MARLBOROUGH DISTRICT COUNCIL

Report and Minutes of a Meeting of the
COMMUNITY & FINANCIAL PLANNING COMMITTEE
held in the Council Chambers, District Administration Building, Seymour Street, Blenheim on
TUESDAY 11 JUNE 2013 commencing at 8.30 am

Present

Clrs F D Maher (Chairman) (for part of the meeting), J C Leggett, J L Andrews, J P Bagge, D W R Dew, T E Hook, T M Sloan, G Taylor and Mayor A T Sowman.

In Attendance

Messrs M F Fletcher (Manager, Corporate Finance), D G Heiford (Manager, Support Services), A R Besley (Chief Executive), M J South (Financial Services Manager) and Ms J R North (Support Services Administrator).

Also Present

Clrs J A Arbuckle, G I T Evans, P J S Jerram.

A.12/13.391 Marlborough Regional Forestry S405-02

The Corporate Finance Manager's report advised Council of the outcome of Marlborough Regional Forestry's (MRF) consideration of the future ownership of Council's forestry assets.

MRF is a Joint Operating Committee between the Marlborough District Council (88.5% ownership) and Kaikoura District Council (11.5% ownership).

MRF investigated three options i.e. The status quo (retain the forests and operate as a forestry business); The sale of forests (land and trees); and The sale of the "cutting rights" with MRF selling the existing standing trees (not land) and as the trees are cut, MRF has the responsibility for re-establishing the next forest.

The financial analysis yielded a strong preference for options 1 (status quo) and option 3 (sell "cutting rights").

The Committee was supportive of retaining ownership of Council's forestry estate, and MRF's continued evaluation of "cutting rights" offers for reporting to Council. An observation was made that in comparison to the initial low financial outlay in purchasing the land and subsequent plantings, the returns have grown over the years to make it what it is today - a valuable asset.

Clrs Hook/Sloan:
That Council:

1. **Agree to retain ownership of its forestry estate;**

2. **Agree for Marlborough Regional Forestry's continued evaluation of "cutting rights" offers for reporting to Council.**

Carried

A.12/13.392 Credit Card Payments B045-01

The Corporate Finance Manager's report sought Council's agreement to the direct recovery of the additional costs associated with allowing payments to be made by credit card.

Council currently accepts payment for services and rates by cash, cheque, EFTPOS, direct credit, automatic payments and direct debits however does not currently accept payments by credit card because of the additional costs associated with that means of payment. Unless these costs could be recovered directly, they would need to be met by ratepayers in general.

The Corporate Finance Manager advised that because of the availability of reward schemes; up to 55 days additional free credit; and additional convenience there was a push for Council to accept credit card payments. To meet this customer demand, Council has been developing a system to accept payments by this means and it was hoped that it could be implemented within the next few months.

Credit card charges are indicatively 2.5% of the transaction's value plus 10 cents per transaction. The cardholder would be made aware of the additional costs associated with making a payment by credit card, and would have the option of not proceeding and using other means of making payment.

Clrs Hook/Maher:
That Council agree to:

1. **Accept payment via credit card.**

2. **Recover any additional costs associated with making payment by credit card directly from the cardholder.**

Carried

A.12/13.393 Debenture Trustee B045-01

The Corporate Finance Manager's report sought agreement to the appointment of Corporate Trust Limited as the trustee for Council's Debenture Trust Deed.

Mr Fletcher advised that when Council established a Debenture Trust Deed to provide greater flexibility in its debt financing arrangements, it appointed Perpetual Trust Limited as trustee. Perpetual Trust Limited has advised that it intends to retire as trustee. A new entity Corporate Trust Limited (trading as Foundation Corporate Trust) has been established.

Council agreement was sought to the appointment of Corporate Trust Limited as the trustee of Council's debenture. They have been granted a full licence by the Financial Markets Authority (FMA) under the Securities Trustees and Statutory Supervisors Act 2011, and their personnel are the same as those that Council dealt with when it operated as Perpetual. Mr Fletcher remarked that the service offered to date has been of a high standard.

The legal costs associated with preparing the transfer would be met by Corporate Trust Limited.

Clrs Leggett/Maher:
That Council agree to the appointment of Corporate Trust Limited (trading as Foundation Corporate Trust) as the trustees for Council's Debenture Trust Deed.

Carried

ATTENDANCE: Neil Henry, Manager Strategic Planning & Economic Development and Susie Witehira, Regional Events Strategy Coordinator for the following item.

A.12/13.394 Smart and Connected Project Update E045-01

Neil Henry reported on progress which is continuing across the various aspects of the Smart and Connected vision and projects.

Proposals to resource the implementation of the strategy in 2013-14 were developed for the draft Annual Plan process. The Marlborough Regional Economic Profile 2012 has been completed; and discussions with industry are underway as part of the innovation stocktake.

Mr Henry advised that the Regional Events Strategy project is making good progress in the three months since the appointment of the co-ordinator, Susie Witehira.

Key projects include the development of an events strategy to set out how to achieve the aim of maximising economic return within the context of Smart and Connected; an events calendar that will publicise events held here, ensure local businesses can plan effectively to leverage these events, and to optimise the spread and timing of events; and give advice and guidance to event organisers to ensure that events are well run, well attended and revenue opportunities from sponsorship are explored and targeted effectively.

Susie Witehira gave a presentation on the development of a Regional Events Strategy; and a Marlborough Events Calendar. A first draft of the events strategy has been presented to the Grow Marlborough (business) group and feedback is currently being sought on the high-level vision statement and objectives. Ultimately the final draft strategy will be presented to Council for adoption. It will be reviewed annually. Council's role is seen as support with facilities, services in-kind; and actively work with the events sector.

A mechanism will be established to collate and share information on upcoming events and regional commitments with conferences, sporting and leisure group activity. A master calendar of events will be maintained and shared to inform local businesses and increase visitor spend through a co-ordinated business effort.

Clrs Taylor/Sloan:

That the information be received.

Carried

A.12/13.395 Destination Marlborough – Role and Purpose E045-02

Nigel Gould, Trust Chair, along with Tracy Johnston, General Manager, updated Councillors on progress including the development of Destination Marlborough Trust's role and purpose statement.

Destination Marlborough's role is to attract visitors to the region, build visitation to improve business sustainability, to encourage visitors to stay longer and do more, and to return and send others.

Mr Gould talked of Marlborough's seasonal challenge. There is the need to concentrate on stimulating the demand outside of the peak season.

Destination Marlborough's purpose is to exist to grow and support a sustainable visitor economy that contributes to achieving a Smart and Connected economy for Marlborough.

They are pleased to be working with Amanda Lynn of Mandolin Associates who was engaged by Council along with Business and Economic Resources Limited to provide an analysis of Marlborough's economy and suggest a way forward. Marlborough Smart and Connected is a vision which aims to provide future direction for the region. Council approved the vision and strategic framework in 2012 and since then has facilitated discussions through Amanda Lynn across industries and businesses to encourage others to participate in its implementation.

Destination Marlborough's core functions are leading the development and delivery of a visitor strategy for Marlborough; improving seasonal spread by building year round visitation; delivering visitor information resources and services; and fostering the positive reputation and capability of the Marlborough visitor industry.

Mr Gould commented on the positive affect cruise ships have on the local economy; they need to look at ways of retaining these port visits. They also need to capture the opportunity if the ferry operation shifts to Clifford Bay, however, Picton needs promoting as a destination whether or not there is a shift.

Clrs Hook/Bagge:
That the information be received.

Carried

ATTENDANCE: The Mayor attended the meeting at 9.20 am; during the Destination Marlborough presentation.

The meeting adjourned at 9.35 am and resumed at 9.55 am.

A.12/13.396 Youth Initiatives Plan 2013 C225-04

The Community Development Advisor, Lyne Reeves, presented the Youth Initiatives Plan for 2013 as put forward by the Marlborough Youth Council.

The Plan forms the basis of decision making on requests for youth funding ($60,000 per annum) as well as provide the basis for some youth led initiatives.

The areas of focus for the Youth Council in 2013 are to maintain and promote My Voice youth website, support for the activities of Students Against Driving Drunk regional group, Students Against Violence and Smokefree Youth Ambassadors. Further, the Youth Council is planning to implement Youth Civic Awards to profile the contributions youth make in the community.

In addition to this, some of the well-established activities have been identified as needing to be supported on an on-going basis including delivery of CACTUS programmes and the physical competency training inter-school activity and Peer Support in the secondary schools.

A full report of achievements will be provided at the end of 2013.

Clrs Bagge/Hook:
That the information be received.

Carried

A.12/13.397 Marlborough District Libraries Activity Report L270-01

The District Libraries Manager's report updated Council on the operations of the Library services.

It was reported that the total checkouts for the District Library and the Picton Library and Service Centre, year to date, were 8% fewer than the same period last year, however, the libraries were closed for two extra days over the Christmas/New Year period in 2012-13 than in 2011-12.

Of note was the number (2,372) of hits recorded by unique visitors accessing the libraries website during the month of April with 11,696 pages being viewed.

The libraries limit all Aotearoa People's Network Kaharoa (APNK) computer users to one session per day (15 or 30 minute duration). The number of sessions recorded in April for Blenheim and Picton totalled 4,004; and the total number of Wi-fi user/device sessions was 4,616. It was noted that with the installation of Wi-fi in the Picton CBD, numbers of users at the Picton Library and Service Centre had dropped. Wi-fi in the Blenheim CBD will be up and running by the end of June 2013. The first hour is free.

The development of the libraries' new website is progressing well with library and council staff working with the developer. The website will use the same platform and templates as the Council's website; therefore it will be able to offer greater functionality. The tentative release date is scheduled for late June.

The report provided two links of two presentations given by the District Libraries Manager to Council on the future direction of New Zealand public libraries.

Clrs Sloan/Andrews:
That the report be received.

Carried

A.12/13.398 Financial Report for Council – Period Ended 30 April 2013 F045-06

The Corporate Finance Manager presented Council's financial report for the period ended 30 April 2013.

The Income Statement reported a surplus of $4.553M for the year to date which was $1.587M ahead of budget.

Total Income for the April year to date was ahead of budget by $1.764M (2.55%).

Overall expenditure for the April year to date was $0.177M (0.26%) above budget. Comments were provided in the report on variances greater than $100,000.

Budgeted capital expenditure for the year was $59.1M including $14.7M of carryovers from the 2011-12 financial year.

Indications are that there is likely to be deferrals and carryovers to 2013-14 of approximately $18.63M relating to community facilities; corporate; flood protection and control works; investment activities; roads; sewerage; stormwater; and water. There is also expected to be capital savings of approximately $10.56M relating to community facilities; corporate; flood protection and control works; roads; sewerage; solid waste management; stormwater; and water.

Clrs Hook/Sloan:
That the financial report for the period ended 30 April 2013 be received.

Carried

A.12/13.399 Debtors' Overdue Reports as at 30 April 2013 A135-04

The Debtors' Overdue report as at 30 April 2013 was presented for the Committee's information. A number of debtors are paying by arrangement; debts in dispute were $16,740.

The Property Leases and Licences Debtors' report as at 30 April 2013 was also presented to the Committee for information. Current and total balance fluctuate monthly depending on individual leases and invoicing periods e.g. monthly, quarterly, six monthly or annual. Outstanding debtors totalled $87,534 as at 30 April, and the 60 and 90 days overdue balance was $24,848.

Clrs Bagge/Andrews:
That the information be received.

Carried

A.12/13.400 Rates Reports R135-03

The Rate Levies Status report and Rate Arrears Aged Balance report as at 30 April 2013 were presented for councillors' information.

Council collected 73.70% of the overall rates levied for 2012-2013 (inclusive of arrears); this compared with 73.68% at the same time last year.

Internal Affairs has reported that nationally the uptake of rates rebates for the 2012-13 rating year is about 3.5% less than for the same period for the 2011-12 rating year. In Marlborough, to date, Council has processed 1,822 (1,782) $976,152 ($940,520) of 2012-13 rates rebates applications. Full year actual figures are included in brackets. This is a 3.99% increase to date. This follows on-going advertising targeting both superannuitants and low income households.

Also presented for information was the Water Billing Debtors Report as at 30 April 2013.

The 30-90 days balance was predominantly the outstanding balance remaining from the high March quarterly billing reported last month. The 90 days balance was now reflecting both low levels of outstanding debt and high credit balances.

Clrs Bagge/Taylor:
That the report be received.

Carried

A.12/13.401 Decision to Conduct Business with the Public Excluded -

Clrs Leggett/Andrews:
That the public be excluded from the following parts of the proceedings of this meeting, namely:

- Debtors' Overdue Report

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

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

Carried

The meeting closed at 10.25 am.

Record No: 13164132