton Library and Service Centre

The Picton Service Centre and Library's Sunday opening trial continues to be well patronised, with the following statistics recorded:

	Issues	Returns	Door Count	Cards Presented	APN Usage
Saturday 30 May	113	97	120	39	15
Sunday 31 May	105	109	164	31	28
Saturday 6 June	115	133	111	33	13
Sunday 7 June	149	127	107	24	23

Saturday 13 June	93	69	134	29	27
Sunday 14 June	62	89	154	20	24
Saturday 20 June	120	85	106	30	16
Sunday 21 June	144	143	107	28	24

When the Saturday and Sunday statistics are averaged over the last eight weeks, they appear very similar.

Saturdays	<i>107 issues.</i>	<i>92 returns.</i>
Sundays	<i>108 issues.</i>	<i>111 returns.</i>

7. Aotearoa People's Network Usage

The usage of the Aotearoa People's Network in Blenheim and Picton during May is recorded below:

	Total	Average per day
Visits	830	26.903
Site Visited	28,476	915.581
Hits	4,456,567	143,760.23
Page Views	1,268,528	40,920.26

Activities by Day of the Week

	Hits	Visits	%
Monday	704,310	114	17.19%
Tuesday	696,784	127	19.15%
Wednesday	728,541	126	19.00%
Thursday	742,787	140	21.11%
Friday	837,582	156	23.52%
Total Weekdays	3,710,004	663	100.00%
Saturday	356,678	85	50.89%
Sunday	389,885	82	49.10%
Total Weekend	746,563	167	100.00%
TOTAL	4,456,567	830	100.00%

Day - The day of the week. If the report is longer than one week, and there are, for example four Mondays, the value shown for Monday includes the combined total of both Mondays

Hit - A single action on the server as it appears in the log file. Each file requested by a visitor registers as a hit. There can be several hits on each Web page. While the volume of hits reflects the amount of server traffic, it is not an accurate reflection of the number of pages viewed.

Visit – A session of activity, including all hits, for one user of a Web or FTP site, or for one user of a category.

8. Picton Library

Picton Library and Service Centre was broken into over night on 11 June. Entry to the building was gained via the back carpark. The sensor light was smashed, and entry via the rear doors attempted unsuccessfully. A window was then jemmied open. The only item to be taken was unfortunately the library's new laptop. Police are investigating. The window in question has been riveted closed, with safety stays being attached to the remaining windows. The installation of a security system may also be investigated.

9. New Display Furniture

The District Library has recently purchased some new furniture to display its DVD collection.



Also new feature display stands and boards to support community and thematic displays



RECOMMENDED
That the report be received.

5. Insurance Renewals – 2009/2010 (I270-01)

(Report prepared by G Townsend)

1. We can now confirm that insurance cover for Council assets has been renewed for the new financial year.
2. As per our agreement with insurers, Council assets were revalued internally for the current financial year (external valuations will be required for buildings next year).
3. Some market volatility has resulted in cost savings for Council in relation to premium costs overall, however this will be partially offset by increased asset values. Our broker (Jardine Lloyd Thompson) advises that all indicators point towards increased costs from next year.
4. Jardine Lloyd Thompson has also advised that Council has suitable insurance cover in place for our type of business.
5. A review of Council's uninsured risks and the insurance policies in place has confirmed that appropriate risks have been transferred/shared by way of insurance cover.
6. Council's public liability, professional indemnity and Harbourmaster wreck removal insurance through Risk Pool, together with the Local Authority Protection Programme, which covers Council's uninsurable infrastructural assets, are also in the process of being renewed.
7. Policy exclusions and excesses are similar to last year except for weathertight homes claims, which are not currently covered by our RiskPool membership.

RECOMMENDED

That the information be received.

6. Method of Election and Review of Representation (E090-2010-11)

(Report prepared by M Porter)

Purpose

1. As Council last reviewed the method of election and the basis of representation prior to the 2004 triennial election, a review must be completed this year. This year's review must be commenced no later than 31 August 2009 with public notice no later than 8 September 2009. The procedure is contained within the Local Electoral Act 2001 (the Act). A flow chart detailing the process is **attached**.
2. It is important that the process be commenced well within the deadline so that there is adequate opportunity for public submission. However if there are objections to the proposal, ultimately the Local Government Commission may determine the issue.

Legislation

3. The Local Electoral Act 2001 (especially as contained within the Local Electoral Amendment Act 2002) is the main legislation to be used for this review, however, cognisance of the Local Government Act 2002 also needs to be taken.
4. Section 4(1)(a) of the Act provides that one of the principles the Act is designed to implement is the provision of *fair and effective representation for individuals and communities*. This is an underlying principle of this report.
5. The Local Government Act also states under section 3 – *The purpose of this Act is to provide for democratic and effective local government that recognises the diversity of New Zealand communities*. Again this is a principle of this report.
6. The initial decision that needs to be taken is whether the Council (other than the Mayor) is elected by the electors of the district as a whole or through a ward structure or through a combination of both. From there the ward structure (if any) needs to be identified and the number of members agreed upon. Section 19H of the Act states:

19H. Review of representation arrangements for elections of territorial authorities–

(1) A territorial authority must determine by resolution, and in accordance with this Part,–

- (a) whether the members of the territorial authority (other than the mayor) are proposed to be elected–*
 - (i) by the electors of the community as a whole; or*
 - (ii) by the electors of 2 or more wards; or*
 - (iii) in some cases by the electors of the district as a whole and in the other cases by the electors of each ward of the district: and*
- (b) in any case to which paragraph (a)(i) applies, the proposed number of members to be elected by the electors of the district as a whole; and*
- (c) in any case to which paragraph (a)(iii) applies,–*
 - (i) the proposed number of members to be elected by the electors of the district as a whole; and*

- (ii) *the proposed number of members to be elected by the wards of the district: and*
 - (d) *in any case to which paragraph (a)(ii) or paragraph (a)(iii) applies,–*
 - (i) *the proposed name and the proposed boundaries of each ward; and*
 - (ii) *the number of members proposed to be elected by the electors of each ward.*
 - (2) *The determination required by subsection (1) must be made by a territorial authority,–*
 - (a) *on the first occasion, either in 2003 or in 2006; and*
 - (b) *subsequently, at least once in every period of 6 years after the first determination.*
 - (3) *This section must be read in conjunction 19ZH and Schedule 1A.*
7. The decision that Council makes will need to be made with consideration to what Council considers the best for Marlborough taking into account the legislative requirements as outlined.

Population Formula

8. As with the last review, the requirement is to use a population formula to determine the number of members to be elected for each ward, except where an isolated community can be argued. Section 19V of the Act states:

19V. Requirement for fair representation and other factors in determination of membership for wards, constituencies, and subdivisions–

- (1) *In determining the number of members to be elected by the electors of any ward or constituency or subdivision, the territorial authority or regional council and, where appropriate, the Commission must ensure that the electors of the ward or constituency or subdivision receive fair representation, having regard to the population of every district or region or community and every ward or constituency or subdivision within the district or region or community.*
 - (2) *For the purposes of giving effect to subsection (1), the territorial authority or regional council and, where appropriate, the Commission must ensure that the population of each ward or constituency or subdivision, produces a figure no more than 10% greater or smaller than the population of the district or region or community divided by the total number of elected members (other than the mayor, if any).*
 - (3) *Despite subsection (2),–*
 - (a) *if the territorial authority or the Commission considers that the effective representation of communities of interest within island communities or isolated communities situated within the district of the territorial authority so requires, wards and subdivisions of a community may be defined and membership distributed between them in a way that does not comply with subsection (2):*
 - (b) *if the regional council or the Commission considers that effective representation of communities so requires, constituencies may be defined and membership distributed between them in a way that does not comply with subsection (2).*
9. This formula and how it affects Marlborough is discussed later in the report.

Explanation of terms

10. “Fair representation”, whilst defined above, means that membership for each form of electoral subdivision is required to comply with the basic principle of population equality unless there are good reasons to depart from it. The Local Government Commission have, in their Guidelines, stated:

Any local authority proposing membership for any of its electoral subdivisions involving a member: population ratio falling outside the +/- 10% provided for under section 19V(2) would need to specifically identify its reasons for doing so and justify its decision. Separate justification should be provided for each individual electoral subdivision receiving “enhanced” representation, rather than a blanket justification being provided for a number of subdivisions. Any such decisions are likely to be the subject of considerable public scrutiny and would be carefully assessed by the Commission.

The Commission is of the view that any electoral subdivisions determined in accordance with section 19V(3), i.e. on the basis that community of interest considerations should override the population equality principles of section 19V(2), could only be justified in situations that the affected subdivisions require enhanced representation.

The Commission would, however, be unlikely to favour any representation proposals if they would result in a majority of members being elected from electoral subdivisions receiving “enhanced” representation.

11. “Community of interest” is not defined by statute, however the Local Government Commission is of the view that a community of interest is the area to which one feels a sense of belonging and to which one looks for social, service and economic support. Geographic features and the roading network can affect the sense of belonging to an area. The community of interest can often be identified by access to the goods and services needed for ordinary everyday existence. Another community of interest factor could be the rohe or takiwa area of tangata whenua.
12. A “Community of Interest” could also be defined by other factors such as an area that is mostly holiday homes, no road access, socioeconomic groupings, religious groups, ethnic groups etc. These “communities” could be anything from a small number of population to large enough groupings that could qualify under the ±10% population criteria.
13. “Effective representation of communities of interest” is explained by the Local Government Commission as the determination of the best option for the community of interest, whether the election be at large, or by ward or by a combination of both.

Community Boards

14. Council must consider whether there should be communities and community boards, and if so resolved, the nature of any community and the structure of any community board. Section 19J of the Act states:

19J. Review of community boards–

(1) A territorial authority must, on every occasion on which it passes a resolution under section 19H, determine by that resolution, and in accordance with this Part, not only the matters referred to in that section but also whether, in light of the principle set out in section 4(1)(a) (which relates to fair and effective representation for individuals and communities),–

- (a) there should be communities and community boards; and*
- (b) if so resolved, the nature of any community and the structure of any community board.*

(2) The resolution referred to in subsection (1) must, in particular, determine–

- (a) whether 1 or more communities should be constituted:*
- (b) abolished or united with another community:*
- (c) whether the boundaries of a community should be altered:*

- (d) *whether a community should be subdivided for electoral purposes or whether it should continue to be subdivided for electoral purposes, as the case may require:*
- (e) *whether the boundaries of any subdivision should be altered:*
- (f) *the number of members of any community board:*
- (g) *the number of members of a community board who should be elected and the number of members of a community board who should be appointed:*
- (h) *whether the members of a community board who are proposed to be elected are to be elected–*
 - (i) *by the electors of the community as a whole; or*
 - (ii) *by the electors of 2 or more subdivisions; or*
 - (iii) *if the community comprises 2 or more whole wards, by the electors of each ward:*
- (i) *in any case to which paragraph (h)(ii) applies,–*
 - (i) *the proposed name and the proposed boundaries of each subdivision; and*
 - (ii) *the number of members proposed to be elected by the electors of each subdivision.*

(3) *Nothing in this section limits the provisions of section 19F.*

15. The issue of Community Boards is fully discussed later in the report.

Maori Wards

16. The establishment of Maori wards or Maori constituencies may be initiated by:

- A resolution passed by a local authority; or
- A poll to decide whether or not to have Maori wards or Maori constituencies.

17. In relation to the 2010 triennial elections the resolution would have had to be passed no later than 23 November 2008. In terms of a poll, the final date for a resolution to be passed by, or a valid demand to be lodged with, a local authority was 28 February 2009.

18. As there has been no demand or a resolution of Council passed before the deadline above, no further comment on this aspect will be made in this review.

Single Transferable Voting (STV)

19. Council has again voted to use STV as its method of voting for the next triennial election. This in itself should not affect the review, however it has been noted that STV is suited for elections involving 3 to 7 members and does not work well for elections where there is only a single member requirement and where there are few candidates standing. An example of this is the last election for the Pelorus Northern Sounds ward where there were two candidates for one position.

20. In this situation an absolute majority is required (50% plus a fraction) to determine the winning candidate. This is not unlike the First Past the Post situation of needing 50% plus one vote. STV is therefore not seen as an impediment to single member wards and as such will not be brought into any argument for or against single member wards.

Background of Marlborough District Council

21. In 1989, as a result of the Amalgamation Agreement, the number of Councillors (in addition to the Mayor) representing the former authorities were:

Picton Borough Council	3
Blenheim Borough Council	7
Marlborough County Council:	
Awatere	1
Wairau	4
Sounds	<u>2</u>
	17

22. The Local Government Act at this time had population ($\pm 10\%$) as the sole factor for determining the number of members to be elected in each ward. Community boundaries were also to be taken into account so as far as practicable.
23. A change in the legislation on 1 July 1991 determined that there be fair representation of wards having regard to the population and, if circumstances so required, rateable values, land areas, or other relevant characteristics of the wards, should also be taken into account. The community boundary factor was retained.
24. As a result of this change to the legislation, Council completed a review of the representation of wards for the 1992 triennial election. Under the old criteria (solely population) Picton ward's representation would have reduced to one. However the boundaries of the Picton ward were changed to include Queen Charlotte Sound, thus negating the need of a Community Board in Picton, but still retaining a community of interest and with it two representatives.
25. At the 1992 review, the number of elected representatives considered appropriate by Council was 12 plus the Mayor. The new criteria of rateable value and land area were brought into the equation. Different weightings were given to each factor as follows:
- | | |
|---------------------|--|
| Population 100% | - as per meshblock figures from the Department of Statistics |
| Rateable values 40% | - as per roll numbers from Valuation New Zealand |
| Land area 20% | - as per meshblock figures from the Department of Statistics |
26. The following is the result of that review:
- | | |
|---------------------------------------|----------|
| Picton (incl. QC Sound, Pt Underwood) | 2 |
| Blenheim | 5 |
| Former County: Awatere | 1 |
| Wairau | 3 |
| Sounds | <u>1</u> |
| | 12 |
27. However, following a review by the Local Government Commission, the Local Government Amendment Act 1992 (s147) added one further representative, at the time of the transfer of the Regional Council functions, to the Pelorus and Outer Sounds ward:
- | | |
|---------------------------------------|----------|
| Picton (incl. QC Sound, Pt Underwood) | 2 |
| Blenheim | 5 |
| Former County: Awatere | 1 |
| Wairau | 3 |
| Sounds | <u>2</u> |
| | 13 |
28. At the 1995 election review, the then status quo was maintained, which was 13 members as follows:

Pelorus	2
Picton	2
Wairau	3
Awatere	1
Blenheim	<u>5</u>
	13

29. The report for the review in 1998 provided Council with a number of scenarios. However, after much debate it was agreed that the status quo should remain. Some changes to the boundary of the Blenheim ward were made - in essence to keep up with the expanding urban boundary.

30. The decision of Council brought forward two objections and the Local Government Commission held a hearing in early 1998 to determine their position.

31. The Commission stated in their determination "that there are several distinct communities of interest which would be most effectively represented by the division of the district into wards". It further accepted "that the Sounds continue to be divided into the two present wards".

32. The Commission also stated that it "does not consider the Marlborough District to be one where fair representation could be achieved solely upon the basis of the population of the various wards". The Commission in amending the rating used by Council, used a weighting factor it had used in other districts, i.e. population 80; rateable value 10; area 10.

33. The Commission in its determination reduced the number of members to 12. This decision was not well documented but justified by stating "Although a total Council membership of 13 could be achieved by allocating 2 members to the Picton Ward, in fact that ward has very little more claim to 2 members than the Pelorus Ward".

34. Therefore the membership of Council for the 1998 triennial election was:

Pelorus	1
Picton	1
Wairau	3
Awatere	1
Blenheim	<u>6</u>
	12

35. The report for 2001 again provided Council with a number of scenarios. Council decided to keep the existing ward structure (with a minor change to the Picton ward to encompass the Koromiko/Para and Grove Arm areas). Council also reinstated the member lost at the previous review, with that member representing the Picton ward.

36. Again the decision was opposed which meant the Local Government Commission was brought into make a determination.

37. The Commission in its determination upheld Council's decision in all respects. Therefore the membership was determined as:

Pelorus	1
Picton	2
Wairau	3
Awatere	1
Blenheim	<u>6</u>
	13

38. Again for the 2004 review Council was presented with a number of scenarios. Following an extensive workshop and reports, Council agreed to amalgamate the Wairau and Awatere wards, as there was insufficient population to warrant a separate ward in the Awatere. No appeals were received and therefore the decision stood.
39. Part of Council's decision was that the issue of Community Boards would be carried over to this review.
40. It is also interesting to note that the remuneration review undertaken by the Remuneration Authority (formerly the Higher Salaries Commission) appears to indicate that 13 elected members (in addition to the Mayor) is the correct number for this Council. This statement is made on the basis that the salary per member is comparative to the salary levels used under the previous remuneration system.

Review of Ward Structure

41. Notwithstanding this background, the review process requires Council to reassess its representation and the basis of the election. The criteria for the assessment is set out in section 19T of the Local Electoral Act 2001 as follows:

19T. Requirement for effective representation and other factors in determination of membership and basis of election of territorial authorities–

In determining the matters specified in paragraphs (a) to (d) of section 19H(1), the territorial authority and, where appropriate, the Commission must ensure–

- (a) that the election of members of the territorial authority (other than the mayor), in 1 of the ways specified in subparagraphs (i) to (iii) of section 19H(1)(a), will provide effective representation of communities of interest within the district; and*
 - (b) that ward boundaries coincide with the boundaries of the current statistical meshblock areas determined by Statistics New Zealand and used for parliamentary electoral purposes; and*
 - (c) that, so far as is practicable, ward boundaries coincide with community boundaries.*
42. The separation or identification of the wards (boundaries) follows generally established groupings with some historical background as well as population, locations, and obviously, geographical/physical characteristics. These wards, with some tweaking, have been used by Council over the years. The Local Government Commission, in its two latest determinations, was satisfied there were several distinct communities of interest, most effectively represented by the division of the district into wards.
 43. The Commission in its 1998 determination did consider whether it should initiate a major redraft of ward boundaries for the 2001 triennial election.
 44. The Commission did identify the various suggested changes such as readjustment of the Picton ward, inclusion of the Awatere ward within the adjoining Wairau ward, possible provision of a Blenheim Vicinity ward, but concluded that those changes would lead to radical restructuring of the district. The Commission identified it as an issue Council might choose to consider in depth as part of a future review. The reason for taking that position was that the Commission acknowledged it would need to be carefully considered by the public and the Council before any firm decisions were made.
 45. Council did consider these suggestions and the Picton ward was expanded for the 2001 triennial election.
 46. It should also be noted that for the 2004 triennial election, the Awatere and Wairau wards were amalgamated, as the population of the Awatere ward could not justify a separate member under the amended legislation (current legislation).

47. The first decision Council will have to make is whether members are elected at large or in a ward system (either totally ward or a combination of ward/at large). It should be noted that Council has always had a ward system that it, and the Commission, have agreed is the best option for this district, which whilst having an expanding urban base is still a largely rural community.
48. If Council consider that a ward based system is correct for this Council then various scenarios need to be considered.
49. As stated above ward boundaries must follow census/population meshblocks. This inevitably leads to some minor concerns at the local level, where one side of the road may be in one ward and the other side another ward. Where possible Statistics New Zealand has been willing to change their meshblocks to accommodate some concerns.
50. Under the $\pm 10\%$ population criteria as defined in the Act, and using the 2006 census figures and the current membership of 13, each member should have between 2,945 and 3,600. This is based on a usually resident population figure of 42,546, which divided by 13 is 3,273 per member.
51. Looking at the current ward structure under this basis reveals:

Ward	2006 Census	No of Elected Members	Population/Elected Member
Pelorus/Northern Sounds	2,751	1	2,751
Picton	5,277	2	2,639
Wairau/Awatere	10,770	3	3,590
Blenheim	23,748	7	3,393
Total	42,546	13	2,945 to 3,600

52. As can be seen in the above table the Wairau/Awatere ward and Blenheim ward fit the criteria. The Pelorus/Northern Sounds ward and the Picton ward are close to meeting the criteria.
53. It is considered that the individual ward boundaries could not be altered sufficiently to ensure that each ward keeps its current number of elected representatives. Any alteration would be inconsistent with previous reviews and determinations.
54. There are a number of scenarios which could be made at this point, with the amalgamation of wards that share some community of interest, i.e. Pelorus/Northern Sounds with Picton. However, these scenarios would not change the overall scenario above with these amalgamated wards still not fitting the population factor.
55. There is the option of having some of the Council elected at large with the remaining elected under a ward system to be considered. Whilst the number of scenarios are large the following is an example – amalgamated wards have been used as the population of the majority of the wards would be insufficient to register one member.
56. Total membership is 13, with 4 elected at large and 9 elected by ward. The total population divided by 9 is 4,727. The population ratio is therefore 1:4,727 with a 10% margin either side:

Ward	2006 Census	No of Elected Members	Population/Elected Member
Pelorus/Northern Sounds	2,751	1	2,751
Picton	5,277	1	5,277
Wairau	10,770	2	5,385
Blenheim	23,748	5	4,749
Total	42,546	9	4,255 to 5,200

57. This scenario still does not give an equitable spread of members per ward, although it is the closest that could be calculated. No other scenarios worked with 13 members give a clear result either.
58. If the ward structure is still required then Council will need to consider if it could be considered whether any of the wards could be classed as isolated communities, as this is the only exclusion as referred to in the Act for not complying with the $\pm 10\%$ population criteria.
59. There is an argument that the Pelorus/Northern Sounds ward has isolated communities. There is also an argument for part of the Picton ward being an isolated community.
60. The Pelorus/Northern Sounds ward and, to a lesser extent, the Picton ward have a small population that is spread over a large area, with limited access. This is especially so in the Sounds, with a large number of residences only accessible by boat. This is considered to justify the requirements of section 19V(3) of the Act in that these areas are isolated communities.
61. Another consideration that does not appear to be taken into account by current legislation, but could be a consideration of an isolated community is the number of absentee owners (non-resident electors). There are estimated to be over 1,000 absentee owners in the Pelorus/Northern Sounds ward and over 800 in the Picton ward. These owners are eligible to vote in the triennial elections, but are not counted in the usually resident population figures, but are an added workload to those ward members. Contact is normally seasonal but can be all year around but normally via phone or letter, due to them not being normally resident in Marlborough.

Ward Structure

62. One amendment is considered necessary to the Blenheim Ward boundary, this being the inclusion of the top end of Redwood Street (meshblock 2292211, 2006 population of 30). This area has always been part of the Wairau (now Wairau/Awatere) Ward as the subdivision was part of an original farm in this area.
63. This subdivision has never been included in the Blenheim Ward during previous reviews, as the size of the meshblock greatly affected the formulas used. However, Statistics New Zealand have recently cut the meshblock into smaller units and therefore this anomaly can now be redressed.
64. The current Blenheim Ward has well over half of the total population of the district. This Ward is urban or covers corridors to the urban area, and has no like ward within the district.
65. The Wairau/Awatere Ward is the largest in area of the five wards and has a fifth of the district's population living within its boundaries. A large proportion of the area is in pastoral farming, but on the plains is extensively horticulture/viticulture. There are also a number of small servicing towns. Over the years the Wairau/Awatere Ward has been adjusted to assist with membership of other adjoining wards.
66. The Picton Ward comprises the urban area and the Queen Charlotte, Tory Channel, Port Underwood and Koromiko/Para areas. The population base is within Picton's township with the rest of the population spread around the Sounds. It should be noted that there are a number of absentee owners in the Sounds area as well.
67. The Pelorus/Northern Sounds Ward covers an area just smaller than the Awatere, but has twice the population. There is an area around the Canvastown/Rai Valley area that is predominantly pastoral farming and the sounds are predominantly the "working sounds" (i.e. marine farming). It has been suggested that the community of interest revolves around Havelock and the Rai Valley.

68. It is acknowledged that the Pelorus and Kenepuru Sounds are seen as the "working sounds" and Queen Charlotte the "playground" and as such do not share a community of interest. The Pelorus and Kenepuru Sounds centre on Havelock and Rai Valley, and Queen Charlotte Sound centres itself on Picton.

Scenarios

69. The obvious scenario of the status quo can be recommended, as when the isolated community factor is taken into account, the $\pm 10\%$ population criteria is sufficiently met.
70. A suggested scenario is to amalgamate the Pelorus/Northern Sounds and Picton wards. The new ward could be called, for arguments sake, the Sounds ward. Please note that in the following tables the highlighted figures show compliance with the $\pm 10\%$ population criteria.

Ward	2006 Census	No of Elected Members	Population/Elected Member
Sounds	8,028	3	2,676
Wairau/Awatere	10,770	3	3,590
Blenheim	23,748	7	3,393
Total	42,546	13	2,945 to 3,600

71. This scenario still does not fit the $\pm 10\%$ population criteria, but it is considered that it could easily be argued that the Sounds ward has a large community which is isolated from the rest of Marlborough.
72. A number of other scenarios were considered, however these are purely based on the number of elected representatives rather than any boundary adjustments/amalgamations. The number of elected representatives that have been used for the scenarios is from 11 to 15.
73. 11 elected members:

Ward	2006 Census	No of Elected Members	Population/Elected Member
Pelorus/Northern Sounds	2,751	1	2,751
Picton	5,277	2	2,639
Wairau/Awatere	10,770	2	5,385
Blenheim	23,748	6	3,958
Total	42,546	11	3,481 to 4,255

or

Ward	2006 Census	No of Elected Members	Population/Elected Member
Pelorus/Northern Sounds	2,751	1	2,751
Picton	5,277	1	5,277
Wairau/Awatere	10,770	3	3,590
Blenheim	23,748	6	3,958
Total	42,546	11	3,481 to 4,255

74. 12 elected members:

Ward	2006 Census	No of Elected Members	Population/Elected Member
Pelorus/Northern Sounds	2,751	1	2,751
Picton	5,277	2	2,639
Wairau/Awatere	10,770	3	3,590
Blenheim	23,748	6	3,958
Total	42,546	12	3,191 to 3,900

or

Ward	2006 Census	No of Elected Members	Population/Elected Member
Pelorus/Northern Sounds	2,751	1	2,751
Picton	5,277	1	5,277
Wairau/Awatere	10,770	4	2,693
Blenheim	23,748	6	3,958
Total	42,546	12	3,191 to 3,900

75. 14 elected members:

Ward	2006 Census	No of Elected Members	Population/Elected Member
Pelorus/Northern Sounds	2,751	1	2,751
Picton	5,277	2	2,639
Wairau/Awatere	10,770	3	3,590
Blenheim	23,748	8	2,969
Total	42,546	14	2,735 to 3,343

or

Ward	2006 Census	No of Elected Members	Population/Elected Member
Pelorus/Northern Sounds	2,751	1	2,751
Picton	5,277	2	2,639
Wairau/Awatere	10,770	4	2,693
Blenheim	23,748	7	3,393
Total	42,546	14	2,735 to 3,343

76. 15 elected members:

Ward	2006 Census	No of Elected Members	Population/Elected Member
Pelorus/Northern Sounds	2,751	1	2,751
Picton	5,277	2	2,639
Wairau/Awatere	10,770	4	2,693
Blenheim	23,748	8	2,969
Total	42,546	14	2,553 to 3,120

77. As can be seen above the 15 elected member scenario fits the $\pm 10\%$ population criteria. However, as referred to prior in this report, both previous Councils and the Commission, and by default the Remuneration Authority, have looked at 13 elected members as being the optimum for Marlborough.

Community Boards

78. The role of a community board is defined in the Local Government Act 2002 as:

52. *Role of community boards—*

The role of a community board is to—

- (a) *represent, and act as an advocate for, the interests of its community; and*
- (b) *consider and report on all matters referred to it by the territorial authority, or any matter of interest or concern to the community board; and*
- (c) *maintain an overview of services provided by the territorial authority within the community; and*
- (d) *prepare an annual submission to the territorial authority for expenditure within the community; and*

- (e) *communicate with community organisations and special interest groups within the community; and*
 - (f) *undertake any other responsibilities that are delegated to it by the territorial authority.*
79. Council may delegate to a community board any of its responsibilities, duties, or powers except:
- (a) the power to make a rate; or
 - (b) the power to make a bylaw; or
 - (c) the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term council community plan; or
 - (d) the power to adopt a long-term council community plan, annual plan, or annual report; or
 - (e) the power to appoint a chief executive; or
 - (f) the power to adopt policies required to be adopted and consulted on under this Act in association with the long-term council community plan or developed for the purpose of the local governance statement; or
 - (g) the power to warrant enforcement officers.
80. Delegations are valid for 6 years unless amended via an order in Council. A Community Board is an unincorporated body, is not a local authority and is not a committee of the Council. Therefore apart from specific delegations from the Council a Community Board is an advocacy and advisory body to the Council.
81. Council “must consider whether or not to delegate to a Community Board and if the delegation would enable the community board to best achieve its role” and owing to the permissive nature of the Local Government Act 2002, Council has a wide range of options for delegating to a Community Board. A fully delegated community board would have the effect of taking over the role of standing committees of Council in that area, and would therefore be a duplication of the functions of Council.
82. Community Boards can be disestablished via a representation review or a local government reorganisation. Community Boards have the right to submit regarding their own future under any review
83. It is essential that the boundary of any community board follows the mesh block statistical boundaries to enable electoral rolls to be drawn up from Parliamentary Rolls. This would require Council defining a “community” that would be served by a board. The small population of the district and some distinct geographical (and parochial) boundaries would make this task difficult.
84. As per Council policy, funding for administration and operating costs of community boards would be derived from the area of benefit, as would half the cost of remuneration for elected representatives of the board. The other half of the remuneration would come from the remuneration pool as set by the Remuneration Authority. This may necessitate a review of the number of elected members representing the rest of the District.
85. As Members will be aware Council was presented with a petition (from Future@Picton) for a community (board) based on the Picton Ward. This Ward also encompasses Queen Charlotte Sound, Port Underwood, Linkwater and rural areas to Para in the South.
86. Council in considering the report from the special Committee set up to hear and consider submissions, noted that the community were extensively consulted with, by both Future@Picton and Council. Following receipt of the proposal, and giving effect thereto, Council carried out its own consultation process. All electors and householders of the affected ward were written to and a response requested.

87. The number of submissions prompted by Council's consultation phase totalled 377. Of these 46 supported the proposal of Future@Picton, 328 opposed, with 3 not stating an opinion.
88. Council considered all of the decision-making and broad consultation obligations under the Local Government Act 2002 and agreed that the establishment of a community and its associated board would not improve the Council's ability to meet the requirements of section 76 of the Local Government Act 2002 and therefore declined the proposal.
89. No appeals to the decision were lodged to the Local Government Commission.
90. Council has in recent times explored other ways of enhancing communication between both parties on regional and Picton specific issues. To this end a Picton Ward Forum has been set-up and is starting to work through issues.
91. It is suggested that if other communities are considering the likes of a community board then this working example should be adopted instead. It should be noted that even following extensive media coverage of the Picton proposal no other community has approached Council requesting a community board.

Consultation

92. Council, once a decision is made, must follow, as a minimum, the public consultation process as outlined in the Act (sections 19M and 19N). These sections are based on the special consultative procedure as outlined in the Local Government Act 2002. The Committee may wish to consider other methods of providing information/getting feedback.

Conclusion

93. The first exercise members have to undertake is to decide whether the Council (other than the Mayor) is elected by the electors of the district as a whole or through a ward structure or through a combination of both.
94. The next decision, if it is agreed that a ward structure is the most appropriate, is to decide on the makeup of that structure. This of course is difficult. What constitutes a 'community of interest'? You could agree that the Waihopai Valley has one but of course just like the Awatere it has insufficient factors to demand a member. Blenheim and Picton urban areas clearly have a community of interest. It is submitted that Pelorus/Northern Marlborough has a community of interest distinct from the Wairau/Awatere and they appear logical wards.
95. There are a few scenarios outlined in this paper. As stated in the paper the number of scenarios are limitless but these scenarios cover the questions asked of staff over the last six years.
96. There have been a number of submissions made promoting population as the sole factor in determining representation over the years. In a mainly urban situation that may be reasonable. In a district like Marlborough it is not so realistic and the legislation recognises that in providing for isolated communities to be taken into account.
97. It should be considered that the meshblock containing the residences at the south end of Redwood Street should be transferred to the Blenheim Ward in any event.
98. Council needs to consider the issue of communities and community boards, and if so, the nature of any community and structure of any community board.
99. The public consultation process as defined in the Act is seen as a minimum. Other methods may be used in conjunction with those requirements.

RECOMMENDED

- 1. That it be decided whether the Council (other than the Mayor) is elected by the electors of the district as a whole or through a ward structure or through a combination of both.**
- 2. That, if it is agreed that a ward structure is the most appropriate, the makeup of that structure be decided.**
- 3. That it be agreed that the argument for isolated communities in both the Pelorus/Northern Sounds and Picton Wards is valid and, if it is agreed that a ward structure is the most appropriate, is part of the decision process.**
- 4. That meshblock 2292211 (containing the residences at the south end of Redwood Street) be transferred from the Wairau/Awatere Ward to the Blenheim Ward.**
- 5. That the issue of communities and community boards, including the nature of any community and structure of any community board, be considered.**
- 6. That the public consultation process as defined in the Act is regarded as the minimum requirement and that other methods should be used in conjunction with that requirement.**

Procedure	Legislative provision	Deadline
Local authority determines proposed representation arrangements	Section 19H for territorial authorities, section 19I for regional councils, and section 19J relating to community boards (Schedule 1A if Māori wards or constituencies are to be established)	No specific deadline, except that <ul style="list-style-type: none"> determinations must be made by 31 August in the year prior to election where Māori wards/constituencies are to be established determinations must be made in time for the deadline for public notice
Local authority gives public notice of "initial" proposal and invites submissions	Section 19M(1)	Within 14 days of resolution, and not later than 8 September in the year prior to election
Submissions close	Section 19M(2)(d)	Not less than one month after public notice
If no submissions then proposal becomes final ²	Section 19Y(1)	Public notice to be given when there are no submissions but no date fixed for doing this
Local authority considers submissions and may amend proposal	Section 19N(1)(a)	Within 6 weeks of closing date for submissions
Local authority gives public notice of its "final" proposal	Section 19N(1)(b)	Within 6 weeks of closing date for submissions
Appeals and objections close	Sections 19O and 19P	Not less than 1 month after the date of the public notice issued under section 19N(1)(b), and not later than 20 December in the year prior to election
If no appeals or objections then proposal becomes final ³	Section 19Y(1)	Public notice to be given when there are no appeals/objections, but no date fixed for doing this
Local authority forwards appeals, objections and other relevant information to the Commission ⁴	Sections 19Q and 19V(4)	As soon as practicable, but not later than 15 January in election year
Commission considers resolutions, submissions, appeals and objections and makes determination	Section 19R	Before 11 April in election year
Determination subject to appeal to High Court on a point of law ⁵	Clause 2, Schedule 5, Local Government Act 2002	Appeals to be lodged within 1 month of determination

² Under section 19V(4) regional council proposals that do not comply with the +/-10% fair representation requirement are subject to confirmation by the Commission.

³ As above

⁴ As above

⁵ Includes any regional council proposal that does not comply with the +/-10% fair representation requirement
Commission determinations may also be subject to judicial review

7. Marlborough Regional Economic Development Strategy (E045-03)

(Chairman) (Report prepared by F Pauwels)

Purpose

1. To set out suggested economic development actions for Council to be involved for the 2009/2011 financial year.

Background

2. The Marlborough regional economy is estimated at about \$1.8bn. Annual growth at 4.5% has been slightly above the national average between 2001 and 2006 and per capita income is in line with similar other regions (approx \$39,000).
3. The next 10 years are predicted to be fundamentally different in terms of industry life cycles, external threats and significant opportunities. Viticulture expansion is expected to taper off. Wine processing is expected to see further expansion of capacity. Aquaculture is expected to see some changes. Tourism has significant growth potential. Aviation has growth potential including overseas contract servicing and training.
4. Iwi are potentially major investors in the region. Specialised education offers potential in the wine business, helicopter training and possibly even the oil and gas servicing sector.
5. The objective is to help grow the Marlborough economy. The next couple of years will be challenging and probably flat from an economic perspective. Improvements in growth are expected to occur in 2- 3 years time building on sector initiatives.
6. Marlborough Regional Development Trust (MRDT) was established in 1999 as a response to the then government's emphasis on regional development through community partnerships. With a change in government there appears to be a move towards funding major infrastructural projects and it is important that Council has the capability to access funding that may be available.
7. Internally Council has brought together its community and environmental planning functions under one manager and it was considered appropriate to add economic development to those responsibilities. The decision was taken at the Council Meeting of 19 February 2009 and ratified through the LTCCP process to cease funding MRDT and to use the funds to provide economic development functions internally.
8. New Zealand Trade and Enterprise (NZTE) is the primary external funding agency through 'Vote: Economic Development' (\$385m 2009 budget). NZTE has provided significant funding for the Aviation Heritage Centre (\$2m) and the Wine Research Centre of Excellence (\$2m).
9. The Regional Governance Group (RGG) is a requirement of NZTE to be the governing body for Top of the South Te Tau Ihu funding applications. The RGG is made up of members of the Marlborough, Nelson and Tasman Economic Development agencies or councils.
10. One of the key success factors lies in being 'ready to go' with well developed opportunistic funding proposals into the various government funding programmes and new initiatives.

Action Plan

11. Following consultation with a number of sector representatives the following suggested Action Plan has been developed for Council consideration. These actions are spread over the next two financial years being July 2009 to June 2011.

Action Plan for 2009 - 2011

Sector	2009 - 2010	2010 - 2011
Aquaculture		Pursue government and sector investment funding for R&D and sea trials.
Aviation	Assist Safe Air with Air New Zealand Turbo Prop Fleet servicing review.	Work with NZ Defence Force to ensure Safe Air has security of tenure.
	Work with Safe Air on longer term business initiatives.	
	Financial review of AHC operations and business model and determine longer term development options.	Assist with business attraction initiatives where required.
	Identify suitable areas for helicopter operations.	
		Work with industry and educators to establish feasibility of a training and education academy targeted at international students.
Engineering	Work with marine cluster to assess feasibility of a cruising yacht re-fit business initiative.	
Viticulture		Work with industry and education providers to establish feasibility of a four year degree with international linkages.
Wine Processing and Marketing	Work with industry to determine infrastructure requirements and timing.	Assist in facilitating networks into key markets through NZTE Beachheads programme.
Forestry and Timber		Work with industry to assess business potential for value-added products.
Tourism	High priority application into National Cycle Trail Network Fund.	
	Encourage establishment of Tourism Sector Leadership Group.	
	Work with industry and organisers to resolve events marketing co-ordination.	
	Work with tourism sector leaders to develop a plan for attracting Rugby World Cup 2011 visitors to Marlborough.	Identify ways Marlborough can theme itself around any team(s) that choose to be hosted in the region.
Education	Work with local colleges, government and education specialists to explore a goal of Marlborough being a leading secondary education destination.	Co-ordinate statistical data on school leaver choices.
	Advise industry and educationalists of workforce development study priorities.	Growth planning, population growth forecasts.

Sector	2009 - 2010	2010 - 2011
Iwi	Establish with iwi what their growth objectives are.	Work with industry and iwi to do a feasibility study for a Moa/Wairau Bar attraction.
Business Attraction	Work with Investment NZ to establish business opportunities available in Marlborough.	Ensure Marlborough District Council website has information available for prospective people and business wanting to locate here.
Telecommunication		Ensure that businesses in major commercial/industrial zones have access to fibre optic network.
		Work with Telcos to get adequate cell phone coverage across the region.
Council Infrastructure	Identify Government funding sources for core infrastructure and work with Assets and Services Department to ensure applications are made.	

Advisory Board

12. Councillors will recall that the concept of an Economic Development Advisory Board was previously considered by the Community and Financial Planning Committee. Essentially the intention was that the Board would be a sounding body for Council.
13. The initial intention was that it would comprise of three councillors and two industry representatives. It is suggested that the membership may need to be revisited with wider representation from the business community. A report will be provided to a future committee meeting on this.

Summary

14. This report outlines the objectives of an economic development programme and outlines an action plan in paragraph 11 for Council's consideration. The action plan is consistent with the Economic Development Strategy document that has recently been prepared by MRDT. This Strategy is being reviewed and a revised Strategy will be presented to the Committee in the near future. In the meantime the intention is to progress with the action plan if approved by Council.

RECOMMENDED

That the report be received.

8. Financial Report for Council – Period Ended 31 May 2009 (F045-06)

(Report prepared by J Somerville)

1. Attached is the financial report for Council for the period ended 31 May 2009.
2. The Statement of Performance reports a variance of \$2,173,561 for the 11 months to 31 May 2009 mainly due to flood damage and depreciation charges.
3. Since reporting the April results the deficit to budget has increased by \$599,856 mainly due to the ongoing impact of increased depreciation, as well as less than anticipated gravel and rock sales, user charge revenue and reserve fund contributions. The principal factors contributing to the overall deficit remain flood damage costs together with the higher than anticipated depreciation charges as a result of the revaluation of the Council's infrastructural assets.

Revenue

4. Total Revenue and Rates (RR) for May year to date is higher than budgeted.
5. The RR increase has occurred chiefly as a result of:
 - additional NZ Transport Agency road subsidies relating to the July/August floods and
 - higher than anticipated other revenue from bank interest received, dividend, road stopping, rates reimbursements, insurance refunds, LINZ settlement, recycling, navigation levies, pollution response, infringements and property rentals.
6. These increases remain offset mostly by User Charges being less than budget for the year to date. The main activities contributing to the reduction are:
 - metered water sales - Southern Valleys and Riverlands;
 - land use consents;
 - building consents - down 25% in numbers and reduction in the value of the work;
 - subdivision applications - continued decrease in numbers of applications;
 - PIM & LIM fees - due to reduced requests.
7. The last four all relate to the general economic slowdown. A flow on effect of this slowdown in subdivision applications has been less than anticipated reserve fund contributions.

Expenditure

8. Overall expenditure is ahead of budget primarily due to additional infrastructure costs re flooding and depreciation charges. This was partially offset by savings against budget in interest instalments.

Capital Expenditure

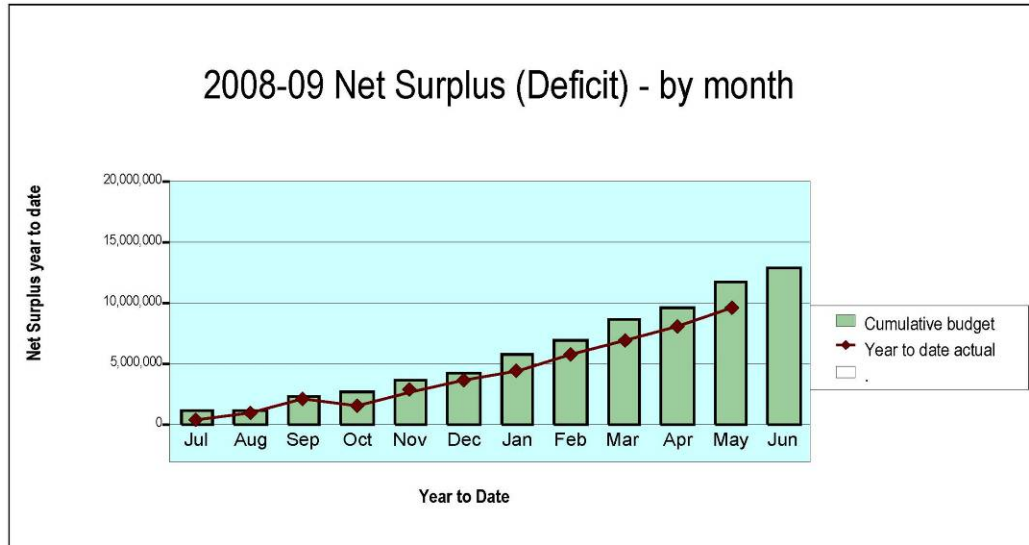
9. Capital expenditure for the year to 31 May of \$32.389M (2008 \$17.099M) is \$11.625M less than budgeted.

10. Indications are that there will be carry forwards of approximately \$46.17M of the years \$79.3M capital budget relating to core activities, which includes \$15M carried forward from 2007/08.
11. Resource consent requirements, project design and Ministerial (DOC) approval are the reasons for most work being postponed.
12. Activities, and major components thereof, where expenditure is slower than anticipated are:
- Water projects \$13.679M Blenheim \$9.3M, Picton \$3M, Awatere \$500K, Renwick \$135K, Riverlands \$530K and Havelock \$214K.
 - Sewerage projects \$17.28M Picton \$4.05M, Grovetown \$2.5M, Spring Creek \$1.53M, and Blenheim \$9.2M.
 - Reserves \$6.07M Picton Foreshore \$5M and General Reserves \$1.07M
 - Parking \$4.07M Blenheim parking developments
 - Public Conveniences \$395K Picton (including Endeavour Park) \$200K, Renwick \$125K, Awatere \$35K and Sounds \$35K.
 - River & Land Drainage \$800k relates to deferment of Waitohi culvert entry upgrade \$400K, Lower Wairau sedimentation control \$300K and Taylor Dam spillway \$100K.
 - Roading \$90K relates to Awatere seal extension \$90K where we are awaiting matching subsidy.
 - Stormwater \$658K Blenheim \$500K and Renwick pipeline \$158K.
 - Swimming Pools \$3M Blenheim.
 - Harbour Control \$450K funding mechanism proposed with bylaw review which is still within the consultation/submission phase.
 - Office & Info Services \$870K Website development \$250K and Digitisation project \$620K.
13. These activities are offset by expected additional expenditure in the following:
- Regional Waste Landfill \$1.2M.
14. In addition there is a further \$9.8M arising from Land Development activities which have been deferred due to the current economic climate. Also \$4.57M of anticipated sales related to this development will not take place.
15. These projects were last reviewed in mid June.

RECOMMENDED

That the financial report for the period ended 31 May 2009 be received.

MARLBOROUGH DISTRICT COUNCIL
2008-09 rbud budgets operating statements



Statement of Financial Performance - May YTD

	May YTD	YTD budgets	YTD variance	2008-09 rbud budgets
Revenues				
User Charges	12,627,662	12,536,709	90,953	19,511,356
Subsidies & Grants	7,148,760	4,877,299	2,271,461	5,432,713
Total Rates and Charges	41,048,568	40,675,170	373,398	44,753,528
Dividends received	1,038,289	780,000	258,289	780,000
Other Revenue	11,046,442	9,683,256	1,363,186	14,500,316
	72,909,721	68,552,434	4,357,287	84,977,913
Expenses				
Operating expenses	47,530,587	41,843,055	(5,687,532)	54,904,833
Depreciation	11,654,373	9,080,603	(2,573,770)	10,735,596
Interest payments	4,166,349	5,896,803	1,730,454	6,432,809
	63,351,309	56,820,461	(6,530,848)	72,073,238
Net Surplus (Deficit)	9,558,412	11,731,973	(2,173,561)	12,904,675

Exception report on operations

The year to date result is unfavourable \$2,173,561 against budget.

Depreciation charges continue to exceed budget due to the revaluation of infrastructural assets, now by \$2,573,770.

Other significant variances are explained in the variances by activity statement.

MARLBOROUGH DISTRICT COUNCIL
2008-09 rbud budgets operating statements



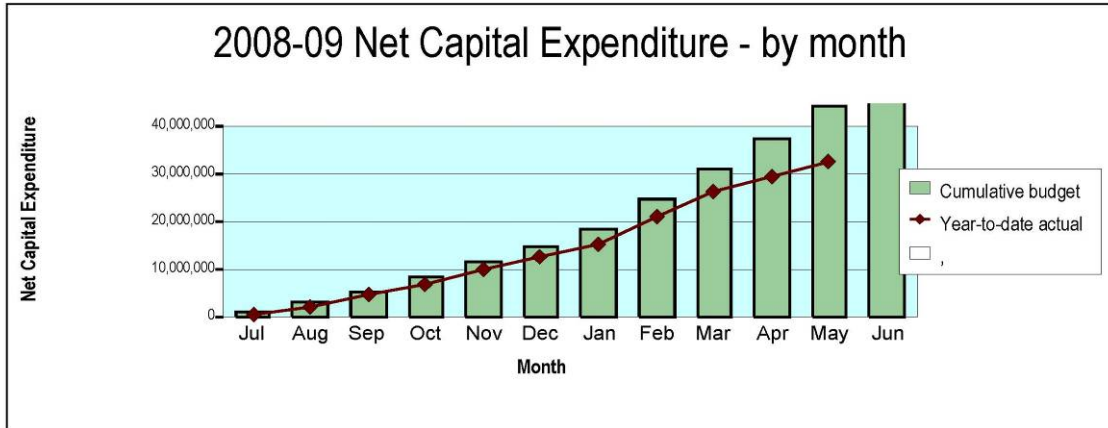
The Net Surplus (Deficit) is generated by the following Council Activities:

	May YTD	YTD budgets	YTD variance	2008-09 rbud budgets
Democracy	73,117	66,483	6,634	50,868
Arts and Heritage	(29,754)	(77,996)	48,242	(5,055,095)
Community Housing	(66,982)	(94,147)	27,165	(7,539)
Community Safety	(106,384)	(8,477)	(97,907)	9,230
Community Support	28,793	(56,124)	84,917	(92,351)
Libraries	39,158	(5,535)	44,693	(25,549)
Emergency Management	145,475	60,898	84,577	14,823
Community Facilities	(323,386)	(398,732)	75,346	(458,626)
Land Transport	(234,092)	1,679,701	(1,913,793)	3,013,255
Rivers and Land Drainage	2,057,059	2,737,651	(680,592)	2,689,502
Sewerage	1,069,598	677,852	391,746	1,243,841
Stormwater	(241,200)	71,673	(312,873)	405,399
Water	1,000,076	1,096,824	(96,748)	2,449,684
Solid and Hazardous Waste	537,214	543,269	(6,055)	(22,859)
Environmental	(332,116)	(364,614)	32,498	(932,402)
Regional Development	(102,393)	(117,866)	15,473	(49,996)
Consents and Compliance	(605,366)	141,891	(747,257)	(436,565)
Biosecurity	141,171	133,260	7,911	(143,565)
Animal Control	12,835	(28,381)	41,216	(133,930)
Harbour Control	9,421	(333,679)	343,100	123,859
Investment activities	5,788,454	5,240,540	547,914	10,999,912
Corporate Overhead	351,422	351,141	281	(845,432)
Direct Management	300,224	286,332	13,892	(34,598)
Plant Operations	46,068	130,009	(83,941)	143,508
	9,558,412	11,731,973	(2,173,561)	12,905,373

Comments

1. Variances for significant activities are mainly due to timing of actual income/expenditure against forecasted spread of annual budget.
2. Significant variances other than timing are as follows:
3. Community Facilities favourable following receipt of payments for insurance claims and less than anticipated loan interest partially offset by flood damage costs to reserves.
4. Land Transport unfavourable due to flood damage costs together with increased depreciation offset by interest charge savings, together with additional revenue from parking infringements, court costs recovered and stopped road. Emergency reinstatement costs \$3.61M offset by additional subsidy revenue \$2.22M.
5. Rivers and Land drainage - unfavourable due decreased demand for gravel /rock and flood damage costs partially offset by increased revenue from property leases.
6. Sewerage - Favourable trade waste fee revenue and interest charge savings offset by increased depreciation charges. It is expected that there will be savings for infiltration works at year end.
7. Stormwater unfavourable due to depreciation increases and \$17K flood damage partially offset by LINZ settlement and favourable interest charges.
8. Water includes less than anticipated metered water fee revenue together with increased depreciation charges offset by favourable interest variance due to reduced 2007/08 loan requirements.
9. Solid & Hazardous Waste includes net flood damage costs of \$44K and operation of resource recovery centre expenses partially offset by recyclable sales.
10. Consents and Compliance is unfavourable due continued reduction in the number of applications received for PIM's, LIM's and consents together with less than anticipated values / numbers of building consents.
11. Harbour Control favourable due to navigation levy revenue received, income from pollution response exercise and insurance claim refunds received for damage to navigational aids.
12. Investment activities favourable as interest and rental revenue are higher than anticipated partially offset by less than expected reserve fund contributions.

MARLBOROUGH DISTRICT COUNCIL
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Net Capital Expenditure - May YTD

	May YTD	YTD budgets	YTD variance	2008-09 rbud budgets
Democracy	1,208		(1,208)	0
Arts and Heritage			0	31,500
Community Housing	88,171	90,000	1,829	120,000
Community Safety			0	72,513
Libraries	237,933	323,110	85,177	386,700
Emergency Management	44,409	39,000	(5,409)	63,200
Community Facilities	3,576,587	5,655,478	2,078,891	16,692,589
Land Transport	7,615,573	6,375,622	(1,239,951)	13,937,069
Rivers and Land Drainage	1,000,738	1,174,000	173,262	2,321,000
Sewerage	6,169,648	14,411,761	8,242,113	25,663,747
Stormwater	193,238	683,337	490,099	1,197,778
Water	6,424,362	8,134,151	1,709,789	22,881,907
Solid and Hazardous Waste	3,554,987	3,259,777	(295,210)	3,437,194
Environmental	72,918	70,336	(2,582)	74,000
Consents and Compliance	1,904		(1,904)	7,200
Biosecurity	5,821		(5,821)	
Harbour Control	31,736	100,021	68,285	551,808
Investment activities	2,643,661	2,710,400	66,739	(441,400)
Corporate Overhead	631,292	895,925	264,633	1,756,225
Direct Management	1,244		(1,244)	1,500
Plant Operations	93,781	90,887	(2,894)	355,687
Total	32,389,211	44,013,805	11,624,594	89,110,217

Exception report on capital expenditure

1. It is expected that due to delays and deferrals of some projects there will be deferrals of in excess of \$46M to the 2009/2010 financial year.

9. Financial Report for Support Services Department Period Ended 31 May 2009 (F045-07)

(Report prepared by J Somerville)

1. Attached is the financial report for Support Services Department for the period ended 31 May 2009.

RECOMMENDED

That the financial report for the period ended 31 May 2009 be received.

Financial Summary Report - Support Services

	May YTD actual	May YTD budget	YTD Variance	2008-09 rbud budget
Total Regional Development				
Total Rates and Charges	797,472	783,387	14,085	854,590
	797,472	783,387	14,085	854,590
Operating expenditures	899,865	901,253	1,388	904,586
Net Surplus (Deficit)	(102,393)	(117,866)	15,473	(49,996)

Asset additions and disposals

Total Democracy

Total External Revenues	165	1,540	(1,375)	1,680
Total Rates and Charges	2,353,880	2,291,850	62,030	2,500,200
	2,354,045	2,293,390	60,655	2,501,880
Operating expenditures	2,280,928	2,226,907	(54,021)	2,451,012
Net Surplus (Deficit)	73,117	66,483	6,634	50,868

Asset additions and disposals

Asset additions	1,208		(1,208)	0
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Total Land Development

Total External Revenues			0	4,554,900
			0	4,554,900
Operating expenditures	6,942	2,328	(4,614)	2,401
Net Surplus (Deficit)	(6,942)	(2,328)	(4,614)	4,552,499

Asset additions and disposals

Asset additions	2,641,261	2,708,000	66,739	12,025,000
Asset disposals			0	12,470,100

Total Forestry

			0	
Operating expenditures	9,037	4,540	(4,497)	4,537
Net Surplus (Deficit)	(9,037)	(4,540)	(4,497)	(4,537)

Asset additions and disposals

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Total Property

Total External Revenues	4,251,426	3,789,030	462,396	4,173,310
Total Rates and Charges	(331,927)	(330,341)	(1,586)	(360,371)
	3,919,499	3,458,689	460,810	3,812,939
Operating expenditures	1,475,252	1,372,061	(103,191)	1,429,433
Net Surplus (Deficit)	2,444,247	2,086,628	357,619	2,383,507

Asset additions and disposals

Asset additions	90,571	92,400	1,829	123,700
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Significant variances other than timing are as follows:

1. Land Development operating expenditure unfavourable due to higher than anticipated annual rates. Also due to the deferment of the residential and commercial elements of the Picton waterfront development the operating and asset disposal revenue together with asset addition costs budgeted of \$9.125M each will not eventuate.
2. Property - Favourable due to increased revenue from rental review less higher than budgeted annual rates paid.

10. Treasury Management Report for Period Ended 30 June 2009 (T270-01)

(Report prepared by M South)

1. **Attached** are details of Council's Treasury Management Report for the quarter ended 30 June 2009. Comparative details for the quarter ended 31 March 2009 are shown in italics and shaded.

2. Market Interest Rate Movements

Council's fund managers advise that during the June quarter short term rates fell while medium and longer term rates rose.

The Reserve Bank of New Zealand ("RBNZ") in April 2009 announced a reduction in the Official Cash Rate ("OCR") by 50 basis points bringing the OCR down to 2.50% and in June announced no change in the OCR.

These announcements have resulted in decreases in the short term end of the market ranging from 0.50% to 0.61%, but have not had the same effect on longer term rates where increases have occurred. Bancorp believe that while the increase in medium to longer term rates resulted from a combination of factors, it was principally due to concerns about the quantum of sovereign (government) debt issuance over the next year or so.

3. Investments

Details of Council funds and investments are attached.

The average interest earnings rate of 6.28% is 0.69 % less than that for the March quarter, which is greater than the decreases in the short term end of the market. The main reason for this is the increase in the BNZ call account balance from \$0.5m to \$5.8m which attracts an interest rate of only 2.4%. The increase in the call account arose because of the need to meet \$1.89m of unrepresented cheques at 30 June, June operating and capital expenditure creditors paid in July and the receipt of a \$2.5m dividend from Port Marlborough Ltd on 29 June.

During the June quarter there were no maturities and no new bonds were purchased.

Reinvestment of securities as they fall due are based on the recommendation of Bancorp Treasury Services Limited, Fund Managers for Council. In conjunction with Council's Treasury staff, Bancorp's role is to continuously monitor market conditions and Council's specific investments to ensure that the maximum return is achieved consistent with the minimum risk exposure dictated by Council's Treasury Management Policy.

4. Borrowings

At the end of June Council borrowings to finance capital projects totalled \$60,601,398, the balance as at 30 June 2008.

As part of the annual balance funding process to be completed, new loans will be raised at the end of the financial year with an interest rate of 7%.

All of Council's borrowings are currently by way of internal advances.

5. Compliance with Council Policy

Council's Treasury Management Policy sets criteria surrounding credit rating, maximum investment allowed with any one institution and the maximum allowed to be invested with any type of institution.

All criteria have been met for the 30 June 2009 quarter.

RECOMMENDED

That the Treasury Management Report for the period ended 30 June 2009 be received.

MARLBOROUGH DISTRICT COUNCIL
QUARTERLY TREASURY MANAGEMENT REPORT

Current Interest Rates as at 30 June 2009

Term	Rate quoted from -	June 2009	May 2009	April 2009	March 2009
At Call	ANZ Banking Group	2.50%	2.50%	2.50%	3.00%
30 days	Bank bills	2.80%	2.78%	2.95%	3.41%
90 days	Bank bills	2.82%	2.70%	2.85%	3.33%
Maturity 07/09	NZ Government Bonds- yield	2.60%	2.62%	2.70%	3.17%
Maturity 11/11	NZ Government Bonds- yield	3.80%	3.66%	3.45%	3.90%
Maturity 04/13	NZ Government Bonds- yield	4.77%	4.66%	4.26%	4.47%
Maturity 12/17	NZ Government Bonds- yield	5.94%	5.87%	5.30%	5.25%

Statement of Cash Position as at 30 June 2009

Unaudited				% Funds	Last Quarter March 2009	
Bank Current Accounts						
- Cash on Hand			1,925	0.01%	\$1,925	
- Bank account closing balances - all accounts			501,694	2.49%	\$258,313	
- plus outstanding deposits			9,600	0.05%	\$25,702	
- less unrepresented cheques			(1,887,718)	-9.37%	(\$813,157)	
		Current Funds or (Overdraft)	(1,374,500)	-6.82%	(\$527,218)	
On Call						
	Rating					
- BNZ	AA	2.40%	5,773,191	28.64%	\$517,696	
		Readily Available Funds	4,398,691	21.82%	(\$9,522)	
Investments						
	Rating					
Banks						
- BNZ	AA	1yr (06/010)	4.50%	72,265	0.36%	\$66,943
- BNZ	AA	90 days (07/09)	4.25%	159,440	0.79%	\$156,166
- BNZ	A-1+	30 days (05/09)	3.26%	-	0.00%	\$1,000,000
- BNZ	A-1+	92 days (06/09)	3.13%	-	0.00%	\$1,000,000
- ANZ Investments	A-1+	30 days (05/09)	4.66%	-	0.00%	\$1,000,000
Securities - short term (12 months or less)						
- Merrill Lynch	A	4 years (09/09)	7.18%	1,003,983	4.98%	
- Telecom Finance (TCNZ)	A	9 years (04/10)	7.65%	1,000,000	4.96%	
		Funds Available within 1 yr	2.76%	\$6,634,379	32.91%	\$3,213,587
Securities - long term (greater than 12 months)						
- Auckland Airport	A-	5 years (07/11)	7.06%	999,078	4.96%	\$999,078
- ASB Bank Ltd	AA-	4 years (11/12)	8.91%	502,919	2.50%	\$502,919
- ASB Bank Ltd	AA	4 years (07/13)	6.56%	1,069,371	5.31%	\$1,069,371
- BNZ Banking Bond	AA	6 years (09/12)	7.03%	1,019,112	5.06%	\$1,019,112
- BNZ Bond	AA	6 years (05/15)	7.98%	1,034,915	5.13%	\$1,034,915
- BNZ	AA	5 years (05/13)	8.54%	1,000,800	4.97%	\$1,000,800
- Fonterra	A+	6 years (04/11)	6.87%	497,994	2.47%	\$497,994
- Fonterra	A+	9 years (04/14)	7.00%	499,029	2.48%	\$499,029
- Fonterra	A+	5 years (04/14)	8.74%	464,358	2.30%	\$464,358
- Telecom Finance (TCNZ)	A+	9 years (04/10)	7.65%	-		\$1,000,000
- Bank of America	A	5 years (03/12)	7.55%	499,992	2.48%	\$499,992
- Bank of America	A	5 years (03/12)	8.19%	498,825	2.47%	\$498,825
- Merrill Lynch	A	4 years (09/09)	7.18%	-		\$1,003,983
- ANZ/National	A+	5 years (04/13)	9.66%	1,000,000	4.96%	\$1,000,000
- ANZ/National	AA-	5 years (09/11)	7.16%	1,000,000	4.96%	\$1,000,000
- N Z Post	AA-	4 years (01/11)	8.15%	485,266	2.41%	\$485,266
- Morgan Stanley	A	6 years (09/12)	7.10%	1,002,173	4.97%	\$1,002,173
- Auckland City	AA	4 years (11/11)	8.50%	1,000,000	4.96%	\$1,000,000
- Rotorua District Council	UR	8 years (04/16)	8.16%	947,921	4.70%	\$947,921
		Total Funds Invested	6.28%	\$20,156,130	100.00%	\$18,739,323
Facilities in place				\$0		\$0
		Total Funds Available		\$20,156,130		\$18,739,323

11. Debtors' Overdue Report (A135-04)

(Report prepared by S Greenhill)

1. The Debtors' Reconciliation as at 31 May 2009 is attached for members' information.
2. Outstanding Debtors' current and 90 days' balances have reduced since April 2009; 30 – 90 days balance has increased since April.

RECOMMENDED

That the information be received.

DEBTOR'S REPORTS

	Current Month	Comparison for Previous 5 Months				
	May	April	March	February	January	December
Aged Analysis Report						
Current	646,852.94	749,716.11	778,783.25	851,394.87	1,000,558.03	768,641.01
30 - 90 Days	383,997.75	327,481.52	280,769.88	503,840.96	531,034.23	268,516.41
90 Days	197,739.42	260,649.13	223,628.16	179,735.15	171,782.57	153,175.37
Outstanding Debtors Closing Balance	1,228,590.11	1,337,846.76	1,283,181.29	1,534,970.98	1,703,374.83	1,190,332.79

Debtors' Action Report - Debtors over 90 days with Balance >\$250

	May	April	March	February	January	December
With Receivables Management	14,188.63	14,188.63	9,060.38	10,098.17	12,544.78	11,361.17
Paying by Agreement	90,882.28	96,786.92	68,497.18	29,095.62	29,981.68	9,744.28
Work Not Yet Commenced	32,163.97	22,612.50	18,675.00	37,115.01	29,382.50	23,757.50
Awaiting Determination	17,258.22	23,264.77	62,802.57	58,000.66	55,137.96	93,848.20
Now Paid	35,456.63	95,827.87	56,468.66	38,200.74	37,925.48	7,823.91
Sub-Total	189,949.73	252,680.69	215,503.79	172,510.20	164,972.40	146,535.06
Various Debtors with Balances <\$250	7,789.69	7,968.44	8,124.37	7,224.95	6,810.17	6,640.31
Over 90 days Outstanding Total	197,739.42	260,649.13	223,628.16	179,735.15	171,782.57	153,175.37

12. Rates Reports (R135-15)

(Report prepared by W Williams)

1. Attached for members' information are the Rate Levies Status Report and Rate Arrears Aged Balance Report as at 30 June 2009.
2. We have collected 98.68 % of the overall rates levied for 2008/2009 (this includes arrears) this compares to a similar percentage of 98.69 % at this time last year.
3. Since the final day for payment of rate instalment four, being 12 June 2009, there were 873 penalty letters posted due to non-payment (\$461,029.41), compared to 922 letters during this period last year (458,945.35). Although a lower number of letters were posted the dollar value of the outstanding rate debt was similar.
4. The additional penalty charge will be added during the first week of July 2009 and follow up letters will be posted to the ratepayers of rate accounts that remain overdue.
5. Rate Instalment One of the new financial year is due to be posted 3 August 2009 and the last day for payment is 11 September 2009.

RECOMMENDED

That the reports be received.

Marlborough District Council

Rate Levies Status Report as at 30 June 2009

Financial Division	Balance forward (01/07/08)	Inst Levy Q4	Arrears Pen	Instal Pen	Adjustments	Cash Received (incl PP)	Less Pre-paid	Balance 30/06/2009
Admin Rural	5,880.33	829,834.44	881.58	9,047.91	(53,767.79)	(777,689.00)	4,104.91	18,292.38
Blenheim	76,399.52	23,961,108.10	15,965.30	70,326.56	(63,426.95)	(23,963,132.12)	176,703.38	273,943.79
Blenheim Vicinity	73,526.03	10,368,125.52	6,378.06	34,507.98	(69,372.36)	(10,383,247.59)	46,645.87	76,563.51
General Rural	77,164.82	7,344,543.10	9,530.03	39,553.64	(125,541.00)	(7,249,383.28)	42,550.90	138,418.21
Picton	67,409.69	6,146,346.11	8,317.88	28,728.19	(93,611.08)	(6,051,930.05)	40,228.77	145,489.51
Picton Vicinity	2,888.97	418,064.03	417.68	1,875.57	(1,360.22)	(420,326.90)	5,365.12	6,924.25
Utilities Network	-	10,582.00	-	10.18	-	(10,592.18)	-	-
Current Year Totals	303,269.36	49,078,603.30	41,490.53	184,050.03	(407,079.40)	(48,856,301.12)	315,598.95	659,631.65

Paid in Advance	
As at 1/7/08	275,349.31
As at 1/7/07	222,918.05

As at 30/06/2009	315,598.95
As at 30/06/2008	273,015.07

Rate Arrears Aged Balance Report as at 30 June 2009

Year	Total Outstanding (01/07/08)	Cash Received (-)	Total Arrears Outstanding 30/06/2009
2007/08	506,293.43	464,854.91	41,438.52
2006/07	44,751.19	28,889.72	15,861.47
2005/06	10,183.43	4,917.20	5,266.23
2004/05	3,553.82	552.56	3,001.26
2003/04	2,270.26	-	2,270.26
Prior 2003	11,566.49	-	11,566.49
Total	578,618.62	499,214.39	79,404.23

Total Actual	578,618.62
Less pd in advance	(275,349.31)
Opening Balance	303,269.31

13. Decision to Conduct Business with the Public Excluded

Decided: That the public be excluded from the following parts of the proceedings of this meeting, namely:

- **Debtors' Overdue Report**

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Debtors' Overdue Report	In order to protect the privacy of natural persons, as provided for under Section 7(2)(a).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.