

ACTIVITY GROUP: REGIONAL DEVELOPMENT

The activities in this group include:

- Regional Development.
- Marketing and Tourism.
- Events Management.
- Research Centre.

Rationale for the Delivery of this Group of Activities

Council's decisions and actions can significantly assist the development of the regional economy by encouraging local business initiatives and innovation, attracting new investments, and by presenting Marlborough as a competitive tourist destination. As a provider of infrastructure, as a regulator of many business activities, Council is both a facilitator and encourager of development in the region. For the bulk of this activity Council is primarily a purchaser of regional development services.

How this Activity Contributes to Related Community Outcomes

This activity group contributes to the community outcomes of prosperity, full participation, environmental sustainability and enterprise and endeavour.

Assets and Levels of Service

Each activity details:

1. Any assets required for its delivery are detailed under the relevant activity.
2. Planned levels of service, performance targets and measures.
3. Estimated expenses of achieving and maintaining the identified levels of service and the integrity of any assets.

Significant Negative Effects Associated with this Group of Activities

Although no significant negative effects have been identified for this group of activities, unplanned development carries a variety of risks, chiefly associated with the sustainability of resource use. Council takes a sustainable development approach to planning for regional development, and endeavours to balance current and future needs of the community.

Issues and Changes Affecting the Assets that Support this Group of Activities

No Council owned assets are directly employed in the delivery of these activities; rather, this group of activities depends heavily on people and information, and on relationships between Council and stakeholders.

Although Council's property assets are not directly associated solely with this activity, the way in which land and buildings are managed and developed has a major role to play in achieving community outcomes associated with regional development. For example; residential development of the Council owned land in Taylor Pass area; the recently completed Combined Clubs and Convention Centre, the planned erection of a four star hotel to complement the Community Convention Centre; the car parking buildings in Alfred and Wynen Streets, the Aquatic Centre and the Civic Theatre are all developments that make Blenheim an attractive place to live and work, which is an essential component of regional development. Similarly, Council can also facilitate developments such as a Top of the South broadband capability.

Suitably planned developments in the Blenheim and Picton central business districts have similar potential to support regional development overall. Wherever possible, Council works closely with property developers and landowners, to ensure optimal outcomes. As part of this, to shape the look and feel of future development in Blenheim an Urban Design Strategy will be prepared, with input from the community. A number of further projects are expected to result from this study that can be implemented in a planned, co-ordinated manner.

Major developments are also anticipated on the Picton waterfront, on the London Quay/Wellington Street site. The development of the green space, boardwalks and public recreation areas will proceed utilising a special dividend from the Port Company. New commercial and residential development will take place when an appropriate economic climate exists. An Urban Design Study will also be undertaken for Picton, during the term of this LTCCP.

Council will also work with the promoters of a Whale Museum in Picton

From time to time land is bought for roading, reserves and other community purposes in advance, so that adequate land is available when required for future developments. Council also holds a small portfolio of properties that provide a financial return. The total property portfolio is progressively reviewed, to ensure that it is being used efficiently and meets the needs of the community. Subject to legislative requirements and Council approval, surplus properties may be marked for disposal.

Known changes to demands on asset capacity are discussed in the context of specific activities. Maintenance, renewal and replacement of assets will be undertaken according to the policies set out in relevant asset management plans if applicable. The anticipated costs of maintenance, renewal and replacement of assets are shown in the Operating and Capital costs and funding forecast shown under each activity.

Costs and Funding

Operating and Capital Costs and Funding Forecasts for this activity group are shown below in the table entitled "Operating and Capital Costs and Funding Forecast (\$000) – Regional Development". Operating costs of this activity group represents 1.4% of total activity expenditure.

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Outcome	Related Community Outcome
Improved quality of life for all residents.	Prosperity. Enterprise and endeavour.

How this Activity Contributes to Related Community Outcomes

This activity contributes to the Community Outcomes of Prosperity and Enterprise and endeavour by working collaboratively with key industry support to identify and take advantage of commercial development opportunities within the District.

What is this Activity About?

This activity is aimed at developing the regional economy to achieve long term economic growth to the benefit of the Marlborough community. It is about identifying where the direction of growth needs to be, how we will get there and what needs to be done. The activity is delivered by a range of public sector partners, including the Council, in support of the private sector and also involves making investments in the right area. Responsibility for the co-ordination of this activity will move to the Council from the Marlborough Regional Development Trust (MRDT), however MRDT remain one of the partners involved in the delivery of the activity. It is important to recognise that regional

development is not just supporting businesses, but also about ensuring our community and workforce have the health, skills and knowledge to play their part in the development of Marlborough's economy.

Issues and Changes

The Council will be taking a more proactive role in regional economic development and is seeking to review the Regional Economic Development Strategy at the earliest opportunity. The strategy will identify a number of activities and investments for consideration in the next few years with the goal of being aspirational that delivers significant growth in each of the key sectors driving economic growth. The Council will work to identify and attract Government funding to support the recommended activities in the strategy and major infrastructural projects contained within this LTCCP.

Levels of Service: Regional Development

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2009-10	2010-11	2011-12	2012-19
Provide an overall level of customer satisfaction that meets or exceeds residents' expectations of this activity.	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	6.1	6.1	6.2	6.2	6.5
Co-ordinate effective economic development delivery.	Marlborough's GDP growth rate ranking amongst Local Authorities. (BERL)	In 2007 Marlborough's GDP growth rate was 42 out of 72 Local Authorities.	<36	<36	<36	<36
	Unemployment rates compare to the national rate.	Unemployment rate as at March 2008 was 3.7% (NZ)	Unemployment rate is equal to or less	Unemployment rate is equal to or less	Unemployment rate is equal to or less	Unemployment rate is equal to or less

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		4.1%)	than the national rate.	than the national rate.	than the national rate.	than the national rate.
	Inter-census change in average household income equal or better than national trend.	Increase in average household income per the 2006 census was 18% (NZ 13%)				Inter-census change in average household income equal or better than national trend.

Levels of Service apply to the period of this plan. Changes to targets, and to levels of service overall, will be reviewed periodically to reflect any changes to the operating environment and/or community expectations.

ACTIVITY: MARKETING AND TOURISM

Outcome	Related Community Outcome
Marlborough is a preferred place for New Zealanders and people from overseas to visit, enjoy and experience.	Prosperity. Enterprise and endeavour.

How this Activity Contributes to Related Community Outcomes

This activity contributes to the Community Outcomes of Prosperity and Enterprise and endeavours by providing funding to Destination Marlborough to enable it to promote the District and the many activity within it to potential visitors.

What is this Activity About?

This activity is delivered by Destination Marlborough, a charitable trust. Destination Marlborough is a Council controlled organisation, established for the purposes of promoting and marketing Marlborough as a visitor destination to national and international tourists.

Destination Marlborough is the Regional Tourism Organisation for the Marlborough district. It is one of 30 Regional Tourism Organisations throughout New Zealand recognised by Regional Tourism Organisations NZ. The role of Destination Marlborough is to market and develop the Marlborough region as a visitor destination, providing a quality experience to visitors, achieving economic and social benefits for suppliers,

businesses and the community and ensuring the integrity of the region's environment is maintained.

Destination Marlborough also operates the Picton and Blenheim i-SITE Visitor Centres which are part of New Zealand's national i-SITE Visitor Information Network.

Further information on Destination Marlborough is available at <http://www.destinationmarlborough.com/>

Issues and Changes

The key issue facing Destination Marlborough is how to ensure Marlborough's tourism growth equals or exceeds national trends. Destination Marlborough's strategic plan sets out the approaches to be followed in meeting this challenge. These include domestic and international marketing, events and conference marketing, branding and communication, regional advocacy and partnerships, product development, research, environmental sustainability, and visitor centre and i-Site re-development.

Levels of Service: Marketing and Tourism

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2009-10	2010-11	2011-12	2012-19
Provide an overall level of customer satisfaction	Resident satisfaction with this service as	6.8	6.8	6.8	6.9	7.0

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that meets or exceeds residents' expectations of this activity.	measured by survey, where 10 = "service delivered extremely well".					
Manage third party providers to ensure service quality and value.	Achievement of Reporting requirements.	Reporting requirements met	Reporting requirements are met.	Reporting requirements are met..	Reporting requirements are met.	Reporting requirements are met.
Effective promotion of Marlborough as a destination.	% change in visitor nights in Marlborough compared to national trends.	Guest nights for the year ended March 2008 increased by 12.2% (NZ 6.9%)	% change in visitor nights equal or better than national trends.	% change in visitor nights equal or better than national trends	% change in visitor nights equal or better than national trends.	% change in visitor nights equal or better than national trends.

Levels of Service apply to the period of this plan. Changes to targets, and to levels of service overall, will be reviewed periodically to reflect any changes to the operating environment and/or community expectations.

ACTIVITY: EVENTS MANAGEMENT

Outcome	Related Community Outcome
Marlborough is highly regarded nationally and internationally for the quality of its events and conference facilities.	Prosperity, Full participation.

How this Activity Contributes to Related Community Outcomes

This activity contributes to the Prosperity and Full Participation Community Outcomes by providing funding to the Marlborough Festival and Events Trust to organise events for Marlburians to enjoy and to attract visitors to the district.

What is this Activity About?

This activity is delivered by the Marlborough Festival and Events Trust, a charitable Trust.

As well as making a substantial contribution to physical activity, cultural identity, and social cohesion, events have a significant role to play in attracting visitors to

Marlborough, showcasing our products, and promoting the Marlborough brand. The new Convention Centre is expected to make a substantial contribution to regional development, by attracting trade shows and conventions, and by providing an important element in the District's overall infrastructure.

Issues and Changes

The economic activity associated with events is becoming an increasingly important part of the regional economy, in particular the tourism sector. The main challenge is to keep events relevant and interesting in times of changing population demographics.

Levels of Service: Events Management

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2009-10	2010-11	2011-12	2012-19
Provide an overall level of customer satisfaction that meets or exceeds residents' expectations of this activity.	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	7.3	7.3	7.3	7.4	7.5
Manage third party providers to ensure service quality and value.	Achievement of reporting requirements	Reporting requirements met.	Reporting requirements are met.	Reporting requirements are met.	Reporting requirements are met.	Reporting requirements are met.

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	Participation numbers at Blenheim Christmas Parade and the Christmas eve celebration.	<5,000	>5,000	>5,000	>5,000	>5,000
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Levels of Service apply to the period of this plan. Changes to targets, and to levels of service overall, will be reviewed periodically to reflect any changes to the operating environment and/or community expectations.

ACTIVITY: RESEARCH CENTRE

Outcome	Related Community Outcome
Marlborough's primary industries have access to world class research and advisory services that add value to their productivity and competitiveness.	Prosperity, Environmental Sustainability and Enterprise and endeavour.

How this Activity Contributes to Related Community Outcomes

This activity contributes to the Community Outcomes of Prosperity, Environmental sustainability and Enterprise and endeavours by providing financial assistance to Marlborough Research Centre Trust to continue research on how the productivity, quality and environmental sustainability particularly of Marlborough vineyards.

What is this Activity About?

This activity is delivered by the Marlborough Research Centre Trust, and provides support for public good research, regional prosperity, and environmental sustainability in support of Marlborough's primary industries.

Further information on the Marlborough Research Centre Trust is available at <http://www.wineresearch.org.nz>

Issues and Changes

Despite the shift across Marlborough from other primary production to grape growing, the original aim of the Trust remains sacrosanct in its principal objective of "Maintaining

a research station in the district of Marlborough to undertake the investigation of a whole range of primary production from land and water within the Marlborough Region".

Innovation in land use using quality production systems has always been a strength of New Zealand's primary industries and Marlborough has been a major beneficiary of the past few decades of investment, enterprise and passion by leading individuals and companies to produce a better return from the land. The ongoing competitiveness of Marlborough's viticultural industry in world markets is dependent upon sustaining this innovation in all aspects of the industry. To this end, increasing the Centre's science capability is a prime objective. Although this applies particularly to the viticulture research undertaken at the Wine Research Centre, other primary production industries – both existing and emergent – are likely to generate new research needs. The capacity of the centre, in all senses, to meet the district's research needs is already at a maximum. Securing additional capacity and attendant resources is a priority for the Trust.

Levels of Service: Research Centre

Performance Targets (for the financial year)

Level of Service	Indicator	Baseline	2009-10	2010-11	2011-12	2012-19
Provide an overall level of customer satisfaction that meets or exceeds residents' expectations of this activity.	Resident satisfaction with this service as measured by survey, where 10 = "service delivered extremely well".	6.9	6.9	7.0	7.0	7.0
Manage third party providers to ensure service quality and value.	Achievement of reporting requirements.	Reporting requirements met. 2007/08	Reporting requirements are met.	Reporting requirements are met.	Reporting requirements are met.	Reporting requirements are met.
	Number of published research papers.	23	>20	>20	>20	>20

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Operating and Capital Costs and Funding Forecast (\$000's)										
Regional Development	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Operating Costs										
Events and Conferences	168	172	177	181	185	192	196	201	207	211
Marketing and Tourism	586	1,191	966	543	543	543	544	544	547	546
Regional Development	155	160	164	168	171	175	179	183	187	192
Research Centre	136	136	136	136	137	137	137	137	135	137
Total Operating Costs	1,045	1,659	1,443	1,028	1,036	1,047	1,056	1,065	1,076	1,086
Funded by										
Rates	793	867	915	927	939	951	961	972	985	981
General Revenues Applied	85	88	91	88	84	83	82	80	79	77
Other Revenue	-	-	1	3	5	7	10	12	12	17
Total Revenue	878	955	1,007	1,018	1,028	1,041	1,053	1,064	1,076	1,075
Operating Deficit Funded from Reserve	167	704	436	10	8	6	3	1	-	11
	1,045	1,659	1,443	1,028	1,036	1,047	1,056	1,065	1,076	1,086
Debt Repayment	4	24	37	37	37	37	37	37	37	37
Funded by										
Depreciation Reserve Transfer	-	-	-	-	-	-	-	-	-	16
Other Reserve Transfers	(116)	(655)	(387)	37	37	37	37	37	37	21
New Loans	120	679	424	-	-	-	-	-	-	-
	4	24	37	37	37	37	37	37	37	37