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**MARLBOROUGH
DISTRICT COUNCIL**

31 January 2024

Record No: 2420690
File Ref: D050-001-C01
Ask For: Nicole Chauval

Notice of Committee Meeting – Wednesday, 7 February 2024

A meeting of the Economic, Finance & Community Committee will be held in the Council Chambers, 15 Seymour Street, Blenheim on **Wednesday, 7 February 2024 commencing at 9.00 am.**

BUSINESS

As per Agenda attached.

MARK WHEELER
CHIEF EXECUTIVE

Public Forum

A public forum will be held prior to the Economic, Finance & Community Committee meeting, starting at 8.30am. If you wish to address the Committee you will need to confirm your attendance and speaking time with the Committee Secretary at least 24 hours prior to the meeting Ph: 03 520 7400. Please note topics are restricted to the agenda items or those within the Committee's delegation.



**Meeting of the
ECONOMIC, FINANCE & COMMUNITY COMMITTEE
to be held in the Council Chambers, 15 Seymour Street, Blenheim
on WEDNESDAY, 7 FEBRUARY 2024, commencing at 9.00 am**

Committee	Clr J D N Croad (Chairperson) Clr S R W Adams (Deputy) Clr J A Arbuckle Clr S J Arbuckle Clr A R Burgess Clr D A Dalliessi Clr B G Dawson Clr B A Faulls Clr M R K Flight Clr G A Hope Clr R J Innes Clr B J Minehan Clr J C Rosene Clr T P Sowman Mayor Nadine Taylor lwi representative (to be advised)
Department Heads	Mr G K Blake (Chief Financial Officer) and Mr D G Heiford (Manager Economic, Community & Support Services)
Staff	N Chauval (Committee Secretary)

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1. Apologies

No apologies received.

2. Declaration of Interests

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

3. Marlborough Town Centre Health Checks 2023-24

(The Chair) (Report prepared by Neil Henry)

E100-005-009-22

Purpose of Report

1. To inform the committee of the results of the 2023-24 Marlborough Town Centre Health Checks (covering Blenheim and Picton CBD's).
2. A presentation will be provided by Freya Thompson, a Council summer student who has undertaken the health checks.

Executive Summary

3. Marlborough town centre health checks have been carried out every two years since 2011.
4. The health checks research a range of parameters to test the 'health' of Blenheim and Picton CBD's. The parameters include types of businesses in the CBD, environment, street vitality, user surveys and spend data.
5. Overall:
 - Blenheim CBD continues to perform well across most measured categories including transport, pedestrian route quality, state of the environment and street vitality. However, there was an increase in vacancies compared to the last survey, and continuation of the trend of more spend in the Rest of Blenheim than in the CBD. The pedestrian survey highlighted that some areas have improved such as the library/Quays area, but further investment elsewhere may be considered by all parties as a majority felt that the town centre has not improved over the past two years.
 - Picton CBD is performing well, which is consistent with previous surveys. The consumer spend data shows that international visitors are returning to Picton and perform an important part of their CBD spend.

RECOMMENDATION

That the information be received.

Background/Context

6. Council has undertaken research on the 'health' of Blenheim CBD since 2011 and Picton since 2013. The research is undertaken every two years by a summer student following a consistent methodology. Previous reports can be viewed on the Council website: <https://www.marlborough.govt.nz/your-council/growing-marlborough/projects-associated-with-growing-marlborough/marlborough-town-centre-health-checks>
7. The results of the biennial health check provide a snapshot of how each town centre is performing across a range of key parameters (see below). Over time, the reports show a picture of how each town has changed and areas of improvement and where changes may be required. The information is useful to a range of stakeholders including Council, CBD businesses, business associations and the community.
8. The methodology for the health check is based upon a UK local government model where local councils investigated the performance of their town centres to test the effectiveness of the policies they pursue, especially town planning policies.

9. The key parameters measured by the health check include:
 - a) Composition of the town centre (i.e. type of business)
 - b) Transport facilities
 - c) Pedestrian route quality
 - d) State of the environment
 - e) Street vitality
 - f) Pedestrian/user survey
 - g) Consumer spend data
 - h) Side by side comparisons

Analysis

10. A presentation of the key findings will be provided at the meeting by Freya Thompson.
11. The reports show a general consistency with those of previous years and show a positive picture for both CBD's across the many factors that are measured. Overall, both towns are performing well and are providing the services and activities required by locals and visitors.
12. The key trends/differences noted were as follows:

Blenheim

- a) Overall the town continues to perform well across most measured categories including transport, pedestrian route quality, state of the environment and street vitality. However, there was an increase in vacancies compared to the last survey, and continuation of the trend of more spend in the Rest of Blenheim than in the CBD. The pedestrian survey highlighted that some areas have improved such as the library/Quays area, but further investment elsewhere may be needed by all parties as a majority felt that the town centre has not improved over the past two years.
- b) Composition:
 - i) Vacancies in Blenheim increased from 5.7% (20 units) in 2022 to 8% (27 units) in 2024. Queen Street has fewer vacancies than in 2022, whereas there are more Market St vacancies than last time.
 - ii) Over time, the number of units occupied by comparison businesses in Blenheim (i.e. retail shops) has decreased over the past decade from 121 units (2011) to 84 (2024). This change has been offset by an increase in other types of business, particularly food and entertainment and service. This trend took place particularly in the last decade, as there has not been a significant change to the composition since 2020.
- c) Transport facilities – no significant change to results
- d) Pedestrian route quality – no significant change to results
 - i) Recent changes to Wynn Street and High Street were captured in this survey as new pedestrian routes. Both were rated as good.
- e) State of the environment - no significant change to results

- f) Street vitality:
 - i) Queen Street vitality has improved as there are now fewer vacancies compared to the last survey
 - ii) Vitality of the area around the new library has dramatically improved
- g) Pedestrian survey:
 - i) 297 responses to the survey (90% online, 10% in person)
 - ii) The main reasons people stated for visiting Blenheim CBD were visiting café/restaurant followed by non-food shopping. This trend reflects the changes to composition of the town where comparison shops have reduced and cafes/restaurants increased, and to consumer behaviour.
 - iii) Metered street parking was identified as the most popular option (32%), free limited time street parking (31%). In 2022, free limited time was most popular (29%) followed by public carparks (18%).
 - iv) Attractive areas identified included new library and Quays area, Seymour Square, green spaces, Forum and art installations. Less attractive areas were vacancies, footpaths, upkeep of toilets and faded blue lampposts.
 - v) Most people spend around an hour in the CBD, which is consistent with previous surveys. The next expected duration is 30 minutes or less, which is an increasing trend.
 - vi) Most people visit the CBD weekly (63%) but daily visits has decreased from 12% in recent surveys to 8% in 2024.
 - vii) Around half of people stated that the CBD provides necessities most of the time. Retail, entertainment/tourism and social areas were the top three categories that were not provided sufficiently. This was consistent with recent surveys.
 - viii) 58% of respondents said the CBD hadn't improved over the last two years. The main recommendation for improvement was more/varied shops, primarily for food and retail, followed by pedestrianised areas.
- h) Consumer spend data:
 - i) Spend data covers two areas in Blenheim – Blenheim CBD, which covers the CBD, Main Street and part of Grove Road; and Rest of Blenheim which includes the remainder of the town plus SH6 to Woodbourne and Old Renwick Road.
 - ii) Total spend over 12 months in Blenheim CBD was \$296.8 million, there were 5.9 million transactions, with an average spend per transaction of \$50.04. The total spend was approximately \$10 million more than 2022, but inflation would be a factor in this increase.
 - iii) Blenheim CBD accounts for 48% of Blenheim's total spend compared to 52% in 2019-20 and 2020-21.
 - iv) The number of transactions has returned to pre-Covid levels in 2023-24. There was an additional 300,000 transactions compared to 2022-23.
 - v) 80% of spend in Blenheim CBD comes from people who live in Marlborough. The 4% spend by internationals confirms a trend of overseas visitors returning.
 - vi) Groceries and liquor (29%) and department stores and leisure (27%) were the main areas of spend. Apparel and personal surprisingly comprised of only 6% of spend

although the composition figures show it made up 24% of the CBD. In Rest of Blenheim, groceries and liquor accounted for 52% of spend.

- vii) Visitors spent \$213.1 million in Marlborough in 2023-24, whilst Marlborough residents spent \$130.3 million outside of the region, giving a net positive inflow of \$82.9 million. There was an increase of \$18 million spend in Marlborough by visitors compared to 2022-23.

Picton

Overall Picton CBD is performing well, which is consistent with previous surveys. The consumer spend data shows that international visitors are returning to Picton and perform an important part of their CBD spend.

- a) Composition:
 - i) Vacancies in Picton were similar to the 2022 survey. In 2022 12 units were vacant and in 2024 13 units were vacant both years equated to 7%. However it remains higher than the 6 vacant units identified in 2020. Most vacancies are away from the main centre of Picton CBD (Auckland St, Wellington St, Mariners Mall).
 - ii) The types of businesses in Picton CBD are similar to the last survey. Food and entertainment 23% (41 units) and accommodation 19% (34 units).
- b) Transport facilities – remains good, no significant change to results
- c) Pedestrian route quality – overall no significant change to results
 - i) A few improvements were noted such as Auckland St and the western side of Waikawa Road.
- d) State of the environment - no significant change to results, remains good overall
- e) Street vitality – no significant change to results, remains good overall
- f) Pedestrian survey:
 - i) 84 responses to the survey (75% online, 25% in person)
 - ii) The main reasons people stated for visiting Picton CBD were café/restaurant (75%) and food shopping (63%)
 - iii) Free limited time was identified as the most popular option (40%), free unlimited time street parking (23%). In 2022, free limited time was most popular (40%) followed by public carparks (19%).
 - iv) Attractive areas identified included waterfront and foreshore and outdoor dining options. Less attractive areas were backpackers, footpaths and Mariners Mall.
 - v) Most people spend around an hour in the CBD (35%), followed by 2-3 hours (26%). This is different to the 2022 survey where 43% spent an hour, and 30 minutes was the second highest category (23%). This indicates that people are spending longer in Picton CBD.
 - vi) Most people visit the CBD weekly (48%) followed by daily visits (40%) which is similar to the last survey.
 - vii) 73% people stated that Picton CBD provides necessities most of the time. Retail (44%) and car parking (38%) were the areas that are not provided sufficiently. This was consistent with recent surveys.

viii) 51% of respondents said the Picton CBD hadn't improved over the last two years. The main recommendations for improvement were more/varied shops catering for locals, and modernisation/attractiveness/greenery.

g) Consumer spend data:

i) Total spend over 12 months in Picton CBD was \$94.3 million, there were 2.2 million transactions, with an average spend per transaction of \$43.84. The total spend was approximately \$15 million more than 2022.

ii) The number of transactions has returned to pre-Covid levels in 2023-24. There was an additional 400,000 transactions compared to 2022-23

iii) 50% of spend Picton CBD comes from people who live in Marlborough. The 17% spend by internationals confirms a trend of overseas visitors returning.

iv) Groceries and liquor (36%) and department stores and cafes, restaurants and bars (22%) were the main areas of spend.

Next steps

13. The 2023-24 Marlborough town centre health check report will be circulated to stakeholders and be made available on the Council website.

14. The next report will be undertaken in two years' time.

Author	Neil Henry, Manager, Strategic Planning and Economic Development
Authoriser	Dean Heiford, Manager, Economic, Community and Support Services

4. Regional Events Update

(The Chair) (Report prepared by Samantha Young)

E100-002-011

Purpose of Report

1. To provide an update on the activities of Council's Regional Events Advisor (REA) and Marlborough's events sector.

Executive Summary

2. Work will commence shortly on a review of the Marlborough Regional Events Strategy.
3. Pure Events Marlborough very successfully delivered Council's 2023 Blenheim Christmas Parade and Picton New Year's Eve events.
4. Recent large community events have reported a record number of attendees.
5. Round 2 of Council's 2023/2024 Commercial Events Fund opens on Monday 12 February 2024.
6. Council's new Community Events Fund has supported four events to date.
7. Expressions of Interest have reopened for the Te Taiuhu Regional Events Fund.
8. Printed and digital versions of the Marlborough Summer Events Guide was released at the end of November. Work on the Autumn Guide is underway.

RECOMMENDATION

That the information be received.

Background/Context

9. The Regional Events Advisor role supports the development of the events sector in Marlborough to ensure it maximises the economic return and community well-being to the region, guided by the Regional Events Strategy. The main activities carried out by the Advisor include:
 - Development, management and implementation of the Regional Events Strategy
 - Marlborough Follow-ME events calendar, printed & digital collateral and social media platforms
 - Management of the following funds and assisting the respective sub-committees and decision-making panels:
 - Commercial Events Fund
 - Community Events Fund
 - Sport and Recreation Community Activity Fund
 - Te Taiuhu Regional Events Fund (Marlborough) - MBIE Funding
 - Identifying and executing Bid opportunities
 - Managing Council's Community Events Services contracts
 - Supporting and advising regional event organisers

Events Update

10. **General Comments:**
 - Work will commence shortly on a review of the Marlborough Regional Events Strategy. Council's REA will be working with key stakeholders around the region over the coming months with the new Strategy due to begin from 1 July 2024

- Securing funding/sponsorship continues to be difficult for a number of events following the impacts of Covid-19
- Increasing costs across all areas of event delivery continue to cause concern for event organisers, particularly Traffic Management costs, leading some organisers to consider alternative Marlborough locations

Recent Large Events

- **South Island Masters Games 2023 - 10 to 23 October**
 - This event was secured for 2021, 2023 and 2025 through Council's Bid Fund
 - Individual and team events across 25 sports were held around the region
 - 1,800 people took part in the event - this is slightly lower than hoped but still provided a great economic boost for Marlborough
 - A full post-event accountability report is expected in the next few weeks
- **Bayleys 'Friday Night Feast' 2023 - Fri 6 Oct**
 - For the first time the event was held at The Quays/Riverside Park and along High Street which proved very successful and popular with attendees
 - Organisers estimate approx. 2,500 attendees
 - The event received funding through the Te Taihu Regional Events Fund - 2023 was the second year of a three-year agreement
- **New Zealand Cheese Festival 2023 - Sat 7 Oct**
 - Event was once again held at Clos Henri Vineyard
 - Due to its success over the previous two years the event has grown from the 'South Island Cheese Festival' to become a national event. Following the 2023 event it has now expanded to host an additional event in the North Island
 - Organisers estimate approx. 2,000 attendees with 40% of these coming from outside of Marlborough
 - The event has received funding through the Te Taihu Regional Events Fund - 2023 was the first year of a two-year agreement
- **Rapaura Springs Garden Marlborough 2023 - 8 to 10 Nov**
 - 2023 was the 30th anniversary of Garden Marlborough
 - Organisers were thrilled with how the event went and reported the following:
 - Record number of ticket sales - 15% more than the 2022 event
 - 58% of attendees from outside of Marlborough
 - 45% first time attendees
 - Approx. 8,000 attendees to the STIHL Shop Garden Fete
 - This event has received funding through Council's Commercial Events Fund and will therefore provide a full accountability report within three months of the event being held. The 2023 event was the third consecutive year that the event has received funding and will therefore not be eligible to apply for funding for next year's event
- **Savour in the Park 2023 - Sat 25 Nov**
 - This R18 event was held for the second year at Churchill Glade, Pollard Park
 - Organisers reported ticket sales were lower than hoped but ahead of the 2023 event
 - This event has received funding through both Council's Commercial Events Fund and the Te Taihu Regional Events Fund and will submit full post-event accountability reports within three months of the event being held
- **Blenheim Christmas Parade - Sat 2 Dec & NYE Picton - Sun 31 Dec**
 - Pure Events Marlborough very successfully delivered Council's Blenheim Christmas Parade and Picton New Year's Eve events
 - These events are two of three events that Council contracts Pure Events Marlborough to deliver through the Community Events Services contract
 - As required under the Contract's terms and conditions, a full event report will be provided within three months of the events
 - The Parade saw a record 38 floats and walking groups take part

- Special thanks to Adam Barclay and team at Fulton Hogan who stepped in late in the planning process to take over organising the traffic management at this year's Parade
- Organisers estimate approx. 6,000 attendees at the New Year's Eve event
- Feedback for both events has been overwhelmingly positive
- **Picton Maritime Festival - Fri 19 & Sat 20 Jan**
 - Organisers report a record 6,000 attendees at this year's event
 - Feedback from organisers, attendees, stallholders and emergency services have been very positive with many calling it the best festival yet

Upcoming Large Events

- **Marlborough Wine & Food Festival - Sat 10 Feb**
 - 2024 will be the 37th year of the Festival
 - Organisers are reporting ticket sales are currently on par with the 2023 event
 - Tickets to all four masterclasses are selling very well with one of the classes sold out
 - 'The Lounge' tickets are sold out
 - A new culinary experience has been introduced to the event this year with three pop-up restaurants featuring on-site
 - Following learnings from the 2023 event, Police have requested a temporary liquor ban in Renwick from 6am on Sat 10 Feb to 6am Sun 11 Feb. This has been approved
 - This is the first time the event has received funding through Council's Commercial Events Fund - a full accountability report will be provided within three months of the event taking place
- **Marlborough Multicultural Festival - Sat 9 March**
 - This event will be held at Churchill Glade, Pollard Park
 - Following last year's great success, organisers are hopeful they will attract a large number of attendees to the event once again
 - Council's REA and Community Partnerships team are working with the Marlborough Migrant Centre in the lead-up to the event
 - The event receives funding as one of Council's contracted community events
- **Havelock Mussel & Seafood Festival - Sat 16 March**
 - 2024 will be the Festival's 20th anniversary
 - The event has experienced some technical issues with ticketing through Eventfinda which resulted in tickets not being on sale for a week. However organisers are reporting sales are now tracking well and are on par with last year's event
 - Revenue is up on the 2023 event thanks to 50% of VIP tickets already being sold to date
 - Event marketing will start in full after the Marlborough Wine & Food Festival
 - Organisers have been successful in securing sponsorship and are on target to reach their goal
 - The event has received funding through Council's Commercial Events Fund and will therefore provide a full accountability report within three months of the event being held
- **Saint Clair Vineyard Half Marathon - Sat 11 May**
 - Organisers are very happy with level of entries to date and report they are on-track to sell-out
 - The event has been supported through Council's Commercial Events Fund. The 2024 event will be the third consecutive year that the event has received funding and will therefore not be eligible to apply for funding for next year's event

Event Funding

11. Commercial Events Fund

- This contestable fund is open to organisers of commercial events that create economic benefits to Marlborough by increasing visitation to the region. Community events, conferences, conventions, trade shows and exhibitions are not eligible

- Budget for 2023/2024 is \$100,000 and there are two rounds per annum
- Round 1 for 2023/2024 is now complete. The Commercial Events Fund sub-committee met on Thursday 2 November to review six applications totalling \$99,695.60. The following applications were approved:

Organisation	Event	\$ Requested	Decision
Two Rivers of Marlborough Ltd	Brookby Beats 2024	\$21,195.60	Approved - \$10,000
Havelock Mussel Festival Inc	Havelock Mussel & Seafood Festival 2024	\$16,000	Approved - \$7,000
Wine Marlborough Ltd	Marlborough Wine & Food Festival 2024	\$20,000	Approved - \$20,000
Soaked in Adventure	Wander Women Adventure Race Marlborough 2024	\$15,000	Approved - \$6,000
Tailwind Events	Saint Clair Vineyard Half Marathon 2024	\$5,000	\$5,000 Confirmed (approved in principle in Round 1 of 2021/2022)

- Round 2 for 2023/2024 will open on Monday 12 February 2024

12. Community Events Fund

- This contestable fund is aimed at supporting the delivery of quality, innovative community events that act as catalysts for community well-being and civic pride. Applications are accepted from Marlborough community groups, organisations and individuals
- Applications opened on 1 July 2023. The fund will remain open year-round (or until funds are fully allocated) to enable applicants to apply as opportunities arise
- Budget for 2023/2024 is \$28,000
- To date, eight applications have been received totalling \$30,070 with the decision-making panel approving the following:

Organisation	Event	\$ Requested	Decision
Marlborough Migrant Centre	Latin America & Spain Film Festival 2023	\$1,300	Approved - \$1,300
Waikawa Bay School PTA	Waikawa Bay School Plant Sale & Family Day 2023	\$770	Approved - \$770
Rai Valley A&P Show Association	Rai Valley A&P Show 2024	\$3,000	Approved - \$3,000
Envirohub Marlborough Charitable Trust	Earth Day - Picnic in the Park 2024	\$5,000	Approved - \$5,000

- There is \$17,930 of funding remaining for 2023/2024

13. Te Taihu Regional Events Fund

- In September 2020, Government announced a \$50m fund to support the tourism and event sectors in response to Covid-19's impact on international tourism. The fund is intended to stimulate domestic tourism and travel between regions through the hosting of events with the aim of replacing some of the expenditure usually generated by international visitors
- Marlborough, Nelson and Tasman were allocated \$1.5m for the creation of the Te Taihu Regional Events Fund to facilitate and fund events - \$540,000 of this was allocated to Marlborough
- Until October 2023 Marlborough's funding had been fully allocated. However, due to underspend and a change in circumstances for some of the events, \$120,000 was made available again and Expressions of Interest reopened at the end of October. The following events/activities have subsequently been supported or progressed to Stage 2:
 - Business Events Marlborough (attendance at trade shows)
 - Omaka Wings & Wheels Days (three events)
 - Land & Sea Festival
 - Evolutions Sails Women's Regatta
- There is \$42,411 of funding remaining for allocation - this must be spent by 30 June 2025

14. Follow-ME Event Promotion

- The Marlborough Summer Events Guide showcasing events taking place between 1 December and 29 February 2024 was released at the end of November and promoted locally as well as to Nelson, Christchurch/Canterbury and Wellington through various print and digital channels
- Work has commenced on the Autumn Guide promoting events taking place between 1 March and 31 May 2024
- Weekend Guides will be produced over the next few months to highlight other activities/events taking place at the same time as some of Marlborough's large events:
 - Marlborough Wine & Food Festival
 - Havelock Mussel & Seafood Festival
 - Saint Clair Vineyard Half Marathon
- Analytics for Follow-ME's online calendar are currently unavailable due to some technical issues with marlboroughnz.com. This is being investigated by the web developers and the team at Destination Marlborough

Author	Samantha Young, Regional Events Advisor
Authoriser	Neil Henry, Manager, Economic Development and Strategic Planning

5. Adoption of the Arts Culture and Creativity Strategy

(Mayor Taylor) (Report prepared by Nicola Neilson)

A200-0000-01

Purpose of Report

1. The purpose of the report is to provide Council with the Arts Culture and Creativity Strategy 2024 and implementation plan for Marlborough.

Executive Summary

2. During 2023, engagement and extensive consultation with key stakeholders was undertaken. This gathering of data and input provided the framework for the Arts, Culture and Creativity Strategy which has been developed with the six pathways outlined below. The strategy is for a ten-year period, with a review after the first three years.
3. Iwi engagement has been undertaken with an Iwi Advisory Panel (led by Dr Peter Meihana), established to help guide the strategy development.
4. Costs associated with this work relate to the three stages of the strategy implementation plan and will be a budget paper requesting funding for 1 to 5 years with a review for years 6 to 10.
5. Suitable measures and performance indicators will be developed for the implementation plan.

RECOMMENDATIONS

1. That the Arts, Culture and Creativity Strategy be accepted and adopted by Council.
2. That the Arts, Culture and Creativity Strategy implementation plan be accepted subject to budget approval as part of the Long Term Plan.

Background/Context

6. Council's Arts and Culture Strategy was last reviewed in 2008. Council approved a strategy refresh in 2022 which coincided with the employment of a dedicated Arts, Culture and Heritage staff member. Consultation with community, and development of the strategy took place throughout 2023.
7. Investment in the arts delivers strong economic results, with employment, business and GDP growing in 2022. The arts and creative sector contributed a GDP to Marlborough of \$78.6 million in 2022 (a 0.5% increase compared to 10.6% increase nationally). * *Statistics by Manatū Taonga Ministry for Culture and Heritage (MCH)*
8. In 2022, more than 800 people were employed in the sector in Marlborough, (a 0.7% increase compared to 3.8% increase nationally). * *Statistics by Manatū Taonga Ministry for Culture and Heritage (MCH)*
9. Adopting the new Arts, Culture and Creativity strategy would bring Council's approach in line with other regions that aim to collaboratively establish the essential resources, platforms, skills, partnerships and infrastructure to build a vibrant and flourishing creative economy.

The Strategy

10. The Arts, Culture and Creativity Strategy identifies six pathways to supporting the creative sector:
 - **Te Ara tuatahi: Facilities** - A variety of venues for both performance and creation.
 - **Te Ara tuarua: Education** - Capability building programmes across the whole sector.
 - **Te Ara tuatoru: Accessibility** - Removing access barriers and promoting inclusivity.
 - **Te Ara tuawha: Culture** - Visible content that cultivates a deeper understanding of the region's diverse population and the region's unique cultural identity.
 - **Te Ara tuarima: Visibility** - Revealing local stories, talent and opportunities.

- **Te Ara tua: Communication** - Making connections, facilitating creative partnerships, and the prominence of creatives in Marlborough is realised.

11. The Arts, Culture and Creativity Strategy is attached. (Refer Attachment 1) It includes an implementation plan that is broken down into three stages as a starting point.
12. Once adopted the strategy document will be widely distributed to encourage the creative sector and community organisations to align with the goals and aspirations and become stronger collectively. Council departments will have a role in creating good outcomes for the creative sector.

Attachment

Attachment 1 – Arts, Culture & Creativity Strategy and Implementation Plan

page [15]

Author	Nicola Neilson, Project Lead – Arts Culture and Heritage
Authoriser	Dean Heiford, Manager Economic, Community & Support Services

Summary of decision-making considerations			
Fit with purpose of local government			
Providing a strategic approach for arts, culture and creativity which benefits the community.			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	X	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	<input type="checkbox"/>	<input type="checkbox"/>	X
Infrastructure Strategy	X	<input type="checkbox"/>	<input type="checkbox"/>
Social well-being	X	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	X	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	X
Arts & Culture	X	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	X
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	X
Parks and reserves	X	<input type="checkbox"/>	<input type="checkbox"/>
Nature of the decision to be made			
The options do not involve a significant decision in relation to land or a body of water.			
Financial considerations			
The three stage budget is being considered by Council through LTP in 2024.			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
Collaboration with all sectors of the creative community, as well as national bodies such as Creative New Zealand to form a strategic approach to enhance and grow the arts in Marlborough.			
Climate Change Implications			
There are no known climate change implications to this decision.			

Marlborough District Council
Arts, Culture & Creativity Strategy
2024-2034

Final text January 2024

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7. The role of Council
8. Our Vision
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10. Strategy Pathways
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12. **Te Ara tuarua:** Education
13. **Te Ara tuatoru:** Accessibility
14. **Te Ara tuawha:** Culture
15. **Te Ara tuarima:** Visibility
16. **Te Ara tua:** Communication

Appendix A: Summary of engagement and consultation

Appendix B: Definitions

Appendix C: Implementation plan - separate document

1. Whakataukī

Te toi whakairo, ka ihiihi, ka wehiwehi, ka aweawe te ao katoa.

Artistic excellence makes the world sit up and wonder.

2. Foreword by the Mayor

Every great city and region has a great arts, culture and creativity strategy.

Marlborough has the ingredients to be a highly successful creative region - talented artists and creative people, wonderful community facilities and stunning landscapes, arts education for our young people, and visitors who want to experience the special things we have to offer.

This new strategy brings together all those strands into a short, medium and long term plan for the arts, culture and creativity, right here in Marlborough.

My deepest thanks to the many people who contributed to the development of this strategy, who are far too numerous to mention by name. There have been many meetings and discussions which have generated some exciting ideas and plans – which you will now find embedded in this strategy. I want to underscore that this was not a 'top-down' council planning exercise - it's a grassroots inspired strategy generated by the energy and drive that exists within our creative community. My special thanks to the Arts Steering Group and Iwi Advisory Panel for their leadership in bringing this together into one strategy and implementation plan.

By working together, we are stronger collectively. I believe that once implemented this strategy will foster more cultural development in Marlborough, better support our artists and creatives, attract more visitors, stimulate the economy and enhance our quality of life, by supporting more creativity and engagement in the arts.

Successful implementation will inspire more innovation, provide more platforms for diverse voices, and consolidate Marlborough's unique identity.

I encourage you to read and digest the contents of this strategy - it sets a clear, positive path forward for Marlborough's dynamic creative sector.

Nadine Taylor
Mayor of Marlborough

3. Our story

Art plays a pivotal role in shaping the identity, cohesion, and vitality of communities. It fosters a sense of belonging, expression, and collective understanding. Its importance goes beyond aesthetics; it serves as a catalyst for social change, education, and emotional well-being within communities. Supporting and promoting art within communities is an essential investment in the enrichment and cohesion of society as a whole.

Our region has a long and deep history of artistic endeavour, extending back beyond the establishment of the province in 1859. Te Pokohiwi o Kupe holds immense significance as a wāhi tapu and an archaeological site. Excavations at the Wairau Bar uncovered taonga, including tools and jewellery offering tangible connections to the ancestral heritage and daily activities of the Aotearoa's first people. They provide crucial insights into Māori craftsmanship, social structures, and trade networks, unraveling the complexities of their migration, settlement, and cultural practices.

Drawing inspiration from its stunning landscapes and cultural heritage our region has fostered a creative environment that has birthed and nurtured numerous artists. Showcasing a rich array of creativity spanning various mediums, our artistic community continues to shape the region's artistic legacy while adding their distinct perspectives to the wider New Zealand art landscape.

Art has the power to stimulate economic growth within communities. Cultural events, galleries, theatres, and art-related initiatives attract tourists, businesses, and investments, contributing to the local economy. It enhances education by nurturing creativity, critical thinking, and problem-solving skills among individuals, particularly in young minds. Exposure to diverse art forms encourages open-mindedness and innovation, contributing to a well-rounded education.

4. Why arts, culture and creativity matter in Te Taihū o te Waka

Marlborough boasts essential elements for a vibrant cultural environment, drawing visitors year-round with its renowned natural beauty and top-tier cultural facilities that surpass national standards.

The shifting needs of Marlborough's diverse communities, emerging technological prospects, and a deepening understanding of the responsibilities as a Tiriti partner converge to create an opportune moment for a fresh creative strategy. At the same time, more people recognize the powerful role of the arts in connecting whānau and communities.

Providing a robust framework to support the work of creative individuals is crucial. A thriving arts and cultural sector contribute to an exciting and captivating region, with strategic actions vital to its sustainability and vibrancy in the broader Marlborough region.

Leadership within this sector doesn't solely emanate from the Council but emerges from diverse innovative individuals, organisations, and enterprises. Our population is a tapestry of diversity and talent, housing a community of passionate creators, practitioners, participants, organisations, and audiences.

Urban scenery is evolving due to shifting functions within central business districts, enhancements to the region's infrastructure, threats from climate change, and the increased housing demand. Arts, culture, and creativity are positioned to play a transformative role in shaping our developing urban landscape.

The COVID-19 pandemic intensified challenges of social inequality, mental health, and economic fragility. Arts and culture played a vital role in addressing these issues and the pandemic sparked a surge in creativity, with a global interest in culture evident in online events. Post-pandemic, engagement with the arts has persisted, signalling a change in how we approach and enjoy artistic expressions.

The lessons drawn from the pandemic and climate change prompt us to contemplate how we lead our lives, and how we channel our creativity. Community enthusiasm shown in creating this strategy can unite creatives, national organisations, economic drivers and institutions to drive real cultural change.

5. Te Tiriti o Waitangi

While formulating this strategy, we worked to ensure it was consistent with the principles of Te Tiriti o Waitangi. The Council, along with the broader community, is steadily enhancing its knowledge, comprehension, and application of partnership. This strategy aims to foster the ongoing development of the creative sector and integrate our efforts into a crucial bicultural foundation. Over the next few years, we will reassess our bicultural practices and understanding, evaluate the current level of awareness within the creative sector and determine the Māori capabilities required to support our endeavours. We are committed to adopting a Te Ao Māori approach across all our actions and actively engage Māori in this process.

Values

In crafting this strategy, we laid down a set of core values to steer our path, ensuring that the initiative encapsulates the essence of what is significant to Marlborough and how we will collaboratively strive to achieve our goals.

Kaitiakitanga | Guardianship - Tending to our artistic endeavours: We responsibly oversee and enhance access to our arts, recognising that we safeguard them on behalf of all of Marlborough.

Oranga tonutanga | Wellbeing - We recognise the powerful role of arts and creativity in enhancing wellbeing for individuals, communities, and society. Actively integrating them into Marlborough's community and economic foundations, the arts serve as pillars offering joy, entertainment, solace in adversity, and fostering cultural connections and learning opportunities.

Ōhanga | Economy – We recognise that arts and creativity are foundational to innovation and economic growth. Their presence revitalises urban spaces, injecting dynamism into the urban landscape for residents and enhances its attractions for visitors. Creative regions attract innovative talents, businesses, and industries.

Mana motuhake | Identity - Through artistic expression, we communicate our narratives, intricately weaving together elements of arts, culture and heritage. By serving as a canvas for our values and reflecting our rich diversity, the arts become a defining characteristic of our region.

Mātauranga | Knowledge - We actively seek and share knowledge, value traditional and innovative skills, and encourage questioning and debate within both the creative and broader communities.

Manaakitanga | Community – We actively seek and share knowledge, value traditional and innovative skills, and encourage questioning and discussion within both the creative and broader communities.

6. The Creative Economy

This strategy aims to strengthen our creative sector, boosting economic progress and enhancing Marlborough's competitiveness at a national level, attracting investment, talent, and tourism.

The creative sector is an important part of our economy, providing jobs and attracting investment, talent, and visitors. However, we lag behind in creative employment compared to the rest of the country and creative practitioners here tell us they often feel undervalued. If we value art, we must value the people who produce that art and recognise their work as essential, not discretionary. Recognising the importance of art requires valuing the people behind it.

Post-Covid-19, our retail, accommodation and hospitality sectors face challenges. The arts can help revitalize our region, attracting visitors and boosting recovery by increasing footfall and spending. Nationally, we are increasingly recognizing the arts' benefits for individual wellbeing, communities, and the economy.

Creativity and innovation are closely intertwined in today's context. Creativity sparks inspiration and belief in possibilities, while innovation translates ideas into tangible outcomes. This dynamic can inform local government decisions, evaluate potentials, fosters business collaborations, and inspire distinctive forms of local expression.

A thriving artistic culture relies on a complete ecosystem, including spaces for presenting work, collaborators for creation, access to materials and technology for craftsmanship, and engaged audiences. Often, these elements operate on volunteer efforts and goodwill, but this is not sustainable.

New statistics released by Manatū Taonga Ministry for Culture and Heritage (MCH) have found that the Government investment in arts delivers strong economic results, with employment, business and GDP growing in 2022.*

Nationally, \$14.9 billion GDP was generated by the arts and creative sector to March 2022. In Marlborough the sector contributed a GDP of \$78.6 million, a 12-month increase of 0.5% compared to 10.6% nationally

Nationally, there are more than 115,000 people whose primary employment is in the arts and creative sector. This was a 3.8% increase from March 2021 to March 2022. In Marlborough, more than 800 people are employed in the sector, a 0.7% increase

To foster flexible, inventive communities well-versed in technology, nurturing imaginative and inquisitive thinking is imperative. A region known for welcoming artists attracts and retains imaginative individuals, driving innovation and creating a cutting-edge and appealing area.

* Infometrics 2022 Sector Profile – Arts and Creative, published November 2023.

7. The role of Council

Council's assume multiple roles - that of facilitator, financier, collaborator, enabler, promoter, and overseer - all focused on enhancing cultural welfare.

Council shoulders the crucial responsibility of advocating for our creative community by influencing government bodies, the private sector and national collaborators. This involves championing Marlborough as a destination that attracts and retains talent, students, tourists and investments.

The recommendations in this strategy will not only benefit the creative community but will also feed into and help deliver the following:

- Te Taihū Intergenerational Strategy
- Marlborough District Council Long Term Plan
- Marlborough District Council Positive Ageing Strategy
- Destination Marlborough Destination Management Plan

Council's role in fostering arts, culture and creativity is varied:

Leader: Council assumes diverse roles in nurturing a robust and dynamic arts sector. These roles encompass leadership, provision of facilities, funding distribution, policymaking, support, advocacy, and guardianship.

Provider and promoter of facilities and amenities: As a provider and promoter, the Council becomes a custodian of valuable community assets. Te Kahu o Waipuna, parks and open spaces, community halls, are held in its stewardship.

Provider and distributor of funding: In its capacity as a provider and distributor of funding, the Council facilitates community grants. It effectively channels government grants through the Creative Communities Scheme, and actively facilitates the installation of regional artworks.

Policy maker and planner: The Council takes on the role of a policy maker and planner by owning and steering the Arts, Culture and Creativity Strategy, along with its comprehensive implementation plan. It evaluates progress against the objectives articulated in the plan and subsequently offers comprehensive reporting.

Supporter and facilitator of groups and activities: Functioning as a supporter and facilitator, the Council dedicates staff time and resources to bolster arts and culture events. It extends the availability of Council-owned facilities to these endeavours, actively promotes community and cultural networks, and nurtures community groups toward achieving excellence.

Advocate and promoter: As an advocate and promoter, the Council acknowledges and celebrates local talent, marking their contributions. It magnifies instances of excellence and positions Marlborough as a vibrant destination.

While no single agency or organisation can provide a comprehensive solution, the Council, as the entity ultimately accountable for community welfare, stands in a prime position to take on the role of instigator and enabler.

8. Our Vision

Marlborough is creative, vibrant, inclusive, and thriving. Through collaboration the threads of creativity and innovation are seamlessly integrated into everything we do.

9. Our Mission

To collaboratively establish the essential resources, platforms, skills and infrastructure to nurture the advancement of arts, culture and creativity in Marlborough.

10. Strategy Pathways

This strategy, shaped by community insights, follows six essential pathways to achieve the envisioned outcomes. Developed through public engagement, research and collaboration with iwi, these pathways serve as a blueprint for Marlborough's future arts and cultural vitality.

Te Ara tuatahi: Facilities - A variety of venues for both performance and creation.

Te Ara tuarua: Education - Capability building programmes across the whole sector.

Te Ara tuatoru: Accessibility - Removing access barriers and promoting inclusivity.

Te Ara tuawha: Culture - Visible content that cultivates a deeper understanding of the region's diverse population and the region's unique cultural identity.

Te Ara tuarima: Visibility - Revealing local stories, talent and opportunities.

Te Ara tua: Communication - Making connections, facilitating creative partnerships, and the prominence of creatives in Marlborough is realised.

11. Te Ara tuatahi: Facilities

Our settings showcase Marlborough's identity as one of Aotearoa New Zealand's oldest settlements. Beyond artistic displays, our facilities aim to inject vitality into life through cultural vibrancy and communal activities, spanning the spectrum from creation and practice to exhibition and presentation.

Urban landscapes, including venues, open spaces, and parks will feature innovative infrastructure for artistic representation day and night, fostering collaborative and diverse ideas. Arts and culture extend beyond venues, captivating streets through creative placemaking collaborations, revitalising architectural structures and streetscapes.

Marlborough boasts successful arts spaces like Te Kahu o Waipuna and ASB Theatre, exceeding expectations in their localities and bringing immense value to the community. The Marlborough District Council has committed substantial financial resources to develop and maintain these artistic establishments, which hold considerable regional importance and consistently attract top tier shows and exhibitions.

Despite these achievements, there are notable deficiencies in our infrastructure, including the need for budget-friendly space for creation and a vibrant arts community. Alongside addressing existing gaps there is an imperative to concentrate on maximising the potential of current venues. This approach will breathe new life into buildings, streetscapes and structures, enhancing the sustainability of local businesses.

What we will see

- Increased opportunities for engaging in and observing creative activities
- Venues that are suitable for current and future needs
- Creative industries that are familiar with and capable of utilising Council procedures
- Involvement of artists and creative individuals in the initial phases of infrastructure projects

Opportunities to experience the heritage and artistic expression of the region within our urban spaces

12. Te Ara tuarua: Education

To build a creative economy, we aim to strengthen ties with educational institutions and cultural organisations, creating pathways for the growth of our creative industries. Our focus is on retaining individuals in their 20s and 30s in creative employment, expanding the market and capacity of creative industries, and celebrating arts institutions that contribute to employment in Marlborough.

We are committed to supporting emerging and expanding creative enterprises, particularly from underrepresented communities. The goal is not to teach creativity but to equip artists with essential tools for sustainable, thriving careers, including rarely taught business skills.

Through mentorship, grant application guidance, and skill development opportunities, we aim to position our creative sector as a local and national leader in arts, culture and creativity.

What we will see

- Awareness and use of local practitioners
- Creative industries are sustainable in Marlborough
- Provided programs bring about a positive impact and foster growth in the creative sector
- Acknowledgement and celebration of Ngā toi Māori and Te Reo Māori
- Existing partnerships are nurtured, and new ones developed

13. Te Ara tuatoru: Accessibility

Our places and spaces will be accessible and affordable. They will be planned and equipped with the necessary infrastructure and technology to encourage dynamic and inclusive creative expression for all individuals.

It's important to recognise the diverse spectrum of individuals in our community and the various obstacles that might hinder their engagement. These barriers encompass factors such as transportation, childcare, distance, expenses, disabilities and mental health issues, among others. Our goal is for the entire community not just to enjoy and hold the arts in high regard, but also to actively partake in them.

As Marlborough grows, we will collaborate with the infrastructure developers to guarantee that arts, culture and creativity continue to invigorate our region, catering to all individuals. Budget-friendly, fitting, and easily reachable locations, environments and sites will be prevalent.

What we will see

- Affordable access to venues, spaces, and resources
- Creative thinkers and practitioners from all cultures and abilities are seen and celebrated
- Supported creativity through simple, efficient, enabling processes
- Creative spaces in Marlborough are inclusive and welcoming

14. Te Ara tuawha: Culture | Ngā toi Māori

A recent Creative New Zealand study shows over half of New Zealanders view the arts as a significant link to their cultural heritage, and two-thirds gain insights into diverse cultures through artistic expressions. Marlborough, one of Aotearoa New Zealand's oldest settlements and our home, is an ideal destination for accessible cultural treasures.

The Council acknowledges the mana whenua of Te Taihū o te Waka iwi, committing to collaborate for favourable results for the Māori population. The eight iwi significantly contribute to the welfare of both the Māori community and society.

We recognise the importance of spaces shared with mana whenua for arts and cultural expression. Our commitment is firm in collaborating to integrate Māori knowledge and narratives into the region's infrastructure, locales and environments for generations to come.

Dedicated to empowering the region as a hub for Ngā Toi Māori, we aim to centre Māori knowledge and promote it as Aotearoa's first knowledge system, reimagining our heritage roots to provoke and motivate.

Collectively, we will explore innovative avenues through which Māori can:

- Engage in the processes that influence Māori culture and its creations.
- Enable signature events including Matariki.
- Tell stories of our region and ensure that ngā toi Māori and te reo Māori are highly visible.
- Encourage respectful use of tikanga.

What we will see

- Consultation with mana whenua and Māori early and often
- Enhanced understanding and implementation of tikanga within Marlborough
- Increased use of te reo Māori
- A robust and flourishing Māori creative economy

15. Te Ara tuarima: Visibility

A captivating way of life garners national and international recognition, drawing in the necessary investment and skilled individuals required for a vibrant community and economy. A visibly strong and collaborative leadership for the arts is crucial for creating an environment where artists can prosper, and the sector can grow.

Fostering advocates for the arts throughout the region is essential for promoting cross-sector involvement and embedding artistic expression into every facet of our existence. These advocates have the potential to enhance and solidify ties with the business and private sectors.

Marlborough boasts a lively and dynamic creative community; however, it frequently operates with limited visibility and insufficient backing to elevate its prominence. The creative community is ready for ambitious guidance, which will broaden our networks and generate prospects for investment.

What we will see

- The rich layered history of Marlborough and its significance for Aotearoa New Zealand reflected in our creative and cultural landscape
- Enhanced national recognition of Marlborough as a flourishing hub for creative individuals
- A relevant digital presence of our creative industries
- Recognition of the arts' impact on the community's economy, health, and wellbeing
- A well connected and recognised creative sector in Marlborough

16. Te Ara tua: Communication

In the creative sector, effective communication is crucial for collaboration and idea exchange within diverse teams. It creates an environment where individuals can share insights, brainstorm innovative concepts, and work harmoniously.

The success of the creative sector depends on its capacity to connect with audiences. Skilful communication bridges the gap between creative vision and audience understanding. Thoughtful storytelling, engaging narratives, and interactive experiences deepen appreciation and build a loyal following.

Advocating for the sector's needs requires clear communication of its societal and economic contributions to policymakers, sponsors and funders, ensuring sustained growth and vitality.

Networking events, workshops and industry gatherings facilitated by strong communication platforms create opportunities for artists, organisations, and professionals to connect, share knowledge, and expand their opportunities.

What we will see

- A collaboratively designed, dynamic, and ever-evolving strategy nurtured through collaboration
- Effective communication and information sharing platforms
- Opportunities for establishing and nurturing relationships throughout the arts and creative sector
- Acknowledgment of the arts' contribution to the economy and suitable investment
- An alignment of primary stakeholders e.g. performing arts, film, crafts

Appendix A

Summary of engagement and consultation

This strategy replaces the 2008 Marlborough District Council Arts and Culture Strategy. Developed through a 12-month community engagement process, it aims to establish a synchronised, well-informed and cooperative approach in the arts, culture and creativity sector. Input from arts advocates led to the adoption of a collaborative method, involving both the creative sector and the wider community.

In early 2023, the Arts Steering Group and the Iwi Advisory Panel, formed a partnership to conduct research, aid communication, and compose the strategy.

The first group, led by the MDC Project Lead for Arts, Culture and Heritage included representatives from various creative sectors including performing arts, literary arts, craft and objects, visual arts, and Pacific arts.

The second group, led by Dr Peter Meihana, focused on traditional Māori arts and culture with representation from the eight iwi of Te Taihū o te Waka.

The strategy's evolution involved workshops, consultations, written submissions, conversations and open forums.

In early 2023, community workshops gathered input on vital factors for Arts, Culture and Creativity to thrive in Marlborough. Participants ranked their responses by importance, discussed the Council's connection to the arts sector, community leadership, and identified skill gaps for creative success in the region. They also acknowledged Marlborough's strengths and achievements.

Over 130 individuals and organisations participated in workshops, and many in-person meetings occurred, shaping prevalent themes for subsequent online inquiries and discussions.

Several distinct themes were identified:

- The arts are crucial for storytelling, linking us to our history and place
- Creativity and innovation within the region find their foundation in the arts
- The arts have a tangible impact on daily lives
- Funding for the arts must be on par with other sectors e.g. sports
- Māori must be central in the planning and decision-making for the sector
- Improve communications on the benefits of the arts to the local economy
- Increased resources are needed including infrastructure and capability programs
- The strategy must translate into concrete, actionable initiatives

Appendix B

Definitions

Culture - is our identity (owners)

Arts - is the expression of our identity (users)

Creativity - is the use of imagination to innovate

Creative Economy - The creative economy involves utilising and generating novel ideas and innovations to propel economic activities. It encompasses various sectors such as arts, culture, design, media, advertising, technology and other knowledge-based industries. The creative economy places value on ideas, innovation and cultural expression, recognising their economic potential. The concept highlights the economic impact of creativity and innovation in driving economic growth, creating jobs and fostering cultural development.

The Arts - In this strategy, when we refer to the Arts, we encompass a broad array of disciplines (as defined by Creative New Zealand), including but not limited to:

Craft/Object: The traditional applied arts and contemporary practices of all the peoples of Aotearoa/New Zealand. Genres include, but are not limited to, ceramics, furniture, glass, jewellery, object making, studio-based design, raranga, tāniko, tapa making, textiles, tivaevae, typography and weaving.

Community Art: Community arts are created by, with, and for a community - e.g. workshops or wānanga - participants are involved receptively in the learning, practice, presentation and appreciation of their traditional arts practices.

Dance: Includes classical and contemporary dance; street, experimental and integrated dance; and traditional and contemporary Māori and Pacific Island dance.

Interarts: Interarts projects integrate artforms of any cultural tradition, combining them to create a new and distinct work. The result of this integration is a hybrid or fusion of artforms outside of Creative New Zealand's artform categories.

Literature: A broad, inclusive concept of writers and illustrators of fiction and non-fiction. Fiction includes novels, novellas, short stories, poetry, graphic novels, illustrated picture books, and speculative fiction such as fantasy fiction, science fiction, detective fiction, and historical fiction. Non-fiction includes autobiography, biography, essays, social commentary, literary criticism, reviews, analytical prose and writing about the physical and natural sciences.

Multi-disciplinary: Projects and activities that do not feature one main artform and that involve at least two different artforms, of any cultural tradition.

Music: Includes classical and contemporary music; orchestral, choral, and band music; opera; jazz and improvised music; sound art; contemporary popular music; 'world' music; and traditional and contemporary Māori and Pacific Island music.

Ngā toi Māori: Includes Māori heritage arts practice such as: taonga pūoro, tārai waka, Kaupapa waka, whakairo, raranga, tāniko, kākahu, tukutuku, kōwhaiwhai, tā moko, kapa haka, mōteatea, waiata ā-ringa, waiata tawhito, poi, waiata haka, pao, mau rākau, whaikōrero, karanga, whakapapa recitation, te reo me onā tikanga, kōrero paki, kōrero tuku iho, pakiwaitara, karetao, whare tapere and whakaraka. It also includes the work of Māori artists across all forms of contemporary arts practice.

Pacific Arts: Includes Pasifika artists undertaking contemporary and heritage arts projects in all art forms.

Theatre: Includes both classical and contemporary theatre, and all genres such as comedy, drama, physical theatre, devised theatre, street theatre, musical theatre, circus, puppetry, mask and theatre for children.

Visual Arts: Includes drawing, experimental sound/audio and moving-image arts projects, installation, kōwhaiwha, painting, performance within a visual arts context, photography, printmaking, sculpture, tā moko and typography.

Marlborough District Council
Arts, Culture & Creativity Strategy
2024-2034

1. Implementation Plan

The Arts, Culture and Creativity Strategy constitutes a collaborative plan involving multiple stakeholders. The subsequent implementation plan reinforces this strategy and encompasses various measures to ensure successful outcomes.

Taking on the role of the principal entity, Council's Community Partnerships team will serve as the initial contact for the creative sector. This team will collaborate with organisations and public agencies to execute the plan.

The implementation plan sets the stage for the upcoming decade, with specific emphasis on the immediate three years and the attainable goals to be reached by 2027.

This is a 'living' document that will be overseen by Council in partnership with the Arts Steering Group and Iwi Advisory Group that produced this strategy.

Additional primary agents and supporting partners might be identified over time and they will be integrated into this document.

Council's Community Partnerships team will monitor and report regularly on progress to Council through the Economic, Finance and Community Committee.

The Arts Steering Group and the Iwi Advisory Panel, collaborating to formulate this strategy, are presumed to play pivotal roles as key stakeholders in the implementation plan. They will actively propel the actions forward, necessitating the inclusion of an Arts, Culture, and Creativity role within the council staff structure.

Innovation			
Action	What we need to support this	Potential partners	Timeframe
Develop and execute a Council Public Art Policy aligned with this strategy, encompassing a collaborative and implementation blueprint.	Advice and support from Ministry for Culture & Heritage and other relevant authorities, a communication strategy	Marlborough Art Gallery, MDC Comms team, Creative NZ	1-3 years Stage 1: Research Stage 2: Public consultation Stage 3: Implementation
Champion the Creative Sector as an 'enabler' for innovation, entrepreneurship, and creative expression.	Relevant and strong relationships in the local economy, access to economic drivers and facilitators, digital platform	MDC Economic Development team, MDC Communications team, Marlborough Chamber of Commerce	1-5 years Stage 1: Relationship building, research Stage 2: Identify actions/champions Stage 3: Ongoing execution and evaluation
Recognise personnel shortages within the creative sector and execute a Talent Attraction Program aimed at attracting individuals with creative expertise.	Budget, partnerships with Marlborough education sector	MDC Economic Development team, Marlborough Chamber of Commerce	2-5 years Stage 1: Consultation with sector and ED team Stage 2: Produce project plan and budget proposal (if required) Stage 3: Implementation
Establish a Sculpture Trust in collaboration with funding partners.	Advice and support from Ministry for Culture and Heritage, Creative NZ and other relevant authorities,	Marlborough Art Gallery, business associations	3-5 years Stage 1: Research, identify partnerships

	potential trustees, budget		Stage 2: Establish Trust Stage 3: Provide support, Trust independent of council
Explore innovative methods to bring arts closer to communities.	Access and research opportunities with other regional approaches in NZ, budget	Marlborough Art Gallery, business associations, Creative NZ, The Arts Foundation, Arts Council Nelson	5-10 years Stage 1: Research/partnerships Stage 2: Funding and project plan Stage 3: Implementation
Dedicate financial resources to research conducted by entities such as Creative New Zealand and the Ministry of Culture and Heritage that explores the lasting impact and significance of the creative arts in the broader Marlborough economy, providing evidence of their economic and social importance. Strategically use research findings to guide and advance local creative initiatives and funding needs.	Budget	Creative NZ, Ministry for Culture and Heritage, market research agency	3-5 years
Sustain liveliness during significant infrastructure projects by temporarily activating spaces.	Budget, access to and partnerships with infrastructure project managers and building owners	Local artists, infrastructure project managers	3-5 years Stage 1: Research, project plan Stage 2: Design promotional package and digital content Stage 3: Implementation
Determine the actions Council can take within its own facilities and programs to improve visibility of art and culture.	Partnerships with other council departments, budget.	Council departments including parks and open spaces, assets and services, Access Aotearoa, Creative NZ	5-10 years Stage 1: Research, public consultation Stage 2: Propose response (if required)
Foster and support incubation initiatives for up-and-coming artists. including capability workshops, tools, and templates. This involves capability workshops, tools, and templates.	Budget, accessible facilities, mentors, digital platform	Creative NZ, local education providers, The	5-10 years

Explore the possibility of creating a mentorship program within the creative sector, focusing on skills, business management, and sustainability. Collaborate with educational and training institutions, as well as other relevant stakeholders, to enhance educational opportunities in the creative sector of Marlborough.		Arts Foundation	Stage 1: Research, project plan Stage 2: Design digital content, capability building programmes. Stage 3: Implementation
Advocate for increased funding and provision for arts therapy and arts activities that support community wellbeing and mental health.		Te Whatu Ora, Marlborough Health Hub, CARE Marlborough, Creative Kids Marlborough	5-10 years Stage 1: Research, relationship building Stage 2: Establish support areas and advocate
Support the work of Screen Marlborough to encourage the development of the local film sector.		MDC Economic Development team, Screen Marlborough	Ongoing

Infrastructure			
Action	What we need to support this	Potential partners	Timeframe
Allocate resources to support and promote emerging artists skilled in creating art within community settings. Identify venues for creative expression, such as vacant structures, parks, and other communal facilities. Collaborate with creative organizations like Gap Filler from Christchurch to gather insights and input.	Budget, access to creative entities for guidance/partnerships, digital platform	Business associations, established creative entities in other regions	1-3 years Stage 1: Research Stage 2: Project plan Stage 3: Implementation
Assist organisers of programs and events in ensuring that individuals with disabilities can access and fully enjoy art and cultural experiences.	Funding, facility/event manager partnerships	MDC Events Advisor, event organisers, facility managers, Arts Access Aotearoa Putanga Toi ki Aotearoa	1-3 years Stage 1: Research Stage 2: Project plan Stage 3: Implementation

Support the Powerhouse Picton Arts and Environment Hub proposal.	Funding, community buy-in, trustees	Powerhouse Trust, Te Ātiawa	1-3 years Stage 1: Site clearance/management Stage 2: Establish Trust Stage 3: Provide support, Trust independent of council
Advocate for community engagement in the processes of placemaking throughout the region to strengthen a sense of place and unique identity in planning and design process.	Community buy-in	MDC Small Townships team	1-3 years
Create and oversee a comprehensive maintenance strategy for public art installations.	Budget, access to expertise and guidance	Specialist conservation providers, parks and open spaces	1-3 years Stage 1: Public art audit Stage 2: Produce maintenance plan Stage 3: Implementation
Map out the current arts venues and spaces across the district. Develop a strategy for community centres that caters to the creative needs of the community. Identify shortcomings in areas with limited access to creative arts facilities. In response, commission a feasibility study into potential solutions.	Budget	MDC property managers	5-10 years Stage 1: Audit of venues/spaces Stage 2: Identify gaps and future requirements Stage 3: If required, commission feasibility study
Incorporate innovative thinking and artistic expression into future urban planning. Advocate for the consultation with arts and creativity representatives in the design process for major urban developments.	Access to early development stages of key infrastructure projects, , digital platform	MDC Property and Community Facilities dept, Marlborough Chamber of Commerce, BBA, PBA	5-10 years Stage 1: Audit of current processes around creative involvement Stage 2: Identify areas for improvement and relationships requirements Stage 3: Implementation

Collaboration			
Action	What we need to support this	Potential partners	Timeframe
Create an advocacy group for the creative sector with diverse representation. Build a strong brand and identity through regular meetings with iwi, local groups, Creative New Zealand, and key stakeholders. Conduct a feasibility study for a regional arts body to foster sector development and activate arts, culture, and creativity.	Budget, partnerships, relationships with existing regional councils, creative sector buy-in, digital platform	Regional Arts Network Aotearoa, Arts Council Nelson, Creative NZ, local trusts, creative sector	5-10 years Stage 1: Research, relationship building, establish group and processes Stage 2: Produce a paper on the relevance of an Arts Body and its role (if any) in Marlborough Stage 3: Commission feasibility study, if appropriate
Map arts, programs, events, public collections, and creativity to pinpoint areas for enhancement and identify gaps for resolution.	Access to relevant data	Marlborough Art Gallery, event providers	1-3 years Stage 1: Research Stage 2: Identify gaps and potential actions/budget requirements
Develop networking opportunities for the creative sector including consultative sessions for feedback and future planning. Produce regular newsletters.	Budget, digital platform	Arts sector	1-3 years Stage 1: Identify format, potential guest speakers Stage 2: Project plan/calendar of events Stage 3: Implementation

Economy and funding			
Action	What we need to support this	Potential partners	Timeframe
Foster strong partnerships with funding collaborators. Establish relationships with business associations and corporate partners to explore potential collaborations between the arts sector and industry. Examples of such collaboration: www.makeshiftspaces.nz , www.activatevacantspaces.co.nz , www.urbandreambrokerage.co.nz	Access to data, stakeholder relationships	Funding providers e.g., Rata Foundation, business associations, MDC Economic Development Team	5-10 years Stage 1: Research, partnership building Stage 2: Project proposal Stage 3: Implementation
Evaluate the present sector investments and examine forthcoming requirements and deficiencies.	Access to data, stakeholder relationships	Creative New Zealand, Marlborough Chamber of Commerce, Economic Development Team	1-5 years Stage 1: Research Stage 2: Produce paper and recommendations
Review the Creative Communities Scheme committee structure and implement changes required to ensure a diverse arts focused framework.		Creative New Zealand	1-2 years Stage 1: Make recommendations to council Stage 2: Implement
Arrange regular funding sessions with specified partners. Aid creative organizations in succession planning and the development of sustainable funding models.	Relationships with funding providers, governance training providers, digital platform	Funding partners, governance training providers	1-3 years Stage 1: Research Stage 2: Produce paper and recommendations Stage 3: Implementation

Marketing			
Action	What we need to support this	Potential partners	Timeframe
Develop a digital arts directory and Creative Marlborough website, including a Marlborough specific toolkit	Budget, design department capacity, digital platform	Creative NZ, MDC Communications, MDC designers	2-5 years Stage 1: Design, content creation Stage 2: Produce content and accompanying social media channels Stage 3: Launch
Ensure that the community of creative individuals remains connected to the broader creative network in Aotearoa, enabling them to access professional growth opportunities and online resources.	Digital platform	Creative New Zealand, MDC designers	1-3 years Stage 1: Establish relationships Stage 2: Create channels for communication and advertising Stage 3: Implementation
Forge more robust collaborative connections with local and national media outlets to effectively enhance the promotion of arts and cultural events taking place within the region and highlight achievements and local champions of creative innovation.	Access to media entities and buy-in from the creative community, digital platform	MDC Communications, media sector, Inspire Foundation	1-3 years Stage 1: Establish relationships Stage 2: Create channels for communication Stage 3: Implementation
Support and encourage the creative sector to collaborate and showcase their indispensability, not only for local economic expansion but also for fostering all four dimensions of well-being (social, economic, environmental and cultural). Back audience development initiatives.	Budget, current knowledge and expertise, digital platform	Media partners	3-5 years Stage 1: Research, design initiatives Stage 2: Advocate

Nga toi Māori Culture			
Action	What we need to support this	Potential partners	Timeframe
Respect protocols for engaging with mana whenua and te ao Māori in the management and consultation aspects of arts and cultural activities.	Cultural advisor/Kaihautū role within council		1-3 years Stage 1: Education/research Stage 2: Implementation
Advocate for the representation of ngā toi Māori (Māori arts) and te reo Māori (Māori language) within Marlborough facilities and programs.	Cultural advisor/Kaihautū role within council	Council departments and executive team, facility and programme providers	1-5 years Stage 1: Education/research Stage 2: Implementation Stage
Amplify engagement with tangata whenua in the creative sector, aiming for more relevant cultural initiatives, Māori festivals (including Matariki), and educational workshops.	Budget, digital platform		1-5 years Stage 1: Education/research Stage 2: Planning Stage 3: Implementation
Work with the multicultural agencies to increase opportunities for cultural creativity. Use arts and culture to engage, welcome, and support immigrant communities.	Budget, stakeholder relationships, digital platform	Marlborough Multicultural Centre, Red Cross, MDC Welcoming Communities team	3-5 years Stage 1: Relationship building Stage 2: Program audit Stage 3: Recommendation/implementation
Support iwi to establish tailored place-making endeavours that pay tribute to Māori narratives and important cultural and heritage sites.	Budget, engagement across council departments	Marlborough Museum, MDC Small Townships team	5-10 years Stage 1: Relationship building Stage 2: Advocate

			Stage 3:
Collaborate with mana whenua and Māori organisations to address their aspirations for establishing spaces dedicated to art creation.			5-10 years Stage 1: Relationship building Stage 2: Facilities/requirement audit Stage 3: Recommendation/implementation

Youth			
Action	What we need to support this	Potential partners	Timeframe
Gather insights into youth-focused programs and offer support to program providers. Maintain and support creative youth activities, e.g. Folio student exhibition.	Digital platform, stakeholder relationships, budget	Marlborough Art Gallery, youth sector agencies	1-5 years Stage 1: Audit of current provisions Stage 2: Establish support areas and advocate
Provide opportunities for young individuals to showcase their creativity in unconventional spaces, such as pocket parks.	Budget, engagement across council departments	Youth sector entities, parks & open spaces dept, education sector, business associations	3-5 years Stage 1: Research Stage 2: Design project process Stage 3: Implementation

Environment			
Action	What we need to support this	Potential partners	Timeframe
Support the sector to consider ways of delivering arts and culture that minimise their impact on the climate.	Guidance from environmental experts, access to existing arts and climate partnerships, digital platform	MDC Environment dept, MDC Solid Waste Manager, community environmental groups, EnviroSchools, refuse centres	2-5 years Stage 1: Research, partnerships Stage 2: Produce digital content and identify workshops opportunities including guest speakers Stage 3: Implementation
Explore collaborations between climate and arts sectors to delve into the influential role that arts can assume in motivating climate action (e.g. Track Zero www.trackzero.nz). Identify ways this work can drive change within the Marlborough region.	Guidance from environmental experts, access to existing arts and climate partnerships, digital platform	MDC Environment dept, MDC Solid Waste Manager, community environmental groups, EnviroSchools, refuse centres	2-5 years Stage 1: Research, partnerships Stage 2: Identify actions and project plan Stage 3: Implementation

6. Audit & Risk Sub-Committee

(The Chair)

D050-001-A05

1. The Minutes of the Audit & risk Sub-committee meeting held on 13 December 2023 are **attached** for ratification by the Committee.

RECOMMENDATION

That the Minutes of the Audit & Risk Sub-committee meeting held on 13 December 2023 be ratified.

**Report and Minutes of a Meeting of the
AUDIT & RISK SUB-COMMITTEE
held at the Scenic Hotel and via Teams, 65 Alfred Street, Blenheim
on WEDNESDAY 13 DECEMBER 2023 commencing at 9.45 am**

Present:

Mr I Marshall (Chairperson), Mayor N P Taylor, and Cllrs S R W Adams, J D N Croad, B G Dawson and J C Rosene.

In Attendance:

Clr G A Hope, Mr M S Wheeler (Chief Executive), Mr G K Blake (Chief Financial Officer), Ms S L Young (Chief Information Officer), Mr H R Versteegh (Environmental Science & Policy Group Manager), Mr J T Oliver (Harbourmaster), Mr G W Townsend (Contract & Risk Policy Manager), Ms L Randall (People & Capability Partner), Ms T A Dever (Financial Accountant), and Mr M J Porter (Democratic Services Manager).

In Attendance via Teams:

Mr J Tan (Audit Director Audit NZ), Mr T Makanza (Audit Manager Audit NZ), Mr M O'Connor (Bancorp Treasury Services), Mr M F Fletcher (Manager Strategic Finance), and Mr R Foitzik (General Counsel) Ms R Zhao (Systems Accountant),.

Apologies:**Mr Marshall/The Mayor:**

That the apologies for non-attendance from Cllrs J A Arbuckle and M R K Flight and Mr D G Heiford (Manager Economic, Community & Support Services) be noted.

Carried

The Chairperson welcomed all to the meeting noting that the order of the agenda would be altered.

1. Previous Minutes**D050-001-A05**

The minutes of the previous meeting held on 28 June 2023 were attached to the Agenda.

Clr Dawson/The Mayor:

That the minutes of the Audit & Risk Sub-Committee held on 28 June 2023 be received.

Carried**2. Introduction of New Ferries into the Marlborough Region H100-001-01**

Members noted that the purpose of the report was to develop a fair and effective framework that will support safe and efficient ferry operations in the Marlborough Sounds. Members also noted that the priorities were to determine the operational systems and procedures for the operation of the new ferries, and to begin the framework to develop guidelines and the operation of ferries using Tory Channel.

The Harbourmaster spoke to his report. He advised that Council recognises that the ability of an organisation to carry on its business relies on the confidence society has that it will behave in a legitimate, accountable, socially, and environmentally acceptable and responsible way. In assuring navigation safety in our region, Council considers the inputs from a wider group of stakeholders ensuring a sense of transparency and accountability. Council has adopted the New Zealand Port and Harbour Marine Safety Code (the Code) and applies the principles described within the Code to marine operations on the region's waters. Council is also the statutory harbour authority for the regional waters under the Maritime Transport Act 1994 (the Act). Council has appointed a Harbourmaster under section 33D of the Act. The function of the Harbourmaster is to exercise the powers and perform the duties conferred by the Act and any other enactment for the purpose of ensuring maritime safety in relation to the ports, harbours, or waters for which he or she has been appointed as a harbourmaster by the regional council.

The report covered comment on the proposed new ferries to be introduced on the Picton to Wellington route. These new ferries are materially different to any of the current ferry fleet in all respects (capacity, size, propulsion etc). Stakeholders have questioned the appropriateness and safety of the new ferries to operate within Tory Channel. The introduction of new ferries requires not only a demonstration of regulatory compliance but also a commensurate level of transparency and accountability consistent with all stakeholders' expectations. In regards to managing these expectations and in the execution of Harbourmaster responsibilities it is intended to firstly establish and articulate the key aims and principles to be met; secondly, to define what "good looks like" with a view to defining the optimum safe operation; and thirdly to use a structured framework to guide the process in a manner that permits external scrutiny and peer review.

The report further covered those aims, key principles, what "good" looks like, gateways for progress, and outcomes.

The report was discussed and it was agreed that paragraphs 7(b) and (c) need to be reworded/deleted. It was noted that the Navigation Bylaw was a separate document.

Clr Croad/Mr Marshall:
That the Audit and Risk Sub-Committee receive the report.

Carried

3. GBT International – Tory Channel/Kura Te Au Navigation Safety Risk Assessment report update H100-001-01

Members noted that the purpose of the report was to provide an update on the work commenced and completed to date based on the recommendations made in the report commissioned by MDC in 2020.

The Harbourmaster reported that Council commissioned GBT International to develop and write a navigation safety risk assessment for Tory Channel/Kura Te Au in 2020. The report defines, explains, and evaluates threats to navigation safety in Tory Channel/Kura Te Au, including the effects on connected waterways and recommends actions that could further reduce risk. The geographic scope of the assessment covers Tory Channel/ Kura Te Au, with a focus on the critical areas where most navigation safety hazards exist. From the recommendations made in the report; 6 have been completed, 20 are in progress and 18 are yet to be started.

Detail on the recommendations was included in the report.

The Harbourmaster and team will continue working on all recommendations with a target for 90% of the recommendations as a minimum to be completed by the end of 2024.

The Emergency Response Risk Area was discussed. It was noted that this is "In Progress" rather than "Not Started". Police and CDEM have been working on this.

It was requested that an update of this Assessment at each meeting of the Audit & Risk Sub-Committee.

Clr Croad/Mr Marshall:
That the Audit and Risk Sub-Committee receive the report.

Carried

4. Audit Engagement and Proposal Letters F225-003-01

Members noted that the purpose of the report was to present for the Committee's consideration is Audit New Zealand's Audit Engagement and Proposal letters for the years ending 30 June 2023 to 30 June 2025.

The Audit Engagement letter is a standard audit document issued to comply with the Auditor-General's auditing standard in setting out clearly in writing the respective responsibilities for the preparation and audit of the financial statements and performance information.

The Audit Proposal letter notes that the hours for the audit will increase as will the fees. Communication expressing Council's dissatisfaction with this proposed increase has taken place. These views were further

communicated by the Mayor at a meeting between the Assistant Auditor-General Local Government which was also attended by the Chief Executive, then Chief Financial Officer and the Sector Manager OAG. Amongst other things, the Assistant Auditor-General Local Government confirmed that signing the Audit Proposal Letter does not lock Council into having Audit NZ as its audit service provider for three years and Council's proposal to change to Deloitte is still being considered. A transitional discount has been provided (20% for 2023 and 10% for 2024).

Mr Tan explained the matrix behind the fees following a question on this.

The issue of changing the audit provider was discussed, with the result being that the Mayor is to continue to advocate for a change.

Cllrs Dawson/Rosene:

That the Audit and Risk Sub-Committee recommend that the Mayor sign the attached Audit Engagement and Proposal Letters.

Carried

5. 2022-23 Annual Report Audit Clearance – Julian Tan (Audit Director) **F275-A22-01**

Members noted that the purpose of the report was to consider the Audit Status Report, Audit Clearance Report, recommend signing of the proposed Letters of Representation and recommend that Council adopt the 2022-23 Annual Report.

Mr Tan spoke to the report. The report noted that the audit opinion will be signed and Council's Annual Report adopted on 14 December 2023. While this is still just outside the statutory deadline, this is a significant step forward especially when the size of the issues to be considered, e.g. the impairment of the roading network following the 2021 and 2022 weather events.

The report also noted that the Audit Status Report identified that there are some large time gaps between Audit requests and the answers provided; in regard to Three Waters valuations the significant variations between valuation of one significant item (MOPS) being many times the planned budgeted replacement cost and whether or not that was symptomatic of a wider issue; valuation issue will need to be resolved to provide a sound base for the preparation of the 2024-34 LTP; and management have recommended to the MDC Holdings Ltd Board that it adopt the same policy for advances to Council.

Mr Tan advised that all issues have been resolved and that the 2022-23 Annual Report can go to Council for adoption.

Cllr Croad/The Mayor:

- 1. That the Audit and Risk Sub-Committee note that it is anticipated that adoption of the Annual Report by full Council will occur as planned on 14 December 2023 following this meeting.**
- 2. That the Audit and Risk Sub-Committee receive the Audit Status Report and verbal comments from the Audit Director.**
- 3. That the Audit and Risk Sub-Committee recommend that the Mayor, Chief Executive and Chief Financial Officer (at the time of the audit) sign the proposed Representation Letter for the 2022-23 Annual Report.**
- 4. That the Audit and Risk Sub-Committee recommend that Council adopt the 2022-23 Annual Report.**

Carried

6. Treasury Management Policy Review **F230-L24-05**

Members noted that the purpose of the report was to present the Council's Treasury Management Policy for review by Councillors as part of a 3 yearly review cycle, and to describe the inclusion of an iReX funding section.

Mr Miles O'Connor from Bancorp was on Teams for this item and he and Mr Blake spoke to the report (and the additional report as circulated).

The report noted that Council's Treasury Management Policy provides the policy framework for all of MDC's borrowing and investment activities and defines key responsibilities and the operating parameters within which borrowing, investment and related risk management activities are to be carried out. The Policy, amongst other things, sets out the key borrowing and investment objectives. These objectives, while consistent with corporate best practice, are subject to overall MDC objectives, as stated in the Long Term Plan ("LTP") and Annual Plan. The Treasury Policy covers liability management, investment management and foreign exchange management. The Liability Management and Investment Policies of the Treasury Management Policy are in compliance with the requirements of the LGA 2002. A section relating to iReX has been added given the significance of this funding requirement to the Council's LTP.

The Treasury Management Policy was attached to the agenda (additional report Item 6).

The Mayor/Clr Dawson:

- 1. That the Audit & Risk Sub-Committee receive the Treasury Management Policy.**
- 2. That the Audit & Risk Sub-Committee note the inclusion of iReX funding in the Policy.**
- 3. That the Audit & Risk Sub-Committee approves the revised Policy.**

Carried

7. Report from People & Capability -

Members noted that the purpose of the report was to summarise the key activities that have been completed by the People & Capability Team in the period 1 June 2023 to 30 November 2023, outline the key work in progress and risks, and to include recruitment data, turnover data and employee demographics.

The report outlined the key activities undertaken by the People & Capability Team in the six month period ending 30 November 2023. The report also contained specific detail under headings 'Key Work in Progress', 'Risks and Challenges', 'Recruitment and Turnover', 'Leave Taken', and 'Demographics'.

A question on how Council's turnover rate compared to the private sector was unable to be answered at the meeting, with Ms Randle indicating she would respond outside of the meeting. In response to another query, Ms Randle explained Council's 'exit questionnaire'.

Mr Marshall/Clr Dawson:

That the Audit and Risk Sub-Committee receive the report.

Carried

8. Taxation Review

F280-007-09

Members noted that the purpose of the report was to advise the Sub-Committee of the outcome of the 2023 Taxation Review.

Mr Blake advised that Council adopted a tax governance framework in 2016. Part of that framework was undertaking a three yearly review on GST, FBT, PAYE and withholding tax compliance. This year's review was undertaken in the week ending 24 November.

The key finding is that PWC believes that Council is operating at the "Established" level, i.e., "Robust processes have been put in place, resulting in a high degree of capability and they are institutionalised."

Unfortunately, three findings in the low to medium risk categories have been identified, i.e., overpayment of Employer Superannuation Contribution Tax and Treating Council's contribution to Union Fees and the "comfort" portion of the Camping Allowance as non-taxable. Employer Superannuation Tax is deducted from employer contributions to employees' Kiwi Saver and complying funds. The applicable rate depends on how long an employee has worked for you and how much they earn. The final amounts relating to these errors has yet to be fully calculated, but the taxation liability, if a voluntary disclosure is made, is estimated at between \$150,000 and \$200,000.

Once the amounts have been fully calculated it was recommended that voluntary disclosures are made. This approach was recommended as the cost will be significantly lower than if IRD identifies the discrepancy on Audit. Also making a voluntary disclosure and undertaking reviews as PWC has, demonstrates to IRD that Council is serious about meeting its tax obligations and reduces the potential for a full IRD audit.

The Mayor/Clr Dawson:

- 1. That the Audit & Risk Sub-Committee receive the preliminary PWC Tax Review Report.**
- 2. That the Audit & Risk Sub-Committee agree to make voluntary disclosures to IRD as required when the final values are known.**

Carried

9. S&P Global's Credit Rating Review of Marlborough District Council -

Members noted that the purpose of the report was to advise the Sub-Committee of the outcome of S&P Global's November Credit Rating Review, and of the risks that could generate downgrade of Council's current rating.

Mr Blake advised that S&P Global have been contracted to provide an annual review of Council's credit rating. The outcome of S&P's latest review is that Council will retain its AA long term rating and A-1+ short term rating. The outlook remains negative as it did in 2022.

The retention of the AA credit rating was in part achieved by management's actions to reduce Council's reliance on short term Commercial Paper and the refinancing risk it potentially created; and address the liquidity risk by pre-funding debt maturities.

In S&P's report they identified two reasons for a possible future rating reduction being large after capital account deficits become entrenched; and if Council's liquidity management, including prefunding strategy, were to weaken. The first is the most difficult to manage as Council is already committed to funding iReX and there are significant expectations from some parts of the community to restore and improve Sounds roads following the 2021 and 2022 weather events; there are also the expectations of Taumata Arowai for drinking water compliance and iwi expectations regarding sewerage treatment. Other than slowing or reducing the scope of those works, the other option for Council is to increase the percentage of growth-related capital works funded by Development Contributions. The second is more easily addressed and proposed amendments to the Treasury Management Policy should achieve that.

There is a further option and that is to change credit rating agencies, with Fitch Ratings being a possibility. It is understood that their rating methodology is a little more sympathetic to Councils in that they don't put the same emphasis on prefunding. However, they do not have the same brand recognition as S&P Global. To mitigate 'conspiracy theories' it may be that assessments are required from both agencies as a transition.

Clr Dawson/Mr Marshall:

- 1. That the Audit & Risk Sub-Committee receive the Credit Rating Report from S&P Global.**
- 2. That the Audit & Risk Sub-Committee note the potential drivers for a credit rating downgrade and possible mitigations.**
- 3. That the Audit & Risk Sub-Committee request management to investigate the reasons for/against a change in Credit Rating Agency.**

Carried

10. Cybersecurity Quarterly Report: July – October 2023 C500-011-I01

Ms Young advised that the purpose of the report was to provide a summary of security advisories and scheduled patching actions taken, and to provide an update on the cybersecurity monitoring undertaken by Council's IT Department.

Ms Young reported that Council's firewall blocks all traffic unless specifically allowed. The firewall provides full control of who and what is communicating to Council's systems and means that if something were to go wrong (i.e. a vendor is compromised) it is easy for Council to respond and resolve, as the surface area for being attacked is small. Council uses CrowdStrike software and Mimecast to manage its cybersecurity by

applying technologies, processes, and controls to protect Council's systems, networks, programmes, devices, and data from cyber-attacks. Its aim is to reduce the risk of cyber-attacks and protect against the unauthorised exploitation of systems, networks, and technologies.

The report also contained specific comment under the headings of 'Centre for Internet Security, 'Security Advisories and System Patching', 'Mimecast', 'CrowdStrike Falcon Complete – Endpoint Detection and Response' 'CrowdStrike Falcon Complete – Intelligence, and 'Fortigate Firewall'.

Mr Marshall/Clr Dawson:
That the report be received.

Carried

11. Health, Safety and Wellbeing Update -

Members noted that the purpose of the report was to provide the Audit and Risk Sub-Committee with an update that summarises progress towards the Health, Safety and Wellbeing (HSW) key strategic activities and performance for the 6-month period from 1 June 2023 to 30 November 2023.

Ms Randle noted that elected members have significant influence over Council's workplace and are obligated to apply due diligence to ensure Council, through its Chief Executive, is meeting its legal health and safety obligations. There should be confidence that Council is providing a safe workplace for workers and others and that health and safety risks have been identified and suitably mitigated. Council should demonstrate compliance with health and safety legislation and improvements in health and safety culture and systems.

The report provided key information to address matters at a governance level under the following headings: 'Key Activities', 'Health and Safety Committee', 'Training', 'Health Monitoring & Ergonomics', 'Event Reporting', and 'Key Work Planned December 2023 – June 2024'.

Mr Marshall/The Mayor:
That the Audit and Risk Sub-Committee receive the report.

Carried

The meeting closed at 12.16 pm.

Record No: 2420469

7. Sister City Sub-committee

(Clr Rosene)

D050-001-S02

1. The Minutes of the Sister City Sub-committee meeting held on 21 December 2023 are **attached** for ratification by the Committee.
-

RECOMMENDATION

That the Minutes of the Sister City Sub-committee meeting held on 21 December 2023 be ratified.



**Minutes of a Meeting of the
SISTER CITY SUB-COMMITTEE**
held in the Council Chambers, 15 Seymour Street, Blenheim
on THURSDAY 21 DECEMBER 2023 commencing at 1.00 pm

Present

Cllrs Jonathan Rosene (Chairperson), Sally Arbuckle and Deborah Dalliessi.

In Attendance

Dean Heiford, Neil Henry and Mike Porter.

Apology

Cllrs Rosene/S Arbuckle:

That the apology for absence from The Mayor be received and sustained.

Carried

1. Minutes of Meeting held 11 August 2023

D050-001-S02

The minutes of the meeting held on 11 August 2023 were received.

Cllrs Rosene/S Arbuckle:

That the minutes of the Sister City Sub-Committee meeting held on 11 August 2023 be received.

Carried

2. Proposed Terms of Reference

D050-001-S02

Members noted that the purpose of the report was to adopt the Terms of Reference for the Sister City Sub-Committee.

An advert for the remaining Community Representatives is to be prepared in the new year.

Cllrs Dalliessi/S Arbuckle:

That the Sub-Committee approves the attached Terms of Reference (as Appendix 1) to accurately reflect the purpose, scope and authority of the Sub-Committee.

Carried

3. Financial Reports

E100-003-05

Financial reports for the preceding five years plus the current financial year were received. The favourable budget in the Sister City Reserve was noted.

A report from David Collins (QCC) was noted.

Cllrs Rosene/S Arbuckle:

That the financial reports for the financial years 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23 be noted and the financial report for the period ending 30 November 2023 be received.

Carried

4. Global Cities New Zealand Conference 2024 **E100-003-11**

Mike Porter gave a verbal report on the upcoming conference (14&15 March 2024 – Marlborough Events Centre). Sub-Committee members will be registered from the Sister City budget.

5. History/Purpose of Sister City Relationships **E100-003-05**

The paper attached to the agenda was noted.

6. Ningxia Sister Region Relationship Update **E100-003-08**

Neil Henry and Dean Heiford spoke to the report as attached to the agenda with the aid of a presentation (filed in CM – Document No. 2420609).

Members noted:

- Marlborough and Ningxia established formal sister region relationships in 2017, following the signing of an MOU in 2016.
- The basis of the relationship is wine as both are large wine regions. The main areas of co-operation are wine consultancy, wine technology and education.
- Council (economic development dept) manages the government-government relationships with Ningxia, through regular contact and arranging/hosting delegation visits
- Council works with businesses and other organisations that do business in Ningxia but is not party to their commercial relationships. The overarching Marlborough-Ningxia relationship has been demonstrated to be helpful in business relationships.
- In 2018/19 it was estimated that approximately \$1.2 million of business was completed in Ningxia by Marlborough based organisations.
- The Covid pandemic halted co-operation as the services provided require in person interaction
- In February 2023 China lifted its remaining Covid restrictions and connection with Ningxia has been re-established. Two Ningxia delegations have visited Marlborough in May and November, and Marlborough representatives visited Ningxia in September.
- Future opportunities exist in business, education and others areas to continue and enhance the

7. Future Exchanges with Tendo and Otari **E100-003-04**

Mike Porter advised Tendo are sending four students and a teacher in March 2024. Members are to approach MGC and MBC in the new year to commence arrangements.

8. Other Business **E100-003-05**

The Chair reminded staff that the 20th Anniversary of the opening (20 May 2005) of the Japanese Garden at Harling Park comes up in 2025.

The meeting closed at 2.30 pm.

Record No: 2420630

Sister City Sub-Committee

Chair	Jonathan Rosene
Deputy Chair	
Membership	Sally Arbuckle Deborah Dalliessi Community Representatives (5+)
Quorum	The quorum as per clause 11.1 of the Standing Orders 2022 for a meeting of the Committee is: (a) half of the members physically present, where the number of members (including vacancies) is even; and (b) a majority of the members physically present, where the number of members (including vacancies) is odd.
Meeting Cycle	As and when appropriate
Reports to	Economic, Finance and Community Committee

Responsibilities

The Sub-Committee manages Council's Sister City activities and strives to involved greater community participation and sponsorship in the programme.

Council has two sister cities, Tendo and Otari in Japan and a sister region with Ningxia in China. The aim is to foster international understanding and friendship, to encourage exchange of education, culture and sport, and to promote, where possible, tourism and trade. These concepts are recognised as a catalyst for economic growth.

Powers

1. All powers necessary to perform the committee's responsibilities, including:
 - a. approval of a submission to an external body
 - b. establishment of working parties or steering groups.
2. **Associated decision:** If a matter relates primarily to the responsibilities of the Sister City Sub-Committee, but aspects require additional decisions by the Economic, Finance and Community Committee, then the Sister City Sub-Committee has the powers to make associated decisions on behalf of the Economic, Finance and Community Committee. For the avoidance of doubt, this means that matters do not need to be taken to more than one of these committees for decisions.
3. **Referral of decisions:** The Sub-Committee may, from time to time, refer matters which it would ordinarily consider, to another Committee, if it considers the matter/project would be better dealt with by that other Committee.
4. **Referral for urgency:** The Sub-Committee Chair is authorised to refer urgent matters to the Council for decision, where this Committee would ordinarily have considered the matter. The Chairperson must make this referral in writing stating reasons for the referral.

Delegation Limits (if any)

1. The committee does not have:
 - a. the power to establish sub-committees
 - b. powers that the Council cannot delegate or has retained to itself

Procedure

The Chairperson will report back to the Economic, Finance and Community Committee with recommendations of the Sister City Sub-Committee at the next Economic, Finance and Community Committee meeting following each Sub-Committee meeting.

8. Long Term Plan Working Group

(The Chair)

D050-001-L24

1. The Minutes of the Long Term Plan Working Group meeting held on 28 November 2023 are **attached** for ratification by the Committee.
-

RECOMMENDATION

That the Minutes of the Long Term Plan Working Group meeting held on 28 November 2023 be ratified.



**Report of the LONG TERM PLAN WORKING GROUP
held in the Council Chambers, 15 Seymour Street, Blenheim
on TUESDAY, 28 NOVEMBER 2023 commencing at 1.35 pm**

Present

Cllrs J D N Croad (in the Chair), S R W Adams, D A Dalliessi, B Dawson, B A Faulks, R J Innes and Mayor N P Taylor

Also Present

Cllrs S J Arbuckle, A R Burgess and B J Minehan

Also Present via Teams

Cllr J A Arbuckle

In Attendance

Mark Wheeler (Chief Executive), Geoff Blake (Chief Financial Officer), Martin Fletcher (Manager Strategic Finance), Gina Ferguson (Consents & Compliance Manager), Chris Lake (Financial Services Manager), Tessa Dever (Financial Accountant), Rainbow Zhao (Systems Accountant) and Nicole Chauval (Committee Secretary)

Apologies

That the apology for absence from Cllr G A Hope be received and sustained and the apology for non-attendance from Cllr M R K Flight be noted.

Carried

1. LTP Working Group – Minutes

Cllr Croad/The Mayor:

That the Minutes of the Long Term Plan Working Group meeting held on 17 October 2023 be confirmed as a true and correct record.

Carried

2. LTP Working Group Items and Timings

D050-001-L24

Martin Fletcher presented the LTP Working Group Items and Timings document for members' information, advised of the progress to date and noted that the majority of items have been completed.

The Mayor noted that while LOS workshops have been held the new government has signalled a range of actions and queried whether there was planning in place to deal with the effect of any changes on our LOS. Mr Wheeler advised that this was being discussed at Executive and Management level and noted there would be sufficient time to adjust budgets and LOS if required but are also keeping in mind that some changes may take time before they come into effect.

Cllrs Dawson/Faulks:

That the LTP Working Group note the updates and progress made to date on the items contained in Attachment 1.

Carried

3. Dog Control Funding

E305-000-001

Ms Ferguson noted the purpose of the report was to consider the funding options of Dog Control/Animal Control functions undertaken by Marlborough District Council. The report provided members with two options (either "status quo" or "reduce the rates funding revenue to 10% for Dog Control functions).

By way of background Ms Ferguson advised that in 2013 Council had agreed to fund 20% of Animal Control functions from general rates, commencing in the 2015/2016 financial year. The 20% was in recognition of the public good element of the functions delivered. It was noted that under the Dog Control Act 1996 revenue can only be spent on Dog Control functions. The budget is operated as a separate budget to other Animal Control functions.

Members were advised that the dog control registration fees have not been increased for the last couple of years. This has been due to no increase in the dog control contract price. From the next financial year, the contract is able to be renegotiated and it is likely that the contractors will seek to increase the contract price.

During discussion members noted the public benefit activities which were listed in the agenda item and considered that the 80/20 split still fairly reflects the public benefit of the dog control operation.

Clr J Arbuckle noted that he had hoped a budget for cat management would have been covered in the agenda item. Ms Ferguson advised that it wasn't included in the paper as it would be an increase in LOS and therefore would be a separate consideration that Council would need to look at.

NB: Correction paragraph 10 - percentage figure is 12% ~~30%~~

Clrs Innes/Dawson:

That the LTP Working Group recommend to Council that it retain the user pays to rates funding ratio of 80% for Dog Control functions.

Carried

4. Sounds Roads Recovery Zone Principles

Mr Fletcher noted that the purpose of the report was to establish the principles for determining which rating zone, if any, a property should be in for funding the Sounds Road Recovery Programme.

Mr Fletcher noted the development of the principles was an iterative process which will cover multiple meetings and as such direction reached in one meeting will likely be further developed in future meetings. As a result any positions reached may change and will only be final once the LTP is adopted.

Mr Fletcher provided a demonstration using Council's GIS mapping software showing the impact on properties from applying the principles detailed below.

Members were advised that the rationale for the principles was to provide clear delineation between zones which aligns with areas of a similar potential to benefit as per s101(3)(a) of the Local Government Act 2002.

The following draft principles were discussed:

- a. All properties should sit within the zone of the road used to access that property.
- b. Where practicably possible the boundaries to zones will be based on either a ridge line, river or other relevant geographic feature that provides separation.
- c. Where a geographic feature cannot be used as a boundary, the location of faults will be used.

Comment: Suggested that the following be included which would identify improvements 'location of faults and associated corrective actions'

- d. Where practicably possible the boundary of any zone should align with property boundaries. Consistent with this principle, where the legal/surveyed boundary differs from the physical, the legal/surveyed boundary will prevail.

Comment: The exception to this may be non-rateable DOC land where the size of the property may traverse geographic features. Where privately owned properties traverse a geographic feature significantly an apportionment may be made as a last resort.

- e. Picton will be excluded until the beginning of Port Underwood Road.
- f. Havelock will be excluded until the beginning of the Mahikipawa Hill.

Comment: Rai Valley to be included.

- g. Sounds Administration Geographic Rating area will be excluded.

Comment: This Geographic Rating Area is excluded because there are no roads in this Area and marine works except for initial investigations are not scheduled to start for many years. A separate rate to cover marine works closer to the time these works are due to commence is possible.

Comment: Arapawa Island be excluded but other Sounds areas be included as they do have road access albeit informal in some cases to main roads.

Following considerable discussion members agreed on the principles but noted that there is still work to do regarding the finer points.

The Mayor/Clr Innes:

- 3. **That the Working Group recommend to Council that the seven principles be further developed to test their rigor and that work be continued to refine the rating zones.**
- 4. **That the Working Group recommend to Council that principle (g) be amended to 'Arapawa Island will be excluded'.**

Carried

5. Review whether Council should have a continuing role in Energy Efficiency/Clean Heating Loans F230-L24-06

Ms Lake reported that the purpose of the report was to review whether Council should have a continuing role in Energy Efficiency/Clean Heating loans and if so, what that role should be.

In summary Ms Lake advised that Council set up the Energy Efficiency Scheme in 2010 to assist ratepayers to take advantage of government subsidy schemes for insulation and clean heating on a rate neutral basis. Loans were for a maximum of \$15,000 and were added to the property's rates for the next nine years. Interest is charged at the Council interest rate. Council currently has advanced a total of \$2.8m on 783 loans.

Ms Lake further advised that the Credit Contracts and Consumer Finance Act (CCCF Act) was amended in April 2021 and a new Part 5A added ("the Amendment"). This came into effect on 1 October 2021 and has placed additional burdens on Council following the Responsible Lending and Fit and Proper Person Certification legislation.

It was noted that the Council Energy Efficiency schemes were considered a benefit to our ratepayers, so they were continued after the CCCF Act changes were enforced. Local Government, as a sector, attempted to gain exemption (as permitted by the Act) from the requirements, and in part were

successful in gaining the Minister's agreement just before the election. Unfortunately, the necessary procedural steps were not completed in time for the exemption to take effect.

In response to a query on whether the new coalition government are likely to address this in the future it was noted that it is on the list but given the workload of the coalition its priority is unclear.

Members were supportive of the scheme but noted their disappointment that the restrictive requirements have come about through unintended consequences of legislation that was set to protect lenders.

Members agreed that to reflect the uncertainty of when a decision from the government is likely, it was proposed that the recommendation be amended to change the word 'discontinue' to 'suspend' and that it take effect from 31 December 2023.

The Mayor/Clr Innes:

That the LTP Working Group recommend to Council that it agree to suspend the Energy Efficiency Funding Schemes until such time as the Government reviews the triple CCCFA by way of exemption for councils and/or improves the basis on which councils process new loans with effect from 31 December 2023.

Carried

ATTENDANCE: Clr Burgess withdrew from the meeting at 3.00 pm during the above item.

ATTENDANCE: Clr Dawson withdrew from the meeting at 3.14 pm at the conclusion of the above meeting.

6. Possible Streamlining of Groups of Activities

Ms Dever noted that the purpose of the report was to review Council's current activity groups with the aim of consolidating these where possible and creating a new activity group 'corporate' to comply with the LGA.

Members were advised the LGA requires Council to identify Groups of Activities in its Long Term Plan. Council must consider water supply, sewerage and the treatment and disposal of sewerage, stormwater drainage, flood protection and control works and the provision of roads and footpaths as separate groups of activities.

It was noted there are various other reporting requirements in the Long-Term Plan, Annual Plan and Annual Reports of Council which require disclosure by group of activity (such as service performance information and funding impact statements). Council currently has 11 groups of activities. Underneath these 11 groups there are 6 activities identified under People, 4 under Environmental Management and 5 under the Regulatory groups of activities.

Ms Dever noted that when deciding to add a new group it provides an opportunity to review the total number of groups of activities and the treatment of activities under them in Council's Long-Term Plan. It is also an opportunity to have a reset of measures to ensure they are meaningful and fit for purpose.

In response to a query on whether Housing for Seniors would stand outside this as it is a portfolio and a unique way of operating. Mr Blake advised that the question could be covered in the further engagement which would also provide the opportunity to determine whether there were others to consider.

Mr Blake advised that the team would confirm the structure with the non-activity expenditure to be reviewed to see if any areas could be added to the existing groups of activities rather than corporate. Staff will also engage with Department Managers to secure their buy in to this proposal and develop new disclosures at the group of activities level.

Cirs Croad/Innes:

That the LTP Working Group:

- 1. Recommends to Council that it agree to consolidate the disclosures for the activities within People, Environmental Management and Regulatory to be only at the groups of activities level unless required under the LGA to be at the activity level.**
- 2. Recommends to Council that it agrees to create a new group of activities called “Corporate” and the overhead and non-activity areas of Council be included.**

Carried

ATTENDANCE: Cllrs Innes and Adams withdrew from the meeting at 3.25 pm at the conclusion of the above item.

7. Draft Assumptions for the Preparation of the Long Term Plan

Mr Fletcher reported that the purpose of the report was to provide a draft of the assumptions made in the preparation of the 2024-34 Long Term Plan Revenue and Financing Policy.

Mr Fletcher advised that Council is legally required to document its significant forecasting assumptions by Clause 17, Schedule 10 of the Local Government Act 2002 as part of preparing its Long Term Plan (LTP). It was noted that many of the assumptions are the same as that made in the 2021-31 LTP. Changes have been identified in “track change” format and areas that need to be updated are highlighted in “yellow”. A marked-up copy was attached to the agenda item. The biggest area to be finalised is Legislation as there isn’t a government or a documented Coalition Agreement that clearly identifies the legislative direction the government wishes to take.

It was noted that Standard & Poors have reconfirmed Council's credit rating as AA with the negative credit watch to remain. Management had taken steps to mitigate areas raised which contributed to Council retaining a AA rating. Funding for the next 12 months has been organised.

It was queried whether it needed to be mentioned in the assumption that a paper on the Emergency Events Reserve was being considered as part of Council's emergency response, noting that we are not going to be able to replenish it to \$10M. Mr Fletcher advised that he didn't think it needed to be mentioned as a specific assumption as there is an assumption being made that Council will quantify the loss and will have the capacity to raise funds to meet that obligation as it falls due.

Also queried was the outstanding valuation of the network and whether that needed to be addressed. Mr Fletcher advised that at the moment the outstanding issue relates to 3waters and it is still being worked through what that impact will be.

The Mayor/Cllr Dalliessi:

That the LTP Working Group note the proposed changes in Assumptions to date.

Carried

8. Draft Revenue and Financing Policy

Mr Blake noted that the purpose of the report was to provide an update on the potential changes to the Revenue and Financing Policy. (A marked-up copy of the Policy was attached to the agenda item for members' information.)

Members were advised that the Council's Revenue and Financing Policy provides a summary of Council's funding policies in respect of both operating expenses and capital expenditures. Council is legally required to review the Policy every three years, with the last review occurring as part of the 2021-2031 LTP process.

Mr Blake spoke to the proposed changes to the existing Policy and these were also detailed in point 14 of the policy. The following was noted during discussion:

Te Ture Whenua Māori Act 1993 – this was absent from the previous policy and strong advice has been received for its inclusion.

It was noted that this was part of a paper to a previous LTP that had been presented regarding Māori land that had been changed to general land. The outcome had been that the item lie on the table for further investigation. Ms Lake advised that it is still being investigated and it is unclear how long it might take for an answer. The Mayor noted there is whanau waiting on an outcome so it may come to the point that we move forward regardless.

The Rates Remission and Postponement Policy noted in this paragraph wasn't available to present to the meeting. It was suggested that it be included on the LTP Working Group's work stream.

The Mayor requested that the group be updated on where things are at with the 1967 Land Act.

In the Distribution of Benefits table the Mayor noted that under Regional Development - Research Centre had 100% for district wide but noted that they presented at the Economic, Finance and Community Committee meeting (28 November 2023) that it was targeted to commercial and general rural and queried whether it should be moved from district wide to targeted area. Mr Blake will investigate further and clarify whether that is the case.

Clr J Arbuckle requested further information on the SUIPs in regard to motels, and hotels being used on a permanent basis and how that is picked up. Mr Blake to investigate.

Minor amendments noted:

- The word 'future' be added to the last sentence of 8.7 to read ... There have been no identified **future** adverse impacts on Social, Economic, Environmental and Cultural well-being of the community because of this policy.
- Point 14.1 take effect from 1 July 2024 ~~2024~~
- Point 14.1 second to last bullet point to add – ... A section has been added to the policy **to** reflect this.

The Mayor/Clr Faults:

That the LTP Working Group note the proposed changes in the policy to date.

Carried

Action Items

	Description	Responsible	Date Required
1.	Rates Remission and Postponement Policy noted be included on the LTP Working Group's work stream.	Geoff Blake	As soon as practical
2.	Supply further information to Clr J Arbuckle on the SUIPs in regard to motels, and hotels being used on a permanent basis and how that is picked up.	Geoff Blake	As soon as practical

There being no further business the meeting closed at 4.01pm.

Attachment 1

Items for Review		Progress to Date/Responsibility	Depart	When	Comment
1	Funding of depreciation of Community Facilities to fund their replacement.	This item has already been considered, with the decision being that while funding depreciation may be the better option in the long term, that in the interim replacements would be funded by a mix of debt and "Land Sub" funding, depending on the level of growth that's driving the need for a particular project.	Finance	0	No further action
2	Council's policy on providing rates relief for heritage buildings in private ownership – carryover from previous LTP Working Group.	This item has already been considered, with WG minute being, <i>"That the LTP Working Group thanked management for the work undertaken in drafting the Heritage Buildings in Private Ownership Rates Remission Policy but resolved not to proceed until after the completion of the Heritage Strategy."</i>	Finance	0	No Further action until the completion of the Heritage Strategy
3	How the maintenance of the Picton Foreshore will be undertaken – requested by Councillor Taylor.	Possibly this item has been completed. The following is a media extract based on the minutes of Council's 13 June 2022 meeting, <i>"A \$100,000 proposal to lift Picton Foreshore and Shelly Beach maintenance to premier park status was supported by Councillors but the expenditure withdrawn until landscape design is completed and costed. The landscape work will be carried out by Council's Gardening Team, which designs and maintains Council's premier parks at Seymour Square and Pollard Park."</i>	P&OS	0	No further action
4	Explaining Council's Rating System.	Finance – On this Agenda - Martin	Finance	0	No further action
5	In-house resourcing or outsourced contracts	Raised by Chair. This item was considered for a number of Council Activities as part of the recent S17A review. The challenge with outsourcing in a relatively small district like Marlborough for many of Council's regulatory activities is maintaining sufficient independence.		0	No further action
6	Endeavour Park future Developments	Raised by Chair following Annual Plan hearings. While this item could be considered as part of the LTP, it is best to allocate to the Assets and Services Committee, under the leadership of Jamie Lyall.	P&OS	0	No further action by LTPWG

Items for Review		Progress to Date/Responsibility	Depart	When	Comment
7	Halls Study on the maintenance requirements, improvements, rationalisation and funding	Annual Plan hearing decision. While this item could be considered as part of the LTP, it is best to allocate to the Assets and Services Committee, under the leadership of Jamie Lyall.	P&OS	0	No further action by LTPWG
8	The definition of properties paying the Kenepuru and French Pass Road rates.	It is proposed to remit the balance of the Kenepuru Road Rate – Approved by Council on 12 June 2023.	Finance	0	No further action
13	The process for Levels of Service Reviews.	Finance – Martin	Finance	0	Process in place. First review has already taken place - Roading
9	Related to the above is understanding more fully the financial impacts of losing the Three Waters if current policy settings remain including Stranded Overheads.	Finance - Martin	Finance	1	
10	Council's Debt Cap – Is it better to have a fixed amount as has been the case to date or would a percentage of a revenue base be more appropriate?	Finance – Martin	Finance	1	

Items for Review	Progress to Date/Responsibility	Depart	When	Comment
<p>11</p> <p>Council's Rates Cap – Currently LGCI + 3%. In the 2021-31 LTP the percentage was increased to allow for the impact of increased Government requirements</p>	<p>Finance – Martin</p>	<p>Finance</p>	<p>1</p>	
<p>12</p> <p>The possibility of establishing a Central Government Rate – as has been done in Hamilton CC. This will need to be linked to the wording of the Rates Cap.</p>	<p>Finance</p>	<p>Finance</p>	<p>1</p>	<p>Hamilton City Council advised as follows, "The Govt Rates calc that we used back in 2018 – was made up of 2 parts. One was for additional compliance costs in the Waters activity and the other part was for the cost of our District Plan. The business calculated out what these costs were, and then we just used our rule of thumb to determine what the additional rate would be to cover it. In Hamilton's rating system, their General Rates only have differentials for Commercial (34.25%), Residential (57.2%), BID Commercial and Other. The</p>

Items for Review		Progress to Date/Responsibility	Depart	When	Comment
					same differentials apply for the Government Rate. Because of the complex Activity weighting and rating area system used in Marlborough, adding another layer of complexity is not considered justified. Plus the cost of additional Government requirements is already in the Rates Cap and obtaining audit clearance will be challenging. As a result, it is proposed that no further work be undertaken on this item.
14	Review the assumptions upon which the LTP will be prepared, eg the assumed financial Assistance Rate from Waka Kotahi.	Finance – Martin	Finance	2	On Agenda
16	Review of rates weightings for the funding of Tourism Activities, along with reviewing the total funding for DM.	Dean/Neil	Finance and Econ Dev	3	With the changes at DM and the reviews being undertaken for the future delivery of this service, it is recommended that no further action be taken on this item.
17	Review the funding and breadth of activity for animal control, including the 80:20 apportionment between Dog Fees and Rates for Dog Control Funding	Raised by Cllr Arbuckle following a meeting of the Animal Control Sub-Committee on 20 April 2023	Finance & Reg	2	On this Agenda
18	Council's interest rate assumption	This has already been considered for 2023-24 with and increase to 5% but needs to be reconsidered for the LTP. - Chris	Finance	3	Agreed to recommend 5.5%

Items for Review		Progress to Date/Responsibility	Depart	When	Comment
19	The definition of properties in General Rural Geographic Rating Area and whether or not they should be classified Sounds Administration Geographic Rating Area.	This item is a more focused review than the general review contained in "20" below. – Chris/Linda	Finance	4	Based on the decision and recommendation made in item 20, no further work is proposed.
20	Review the appropriateness of the Geographic Rating Areas. See item 19 as well	Finance, following a high-level review by the WG, to determine if there is any need. So far the current boundaries, together with their automatic adjustment to urban based on the provision of water and sewer works well. NB the more focused review on the boundary between Sounds Admin Rural and General Rural above.	Finance	3	Agreed to recommend the continuance of the current Geographic Rating Areas and boundaries, largely to avoid any confusion regarding consultation of the Sounds Future Access Study
21	Capital Budgets - CBD	Raised by Chair	A&S	3	CBD Capital Budgets were presented to the meeting for information.
22	Review the application of Annual CPI adjustments to Grants	Annual Plan hearing decision	Finance and Community	3	Recommended that Council freeze CPI adjustments for a period of three years.
23	Community Grants - review what organisations get ongoing support and what is contestable?	Raised by Clr Croad and as part of Annual Plan deliberations	Finance and Community	3	Further paper to be prepared on the development of criteria Annual and Community Grants per minutes of 17 October Meeting.
24	Investigate the possible streamlining of Activity Groups and Activities.	Finance – Tessa	Finance	3	On Agenda
25	Council's Revenue and Financing Policy including Land Value versus Capital Value Rating.	Council has already decided that it will retain Land Value Rating, except for those activities that are already capital value rated, e.g Wairau River Rate	Finance	4	On Agenda
26	Council's Financial and Infrastructure Strategies.	Financial Strategy - Finance	Finance	4	On Agenda
27	Council's policy on Waste Charges versus Rating – requested by Councillor, (now	Finance and Solid Waste	Finance + A&S	0	Agreed at 29 June meeting that this item should be removed

Items for Review		Progress to Date/Responsibility	Depart	When	Comment
	Mayor) Taylor.				
28	Prepare an Iwi Engagement Strategy;	Kaihautū – Hara Adams	TBA	4	Actual delivery will depend on our ability to recruit a new Kaihautū
29	Be briefed on the Rating implication of the 2023 Triennial Revaluation.	Finance – Martin/Rainbow	Finance	4	The impact of the 2023 Revaluation was presented at the 2 October Councillor briefing.
30	Review whether Council should have a continuing role in Energy Efficiency/Clean Heating loans, bearing in mind the issues surrounding compliance and that there are new private sector providers.	Finance – Chris/Linda	Finance	5	On Agenda
31	Council's Financial and Infrastructure Strategies.	The Infrastructure Strategy - Assets and Services and the Assets and Services Committee, noting that the two Strategies need to align as the Infrastructure Strategy can't be delivered without funding. Currently legislation doesn't require an Infrastructure Strategy to be prepared for 3 Waters assets, but with the delay in starting this situation is likely to change. As a result Assets and Services need a contingency plan is needed should there be a change in Government.	A&S	5	Infrastructure Strategy is difficult to progress without a government in place and a clear direction established and legislated. It is recommended that consideration of the Infrastructure Strategy be deferred until the first Assets and Services Committee meeting in the new year.
32	Wairau River Rating Review.	Finance – John Patterson/Andy	A&S + Finance	5	Deferred from this LTP to undertake a more fundamental review of LoS and area
33	Marlborough Heritage Strategy and its funding	Dean Heiford	Community	5	Deferred until transition completed.

Items for Review		Progress to Date/Responsibility	Depart	When	Comment
34	Council's engagement with the Community as part of preparing the 2024-34 LTP including pre-engagement and consultation. Related to this is a possible review of Community Outcomes.	Communications	Comms	6	Following discussion at the LTPWG meeting it was decided not to pursue pre-consultation, because of the time and level of resource required as already experienced with Sounds Roding and expectations that it creates when we are already facing a very significant rates increase in 2023-24. The next major Comms focus will be the Consultation Document.
35	Council's Debt and Treasury Management Policies.	Previously this has been addressed by the Audit and Risk Sub-Committee following advice from Finance and Bancorp. NB , the funding of IREX debt will need its own policy to match the pricing reset dates contained in the agreement with Kiwi Rail – Bancorp/Adrian/Martin.	Finance	6	Will be considered by Audit and Risk Committee of 21 December 2023
36	How Council wants to further advance senior/social housing?	While this item could be considered as part of the LTP, it is best to allocate to the Senior Housing Sub-Committee, serviced by Jamie Lyall.	Senior Housing	6	
37	Review of storm damaged roads levels of service funding options for Kenepuru, Awatere Valley Road, Northbank and Waihopai.	Extensive studies already underway to identify options, costs, willingness to pay etc which will ultimately lead to increased debt and rates.	CEO	6	This is a separate workstream

9. Treasury Management Report 31 December 2023

(The Chair) (Report prepared by Chris Lake)

F290-006-23

Purpose of Report

1. To present the Treasury Management Report for the period ending 31 December 2023.

Executive Summary

2. The Cash, Investments and Borrowings Report is shown as an attachment at the end of the report. Additional information is given for information and clarity. These are:
 - Details of the market interest rate movements;
 - A summary of the investments Council held, and that these continue to comply with the Investment Policy section of the Treasury Management Policy; and
 - A summary of the Council borrowings as at 31 December 2023. These do not currently comply with the Treasury Management Policy but will as Council's borrowing increases. A number of graphs are provided to show the policy boundaries.
 - MDC Groups borrowings currently attract an average interest of 4.07% and the Groups investments achieve an average interest return of 6.03%.

RECOMMENDATION

That the information be received.

Cash, Investments and Borrowings Report

3. The attachment shows details of Council's cash on hand, investments and borrowings for the quarter ended 31 December 2023. Comparative details for the quarter ended 30 September 2023 are shown in italics and shaded.

Market Interest Rate Movements

4. See 'Current Market Interest Rates' on the table in the **attachment**.

Investments

5. Below is a summary of Council's investment portfolio reported in the **attachment**.

December 2023			Last Quarter September
Investments – short term deposits - Banks	\$28,054,659	6.03%	5.51%
Investments – Securities within 1 year	-	- %	- %
Total Investments	\$28,054,659	6.03%	5.51%

Since 2014 Council has been investing in term deposits rather than corporate bonds due to the yield advantage that term deposits provide. This strategy is continually monitored to ensure that it remains appropriate.

Council maintains the investment portfolio considering:

- Compliance with Council's Treasury Management Policy investment parameters; and

- The level of investment required to maintain adequate disaster recovery funding in realisable securities.

Bancorp provide advice on reinvestment of securities and report quarterly on Treasury Management Policy for compliance and investment returns.

Compliance with Council Policy

6. 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.
7. All criteria have been met for the 31 December quarter.

External Borrowings

8. As at 30 December 2023 the MDC Group had Gross borrowings of \$197.2M (\$169M as at 30 September 2023). MDC Holdings Group debt is \$83.2M (\$80.4M as at 30 September 2023). MDC increased in the last quarter to \$114M (\$89M as at 30 September 2023).

The MDC external borrowings have increased by \$25M in the three month period. \$10M is being used to fund current and near term cashflow requirements while the other \$15M followed discussions with S&P in the interests of maintaining our credit rating. This increase is currently reflected in increased term deposits and amounts on call, but will be utilised in the near future.

The following three graphs are for the MDC Group combined, MDC Holdings Limited and MDC all show the level of fixed/hedged debt compared to Policy Bands based on current levels. The fourth and fifth graphs show the position based on anticipated future borrowings, noting iRex planned borrowings are still included.

The average current interest rate of all MDC Group borrowings is 4.07% including interest rate swaps currently in place.

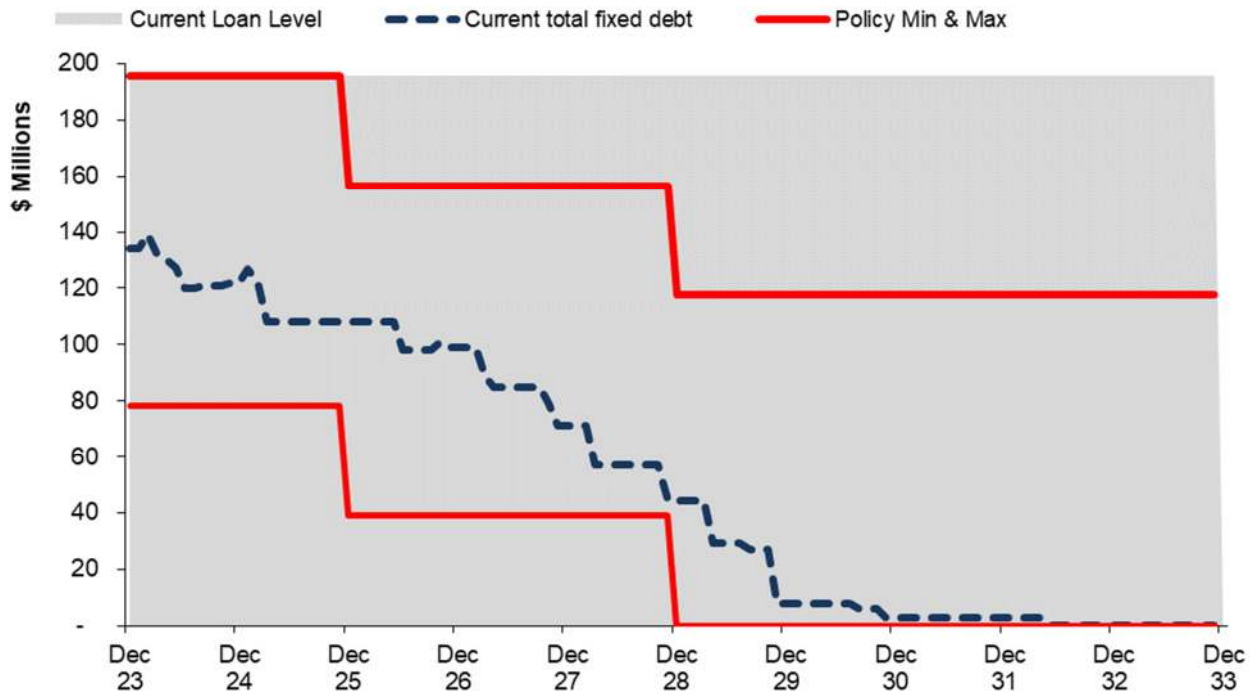
Compliance with Council Policy

9. The Liability Management Policy has the following table in the interest rate risk management, which shows the maximum and minimum limits. Any hedging outside of these parameters must be approved by the Chair of the Economic Finance and Community Committee before being initiated and then reported accordingly.

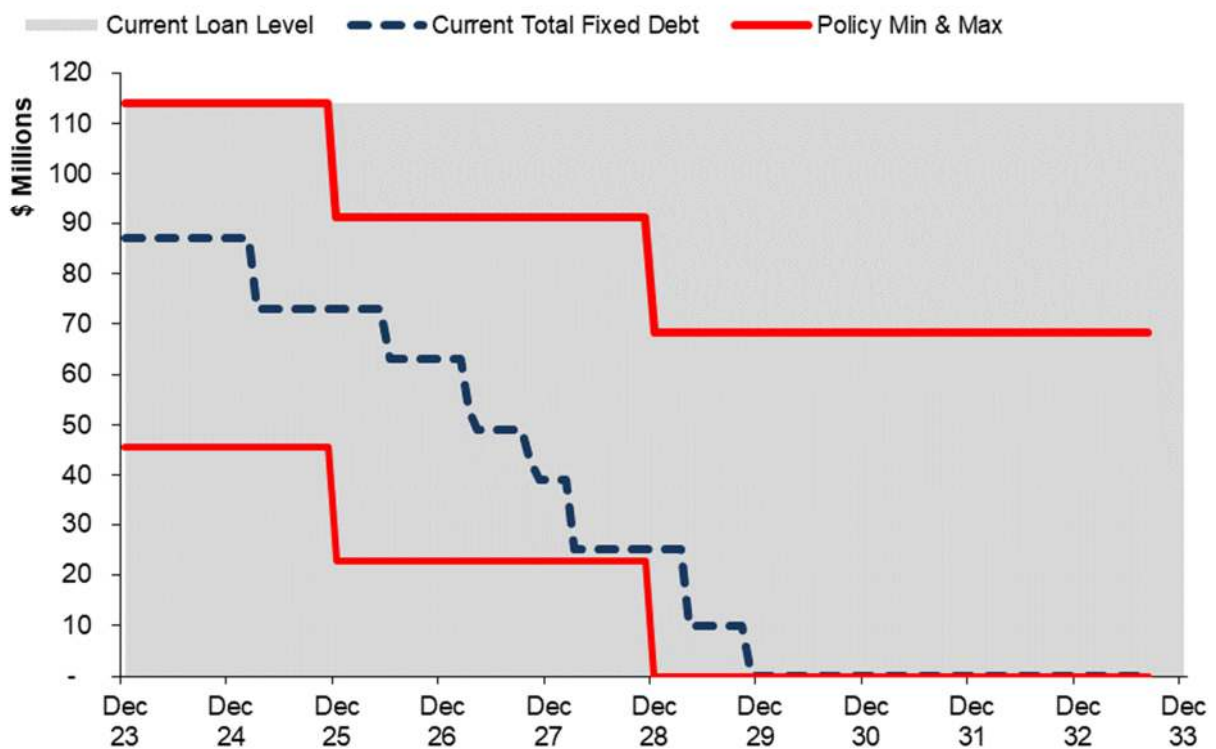
Fixed Rate Hedging Percentages		
	Minimum Fixed Rate	Maximum Fixed Rate
0 to 2 years	40%	100%
2 years to 5 years	20%	80%
5 years to 10 years	0%	60%

The total fixed debt in the MDCH & MDC group and the MDC graphs below are all within policy.

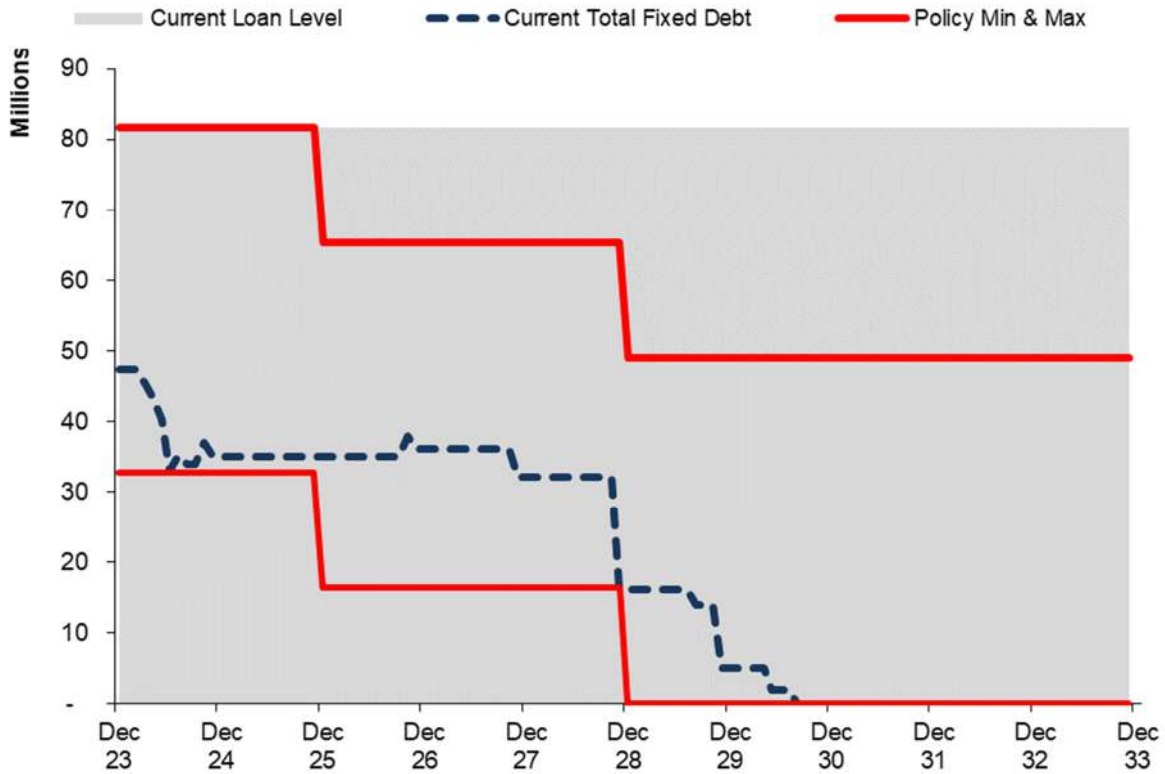
MDC GROUP debt and hedging - December 2023



MDC debt and hedging (excl. MDCH) - December 2023

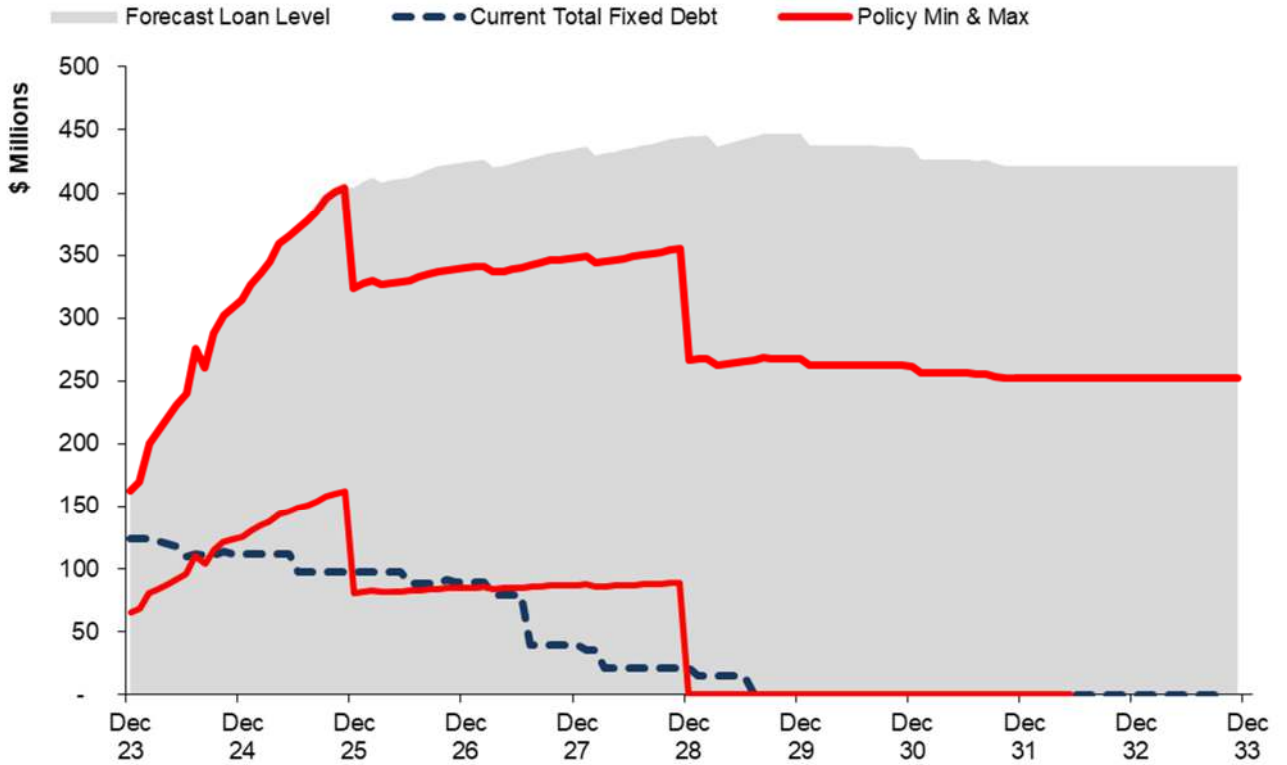


MDCH debt and hedging - December 2023

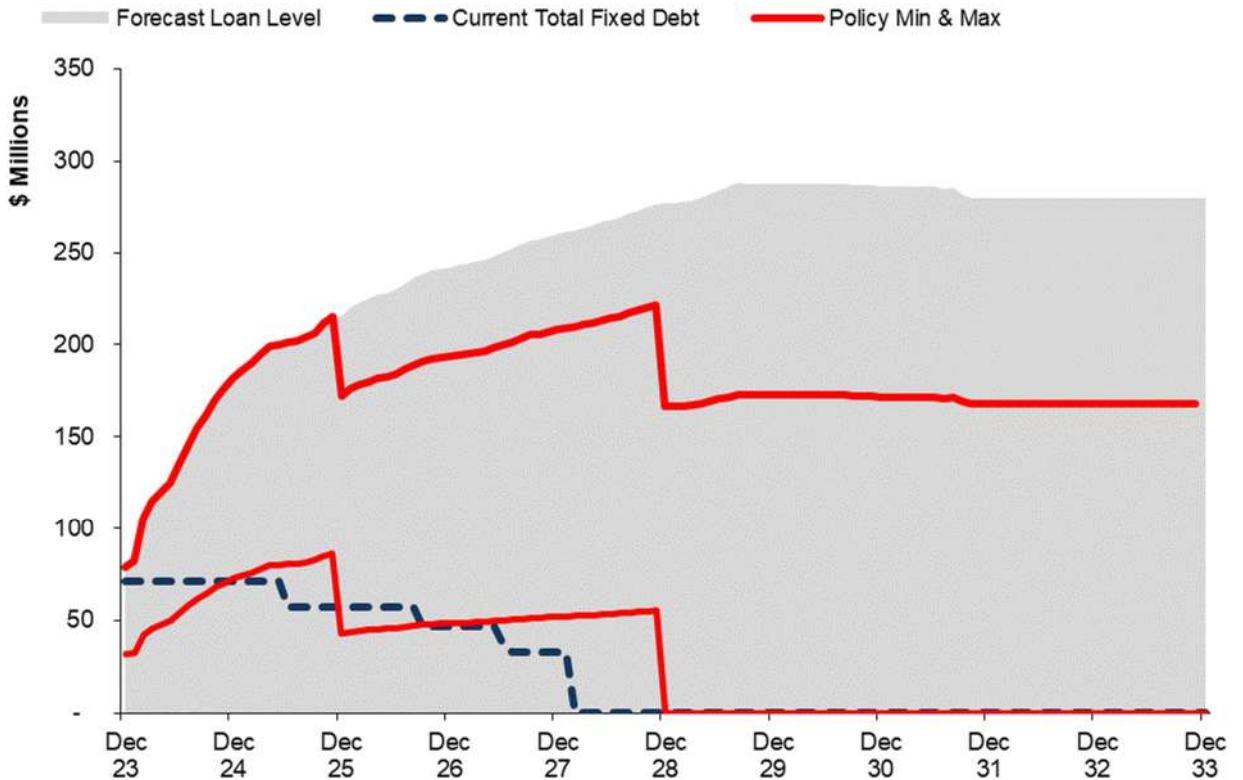


In the coming year it was expected that Council will require additional borrowing for its' and Port Marlborough's budgeted capital projects. The following two graphs show the policy minimums and maximums based on the forecast loan levels. The total fixed debt is below the minimum limits on the graphs due to the fixed term loans not forecast to be refixed in the future. These charts are subject to review and change given recent announcements regarding the iRex project.

MDC GROUP debt and hedging (Forecast debt) - December 2023



MDC debt and hedging (excl. MDCH) (Forecast debt) - December 2023



MARLBOROUGH DISTRICT COUNCIL
QUARTERLY TREASURY MANAGEMENT REPORT

Current Market Interest Rates as at 31 December 2023

Term	Rate quoted from -	December 2023	November 2023	October 2023	September 23
OCR	Reserve Bank	5.50%	5.50%	5.50%	5.50%
30 days	Reserve Bank	5.58%	5.58%	5.60%	5.62%
90 days	Bank bills	5.64%	5.62%	5.64%	5.74%
5 year bond	NZ Government Bonds- yield	4.15%	4.79%	5.35%	5.25%
10 year bond	NZ Government Bonds- yield	4.38%	4.93%	5.53%	5.26%

Statement of MDC Cash, Investments and External Borrowings as at 31 December 2023

				%Funds	Last Report September 2023	
Bank Current Accounts						
- BNZ	Current Funds or (Overdraft)	0.00%	5,084,356	12.30%	\$1,049,956	
On Call						
- BNZ	AA-	4.75%	1,186,203	2.87%	\$5,139,785	
- Westpac	AA-	5.55%	7,021,288	16.98%	\$0	
Readily Available Funds		3.36%	\$13,291,847	32.15%	\$6,189,741	
Cash flow - term deposits <60 days						
	AA-	0.00%	0	0.00%	\$0	
Funds Available <60 days		0.00%	\$0	0.00%	\$0	
Investments						
Banks						
- BNZ	AA-	365 days (07/24)	4.59%	53,492	0.13%	\$53,492
- BNZ	AA-	365 days (12/24)	6.45%	590,810	1.43%	\$590,810
- Westpac	AA-	731 days (11/24)	5.52%	559,139	1.35%	\$559,139
- Westpac	AA-	365 days (12/23)	5.86%	0	0.00%	\$1,353,289
- Westpac	AA-	365 days (12/23)	5.80%	0	0.00%	\$1,212,619
- BNZ	AA-	731 days (12/25)	6.30%	1,432,592	3.10%	\$0
- BNZ	AA-	731 days (12/25)	6.20%	1,283,336	3.10%	\$0
- BNZ	AA-	731 days (10/24)	5.12%	1,391,988	3.37%	\$1,391,988
- BNZ	AA-	365 days (04/24)	6.30%	1,498,140	3.62%	\$1,498,140
- BNZ	AA-	365 days (11/24)	6.30%	1,000,000	2.42%	\$0
- Westpac	AA-	731 days (07/24)	4.56%	1,333,280	3.22%	\$1,333,280
- BNZ	AA-	731 days (07/24)	4.67%	1,133,379	2.74%	\$1,133,379
- BNZ	AA-	365 days (7/24)	5.79%	1,054,224	2.55%	\$1,054,224
- Westpac	AA-	728 days (10/24)	5.51%	2,724,280	6.59%	\$2,724,280
- ANZ	AA-	182 days (05/24)	6.32%	4,000,000	9.67%	\$0
- ASB	AA-	367 days (11/24)	6.45%	10,000,000	24.19%	\$0
Total Investments		6.03%	\$28,054,659	67.85%	\$12,904,639	
Total Funds Available		5.17%	\$41,346,506	100.00%	\$19,094,380	

Gross Group Borrowings

Local Government Funding Authority

- Loans for MDC	114,000,000
- Loans raised on behalf of MDC Holdings Ltd	83,227,500
Subtotal	197,227,500

Westpac

- Loans less than 12 months for MDC	-
Total MDC Group External Borrowings	\$ 197,227,500

less

- Loans raised on behalf of MDC Holdings Ltd	(83,227,500)
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plus

- MDC Holdings current account (interest charged annually @ 90 day bank bill rate)	(273,695)
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MDC Borrowings	\$ 113,726,305
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10. Financial Report for Council – Period Ended 31 Dec 2023

(The Chair) (Report prepared by Tessa Dever and Piumi Wijayasena)

Purpose of Report

- To present the Financial Report for Council for the period ending 31 December 2023.

Executive Summary

- The Financial Report for Council from 1 July 2023 to 31 December 2023 is presented below. Additional information is given on variances at an activity level later in this report.

The forecast values included in this report are subject to further review and refinement as the year progresses. The values represented herein are system generated with some adjustment where we have been able to identify specific requirements.

Revenue and Operational Expenditure

(in millions)	1 July to 31 Dec 2023			Whole year		
	Actual	Budget		Forecast	Budget	
Surplus/(Deficit)	\$0.0	(\$7.0)	✓ \$7.0	(\$0.8)	(\$8.8)	✓ \$8.0
Income	\$78.8	\$83.8	✗ (\$5.0)	\$159.4	\$166.7	✗ (\$7.3)
Expenditure	\$78.8	\$90.8	✓ (\$12.0)	\$160.2	\$175.5	✓ (\$15.3)

Major variances between actual and budget:

- Lower than anticipated draw down of better off funding with delays in expenditure in a number of approved projects.
- Lower than anticipated roading reinstatement expenditure and subsidy for the impacts of the August 2022 flood event. In the 2023/24 year \$10M has been spent on the July 2021 and August 2022 events.
- Grants received for the College Park Hockey Turf relocation.
- Grants received for the National Wilding Conifer Control Programme.
- Lower than anticipated expenditure on Flood Protection and Control works flood damage.
- Interest expenses are lower than anticipated due to the savings, deferrals and delays in past capital expenditure programmes resulting in less external borrowings.

Capital Expenditure

(in millions)	1 July to 31 Dec 2023			Whole year		
	Actual	Budget		Forecast	Funded	
Capex	\$26.5	\$67.8	✗ (\$41.3)	\$82.3*	\$105.6	✗ \$23.3

*The capital expenditure forecast has been updated to reflect expected levels of expenditure projected in the draft 2024-34 LTP.

Forecast data will continue to be updated as we progress through the year and as new information comes to hand.

Capital expenditure progress is impacted by many reasons including finalising community consultation, obtaining land access, obtaining resource consents, the availability of external professional expertise and receiving an acceptable contract price and contractor availability. To achieve this a capex programme of \$122.6M has been planned including \$16.6M of carryovers from previous financial years. This ensures that multiple projects can continue to progress.

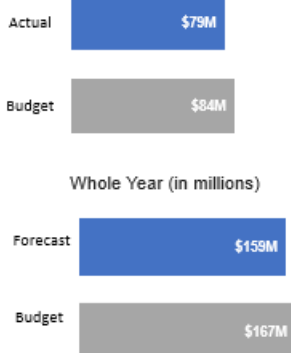
RECOMMENDATION

That Council receive the Financial Report for the period ending 31 December 2023.

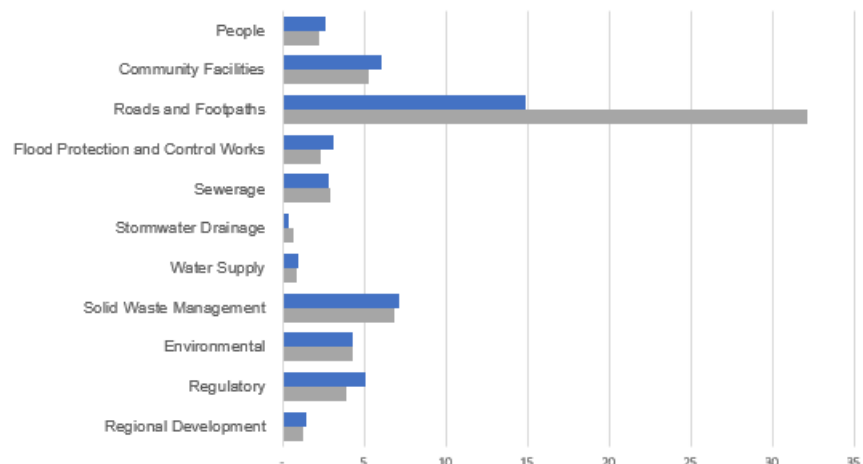
Income (\$000's)

	1 July 2023 to 31 December 2023				Notes	Whole Year			
	Actual	Budget	Variance			Forecast	Budget	Variance	
Rates	42,942	43,212	(271)	-1%		87,457	87,177	280	0%
-less remissions	(575)	(467)	(108)	23%		(609)	(501)	(108)	22%
Rates	42,367	42,745	(378)	-1%		86,849	86,676	172	0%
Rates penalty income	251	158	94	60%		409	315	94	30%
Total Rates	42,618	42,902	(284)	-1%	3a	87,257	86,991	266	0%
Other Income									
Dividends	2,514	2,947	(433)	-15%	3b	3,489	3,916	(427)	-11%
Interest Revenue (external)	2,402	3,589	(1,187)	-33%	3c	5,991	7,178	(1,187)	-17%
Petroleum Tax	189	207	(19)	-9%		396	415	(19)	-5%
Gain on Sale of Fixed Assets	0	-	0	-		0	-	0	-
Marlborough Regional Forestry	-	-	-	-		-	-	-	-
Property and Other Revenue	3,079	2,138	942	44%	3d	4,962	4,021	942	23%
Total Other Income	8,184	8,881	(696)	-8%		14,839	15,529	(691)	-4%
Activity Income									
People									
Democratic Process	1	137	(136)	-99%	3e	138	275	(136)	-50%
Culture and Heritage	48	79	(31)	-40%		127	158	(31)	-20%
Housing for Seniors	924	927	(3)	-0%		1,851	1,854	(3)	-0%
Community Support	486	449	36	8%		804	767	36	5%
Library Services	365	423	(58)	-14%		413	472	(58)	-12%
Emergency Management	733	178	556	313%	3f	1,058	355	703	198%
Community Facilities	5,999	5,185	814	16%	3g	7,642	6,828	814	12%
Roads and Footpaths	14,808	32,025	(17,217)	-54%	3h	46,650	64,050	(17,400)	-27%
Flood Protection and Control Works	3,029	2,315	714	31%	3i	7,329	6,614	714	11%
Sewerage	2,817	2,845	(28)	-1%		5,663	5,691	(28)	-0%
Stormwater Drainage	279	584	(305)	-52%	3j	863	1,169	(305)	-26%
Water Supply	907	790	117	15%	3k	1,698	1,581	117	7%
Solid Waste Management	7,067	6,761	306	5%	3l	14,322	14,016	306	2%
Environmental									
Environmental Policy	105	359	(254)	-71%	3m	464	718	(254)	-35%
Environmental Science and Monitoring	2,054	1,825	229	13%	3n	3,879	3,650	229	6%
Environmental Protection	1,320	1,063	257	24%	3o	1,383	1,127	257	23%
Resource Consents	793	985	(193)	-20%	3p	1,744	1,971	(226)	-11%
Regulatory									
Building Control	1,820	1,923	(103)	-5%	3q	3,743	3,846	(103)	-3%
Environmental Health	262	219	43	20%		481	438	43	10%
Biosecurity	1,333	373	959	257%	3r	1,706	747	959	128%
Animal Control	684	592	92	16%		779	686	92	13%
Harbours	920	695	225	32%	3s	985	760	225	30%
Regional Development	1,381	1,221	159	13%	3t	2,602	2,442	159	7%
Total Activity Income	48,132	61,954	(13,822)	-22%		106,323	120,214	(13,891)	-12%
Total MDC Income	98,935	113,737	(14,803)	-13%		208,419	222,734	(14,316)	-6%
Total revenue which is non-cash or tied to a reserve or to fund capex	(20,117)	(29,936)	9,820	-33%		(49,051)	(55,994)	6,942	-12%
Total MDC Operating Income	78,818	83,801	(4,983)	-6%		159,367	166,741	(7,373)	-4%

1 July 2023 to 31 December 2023
(in millions)



Actual vs Budget by Activity Group (in millions)



3. Comments are provided below on variances greater than \$100,000:
- a. Rates are behind the budget due to lower than anticipated metered water sales to date. These are expected to come in over budget at year end with water usage in the Southern Valleys in particular tracking ahead of recent years.
 - b. Dividends is behind the budget due to reduced dividend projections from Port Marlborough.
 - c. External Interest Revenue is behind budget due to MDCH debt being lower than forecast due to continued delays in the iReX project impacting draw downs.
 - d. Property and other revenue is ahead of budget due to:
 - i. Receipt of Insurance claim for the July 2021 Flood from LAPP. Accounting entries will be completed to transfer this to the rivers activity.
 - ii. The Affordable Water Reform Council Transition Support Package Funding previously received has been transferred from revenue in advance.

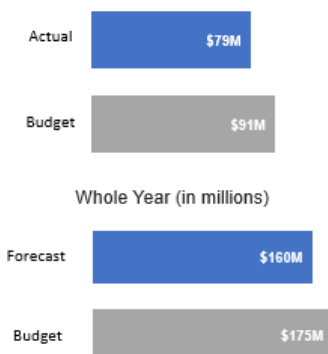
These are offset by lower than anticipated better off funding with delays in projects in the IT and rivers administration areas.
 - e. Demographic Process is below budget due to delays in iwi related better off funded projects with the vacancy in the Kaihautū position.
 - f. Emergency Management is ahead of budget due to the receipt of subsidies from Waka Kotahi for the Marlborough Sounds Future Access Study and other response and welfare costs.
This is offset by expenditure incurred in 4e below.
 - g. Community Facilities is ahead of budget due to:
 - i. Higher than anticipated grants received for College Park surrender and Hockey Turf Relocation.
 - ii. Receipt of Insurance claim for 2022 flood damage repairs at the Okiwi Bay Hall. This is offset by costs in 4f.
 - h. Roads and Footpaths income is below budget due to lower than anticipated Waka Kotahi subsidy received for the general program and emergency reinstatement works. The full emergency reinstatement program approved by Waka Kotahi at 30 June 2023 was budgeted to be completed this year with some expected to continue into future years. The general program has faced delays while the focus has been on completing the emergency reinstatement works.
 - i. Flood Protection and Control Work is ahead of budget due to:
 - i. Grants received for Wairau River Flood Protection Scheme under the Shovel Ready Funding scheme. The funding has been extended past the original deadline and capital expenditure is continuing to be incurred to utilise these funds.
 - ii. Timing of property rental income for the river leases which was received in the beginning of the financial year.

This is offset by lower than anticipated sales from Pukaka quarry due to development work at Pukaka Quarry extension.
 - j. Stormwater Drainage is behind budget due to lower than anticipated development contributions from subdivisions. The development contributions budget has been reviewed as part of the 2024-34 Long Term Plan as trends from developers are to install retention ponds which reduce the flow capacity needed and therefore the demand on Council infrastructure.
 - k. Water Supply is ahead of budget due to higher than anticipated back flow prevention and connection charges. This is driven by accounting entries completed to bring revenue received in 2022-23 in advance of work completed into 2023-24.
 - l. Solid Waste Management is ahead of budget due to higher than anticipated dump fees at the regional landfill. This increase is due to increased usage and fee increase to recover waste levy increase imposed by the central government.

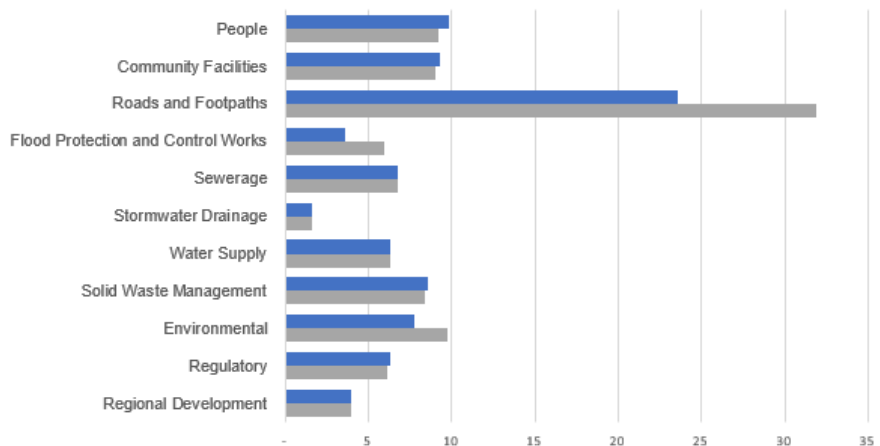
- m. Environmental Policy is behind budget due to the timing of Better off funding for the rezoning variations to the proposed Marlborough Environment Plan (PMEP), giving effect to the National Policy Statement for Freshwater Management and giving effect to Te Mana o te Wai.
This is offset by lower than anticipated expenditure in 4k below.
- n. Environmental Science and Monitoring is ahead of budget due to
 - i. The timing of grants received from the Ministry for the Environment for the Essential Freshwater reforms. \$0.5M was received in 2022/23 for expenditure to be incurred in 2023/24. Accounting entries were completed to bring the \$0.5M revenue into the current year.
 - ii. Receipt of grants for the Te Hoiere restoration project. This is inline with lower than anticipated expenditure in 4l below.
- o. Environmental Protection is ahead of budget due to higher than anticipated monitoring charges.
- p. Resource Consents is below budget due to the lower than anticipated Coastal, Discharge and Marine Farm applications.
This is offset by higher than anticipated land use applications.
- q. Building Consents is below budget due to lower than anticipated building consent applications.
- r. Biosecurity is ahead of budget due to the additional unbudgeted grant received for National Wilding Conifer Control Programme.
- s. Harbours is ahead of budget due to the unbudgeted reimbursement for costs associated with the float-off operation in Admiralty Bay.
- t. Regional development is ahead of budget due to parking infringements and leases being higher than anticipated.

Expenditure	1 July 2023 to 31 December 2023				Notes	Whole Year		
	Actual	Budget	Variance			Forecast	Budget	Variance
Activity Expenditure								
People								
Democratic Process	1,943	2,289	(345)	-15%	4a	4,230	4,575	(345) -8%
Culture and Heritage	1,119	1,082	37	3%		1,868	1,831	37 2%
Housing for Seniors	1,257	1,043	214	20%	4b	2,136	1,922	214 11%
Community Support	1,548	1,804	(257)	-14%	4c	3,174	3,431	(257) -7%
Library Services	2,719	2,462	257	10%	4d	4,924	4,667	257 6%
Emergency Management	1,223	501	722	144%	4e	1,815	988	827 84%
	9,307	9,020	287	3%	4f	17,178	16,904	274 2%
Community Facilities								
Roads and Footpaths	23,559	31,867	(8,308)	-26%	4g	50,684	62,971	(12,286) -20%
Flood Protection and Control Works	3,627	5,918	(2,291)	-39%	4h	9,135	11,377	(2,242) -20%
Sewerage	6,766	6,741	25	0%	4i	13,895	13,545	350 3%
Stormwater Drainage	1,561	1,603	(42)	-3%		3,128	3,141	(13) -0%
Water Supply	6,268	6,325	(58)	-1%		12,225	12,253	(28) -0%
Solid Waste Management	8,518	8,412	106	1%	4j	18,123	18,017	106 1%
Environmental								
Environmental Policy	886	1,556	(670)	-43%	4k	2,441	3,111	(670) -22%
Environmental Science and Monitoring	4,470	4,959	(489)	-10%	4l	9,834	10,323	(489) -5%
Environmental Protection	989	1,298	(309)	-24%	4m	2,273	2,582	(309) -12%
Resource Consents	1,439	1,931	(492)	-25%	4n	3,459	3,951	(492) -12%
Regulatory								
Building Control	2,431	2,617	(186)	-7%	4o	5,072	5,258	(186) -4%
Environmental Health	440	482	(42)	-9%		837	880	(42) -5%
Biosecurity	1,573	1,385	188	14%	4p	2,885	2,697	188 7%
Animal Control	427	449	(22)	-5%		873	896	(22) -3%
Harbours	1,456	1,197	259	22%	4q	2,467	2,208	259 12%
Regional Development	3,913	3,921	(8)	-0%		7,124	7,122	2 0%
Total Activity Expenditure	87,436	98,862	(11,426)	-12%		179,779	194,648	(14,869) -8%
Less Internal Interest	(3,217)	(3,708)	491	-13%	4r	(6,925)	(7,416)	491 -7%
	84,219	95,154	(10,935)	-11%		172,854	187,232	(14,378) -8%
Other expenditure								
Interest expense (external)	4,188	5,855	(1,667)	-28%	4r	10,042	11,709	(1,667) -14%
Property and other expenditure	2,937	2,802	135	5%	4s	4,254	4,160	94 2%
Total other expenditure	7,125	8,656	(1,532)	-18%		14,296	15,869	(1,573) -10%
Total MDC expenditure	91,344	103,810	(12,466)	-12%		187,150	203,101	(15,951) -8%
Total expenditure which is non-cash or reserve funded	(12,559)	(13,025)	467	-4%		(26,964)	(27,629)	665 -2%
Total MDC operating expenditure	78,785	90,785	(12,000)	-13%		160,186	175,472	(15,286) -9%
Operating SURPLUS	33	(6,983)	7,017	-100%		(819)	(8,731)	7,913 -91%

1 July 2023 to 31 December 2023
(in millions)



Actual vs Budget by Activity Group (in millions)

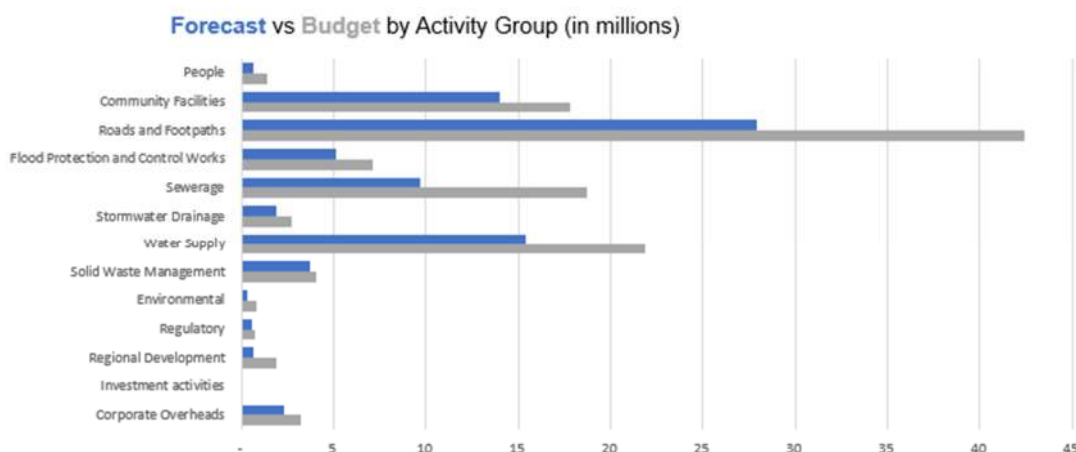


4. Comments are provided below on variances greater than \$100,000:
- a. Democratic Process is behind the budget due to delays in Better off funded projects with the vacancy in the Kaihautū position.
 - b. Housing for Seniors is ahead of budget due to higher than anticipated repairs and maintenance costs with a watermain replaced at the Vevian Place units.
 - c. Community Support is behind the budget due to:
 - i. Lower than anticipated Energy Efficiency funding applications received.
 - ii. Slower than anticipated drawdown on community event subsidies.
 - iii. Professional fees not yet being spent for the Smart and Connected programme.
 - d. Library Services is ahead of budget due to costs associated with the new Marlborough Library including insurance, depreciation and interest.
 - e. Emergency Management is ahead of budget due to costs associated with the Marlborough Sounds Future Access Study and other response and welfare costs.
This is offset by income received in 3f.
 - f. Community Facilities is ahead of budget due to:
 - i. Project costs associated with the hockey turf relocation project.
 - ii. Cost associated with repairs to the Okiwi Bay Hall. These are offset by insurance proceeds received in 3g.
 - g. Roads and Footpaths is below budget due to roading reinstatement expenditure relating to the impacts of the August 2022 flood event. In the 2023/24 year \$10.7M has been spent on the July 2021 and August 2022 events.
 - h. Flood Protection and Control Works is below the budget due to lower than anticipated flood damage repair costs.
 - i. Sewerage forecast is ahead of budget due to the expected costs associated with stage 1 of sludge removal from the Picton oxidation ponds.
 - j. Solid Waste Management is ahead of budget due to higher than anticipated contract costs on urban refuse collection and waste sorting centre.
This is partially offset by waste recycling project costs yet to be spent.
 - k. Environmental Policy is below budget due to lower than anticipated costs for Better off funding projects. These include rezoning variations to the proposed Marlborough Environment Plan (PMEP), giving effect to the National Policy Statement for Freshwater Management and giving effect to Te Mana o te Wai.
This is offset by lower than anticipated revenue in 3m above.
 - l. Environmental Science and Monitoring is below budget due to:
 - i. Delays with government funded Te Hoiere projects including the nursery development project with Ngati Kuia. This is consistent with lower than anticipated revenue above in 3n.
 - ii. Timing of monitoring charges. These are expected to be spend in the last quarter of the year.
 - m. Environmental Protection is below budget due to lower than anticipated salaries and legal charges.
 - n. Resource Consents is below budget due to the lower than anticipated legal costs and staff vacancies.
 - o. Building Control is below budget due to staff vacancies.
 - p. Biosecurity is ahead of budget due to higher than anticipated costs for the Wilding Conifer Programme funded by the Ministry for Primary Industries.

This is offset by income received in 3r.

- q. Harbours is ahead of budget due to the unbudgeted cost associated with the disposal of the Vendetta in Picton.
- r. External and Internal Interest expenses are lower than anticipated due to the savings, deferrals and delays in past capital expenditure programmes resulting in less external borrowings.
- s. Property and Other Expenditure is ahead of budget due to costs associated with the demolition of Millennium Art Gallery and 6 Russell Terrace.

Net capital expenditure	1 July 2023 to 31 December 2023				Notes	Whole Year		
	Actual	Budget	Variance			Forecast	Budget	Variance
People								
Culture and Heritage	-	56	(56)	-100%		56	113	(56) -50%
Housing for Seniors	1,220	1,709	(489)	-29%		2,929	3,418	(489) -14%
Community Support	-	23	(23)	-100%		-	23	(23) -100%
Library Services	390	601	(211)	-35%		(2,420)	(2,210)	(211) 10%
Emergency Management	52	4	48	1058%		57	9	48 529%
Community Facilities	5,528	9,336	(3,808)	-41%	5a	13,990	17,798	(3,808) -21%
Roads and Footpaths	4,951	21,445	(16,493)	-77%	5b	27,919	42,439	(14,520) -34%
Flood Protection and Control Works	2,155	3,539	(1,385)	-39%	5c	5,119	7,079	(1,959) -28%
Sewerage	3,334	12,343	(9,008)	-73%	5d	9,677	18,685	(9,008) -48%
Stormwater Drainage	297	361	(64)	-18%		1,929	2,723	(794) -29%
Water Supply	6,206	12,709	(6,503)	-51%	5e	15,385	21,889	(6,504) -30%
Solid Waste Management	885	2,118	(1,233)	-58%	5f	3,747	4,072	(325) -8%
Environmental								
Environmental Science and Monitoring	(72)	417	(489)	-117%		293	782	(489) -63%
Regulatory								
Building Control	42	-	42	-		42	-	42 -
Environmental Health	-	2	(2)	-100%		2	3	(2) -50%
Harbours	173	373	(200)	-54%		546	746	(200) -27%
Regional Development	441	1,142	(702)	-61%	5g	686	1,888	(1,202) -64%
Investment activities	9	-	9	-		9	-	9 -
Corporate Overheads	853	1,658	(805)	-49%		2,335	3,201	(865) -27%
Total Net Capital Expenditure	26,464	67,836	(41,372)	-61%		82,301	122,657	(40,356) -33%



5. Council has set a budget of \$105.6M for capital expenditure in the 2023-24 Annual Plan. This includes \$20.0M for capitalised roading emergency works. To achieve this a capex program of \$122.6M has been planned including \$16.6M of carryovers from previous financial years. This ensures that multiple projects can continue to progress. The current forecast is \$82.3M.

Forecast data will continue to be updated as we progress through the year and as new information comes to hand.

As of time of writing Council has a total value of contracts for new assets in progress of \$91.9M. There is \$18.1M of contracted works still outstanding.

Total capital expenditure from 1 July to 31 December 2023 is \$26.5M which is \$4.3M less than the same period last year (\$30.8M). Note last years figure included \$5.6M in vested assets and this years figure includes \$0.6M in vested assets.

Comments below are on variances greater than \$1million to the programmed works.

- a. Community Facilities is behind programmed works. A number of projects have been re-budgeted or are expected to be carried over including:

- i. A&P Park Pavilion project of \$2.2M has been re-budgeted into 2025-26
 - ii. delays in various other programmed works over the reserves and public conveniences program.
- b. Roads and Footpaths is behind programmed works and carry overs are expected relating to:
- i) Emergency reinstatement works for works already approved by Waka Kotahi. The full program was budgeted to be completed in the 2023-24 year with some work expected to fall into the next financial year.
 - ii) Continued delays in small township upgrades as community consultation and resource consents progress.

The general roading renewals program is behind due to challenges resourcing this work in addition to emergency works. As we are in the third year of the 2021-24 National Land Transport Programme it is not possible to carry over any surplus subsidy budget into next year. The majority of this work is completed in warmer summer period and we expect to see catching up of this work over the next few months.

- c. Flood Protection and Control Works is behind programmed works with carryovers of around \$1.5M expected relating to:
- i) Town Branch Drain upgrades.
 - ii) Delays in the general rivers capex program in the Wairau Floodplain.
- d. Sewerage is behind programmed works with significant re-budgeting of capital projects including:
- i) Blenheim MOPS \$4.7M into the 2025-27 years.
 - ii) Purkiss Street/Kingwell Drive pump station \$2.3M into the 2024-26 years.
 - iii) Seddon Treatment Plant \$3.4M into the 2025-27 years.
 - iv) Havelock Treatment Plant and construction of the new terminal pump station \$6M into the 2025-27 years.
- e. Water Supply is behind programmed works with significant re-budgeting of capital projects including:
- i. Riverlands Water Treatment Plant \$8M into the 2024-26 years.
 - ii. Havelock Water Treatment Plant \$1.5M into the 2024-26 years.
 - iii. Seddon second water reservoir \$1.3M into the 2032-33 years.
- f. Solid Waste Management is behind budget at this stage with the timing of the construction of stage 9 of the Regional Landfill. It is anticipated that this will catch up over the coming months and come close to budget at year end.
- g. Regional Development is behind budget with only a small carryover expected due to the Flaxbourne Irrigation Scheme \$1M being re-budgeted. At this stage we are assuming it will be pushed out to 2026-29.

Summary of Cash Received and Spent (\$000's)

	Financial Year to 31 December 2023	Financial Year to 31 December 2022	Difference
Cash received from:			
Rates	38,809	35,591	(3,218)
User charges	15,269	13,833	(1,435)
Property Rentals	3,974	3,618	(356)
Subsidies and Grants	21,267	35,918	14,650
Interest and dividends	4,916	3,876	(1,040)
Sale of assets	75	21	(54)
Development Contributions	3,218	5,152	1,935
Other revenue	4,272	10,127	5,855
Operating cash received	91,799	108,136	16,337
Cash spent on:			
Net GST	8,947	9,378	431
Payments for operating costs	(83,934)	(90,331)	(6,398)
Payments for capital expenditure	(25,915)	(25,433)	482
Operating cash spent	(100,901)	(106,387)	(5,485)
Cash borrowed from/(repaid to):			
LGFA for Council	38,075	10,170	(27,905)
Other	(6,000)	408	6,408
Cash from/(to) borrowing	32,075	10,578	(21,497)
Invested in subsidiaries or investment property	54	(1,036)	(1,089)
Cash and investments:			
net increase/(decrease)	23,026	11,355	(11,671)
at the beginning of the year	18,350	18,846	496
at the end of December	41,377	30,201	(11,176)

6. This is a modified cashflow statement which outlines where Council's cash is sourced and where it has been spent. Last year's figures have been provided as a comparison. The figures will differ to what is contained in the income and expenditure statement above mainly due to:
- The delay between invoices being raised/received and paid.
 - Various accruals, provisions, and prepayments.
 - Non-cash items such as vested assets and depreciation.

Authors	Tessa Dever, Financial Reporting and Funding Manager and Piumi Wijayasena, Assistant Financial Accountant
Authoriser	Geoff Blake, Chief Financial Officer

11. Debtors Overdue Reports as at 31 December 2023

(The Chair) (Report prepared by S Greenhill)

Purpose of Report

1. The purpose of this report is to advise Council on the overdue debtor position as at 31 December 2023.

RECOMMENDATION

That the information be received.

Debtors' Overdue Reports

2. The debtors' overdue summary report is attached for the Councillors' information. This report details the level of debt relating to the following revenue streams:

- Building Consents
- Resource Consents
- Resource Consent Monitoring
- Development Contributions
- Licences
- Tradewaste
- Water and Sewerage Connections
- Other Sundry Invoices

The Debtors Report as at 31 December 2023 is **attached** for Councillors' information.

The annual resource consent administration fees were charged in July 2023 totalling approx. \$1.3M, the balance owing as at the end of December is \$73,093 95% have been paid.

The 90 Days balance includes several Development Contribution invoices that will be paid once the building project is near completion. It also includes invoices for the annual resource consent administration fees that have not been paid. Invoice copies have been emailed requesting payment.

The Property Leases and Licences Debtors Report as at 31 December 2023 is also **attached** for Councillors' information. Current and Total balances fluctuate monthly depending on individual leases and invoicing periods, e.g., monthly, quarterly, six monthly or annual.

Author	Sonja Greenhill, Credit Controller
Authoriser	Geoff Blake, Chief Financial Officer

Debtors Report as at 31 December 2023

Aged Analysis Report	Current Month	Comparison for Previous 5 Months				
	December	November	October	September	August	July
Current	3,632,611.76	2,414,718.21	3,402,472.37	5,814,536.03	2,268,100.08	7,816,396.23
30 - 90 Days	607,435.43	2,227,962.19	3,388,582.59	1,304,289.50	5,622,594.92	1,650,478.98
90 Days	657,044.25	731,221.91	1,172,096.26	670,022.29	499,365.97	399,366.35
Outstanding Debtors Closing Balance	4,897,091.44	5,373,902.31	7,963,151.22	7,788,847.82	8,390,060.97	9,866,241.56

Debtors Action Report - Debtors over 90 days with Balance >\$250	December	November	October	September	August	July
With Debt Collection Agency	10,839.04	10,839.04	10,839.04	10,839.04	10,839.04	10,839.04
Paying by Arrangement	25,654.52	24,764.50	40,441.22	44,167.20	35,338.27	31,368.23
Negotiating Payment Arrangement	367,441.38	413,272.86	467,191.99	312,718.20	209,106.54	141,379.86
Debts in Dispute	178,952.81	178,952.81	178,952.81	178,952.81	178,952.81	178,952.81
Payments since month end taken off above amounts	34,241.85	48,189.68	409,695.92	119,560.80	62,654.63	34,967.96
Sub-Total	617,129.60	676,018.89	1,107,120.98	666,238.05	496,891.29	397,507.90
Various Debtors with Balances <\$250	39,914.65	55,203.02	64,975.28	3,784.24	2,474.68	1,858.45
Over 90 days Outstanding Total	657,044.25	731,221.91	1,172,096.26	670,022.29	499,365.97	399,366.35

Property Leases and Licences Debtors Report as at 31 December 2023

Aged Analysis Report	Current Month	Comparison for Previous 5 Months				
	December	November	October	September	August	July
Current	100,147.28	81,360.15	65,942.87	274,135.98	69,297.04	71,337.01
30 Days	24,227.33	12,578.48	5,750.08	13,323.88	14,423.70	7,443.93
60 Days	7,994.92	976.49	7,090.83	6,350.34	7,787.59	5,352.17
90 Days	(928.48)	(419.09)	9,774.25	4,462.41	8,727.55	3,937.96
Outstanding Debtors Closing Balance	131,441.05	94,496.03	88,558.03	298,272.61	100,235.88	88,071.07

12. Rates Report as at 31 December 2023

(The Chair) (Report prepared by Linda Fletcher-Firks)

F270-36-21

Purpose of Report

1. The purpose of this report is to advise Council of the rates position as at 31 December 2023.

RECOMMENDATION

That the information be received.

Rate Levies Status and Rate Arrears Aged Balance Reports

2. The Q2 rates instalment invoices were sent on 1 November 2023 and were due payment by 11 December 2023.
3. **Current Rating Year Arrears**
1,352 properties received a penalty and overdue letter for not paying their Q2 instalment on time (by 11 December 2023). The total penalties applied for this instalment was \$87,900. This is lower than the \$106,429 for the same period last year.
4. Of these properties, 395 accounts remain due. There are a further 94 properties which are still overdue from the Q1 instalment (due 11 September 2023). The collection rate for payments due to date is 48.66%. This is comparable with last year's collection rate of 48.84%.
5. **End of Year Arrears as at 30 June 2023**

Properties With Mortgages

- 207 properties with mortgages were identified as having arrears (as at 30 June 2023).
- On 21 November 2023, a Notice of Default was sent to the mortgagees of 105 properties. Any arrears due under this Notice, and not paid by 3-months from the date of the Notice, will then have a Notice of Demand sent to the mortgagee.

Of these 207 properties:

- 126 have paid.
- 12 have a payment arrangement in place to clear arrears.
- 64 still have a Notice of Default with the bank.
- 5 have yet to be actioned.

Properties Without Mortgages

There are 26 properties which do not have mortgages and have arrears. Most continue to make no or minimal payments towards their arrears or on-going 2023-2024 rates.

Of these 26 properties:

- 4 are in the process of Council obtaining a rating/abandoned land sale via our Debt Collection Agency.
- 4 are on hold due to legal ownership issues relating to limited companies being removed from Company Register.
- 1 is overseas and unable to be located and the area is not covered by our Debt Collection Agency. The rates team have made attempts to contact them, without success.

- 11 are actively being followed up by the Rates Team before being referred to the Debt Collection Agency.
- 3 are below the threshold for referral to the Debt Collection Agency and are actively being followed up by the Rates Team.
- 3 have a payment arrangement in place to clear arrears.

Unencumbered Arrears - By Year	
Pre 2020	4
2020-2021	5
2021-2022	3
2022-2023	14
Total	26

The Rates Team are continuously following up with these rate payers to collect overdue rates or to arrange mutually agreeable repayment plans.

Water Billing Debtors Report

6. Attached for information is the Water Billing Debtors Report as at 31 December 2023.

The 90 Days balance includes a number of credit balances and overdue September 2023 invoices. Copies of invoices were emailed requesting prompt payment. There are also a number of Renwick and Havelock water invoices that need to be reassessed by the water team due to large water leaks.

Author	Linda Fletcher-Firks, Team Leader Rating
Authoriser	Geoff Blake, Chief Financial Officer

Rate Arrears Aged Balance Report as at 31 December 2023

Year	Total Arrears (01/07/2023)	Rate Arrears Received Year to Date	Total Arrears 31/12/2023	Postponed Rates included in Total Arrears	Actual Arrears (after deducting postponed rates)
2022-23	1,090,266	642,278	447,987	40,229	407,758
2021-22	168,042	39,860	128,181	30,010	98,171
2020-21	41,972	4,436	37,536	27,234	10,302
2019-20	25,960	-	25,960	15,472	10,488
2018-19	22,526	721	21,805	15,726	6,079
2017-18 & Prior	56,713	7,144	49,569	52,315	(2,746)
Total	1,405,478	694,440	711,038	180,985	530,052

Rates postponement is offered to ratepayers aged over 65 under Council's Remission and Postponement Policy.

Rate Levies Status Report as at 31 December 2023

Financial Division	Balance B/Forward (01/07/2023)	Annual Rate Levy YTD	Arrears Penalty	Instalment Penalty	Adjustments	Cash Received for Year to Date	Balance 31/12/2023
Blenheim	(200,591)	24,527,549	32,795	69,692	(171,712)	(24,896,671)	(638,937)
Blenheim Vicinity	26,730	9,420,973	15,953	24,520	(50,774)	(9,718,017)	(280,615)
General Rural	23,963	7,897,195	17,585	36,093	(28,102)	(8,143,392)	(196,657)
Picton	82,162	5,360,253	17,118	23,699	(103,733)	(5,391,570)	(12,071)
Picton Vicinity	22,128	557,097	2,981	2,773	(34,079)	(556,594)	(5,693)
Sounds Admin Rural	12,683	679,503	3,094	5,108	(5,963)	(736,552)	(42,128)
Utilities Network	(747)	22,572	-	-	-	(41,053)	(19,228)
Current Year Totals	(33,671)	48,465,142	89,527	161,884	(394,363)	(49,483,849)	(1,195,330)

Water Billing Debtors Report as at 31 December 2023

	Current Month	Comparison for Previous 5 Months				
	December	November	October	September	August	July
Aged Analysis Report						
Current	771,070.52	(5,235.55)	4,330.90	577,202.57	853.08	(7,972.98)
30 - 90 Days	(1,571.57)	47,308.00	94,919.60	(11,982.61)	102,631.60	159,162.43
90 Days	22,042.26	(24,677.52)	23,930.39	92,387.53	1,599.82	13,568.71
Outstanding Debtors Closing Balance	791,541.21	17,394.93	123,180.89	657,607.49	105,084.50	164,758.16

Debtors Action Report - Debtors over 90 days Balance >\$250						
	December	November	October	September	August	July
Paying by Arrangement	4,358.25	2,818.32	3,187.48	1,012.89	1,484.89	2,444.89
Negotiating Payment Arrangement	39,575.97	28,431.49	53,035.88	29,138.24	29,810.08	33,042.52
Awaiting Possible Water Remission (New)	37,480.23	12,739.18	19,438.53	7,404.17	10,071.26	19,974.02
Payments since month end taken off above amounts	4,562.56	8,733.01	13,324.47	3,810.93	3,000.95	971.39
Sub-Total	85,977.01	52,722.00	88,986.36	41,366.23	44,367.18	56,432.82
Various Debtors with Balances <\$250 or Credit Balances	(63,934.75)	(77,399.52)	(65,055.97)	51,021.30	(42,767.36)	(42,864.11)
90 days Outstanding Total	22,042.26	(24,677.52)	23,930.39	92,387.53	1,599.82	13,568.71

13. Information Package

RECOMMENDATION

That the Economic, Finance & Community Information Package dated 7 February 2024 be received and noted.

14. 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:

- Trust Board Representative
- Marlborough Events Centre
- Property Lease

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
Trust Board Representative	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.
Marlborough Events Centre Property Lease	To enable the Council, as holder of the information, to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) as provided for under Section 7(2)(i).	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.