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MARLBOROUGH DISTRICT COUNCIL

28 January 2014

Record No: 1429687
File Ref: D050-001-C01
Ask For: Judith North

Notice of Committee Meeting – Tuesday 4 February 2014

A meeting of the Community and Finance Committee will be held in the Council Chambers, District Council Administration Building, Seymour Street, Blenheim on **Tuesday 4 February 2014 commencing at 9.00 am.**

B U S I N E S S

As per Agenda attached.

ANDREW BESLEY
CHIEF EXECUTIVE

MARLBOROUGH DISTRICT COUNCIL

Meeting of the
COMMUNITY AND FINANCE COMMITTEE
to be held in the Council Chambers, District Administration Building, Seymour Street, Blenheim, on TUESDAY, 4 FEBRUARY 2014, commencing at 9.00 am.

Committee	Clrs J C Leggett (Chairman) J A Arbuckle (Deputy) J L Andrews J P Bagge C J Brooks B G Dawson D D Oddie L M Shenfield T M Sloan Mayor A T Sowman Iwi representative
Department Head	Mr M F Fletcher (Manager, Corporate Finance Department) and Mr D G Heiford (Manager, Support Services Department)
Staff	Judith North (Support Services Administrator)

In Public

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1. Youth Initiatives Plan 2013 – Progress Report

(Mayor) (Report prepared by L Reeves) **C150-002-018-01**

Purpose

1. The purpose of this report is to provide an update to Council on progress of the Youth Initiatives Plan implementation in 2013, along with a report on how youth funding has been expended to date over the same period.

Background

2. Council's Long Term Plan includes a community outcome for youth as follows:

   "Positive youth: a community where young people are vibrant and optimistic, encouraged to take up challenges, and support in their lifestyle choices".

3. In addition Council adopted a Youth Policy in 1999 that states:

   "The Marlborough District Council will work towards developing a district where:

   - *Young people's view and contributions to their families and the community are valued*
   - *Young people are cherished and their diversity is recognised, acknowledged and celebrated*
   - *The views of young people will be sought and taken into account in the development of the Council's policies and activities".*

4. As a result the Youth Council was established as a mechanism to communicate and gain participation by young people in civic activities.

5. In 2005 Council undertook a Youth Scoping Project in conjunction with Public Health which comprised a survey of youth service organisations and a Talking Walls project with secondary school students. Council requested that the Youth Council provide information on how youth initiatives funding could be utilised. A Youth Initiatives Plan was presented to Council for consideration and encompassed the information provided by the Youth Council and some recommended actions.

6. As a result Council agreed to adopt the plan and provide an annual budget of $60,000 for the Youth Council to implement the actions identified in the plan to achieve positive outcomes for young people in our community.

7. Since then the Youth Plans have been reviewed and developed on an annual basis by each Youth Council and reported to Council. The same format has applied whereby organisations have made proposals to deliver outcomes for youth in relation to the plans in addition to some on-going projects that have continued to be supported such as the Youth Art Exhibition, Students Against Driving Drunk (SADD), Peer Support Programme in Schools and CACTUS programmes across Marlborough. In addition the Youth Council has identified more hands on projects that they want to be involved in. These provide leadership and skill development opportunities.

8. The Mayor and Chair of the Community and Finance Committee, along with one youth representative from each of the secondary schools continue to have the delegated authority for decisions on the Youth Initiatives Proposals within the annual youth funding budget, however the majority of decisions on funding are made at Youth Council meetings.

Youth Initiatives Plan 2013

9. **Attached** for Committee members' information is a progress report on implementation of actions identified in the 2013 Youth Plan.

10. There continues to be increased relationships with the Police and youth, with Police staff attending some Youth Council meetings on invitation and following up with delivery in terms of Students Against Driving Drunk (SADD), CACTUS programmes in Picton, Havelock, Seddon and Blenheim along with the PCT (Physical Competency Training) competitions.

11. Each year the Youth Council reviews the previous year's Youth Plan and identifies the priority areas they think need to be actioned during the year of the operation. Two target areas that were commenced in previous years were completed in 2012. These being the Youth Civic Awards and Variety Concert and the Abseil from the car park building during Youth Week. The Youth website and Facebook page is also a significant ongoing project and an effective tool for promoting information to young people. The ongoing challenge is to ensure the information is current and relevant to young people.

Youth Funding

12. The Youth Plan report attached provides information on the allocation of funds by the Youth Council in 2013. It should be noted that Council's financial year does not align with the calendar year by which the Youth Council operates, therefore the report shows information across two financial years.

13. Some activities are being funded on an annual basis as they are seen as contributing effectively to positive outcomes for youth. In addition development of youth activities across Marlborough and in particular some of the rural areas including Picton, Havelock and Seddon had been identified and the CACTUS and PCT programmes specifically targeted these areas.

Summary

14. Since the plan was adopted, in 2013 there has been considerable progress on youth activities which has included young people in all aspects of the planning, along with implementation and delivery of the activities. This includes decision making in terms of what projects have priority for funding.

15. Council continues to get positive feedback from youth service providers, principals of local secondary schools and youth themselves on the engagement Council has with youth along with support for youth projects. It is anticipated that support will continue in 2014.

RECOMMENDED

That the Youth Plan Report for 2013 be received.

Youth Initiatives Plan 2013 – Report on Progress

Purpose

The purpose of this report is to provide information on the implementation of the Youth Initiatives Plan by the Youth Council in conjunction with Council and key partners including the Marlborough Youth Trust.

Background

Council's Long Term Plan includes a community outcome for youth as follows:

"Positive Youth: a community where young people are vibrant and optimistic, encouraged to take up challenges, and supported in their lifestyle choices".

In addition Council adopted a Youth Policy in 1999 that states:

The Marlborough District Council will work towards developing a District where:

- *young peoples' views and contributions to their families and their communities are valued*
- *young people are cherished and their diversity is recognised, acknowledged and celebrated*
- *the views of young people will be sought and taken into account in the development of the Council's policies and activities.*

As a result the Youth Council was established as a mechanism to communicate and gain participation by young people in civic activities.

In 2005 Council undertook a Youth Scoping Project in conjunction with Public Health which comprised a survey of Youth Service Organisations and a Talking Walls Project with secondary schools students, Council requested that the Youth Council provide information on how Youth Initiatives funding could be utilised. A Youth Initiatives Plan was presented to Council for consideration and encompassed the information provided by the Youth Council and some recommended actions.

As a result Council agreed to adopt the plan and provide an annual budget for the Youth Council to implement the actions identified in the plan to achieve positive outcomes for young people in our community.

The Plan

The original plan pulled together the information provided through the Youth Scoping process along with feedback from young people through the Youth Council. This Plan is updated with information and priorities from the 2012 Youth Council.

The plan summarises the issues identified through the original process under topic headings and suggestions made by young people both at the time as well as from the subsequent Youth Council members from each year since. It also identifies actions to be undertaken in conjunction with other organisations such as the Marlborough Youth Trust, Police.

It is intended that this information will assist Council in achieving the Community Outcomes for youth and the Youth Policy as well as give guidance on priorities for allocation of youth funding.

Progress to date as identified

Please note the report covers activities for the calendar year the Youth Council operates – 2013.

Education, Training, Employment

Issues discussed under this heading were focused around how easy it is for young people to access information about the opportunities and options for future employment in Marlborough.

Comments included:

- There is a need to maintain the level of trade's information regarding apprenticeships etc, particularly focused at the local labour market.
- Careers advice is primarily focused at university and tertiary education. There is a need to look at primary and secondary local employment options.
- Need to ensure that follow up for young people happens when leaving school to go to employment or training continues to happen.

Actions

1. *Continue support for services that provide trades information including the annual Industry Training Graduation.*
2. *Ensure information about services that support transition from school are kept up to date on the Youth Website*
3. *Profile local training and employment opportunities on the Youth Website.*

Progress:

1. ***An Industry Training Graduation was held on 21 September 2013 with graduates receiving certificates and being acknowledged for their achievements – local media coverage about the event and promotion of trades as a career path option was undertaken in conjunction with the graduation.***
2. ***Training provider and employment sites are listed on the youth website along with career assistance and transition from school services.***
3. ***Profiling of local employment opportunities has not been undertaken, however this will be followed up in 2014.***

Relationships

Young people have identified relationships with each other and with family and community as being important. Friends can be a negative or positive influence, as can families.

Comments included:

- It was felt that due to the two single sex schools and Queen Charlotte College being isolated that there was a need to have more inter-school activities to improve relationships. These exchanges should include cultural and social activities. These should also include the Marlborough Community College and Rai Valley Area School where possible.
- Positive relationships with police should be maintained - need to have more publicity on positive police input into activities such as pre and post formal activities, CACTUS and PCT competitions to build positive relationships and perhaps have fun sports and other activity exchanges.

- Encourage more intergenerational activities to build positive relationship between older and young people in the community.

Actions

1. *Continue communication between Police and the Youth Council to look at ways to improve Police/Youth relationships.*

2. *Continue support for CACTUS programmes and PCT activities.*

3. *Explore options for inter school activities.*

Progress:

1. ***Police have actively been involved in a number of youth activities including the SADD (Students Against Driving Drunk) projects, PCT (Physical Competency Training) competitions and CACTUS programme, all of which are now annual activities with all having good interaction between the schools. These activities encourage positive relationships between youth and Police and are well supported particularly with high numbers participating in the CACTUS programmes.***

2. ***As above. Youth funding was allocated for CACTUS and PCT programmes. CACTUS runs across the districts with programmes delivered in Havelock, Picton, Blenheim and Seddon.***

   In addition Police have attended Youth Council meetings to discuss youth alcohol issues along with general youth issues.

3. ***PCT is an interschool activity run each year in Youth Week – weather permitting. Marlborough Boys College, Queen Charlotte College and Marlborough Girls College all participate in this. In addition, the three colleges participated in the Youth Civic Awards and Variety Concert run on 19 October 2013.***

Activities and Events Including Arts, Social and Recreation

This is the area where the most comments were made by young people including:

- The need to have activities that encourage more interaction between secondary schools in the area that provide social, cultural and recreation opportunities.

- Support an annual youth concert (Smokefree Rockquest) and opportunities for youth bands to perform.

- Develop and implement a youth designed Youth Website to centralise information about youth activities and other information such as health, legal etc.

- Promotion of youth art – alternate years with youth art exhibition and youth community murals.

- Support for services provided for youth in Picton and other small communities in Marlborough such as youth groups, CACTUS etc.

- Opportunities for youth performance should be encouraged including use of the Civic Theatre “for youth, by youth” productions.

Actions

1. *Support opportunities to provide regular and one off youth activities in conjunction with other organisations – both Blenheim and Picton based.*

2. *Work with Millennium Art Gallery to provide an annual Youth Art Project, including development of skills for young people – this year youth art exhibition.*

3. *Support youth initiated proposals for social activities that provide alcohol & drug free alternatives e.g. Regional SADD projects.*

4. *Ensure the Youth Website is current and up to date – designed by youth to provide information about youth services and activities.*

5. *Continue the partnership with the Marlborough Civic Theatre to support youth productions- a maximum of three per annum.*

6. *Showcase youth talent in conjunction with the new Youth Civic Awards – partnership project with each school represented and showcase work of SADD, Stage Challenge, QCC Wearable Designz etc.*

Progress:

1. The Youth Council supported the Marlborough Youth Trust with the Great Water Squirmish in December 2013 as part of the one off monthly events they are funded to deliver. It is anticipated that this relationship will continue in 2014.

In addition, the Youth Variety Concert was undertaken as a one off event. The event received a lot of accolades from the community and was a learning experience for young people who planned and implemented every aspect of the event with training and support from Go Marlborough. This was funded from Ministry of Youth Development funding.

2. The Youth Council reviewed the continuation of the annual youth art exhibition and decided to undertake a community youth mural project with the youth art exhibition in alternate years. The intention is to widen opportunities for youth to be involved in community art projects but also to positively increase the profile of young people in the community. The Youth Art Exhibition was held in 2013 showcasing youth art at the Millennium Art Gallery. This is a partnership project with the Gallery, schools and youth. The exhibition "Toi Ora" ran from 22 June to 28 July 2013 with positive feedback from public and all involved.

3. Support for the regional SADD (Students Against Driving Drunk) group was again provided in 2013 through funding assistance to send representatives to attend the national conference. This is valuable for development of knowledge and leadership skills within the schools.

4. The youth website "My Voice Marlborough" continued to be updated and promoted in 2013 with positive feedback. Systems are in place for on-going maintenance of the site to ensure information is kept up to date and is relevant to what young people want to know. This will be monitored by a sub group of the 2014 Youth Council. A facebook page was developed to highlight and promote aspects of the website such as polls, competitions and events.

5. A partnership was formed in 2010 with the Marlborough Civic Theatre Trust and the Youth Council to encourage young people to undertake youth performance using the theatre. Normally this type of activity would not take place due to the costs involved. The partnership involves both the Theatre Trust and the Youth Council contributing $1,000 towards the cost of a youth performance. Up to three events can be funded per annum and in the last period funding was approved for the Joshua Guillemont-Richardson fundraising concert and the Youth Variety Concert.

Transport

As the area is geographically spread with limited public transport this was considered to be an issue/barrier to accessing services.

Comments included:

- More promotion of the Blenheim Bus Services through schools, particularly for the holiday periods.
- It was noted that some roads were not safe so promotion of cycling and walking is difficult to encourage until the safety issues are sorted out.
- Believe that the Cycle and Walking Strategy was positive and would feel safer having dedicated cycle lanes.
- If activities were held in Blenheim it was important to consider access for Picton youth to attend.

Actions

1. *Make a submission to Council's Annual Plan process to request the implementation of the Colleges Travel Plans to improve safe passage to and from school.*
2. *Promote the Blenheim Bus service in secondary schools and on the website.*
3. *Consider Picton youth transport issues when planning Blenheim based events.*

Progress:

1. ***A submission was made to the Council Annual Plan process requesting implementation of recommendations in the Colleges Travel Plans. Some actions have been approved and implemented by Council. This will be followed up further in 2014.***
2. ***Information on the Blenheim Bus Service was circulated to Youth Council members for distribution at the schools. Feedback from youth is that the bus service is better now that it is available Monday to Saturday and there is an increase in use in the school holidays.***
3. ***Provision of transport to Blenheim based events was not required in 2013. Support continues to be provided for activities based in Picton such as the CACTUS programme and PCT activities.***

Listening to Youth Views

It was acknowledged that it is important for youth to have an acknowledged mechanism for raising issues affecting them and for organisations to gain youth input.

Comments included:

- It was felt that often the issues raised with young people are far too broad and need to be specific and youth related to get good feedback.
- It was thought that the Youth Council was a good mechanism for building relationships and getting issues raised.
- The issues with young people not in secondary schools and how to contact them for their input needed to be addressed.

- Important for youth representatives to make sure they communicate back with their own networks to ensure that there is a wider representation involved in issues.

Actions

1. *Invite and encourage representation from the Marlborough Community College and Business Management School on the Youth Council.*

2. *Youth Council representatives to promote who they are so that young people know who to contact to raise their issues at the Youth Council meetings.*

3. *Youth Council representatives to gain wider youth input on issues raised through their school and other networks.*

4. *Information about the Youth Council to be provided on the website.*

5. *Utilise the Youth Website survey option to get youth feedback on issues.*

Progress:

1. ***Marlborough Community College and the Business Management School declined the opportunity to be involved in the Youth Council in 2013. The Youth Council have agreed to seek representation from the SADD and Peer Support Groups in 2014.***

2. ***Youth Council members have promoted their role through their own networks including the Student Councils at the Colleges. They have fed back information on issues such as youth activities, youth website development and youth events as requested and also raised issues to be discussed such as cybersafety.***

3. ***The Top of the South meeting of Youth Councils was hosted in Blenheim in 2012 and facilitated by the Ministry of Youth Development – this was attended by Marlborough youth who felt it was well worthwhile for sharing ideas about what other areas are doing. A training session on negotiation skills was also held in conjunction with this event.***

4. ***The youth website has a page providing information on the Youth Council, what it does and who is involved. This is updated each year with new membership and the current years plan of activities.***

5. ***The website has a poll on the home page that is a useful tool to get youth opinions. Survey questions this year included:***

    - ***Should it be legal for parents to supply under age youth with alcohol?***

    - ***Should legal synthetic drugs be sold in shops in Marlborough?***

    - ***Would you get in a car if the driver is under the influence of drugs or alcohol?***

Health

This is considered to be a broad issue as health needs to be looked at in an holistic way.

Comments included:

- The issue of binge drinking needs to be addressed. The culture needs to be changed so that getting drunk is not the norm. Education needed about keeping safe and looking after each other. Support youth led initiatives.

- The availability and supply of alcohol from parents and family members was expressed as a concern and the need for good role modelling around social drinking.

- The increased numbers of youth smoking is of concern – often very young.
- Issues of bullying (physical and via text), intimidation, violence – would like a way to change this with messages from youth to youth.
- Options for having a good time and staying safe with and without alcohol need to be encouraged.
- Confidentiality is an issue for young people when accessing health services.
- Needed to be more promotion of the health services available and the hours they operate.
- Peer Support in schools is effective.

Actions

1. *Utilise the Youth Website to ensure information about health services is available to youth.*
2. *Support initiatives that encourage a change in the drinking and drug culture that keep young people safe.*
3. *Support the Regional SADD committee initiatives including implementation of a plan of action.*
4. *Support the Peer Support programme in Secondary Schools.*
5. *Provide support for the Marlborough Students Against Violence (SAVE) network initiatives.*
6. *Support cyber safety education for youth and parents.*

Progress:

1. ***Liaison has taken place with Public Health staff to ensure up to date information on health services is available on the youth website. This has been achieved and will be maintained in conjunction with Public Health as part of the monitoring process.***
2. ***Initiatives to address the youth drinking culture were identified as a priority by Youth Council members. Discussions commenced with Police on a potential youth response to safe parties however no0 project was developed from this.***
3. ***The regional SADD (Students Against Driving Drunk) Committee did not seek funding for projects in 2013 however support was provided for representatives to attend the SADD conference.***
4. ***The peer support system in all of the Colleges is valued and a major mechanism for getting information and support to youth in need. The concept of "by youth, for youth" works well and funding was allocated for the continuation of training for peer supporters in 2013/14. Training is provided for all secondary schools in Marlborough including Rai Valley Area school.***
5. ***The Marlborough SAV (Students Against Violence) group provide activities that highlight and promote a violence free community. The group was low key in 2013 and did not require Youth Council assistance.***
6. ***Cybersafety education sessions for youth and parents were supported by the Youth Council. This is agreed to be a focus area for 2014 with the need for more youth delivery of the messages and sharing of their experiences making it more relevant to them. Also a focus on practical ways for safe use of technology.***

Positive Promotion of Youth

It was considered that while there are regular youth profiles in the papers often the stories on youth can be negative which did not reflect the majority of youth and their contribution to the community.

Comments included:

- It was felt that it was important to have an ongoing relationship with the media to promote positive youth activities and young people in general on a regular basis. Young people should be involved in that promotion in conjunction with the media.

- Look for ways to improve the profile of youth in Marlborough.

Actions

1. *Continue the relationship with local media and the Youth Council to promote positive stories about local youth.*

2. *Plan activities for Youth Week that profile the positive contribution young people make in our community.*

3. *Support initiatives that showcase youth talent to the community.*

4. *Develop and implement Youth Civic Awards to acknowledge and profile youth contribution to the community.*

5. *Continue to support youth chosen to represent Marlborough and/or New Zealand at a national or international level under the policy for supporting youth in need.*

Progress:

1. ***The media were supportive of Youth Council activities with coverage including the youth art exhibition, Youth Civic Awards, Youth Week Abseil activity and youth Council views of the year that was. These were all very positive stories.***

2. ***The Youth Council abseil from the carpark building was undertaken successfully in Youth Week. The PCT final between the Colleges was also held during Youth Week with the Boys College once again taking out the honours.***

3. ***As previously reported the Youth Council undertook the Youth Civic Awards and Variety Concert and the Youth Art Exhibition both of which showcased youth talent.***

4. ***The inaugural Youth Civic Awards were developed in 2013. Specific criteria was established using the Civic Honours model. Twenty two nominations were received with six worthy recipients receiving the Award. The Youth Council recommend that these be undertaken on a biennial basis. An honours board is being established to be located in Council to record recipients as for the Civic Honours.***

5. ***The Youth Council considered applications for assistance under their policy for assistance to youth chosen to represent Marlborough and/or New Zealand at a national or international level where they are experiencing hardship. Four recipients received assistance.***

Environmental

It was agreed that opportunities for youth to be involved in environmental issues should be encouraged. The EnviroSchools and Green leaders programme was identified as a good model for encouraging involvement and for implementation at schools along with a community project such as an annual planting activity.

Action

1. *Provide support to secondary schools participating in the EnviroSchools programme and encourage youth participation in environmental issues.*

2. *Liaise with Council Reserves staff to arrange an annual tree planting activity in a dedicated area.*

3. *Support Green Leaders initiatives including promotion on the Youth Website.*

Progress:

1. ***Support for secondary schools participating in the Enviroschools programme continues to be provided with positive results.***

2. ***Tree planting took place in September 2013 at the Taylor River. This was undertaken in conjunction with the Reserves staff and will continue to be an annual event on the Youth Council activities calendar.***

3. ***Green Leaders were invited to promote their activities on the youth website, however information has not been provided to date.***

Plan Implementation

Along with working in partnership with key youth service providers, The Youth Council considered proposals under the identified areas for delivery of services from organisations who can contribute to positive outcomes for youth as outlined in this Plan.

In addition, the Youth Council worked towards achieving the action points throughout 2013.

Budget

Council has an annual budget of $60,000 for youth activities linked to the implementation of the plan. Some of the funding is required to resource some projects identified by Youth Council members as well as for supporting proposals from providers.

Allocation of youth funding is through the Youth Council's Youth Funding Committee comprising of the Mayor, Chair of the Community and Finance Committee and one representative from each of the schools on the Youth Council. The youth representatives are appointed by youth each year. The majority of funding decisions were made at Youth Council meetings.

Funding Allocation

The following information outlines how the youth funding has been allocated during the 2012-13 financial year and to 31 December for the 2013-14 year. It should be noted that Council's financial year does not align with the calendar year by which the Youth Council operates: therefore the report shows information across two financial years. Also some funding was carried forward from the previous years for projects such as the youth website and Youth Civic Awards and concert.

Youth Funding Allocated 2012-13	**Organisation Activity**	**Amount**
Marlborough Youth Trust	CACTUS and PCT programmes	$10,400
MDC Partnership	Industry Training Graduation	$3,000
Millennium Art Gallery and schools	Youth mural	$5,000
Youth website	Carry over from 2011-12	$10,000
Individuals in need	Allocated by Youth Council under set criteria	$4,000
SADD	Conference 2013	$1,500
Youth Council	Youth hoodies	$1,200
MDC	Youth tree planting	$1,000
MYD Grant	Intergenerational event and training	$19,253
Marlborough Girls College	Peer support training 2013	$3,500
FYD Marlborough	Project K mentor training	$3,000
Marlborough Boys College	Youth message cards and posters	$200
SF Marlborough	Youth Driver's License programme	$2,000
Cybersafety	Schools & Community education	$2,000
TrustPower Awards	Youth Spirit Awards	$200
MGC	Stage Challenge	$1,000
Civic Theatre	Youth Performing Arts Partnership	$3,000
Total		**$70,253**

Youth Funding Allocated 2013-14	Organisation Activity	Amount
Marlborough Youth Trust	CACTUS and PCT programmes	$10,400
MDC Partnership	Industry Training Graduation	$3,000
Millennium Art Gallery and schools	Youth mural/youth art exhibition	$5,000
Youth website	Admin, promotion, competitions c/o 12/13	$5,000
Individuals in need	Allocated by Youth Council under set criteria	$3,000
Civic Theatre	Youth Performing Arts partnership – c/o 12/13	$3,000
Youth Civic Awards & Concert	Civic Theatre & Go Marlborough c/o 12/13	$10,000
Neurolynx	Regional Youth Councils training	$500
SADD	Regional projects & conference 2014	$3,000
Youth Council	Youth hoodies 2014	$1,200
MDC	Youth tree planting	$1,000
Go Marlborough	Intergenerational event and training	$10,000
TrustPower	Youth Spirit Awards	$200
Marlborough Girls College	Peer Support Training 2014 – all colleges	$3,900
Ministers Association	Ian Grant relationships sessions in colleges	$1,500
SF Marlborough	Youth Drivers Licence programme 2014	$2,000
Community College	Youth Expo 2014	$500
Total to date (31 December 2013)		**$63,200**

Summary

The Youth Council has been successful in implementing the Youth Initiatives Plan has been. The plan targets key youth issues and support for effective services and programmes that have positive outcomes for young people.

The secondary schools continue to be supportive of the Youth Council and encourage involvement of the students.

Feedback from youth involved continues to be very positive, particularly in being able to advocate issues affecting them, understand the process to get things done and then be involved in the final outcome. Skills development and confidence has also been identified by Youth Council members as one of the key things they develop through Youth Council participation as well as relationship building.

The Youth Council has met the majority of its objectives in 2013 and is proud of what they have achieved.

2. National Whale Centre Development Trust

(Clrs Brooks/Andrews) (Report prepared by D Heiford) **A200-002-14**

Purpose

1. The purpose of this report is for the National Whale Centre Development Trust to report to Council on progress to date.

Background

2. The National Whale Centre Development Trust made a submission to the 2011/12 Annual Plan process requesting assistance in the form of seeding funding for the development of their whale museum concept.

   The concept was for an online resource with a small portable museum that has interactive and static displays.

3. This was sent to the Community and Financial Planning Committee for further consideration. A seeding grant was made of $38,800 from 01 July 2012 spread over 2 years. (Minute A.11/12.134)

4. The Trust had applied to Council for the following:

• Professional support	$5,000
• Sponsorship and membership programmes	$4,500
• Development of operational plans	$8,300
• Website Design	$16,000
• Administration costs	$5,000
• **Total**	**$38,800**

5. A formal funding agreement was entered into with key milestones agreed for the release of each stage of the funding.

Progress to Date

6. The Trust has expended its funding from Council and as part of the agreement is required to report formally to Council on what it has achieved.

7. **Attached** is a report from the Trust and representatives from the Trust will present their report to the Committee.

8. The Trust applied to the MDC Heritage Fund in 2013 and was granted a further $10,000 towards their project.

Summary

9. Council declined the application initially from the National Whale Centre Development Trust at the 2011/12 Annual Plan.

10. The Community and Financial Planning Committee agreed to a grant of $38,800 over two years.

11. The National Whale Centre Development Trust is required to report formally to Council on the expenditure of the grant and progress on its project.

12. The targets for funding were achieved.

RECOMMENDED

That the report be received.

RECEIVED
21 JAN 2014
MARLBOROUGH DISTRICT COUNCIL

DHE

Te Tari Tohorā o Waitohi
National Whale Centre
PICTON NEW ZEALAND

REPORT TO THE MARLBOROUGH DISTRICT COUNCIL

January 2013

INTRODUCTION

This report is an update relating to the 12 May 2011 Submission to the Council's Annual Plan by the Trust and the subsequent Funding Agreement concluded by the Trust's Chairman , Nick Gerritsen and Dean Heiford of 12 March 2012.

Throughout the period following 12 March 2012 the Trust has kept Council informed as to progress pertaining to the 3 funding streams that are part of the Year One Plan and subsequently the resultant activities during the 2013 calendar year.

Given the passing of some 16 months since the first anniversary of the concept launch at the Perano Station on 28 June 2012 it is worthwhile reporting on the progress made thus far.

The years 1 to 3 planning phases have been addressed in part or whole over the last 18-24 months and relate to the 3 phases as outlined in the May 2011 Submission and the 12 March 2012 Funding Agreement.

1.
The creation of a local, national and international constituency of members, long term sponsors and donors and the development of resource networks to ensure a self-sustaining future for a National Whale Centre.

Members
Most of the organisation's time has been committed to the creation of a membership base over the last 24 months after the solicitation of initial donor contributions from a number of targeted individuals.

Not having a venue for members to visit we have had to create a range of other benefits for potential members as well as stressing the aspect of people supporting the concept and having access to the concept's development through the active weblog.

Specific benefits made available to members thus far include the whale flashdrive joining gift, the inclusion in a regular artists print prize draw and specific discounts on a growing list of merchandise being developed.

Whale-kids members also have access to the online Newsletter in a printed form upon request. (see attached 5 samples of the 10 produced thus far)

While membership uptake in the Marlborough region has been slow compared to that in other parts of the country this is due in large part to the strategy of targeting the national constituency as a valuable part of the Centre's future, both as supporters as well as future visitors.

Chariman, PO Box 558, Picton 7250, New Zealand. Project Coordinator, PO Box 6150, Wellington 6141. 0274 481 947 or email luit@bwx.co.nz

With the opening of an actual physical information and planning office/display area this last weekend in the premises provided by Port Marlborough the uptake of membership by locals has been encouraging and if this weekend is indicative we should find a real local residents involvement in the future.

Sponsors
While we have ongoing in-kind sponsorship from the likes of Soundsair and a range of companies and individuals and have already as of last weekend provided free interisland transport over the Maritime Festival weekend there has been no concerted effort to engage with major sponsors until such time that the first on-site evidence has been achieved.

Kiwi Rail and the Interislander have indicated their willingness to be approached with an in-kind deal once we reach that stage.

The large range of other in-kind supporters/sponsors are listed in our membership brochure and on the weblog. Some are one-off contributors while others are constant providers particularly PR, branding, architectural and design people, the latter coordinating all design and display production at no cost for the weekend's launch of the indicative display content.

Resource Networks
The NWC has not and probably will not in the foreseeable future have the resources to employ cetacean or heritage experts and to this end its most valuable input from a knowledge point of view is the links it has established with experts and specialist institutions both here and overseas. Within New Zealand we have been able to ensure the expert advice from people such as the ex Te Papa cetacean expert Anton van Helden, the former director of the National Museum, Dr Alan Baker and Rochelle Constantine of the Auckland University Marine Biology Department, all of whom we refer to for specialist advice whether that be for such basic but engaging information for the whale-kids monthly newsletter or special news items or articles relevant to the National Whale Centre concept.

The Project Director and Chairman, Nick Gerritsen, have also had meetings with Te Papa's CEO, Michael Houlihan the latter part of last year to further cement cooperative ties with a hugely resourceful organisation.

As part of the wider oceans preservation and marine bio-diversity dimension of the NWC concept we have established a close relationship with the PEW Environment NZ branch. In part the artists portfolio programme is a consequence of the PEW sponsored *Kermadec: Art Across the Pacific* exhibition project.

2.
Expand the info-based portal and brand to actual on-the-ground programmes and activities on the Picton site and through the internet.

Web Presence

Chairman, PO Box 558, Picton 7250, New Zealand. Project Coordinator, PO Box 6150, Wellington 6141. 0274 481 947 or email lult@bwx.co.nz

Apart from the ever expanding range of information and links established through the weblog the NWC is currently in the process of designing the architecture for a website as well. However until we receive the requisite funding support from one of the funding agencies we shall have to rely on the existing weblog to project our brand and presence.

As part of our vision regarding education the NWC has joined forces with the Picton based Conservation Kids for one of its school projects and on 30 June the NWC took part in the Whale Day event in Picton organised by Conservation Kids NZ.

Additionally a pilot whale-kids programme has been started at Tua Marina Intermediate with one of their first projects being a whale adoption programme associated with the annual whale count in Cook Strait taking place now. This project has the support of a number agencies including DoC.

This pilot programme is intended to provide a template for similar self-driven programmes in other schools in the area and nation wide.

While there was no site-specific presence the NWC's first and second year targets of reaching its growing audience has been achieved on a number of fronts.

3.
Manage a full membership and activities programme while developing the building brief and expanding the fundraising efforts for the envisaged building construction.

Container Structure Phase 1.
While the lack of success on the grant applications front has meant a delay in construction of the first info-container during the current year, planning and design work for the container continued during the last 12 month period. However the offer of premises by Port Marlborough has provided the Trust with an opportunity to put a stake in the ground close to where a future container or permanent structure might be developed and once resources become available even a stage one preliminary container structure could still be an exciting first and be executed quickly.

Grant applications:
Lion Foundation 2012: unsuccessful
Canterbury Community Trust 2011-12: unsuccessful; 2014 pending
Lotteries Environment and Heritage 2013-14: resubmitted with changes incorporating with full fit out designs for the interim Port Marlborough building; many local and national letters of support including those from Te Atiawa, Auckland Art Gallery, Cliff Whiting etc. A result is expected in early April and if successful we are planning to complete a fot out for a June/July opening and also celebrate the 50th anniversary of the cessation of commercial whaling in New Zealand.

Membership and Activities Programme
This has grown exponentially with the launch of the Artists Print Portfolio late last year. Prints of the first issue by Dick Frizzell have sold steadily and the second in the series of up to eight, by Greg O'Brien, one of the Kermadec artists, is selling well.
The prints range in price from $900 to $1,200 and all income is donated to the project. Of each print run (screen prints 50+ and etchings 40) 10 are set aside for an eventual portfolio of 8 prints (valued at $8,000+) , 8 are set aside as an exchange print for each

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participating artist with the rest for sale. In December 2013 we launched the third print by a prominent Maori artist John Walsh at the Gow Langsford Gallery in Auckland with Hamish Keith being the opening speaker.
Two more prints are in the pipe line.

To date this activity component has been the most successful financially and promotionally.

Given the status of our senior patrons, Anton Oliver and Dame Anne Salmond we are planning to arrange talks/lectures and events around their possible presence in Marlborough and elsewhere as fits our promotional programme.

Summary on MDC Grant for above activities:

- The modest but entirely appropriate and targeted sum provided by the MDC has enabled the Trust to meet all of its Year One and Two targets as well as some of the targets for Year Three
- This enabling money has stimulated the efforts by all those who have provided energy and resources *in-kind*
- Through its programmes and visibility on the web Marlborough has been highlighted in the many links relating to the area's heritage institutions, eco-tourism enterprises and general tourism information. This exposure alone is a high value-added consequence of the enabling money provided by the MDC
- While some targets such as a full website presence have not been met other strategic components have been put in place on a much broader footing than anticipated at the start of the project, e.g. artists portfolio, educational (whale-kids) pilot programmes and professional links.

Comment:

The Trust has successfully met its obligations (and more!) vis-à-vis the MDC grant. Its multiple activities have been able to be carried out because of the goodwill and energies of trustees, the may in-kind sponsors and the pro bono work for 80% of the time spent on managing the project by the author.

While funding for projects that are up-and-running is relatively easy to come by, funding for project development are not and it is this contribution by the MDC which has enabled the Trust to position its project in a highly visible and positive way.

As well as having met the various milestones as per the above the Trust has its various organisational, legal and financial structures in place including a detailed Business Plan. A membership database is being developed which will link in with the online membership/donors schedules over the next few months.

In the meantime the Trustees intend to build on the existence of a perfectly located information centre and keep spreading the news as it hopes to expand its constituency within a framework of local cooperation and national visibility for the benefit of the district.

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Te Tari Tohorā o Waitohi
National Whale Centre
PICTON NEW ZEALAND

Recommendation:

That the MDC through its Heritage Fund look favourably at the commitment of further funding when available to underpin the development of the NWC for the benefit of Picton and the region.

Nick Gerritsen, Chairman NWC Development Trust,
and Luit H Bieringa Project Director
21 January 2014

Charlman, PO Box 558, Picton 7250, New Zealand. Project Coordinator, PO Box 6150, Wellington 6141. 0274 481 947 or email luit@bwx.co.nz

Whale Kids

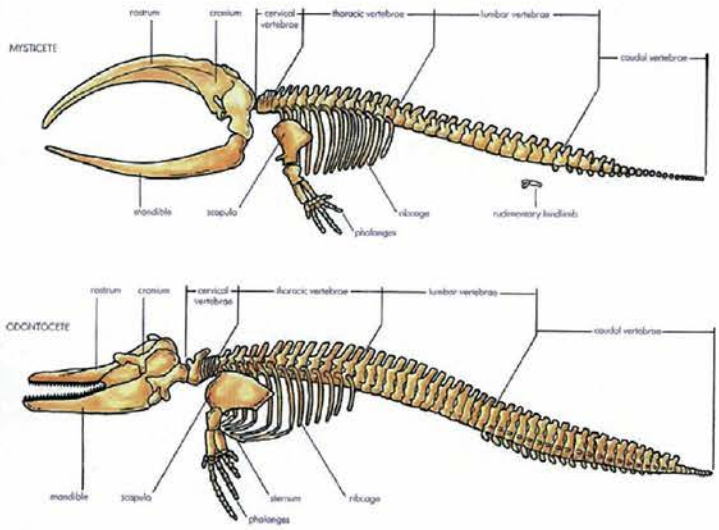
MAY 2013 Newsletter

What are whales?

Whales, dolphins and porpoises all belong to the scientific order Cetacea. The word "cetacean" originates from the Greek word "ketos," which means "sea monster." The term "whale" is often used to describe all cetaceans.

Cetaceans are found in all of the Earth's oceans as well as in some rivers and estuaries. There are approximately 80 different species. Cetaceans come in a wide range of sizes.

They are mammals like humans, which means they breathe air with lungs. This means a whale must come to the surface of the water at regular intervals to breathe. Whale nostrils, called "blowholes," are located on top of the head. When a whale "surfaces" it exhales the air from its lungs. This is called "blowing." They give birth to live young.



There are 10 species of baleen whales. Their name comes from the whales' feeding structures—they have "baleen plates" instead of teeth. Baleen, also called "whalebone," is made of keratin just like fingernails and hair. Each whale has many plates that hang down from its upper jaw, one after the other. The inner edge of each plate is frayed and forms a fibrous mat. The plates act like a sieve, straining out food from the water. Baleen whales are called "filter feeders." They eat small schooling baitfish, herring and pollack, and they also eat very tiny organisms like plankton and krill. The baleen plates can catch krill a few centimetres long!

Toothed whales are hunters. They find, chase and then capture prey (fish, squid, crabs, starfish, and other ocean creatures) with their teeth. Once captured, the prey is swallowed whole. Toothed whales find their food using echolocation. It works as a navigation system and can detect objects, such as fish, in the water. The whale sends out signals, called "ultrasounds" from its nasal passage. The signals bounce or "echo" off objects, then return to the whale, giving a clear "sound-picture" of the objects' size, shape and location.

For more interesting information on whales check out our website: aworldwithwhales.com/whale-kids

SAVING THE WHALE MEANS SAVING ITS HISTORY

Whale Kids

JUNE 2013 Newsletter

Sperm Whales

Sperm whales are named for the spermaceti oil (wax) that they produce in the spermaceti organs located in the head. Men hunted sperm whales for spermaceti which was used to make candles through the 19th century. Sperm whales are dark grey. There can be light grey or white markings around the mouth and on their belly. They can live for at least 60 to 70 years.

Sperm whales are one of the deepest diving whales. They usually dive hundreds of metres for as long as 40 minutes, but dive 2km or deeper for over two hours! Sperm whales eat pray found on or near the ocean bottom. Squid are their main food source, but they also eat octopi, sharks and various bony fish. Unlike other whales, which feed only in certain times of the year, the sperm whale feeds all the time. They eat about 3% of their body weight each day. For an adult male, this could mean almost 2 tonnes of food each day!

Sperm whales live in oceans all over the world, except Antarctica and Arctic waters. Females and young sperm whales live in groups, while older males live by themselves.

hoto © Brandon Cole

Fast Facts!

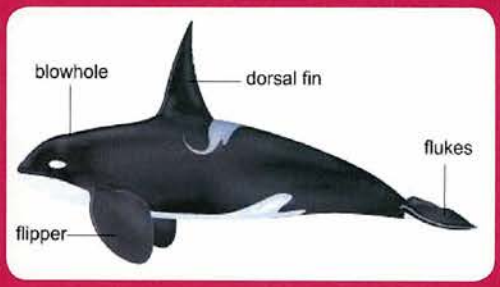
1. Up to one third of the sperm whale's total body length is its head. Their brain is the largest of any animal (up to 9kg!)
2. They have a ridge along the backs with bumps and thick ridge near the base of the tail. Their dorsal fin is low, thick and wide.
3. They have teeth on the lower jaw only.
4. Their flippers are short and wide, with rounded tips. The flukes (end of tail) are triangular with a straight back edge.
5. Their blowhole is near the front of the head and off to the left side. It is unique because it shoots water forward rather than upwards.

Whale Kids

JULY 2013
Newsletter

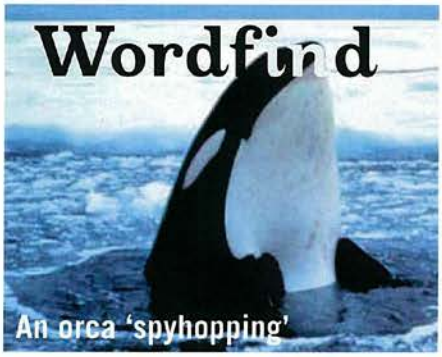
Orca (killer whale)

The Orca is the largest member of the dolphin family. They are about 2.4 metres long at birth. Females grow to 8.2 metres and males grow to 9.4 metres. They are black and white and have a large dorsal fin. The dorsal fin is much larger in males than in females. They are fast swimmers and can travel up to 55km/h.

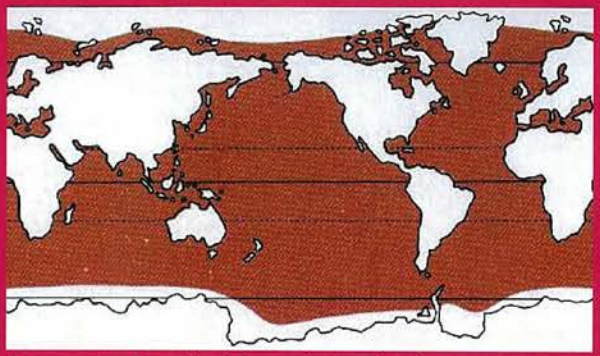


They live in mixed family groups called pods. Members of these pods usually stay together for life and develop communication unique to their group. Several pods may get together for social gatherings.

They are formidable hunters and resemble the predatory skill of the great white shark. They eat turtles, seals, fish, young whales, dolphins and seabirds. They have been known to try and eat animals as large as the Blue Whale. They live in tropical, temperate, and polar waters. They are seen more often in cooler waters and usually within 800km of the shoreline.



An orca 'spyhopping'


Orca can be found both in tropical and polar oceans.

See if you can find the following words in our orca wordfind!

ORCA	SEAL	DORSALFIN
DOLPHIN	SEABIRD	FEMALE
POD	TROPICAL	PREY
PREDATOR	POLAR	

J P O D L N H N S F M
E D X Q Y O R C A P B
M E L A M E F Q N R D
U X F R M J G L I E O
P H J Z S D D A F D L
I Y K C L P R C L A P
R W N A N F I I A T H
D A E X P L B P S O I
N S L R E F A O R R N
A P E O E O E R O O A
P Y U Q P S S T D Q I

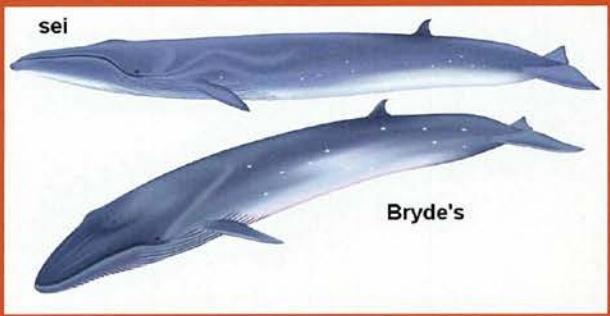
For more interesting information on whales check out our website: aworldwithwhales.com/whale-kids

SAVING THE WHALE MEANS SAVING ITS HISTORY

Whale Kids

AUGUST 2013 Newsletter

Bryde's Whale

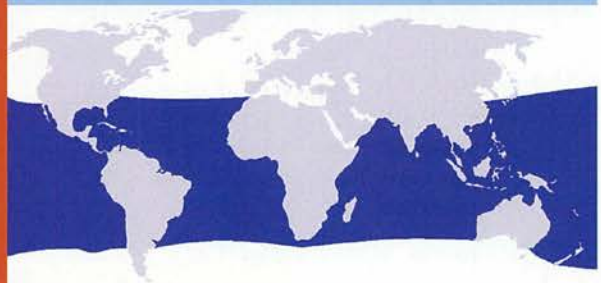


The Bryde's whale is a baleen whale. Bryde's is pronounced 'Brooders'. It belongs to the same group as blue whales and humpback whales. It has twin blowholes and no teeth. Instead it has two rows of baleen plates. Bryde's have an upright dorsal fin and their flippers are small and slender. The broad, centrally notched tail flukes never break the surface. They reach an average length of some 14 metres, and weigh approximately 13 tonnes. Bryde's whales closely resemble their close relative the Sei whale. Sei and Bryde's whales are frequently confused, being similar in size and general appearance, however Bryde's whales are slightly shorter than Sei whales.

The shallow-diving , hard-to-spot and widely dispersed Bryde's whale makes it very vulnerable to vessel traffic and an average of two per year have been killed by vessels in the Hauraki Gulf , Auckland, since 1989, a concerning number given the small size of the population. Ports of Auckland is trying to establish ways of minimizing such strikes.

There may be up to 90,000–100,000 animals worldwide, with two-thirds inhabiting the Northern Hemisphere. Around New Zealand, Bryde's whales are most common between North and East Capes but have been reported as far south as Cook Strait. They are the most commonly sighted large whales in the coastal waters of northern New Zealand. Despite this, surprisingly little is known about them, either in New Zealand or anywhere else.

They usually appear individually or in pairs, and occasionally in loose aggregations of up to twenty animals around feeding areas. They eat krill, squid and fish. They sometimes generate short powerful, low frequency sounds that resemble a human moan



Wordfind

See if you can find the following words in our Bryde's whale wordfind!

BRYDES	SQUID	POD
BALEEN	WHALE	SLENDER
FLIPPER	HUMPBACK	BLOWHOLE
SEI	HAURAKI	

I E S R R Q W K U G D
A E O E E N J H E J I
M L H P D D I U L Q U
Q O A P N T S M A A Q
W H U I E Q K P H Y S
U W R L L P P B W W U
Y O A F S O A A G T I
B L K J D L N C H K G
K B I L E K K K B Y U
D R K E O Q W R J I V
A E N R G W O T W I Y

Whale Kids

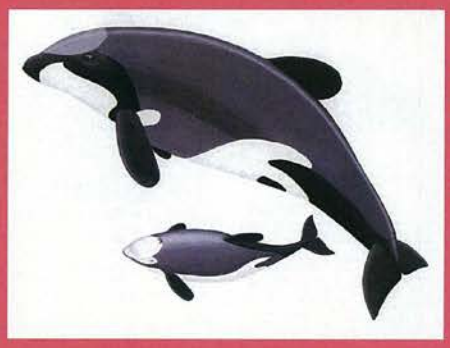
SEPTEMBER 2013 Newsletter

Hector's and Maui's Dolphins

Hector's Dolphin is one of the smallest dolphins, and it is also one of the rarest. They are about 50 cm long at birth and can grow to a maximum of 1.8 metres. They live exclusively around New Zealand and the best place to look for them is in shallow water close to the shore. It is most abundant between Cook Strait and Foveaux Strait. They enter estuaries and they have been known to swim up rivers. They eat fish, squid and crustaceans.

In 2002 Maui's dolphins were classified as a sub-species of Hector's dolphin.

They are found exclusively on the West coast of the North Island, New Zealand. As of 2012, it is estimated that 55 Maui's dolphins exist in the world. They are very rare and endangered.



Maui's and Hector's are the only dolphins with a well-rounded black dorsal fin.

They have distinctive grey, white and black markings and a short snout

Maui's dolphins are found in isolated pockets along the North West coast of the North Island, between Dargaville and New Plymouth.

They live in small pods of 1 to 5 dolphins within 5 nautical miles of the coast.

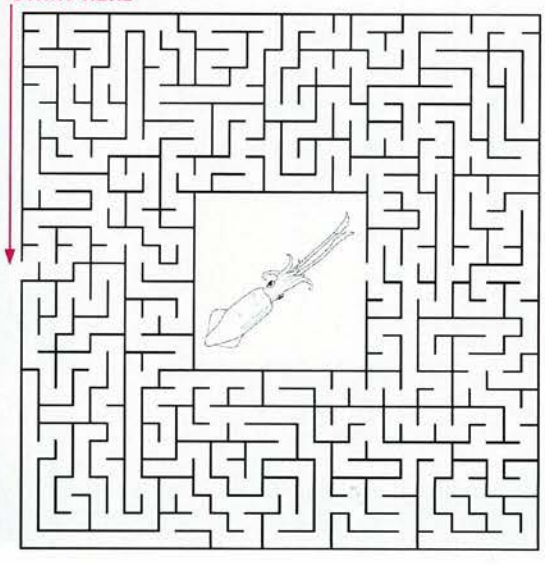
There are four genetically distinct populations of Hector's dolphin: off the west coast of North Island, and the west, east and south coasts of South Island.

A current estimate puts the population at around 7,400 individuals.

Maze

Help the dolphin find it's squid dinner...

START HERE



For more interesting information on whales check out our website: aworldwithwhales.com/whale-kids

SAVING THE WHALE MEANS SAVING ITS HISTORY

3. New Year's Eve 2013 Celebrations Report

(Mayor) (Report prepared by D Heiford) **C315-10-73**

Purpose

1. The purpose of this report is to receive the review of the 2013 New Year's Eve celebrations and review the contract and format for future celebrations.

Background

2. Go Marlborough provide a New Year's Eve celebration for Blenheim and Picton. There is funding via Port Marlborough New Zealand Ltd (PMNZL) for the Picton celebration and the balance of the Festivals and Events funding for both celebrations.

3. Go Marlborough negotiated with all parties and presented a plan to run both celebrations. This was accepted by Council on a three year contract basis.

4. Council provides $20,000 (GST excl) per annum for this contract from the Festivals and Events budget. PMNZL provide the same amount for Picton and other sponsors provide 'in kind' services and products.

5. The main focus of the celebrations has been Picton with a smaller event in Blenheim.

Comments

6. **Attached** for the Committee's information is a report from Go Marlborough on the two celebrations held in Picton and Blenheim for New Year's Eve 2013. A representative from Go Marlborough will attend the meeting to present the report. The outcomes were very positive from both events.

7. A debrief will be held with PMNZL and Council to assess the success of the celebrations. Proposed changes to the celebrations will be discussed at the debrief.

8. PMNZL will not commit to future Picton celebrations until the debrief has been undertaken.

9. The current contract has two further celebrations – 2014 and 2015. Council negotiated for fireworks for Blenheim for 2013 and increased the budget by $5,000 (GST excl) to cover this. The fireworks were fired from the top of the parking building.

11. Additional sponsorship may allow expansion of the events in the future.

Summary

12. The 2013 New Year's Eve celebrations were delivered by Go Marlborough.

13. Planning will commence for the 2014 celebrations once confirmation from Council and PMNZL is received.

RECOMMENDED

1. That the contract for the 2014 New Year's Eve celebrations be confirmed with Go Marlborough with the same format and budget.

2. That the events be subject to Port Marlborough New Zealand Ltd confirming their commitment.

Event Summary – Ignite Marlborough – December 31 2013

Port Marlborough and the Marlborough District Council continued their sponsorship of the events with a lift in the M.D.C. support to accommodate the additional cost of fireworks in Blenheim. A change in venue in Blenheim to the newly developed Liz Davidson Place proved successful both from a logistics and patron comfort perspective.

Pre-publicity

Continuing the policy set in 2011, advertising was undertaken on a paid-only basis. The spend on radio and print was combined with a strong poster distribution campaign headed by the Picton Business Association in Picton and by the Country Music Club in Blenheim. Coverage of the camping grounds in Picton gave a significant boost to numbers on the night. Special mention needs to be made regarding the support given by Classic Hits and the Marlborough Express over and above the paid component of the advertising programme undertaken.

Post-publicity

Local media were generous in their praise of the event, the weather delivering a wonderful Marlborough evening which provided the ideal incentive for families and individuals to come out and enjoy the events.

Weather

Weather leading up to the events and on the evening was mixed however both venues reported people, especially family groups arriving earlier and staying longer. The overnight turn of the weather to rain showed the fine line between success and failure for outdoor events. Had the rain arrived six hours earlier it could have had a significant influence on the attendance and enjoyment factor.

Picton

Entertainment in Picton ran smoothly the whole evening with numbers building to a peak of approximately 9,000 by midnight. Head counts by the security team indicate a total turnover of people through the site on the night of over 12,000 people. The Titanic inflatable slide was a favourite with hundreds of youngsters and burned a great deal of youthful energy from 7.30 to 11.30 while on stage local talent One False Move, Midge McCleary and the Chilli Dogs gave everyone the chance to relax and enjoy the entertainment or get up and dance.

Overhead conditions were perfect for the fireworks display which was once again delivered to an exceptional standard by Kelvin Holdaway and his team. Following liaison with Police, floodlighting of the foreshore area was continuous from sunset until the fireworks started. Lighting was restored after the fireworks to ensure the safety of the public in the area as they moved off home.

Police and the privately contracted Security team reported a well behaved crowd with no issues of significance.

Blenheim

A comprehensive programme of country music headlined by music icon Tony Williams took the stage in Liz Davidson Place from 8pm to midnight, drawing a solid crowd across all age groups. Feedback from those participating was very positive and the partnership formed with the Country Music Club is a successful one. Pipers from The Blenheim Highland Pipe Band welcomed in the New Year piping Auld Lang Syne before an impressive fireworks display launched from the top deck of the parking building. Security counts indicate a throughflow of around 4,500 people through the night with security reporting no negative actions or behavior throughout the night.

How it was

The events worked well, taking advantage of an array of great local talent and excellent weather conditions to attract and entertain thousands of locals and visitors alike. The responsiveness of the crowd and the brilliant work of over 100 people involved in the creation and execution of the events is a real credit to the skill and talent base available here in Marlborough.

What we did well

From security and crowd control to rubbish collection, first aid, traffic management, traffic control and road closures, sourcing of professional sound and light crews and equipment and fireworks displays the equal of anything around the country. Ignite Marlborough certainly continued to win friends and recognition. As an organizer I fielded a number of calls from outside Marlborough from families planning their holidays to ensure that the outdoor celebrations were to take place. Further development of the Facebook and internet presence of Ignite Marlborough should increase the dissemination of information to those outside Marlborough in coming years.

What we didn't do so well

Liaison with all entertainers needs to come back to the organizer as a single point. Ross Akerblom of Blenheim Country Music Club deserves recognition for his excellent work in covering a hole in the programme left by the non-arrival of one of the scheduled acts.

2014 – where to from here?

The move to Liz Davidson Place in Blenheim has proven to be a successful one. Likewise the urban fireworks in Blenheim, these present a highly controlled and wonderfully close (but safe) display for those at the venue.

A major focus on early search for sponsor support to enable an expansion of the high point of both events, the fireworks displays.

Key points for 2014/15

Early confirmation of venues and staging for the events.

Early sign-off by existing sponsors to enable search for supplementary sponsors

Driving of online profile to widen early information distribution

Development of locally sourced stage options to keep more of the expenditure in Marlborough

High Point

The very positive response to the array of local talent on show throughout the evening at both venues.

Worst Point

Losing all electricity at Liz Davidson Place midway through set-up.

ITEM	PROVIDER	PICTON	BLENHEIM	IN-KIND CONTENT	TOTAL
Security	Armourguard	2200	2000		4200
	Picton V.F.B.	1000			1000
Entertainment	Various Artists	4000	5000		9000
P.A. & Lighting	Marlborough Light & Sound	8700		2100	6600
Fireworks	KJ Holdaway	11500	5750		17250
Stage Hire	M.P.F.	2500	1800	1800	2500
Public Liability Insurance	Go Marlborough	650	650		1300
Traffic Management	A Clark & Crafar Crouch	700	700	800	600
Graphic Design	Lloyds Graphic Design	300	300	300	300
Printing	Blenheim Print	1250	1250		2500
Advertising	Print (Express & Sun)	2000	2500	3000	1500
Radio	Classic Hits	1000	1000	1000	1000
Internet	Go Marlborough	1000	1000	2000	0
Administration	Cinemac Ltd	6500	6500	8000	5000
Rubbish Bins	Metallic Sweeping	300	300	150	450
Ancillaries	Various	200	200		400
Transport	Go Marlborough	300	200	250	250
Clean Up Crew		200	300	300	200
Generator/Lighting Hire	Crafar Crouch	250			250
Totals		44,550	29,450	19,700	54,300

Sponsor Income	Port Marlborough		23000
	Marlborough District Council		28750
	In-kind		19,700
Total income (including in-kind values)		71,450	
Total expenditure (including in kind values)		74,000	
Excess cash income over expenditure		(2,550)	

Please note that all figures have been stated inclusive of GST (where applicable) as several suppliers are not registered for GST. Figures are provisional as some are based on quotes and final invoices have not yet been received.

Per Site expenditure less in-kind

Picton 44,550 less 10,975 = 33,575

Blenheim 29,450 less 8,725 = 20,725

4. Marlborough District Libraries Activity Report – December 2013

(Clrs Brook/Sloan) (Report prepared by G Webster) **L300-001**

Purpose

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

Events/Happenings

2. Children's Library Blog

The Children's Blog, accessible via the Marlborough District Libraries website http://www.marlboroughlibraries.govt.nz/ continues to promote children's authors.

Kyle Mewburn

Each month a children's author is invited to be the Author of the Month. December's author was Kyle Mewburn.

Kyle settled in New Zealand in 1990. He writes for children and has been a full-time writer since 1997.

He won the Joy Cowley Award in 2005 for the development of a picture book text. He also won both the picture book category and the children's choice award at the 2007 New Zealand post awards for children and young adults.

Kyle currently lives in central Otago.

3. Summer Reading Programme

The Libraries annual summer reading programme commenced in December. The theme of this year's programme was "The Summer Beach Read".

320 children enrolled in the programme which culminated in a finale party for those children and their siblings who successfully completed the programme by reporting in to library staff four times over the six week duration of the course. Picton Library's Finale Party was held at Shelley Beach and Blenheim's was held at Pollard Park.

Guest performer at Picton's event was Levity Beet, a regular library performer, who also gave a performance at the District Library, attended by 50+ children. A fun and energising event.

Picton Library

4. The week of the 13th to 17th January saw a number of cruise ships arrive into Picton. These ship visits have a big impact on the Picton Library and Service Centre as passengers investigate Picton town centre, visit the library and use the library computers and wi-fi.

5. Demand for wi-fi access during this week was extremely heavy with the following daily sessions being recorded.

	Monday	Tuesday	Wednesday	Thursday	Friday
January	***13***	***14***	***15***	***16***	***17***
Wi-fi Sessions	127	216	92	127	312

6. The unexpected visit to Picton by the cruise ship the "Sea Princess" on Friday 17th January with 2,000+ passengers saw demand for seating and wi-fi at Picton Library and Service Centre stretched to capacity and spilling out on to High Street. Cruise ship passengers expressed their appreciation of the services offered.

Systems Thinking

7. As a result of adopting the Vanguard method of system thinking, a number of interesting facts and trends have emerged as a result of analysing specific library circulation data.

    a) Tuesday's have been identified as the busiest day.
    b) The gender split of members is 63% female and 37% male.
    c) Demand for assistance to use IT (APNK / Wi-Fi / Printing / Scanning) is the highest request for help from staff, followed by collection / title enquiries.
    d) Circulation peaks in January and July – school holidays.
    e) New members peak at vintage time when workers come to live temporarily in Marlborough.

8. One of the first processes to be mapped and redesigned was membership. The new process encapsulates, "delivering service which meets the person". This captures how we are now dealing with new members – pulling from them what their needs are in terms of information about the library and even the location of where to complete the registration e.g. if the enquiry to join is from parents with children, staff will take them upstairs to join rather than process the new membership at the membership desk downstairs.

9. A decision was made that the paper membership form was not required and therefore the member's details are now entered immediately on to the library management system with the new member viewing the screen to confirm the details entered are correct. This redesign has removed a number of steps improving the speed and accuracy of the membership process and ensuring that the new member is given an appropriate induction to the Library.

Usage Statistics

10. December 2013 Statistics:

	Issues	**eBook & eAudio Checkouts**	**Reference Enquiries**	**Door Count (Visits)**	**Holds (Reserves) Placed**
District Library, Blenheim	31,932		712	26,937 visits	1,229 holds
Branch Library, Picton	4,863		568	8,494 visits	301 holds
TOTAL	**39,292**	**406**	**1,280**	**35,431 visits**	**1,530 holds**

Issues

11. The checkout (issue) statistics recorded in December 2013 in the District Library were 76 more than those recorded in December 2012.

12. Picton Library and Service Centre recorded 226 fewer checkouts in December 2013, compared with 2012.

13. Variance - The total checkouts for the libraries - year to date, are 7% fewer than the same period last year. The libraries were however closed for several days following the earthquake periods.

Door Count

14. The District Library's door count (Visitor Numbers) recorded for December 2013 was down by 3,215 visits on December 2012.

15. Picton Library and Service Centre recorded 772 fewer visits than the same period in 2012.

Membership

16. The number of new members joining the libraries in December was:

District Library, Blenheim	111
Branch Library, Picton	30
TOTAL	**141**

Website Site Hits - www.marlboroughlibraries.govt.nz

17. During the one month period (1 December – 31 December 2013) the libraries website recorded 1,964 unique visitors accessing the website, with 8,434 pages viewed.

Internet Usage – Aotearoa People's Network Kaharoa (APNK)

18. The libraries offer a range of time restricted sessions to its customers (15 or 30 minute duration). The number of sessions recorded in December was –

District Library, Blenheim	2,144
Branch Library, Picton	992
Total	**3,136**

Wi-Fi Usage – The total number of wi-fi user/device sessions in the last 30 days was: –

District Library, Blenheim	3,008
Branch Library, Picton	2,324
Total	**5,332**

RECOMMENDED

That the report be received.

5. Property Management Contract

(Clr Dawson) (Report prepared by D Heiford) **C315-14-04**

Purpose

1. The purpose of this report is to advise the Council of the expiry of the current property management contract on 30 June 2014 and the process for tendering the contract.

Background

2. Council has managed the property portfolio by way of contract since 1998. The purpose of managing the property portfolio by way of contract was to obtain property expertise and the most efficient delivery of property management services.

3. The analysis of the tender against direct costs showed an annual saving of $99,000 per annum in 1998. This did not include overhead allocations, depreciation or extra costs for specific projects outside of the basic property management budget. The initial fee was fixed for the 5 year term of the contract.

4. The management of this portfolio via contract was first tendered in 1998. The contract was re-tendered in 2003 and again in 2008. APL Property Blenheim Ltd won the contract in an open tender process each time and has held the contract since 1998. In the past, tenders have been submitted by national property management companies. An analysis of the contract fee against Council providing the service itself was completed to ensure that the fee was competitive.

5. The Property Management Contract in 2008 was for 3 years with a right of renewal of 3 years. The right of renewal was taken up with the expiry at 30 June 2014.

6. The maintenance of Council properties is managed by the contractor in conjunction with the sections of Council who are responsible for those properties. The Manager of the Support Services Department has overall responsibility for the contract and Council's property portfolio. Maintenance budgets are set as part of the annual budgeting process.

Property Management Tender

7. The current contract has no further rights of renewal. It is considered good practice to tender this type of contract on a regular basis to ensure contestability of Council service contracts.

8. The tender will be advertised nationally, with a tender evaluation based on a weighted attributes method. An independent person from outside of Council with property management experience will be appointed on to the tender evaluation panel.

9. Part of the evaluation process will again be an exercise to determine if it is more cost effective to carry out the function in Council rather than by contract. Advertising of the tender will be programmed for late February/early March 2014. Any queries can be directed to the Manager, Support Services.

10. An outline of the core services and property portfolio are **attached**. The property report is included as a separate agenda item, in public excluded, which gives an outline in more detail of the property types being managed.

Summary

11. The current property management contract expires on 30 June 2014. The current contract has run for 6 years and there are no rights of renewal left in the current contract.

12. It is good practice to test the market for this type of contract at the end of the term.

RECOMMENDED

That the report be received.

From Current MDC Property Management Contract

CORE SERVICES SCOPE

1.1 The Core Services include:

1.1.1 Management of a property management database.

1.1.2 Management of Property portfolio accounting and maintaining accounting records.

1.1.3 Provision of budgets.

1.1.4 Inspection of the Property portfolio.

1.1.5 Repair and maintenance of the Property portfolio.

1.1.6 Management of Leases re the Property portfolio.

1.1.7 Management of properties leased by Council from third parties.

1.1.8 Management of Property insurance and rates.

1.1.9 Operational management of the Property portfolio.

1.1.10 Management of statutory compliance matters re the Property portfolio.

1.1.11 Liaison with the District Solicitor.

1.1.12 Management of property licences (e.g. pipeline licences).

COUNCIL PROPERTY PORTFOLIO

2 Portfolio Description

2.1 Council owns and controls a large number of commercial and other properties. The Council Property portfolio has grown as a result of the amalgamation of a number of local councils and regional authorities.

2.2 The portfolio includes leased, unleased and unleaseable properties, and both rural and urban properties. Properties may be with or without improvements.

2.3 The portfolio includes properties which are retained by the Council for commercial/investment and development purposes where the aim is to maximise the return on the Council's investment, properties which are used to provide housing for the elderly and other community and operational property which the Council occupies and operates in the course of providing services to the public (including administrative buildings, depots, libraries, sports facilities, reserves, carparks, halls, and swimming pools.) Some properties, particularly river reserves, are only held for their strategic value. For example land may be retained for use in future flood control works, or other capital works.

2.4 The Council is also the lessee of a number of properties owned by other parties.

3 Property Types

3.1 Each property will be assigned a property type.

3.2 A full listing of the property types at the commencement of this contract is set out below:

Type	**1**	**Community**
1a		Cemeteries
1b		Community Other (includes Museums, Wharves, War Memorials, Public Conveniences)
1c		Beautification strips
1d		Jetties
1e		Miscellaneous
1f		Works Services properties
1g		Community reserves
Type	**2**	Legal Roads
2a		Formed
2b		Unformed
Type	**3**	Halls
Type	**4**	External Leases
Type	**5**	Air Rights
		Forestry
		Leased Other
Type	**6**	Carparks
6a		Short term
6b		Long term

Type	**7**	Rental housing
Type	**8**	Community housing
Type	**9**	Rural lease
Type	**10**	Urban leases
Type	**11**	Subdivision properties
Type	**12**	Community leases

6. Psychoactive Substances Act 2013

(Chairman) (Report prepared by K McIlveney) **L225-01**

Purpose

1. The purpose of this report is to:

   a) Provide a summary of the Psychoactive Substances Act 2013.

   b) Provide the Council with a progress report on the development of regulations under the Act.

   c) Outline the options open to Council to control the sale of (legal highs) in the Marlborough District.

   d) Describe the request for a Local Approved Products Policy from the Youth Workers Collective.

   e) Explore the options for Council in developing a Policy.

   f) Propose that Council adopt a LAPP and commences the special consultative procedure on the proposal.

Background

2. Concern has been expressed in the community over the impact of legal highs on the health of Marlborough youth. It is also believed that legal highs contribute to crime. Council has received a request from the Youth Workers' Collective, supported by letters from church ministers and school principals, that Council introduce a policy to control the sale of legal highs within Marlborough (details of this proposal are set out later in this report).

3. There are currently two retailers in Marlborough with interim licences – Tiger Takeaways at 42 High Street, Blenheim and The Western Hemp & Clothing Company Ltd at 35 Queen Street, Blenheim.

The Psychoactive Substances Act 2013

4. The Psychoactive Substances Act 2013 (the Act) came into force on 18 July 2013. The purpose of the Act is to regulate the availability of legal highs to protect the health and minimise harm to, individuals who use these substances. The Act does this by licensing the:

   - import
   - research
   - manufacture
   - wholesale and retail

   of legal highs. The licences are issued by the Psychoactive Substances Regulatory Authority (PSRA). The Authority is created by the Act and is an entity within the Ministry of Health.

5. The Act also imposes specific restrictions, for example:

   - no sales may be made to under 18's
   - substances cannot be sold from:
     - a dairy
     - a convenience store
     - a grocery or supermarket
     - a petrol station
     - any premises licensed to sell alcohol

- any tent or stall
- any vehicle

- legal highs cannot be given away
- legal highs cannot be used to promote other products or to sponsor any activity
- labels cannot be designed to appeal to under 18's
- licences can include restrictions on how legal highs may be displayed.

6. Both the Police and District Health Board officers are authorised to monitor and enforce the Act. Council has no powers to monitor or enforce the Act.

7. The only role Council has under the Act is to make a policy (called a Local Approved Products Policy or "LAPP") which controls where legal highs can and cannot be sold by:

   a) Specifying areas within the district where legal highs can be sold.

   b) Limiting the proximity to other premises selling legal highs; and

   c) limiting the proximity of premises to other premises such as kindergartens, early childhood centres, schools, places of worship or other community facilities.

8. The Act does not allow Council to ban the sale of legal highs in its district. Nor can it have a policy that is so restrictive that it effectively bans the sale of legal highs. Further, the Act does not give councils the ability to have a sinking lid policy.

Regulations

9. Current licences to sell legal highs are interim only and full licences will need to be applied for once regulations are made. The Ministry of Health has advised that the regulations (to give some legal status to LAPPs) will be implemented in July 2015. Councils will be consulted on the draft regulations.

10. Act does not explain the status of a LAPP or that a LAPP must be followed by the Psychoactive Substances Regulatory Authority when issuing licences. The regulations are expected to stipulate that a licence may not be issued unless the applicant satisfies the Authority that it complies with any applicable LAPP.

11. Originally it was thought that it would pay to delay adopting an LAPP until regulations were made, however, by doing this it could mean that the regulations do not cover the issues that Council and the Marlborough community finds important. Further, there is now a question of whether any full (three-year) licences issued before a LAPP is adopted would have to comply with a LAPP that came into effect after the licence was issued. Council could then have to wait three years for its LAPP to have full effect.

Options

Option One

12. Proceed with developing a LAPP now. This would ensure the policy is in place before businesses can apply for a full three year licence, so that controls on location can be applied from the start of the process. It is proposed that that Council adopt a LAPP and that the special consultative procedure be commenced in the near future. The proposed contents of the LAPP are discussed below in this report.

Option Two

13. Wait for the regulations to be made and then decide whether to have a LAPP. This is likely to mean a LAPP developed after licences are granted cannot be retrospectively applied to an existing business. Potentially a three year licence could be issued to a retail outlet in locations

that are considered inappropriate by the Council and the community and the LAPP would not apply until the licence came up for renewal.

Option Three

14. Not have a LAPP for the Marlborough District. This would mean that there were no controls over the location of premises wishing to sell legal highs, apart from those already contained in the Act and the resource management plans that regulate where commercial premises may operate (for example, commercial premises cannot operate in a residential zone without resource consent).

Reasons for having a LAPP

15. There is little local or national quantitative data available on the level of harm caused by legal highs. The Medical Officer of Health for Nelson Marlborough has advised Council that the NMDHB does not have health data on presentations to the Emergency Department or on admissions to hospital related to legal highs. Most information is anecdotal and based on presentations to drug services, emergency departments and individual/families experiences with these substances.

16. The Medical Officer of Health forwarded a copy of the submission he made to Nelson City Council on their draft LAPP. In the submission he said:

"*Psychoactive substances are chemicals that cross the blood-brain barrier and act primarily on the central nervous system to affect brain function. This results in alterations in perception, mood, consciousness, cognition, and behaviour. Such substances include party pills and synthetic cannabis.*

The reported health effects include nausea, tremors, seizures, hallucination, reduced inhibitions, euphoria, chest pain, racing heart, high blood pressure, rapid breathing, dizziness, agitation, violent behaviour and paranoia. There have also been reports of renal damage. People with mental health conditions are at increased risk of psychosis. There are also reports of addiction and withdrawal problems such as insomnia, memory problems, vomiting, constipation, weight loss, anxiety and craving for the drug.

Little is known about the ling-term effects of psychoactive substance use.

Synthetic cannabis is one psychoactive substance that retails under many different product names, for example K2, Spice, Northern Lights, White Rhino, Everest, Kryptonite and the well-known Kronic. It is an unpredictable mixture of dried shredded plants sprayed with artificial chemicals that are usually smoked."

17. The Medical Officer of Health referred to a paper prepared by the Canterbury District Health Board for the Christchurch City Council. This paper made the following points:

- "*New psychoactive substances, although legal, have been associated with a range of health and behavioural harms, which include neurological and psychiatric effects.*
- *Direct evidence linking this harm to the availability and density of psychoactive substance outlets and their proximity to sensitive locations such as schools, churches, and community facilities is lacking.*
- *There is, however, ample evidence from studies on the environmental placement of outlets that market alcohol, fast food and gambling, including studies in the New Zealand context.*
- *These studies show that increased availability of any of these substances is likely to lead to increased consumption/use and to be associated with greater rates of the relevant harms such as addictions, accidents, violence, crime, and poor mental and physical health outcomes.*

- *Outlets for all the substances mentioned tend to be more readily available in disadvantaged areas, further increasing disadvantage.*

- *Disadvantaged populations and children and young people are those who are impacted the most from being exposed to harmful substances.*

- *Specific distance recommendations for restricting availability and/or density are not given in published studies and are likely to be relevant to the local context.*

- *In the absence of direct evidence as yet in relation to psychoactive substances it would seem reasonable to draw on these studies which, though of widely different products, are consistent in showing that increased availability is likely to be associated with increased harm (Bidwell 2014)*".

18. Generally, it is understood that a lot of people of different ages are presenting with problems associated with the use of "legal highs", particularly synthetic cannabis. The legal highs appear to be more addictive and unpredictable in their effects than cannabis. They can trigger mental health issues, personality changes, vomiting, blackouts, seizures and very occasionally kidney failure in some people. Withdrawal can be intense.

Scope of LAPP

19. If Council decides to proceed with a LAPP, decisions will need to be made on:

    a) where it is appropriate for legal high retailers to be located (for example, in the central business district or in industrial zones);

    b) whether the outlets should be able to be close to schools, kindergartens, churches and reserves (that is, what types of premises and the distance retailers would have to be from those premises);

    c) whether the outlets should be able to be close to other outlets selling legal highs (and if so, how close).

Youth Workers Collective Proposal

20. The **separately attached** proposal from the Youth Workers Collective is that:

    a) Premises licensed for the sale of legal highs are not permitted within 500 metres of a school, playground or place of worship.

    b) New licences for the sale of legal highs are not permitted within 300 metres of existing premises holding a licence (interim or full) to sell legal highs.

    c) The hours of operation of premises licensed for the sale of legal highs are limited to 9am – 3pm Monday to Friday but not on Public Holidays.

21. Maps showing the extent of the restrictions proposed in Blenheim is attached.

22. The Youth Workers' Collective proposal does not state where in Marlborough legal highs <u>can</u> be sold. Using only the buffer around sensitive sites also leaves gaps in residential areas where retailers could establish premises without restriction.

23. The 500 metre and 300 metre limits mean that large areas of Blenheim and Marlborough's other towns will be closed to retailers of legal highs. If this acts in effect as a ban on selling legal highs (because there is nowhere they can practically be situated), the policy will be ultra vires and could be challenged by retailers or ignored by the PSRA. Council may consider that the buffer zones should be reduced.

24. The Act does not state that restrictions on the hours of operation can be included in a policy. It is likely that this part of the policy could be challenged by retailers or simply ignored by the PSRA. As Council has no enforcement powers under the Act, this part of the policy could be ineffective.

Options for a policy

25. The policy should state where in Marlborough legal highs can be sold. This is an approach taken by a number of other territorial authorities. Their policies state that the premises from which legal highs can be sold must be located in particular places within the district (usually the central business districts only). The Blenheim area could be similar to the liquor ban areas (attached) or the areas zoned CBD in the resource management plans (attached). This would be a more effective means of controlling where premises selling legal highs can be located. It avoids the problem of only using zones and allowing the sale of legal highs outside the zones which means they can be sold in small pockets within residential areas.

26. The Medical Officer of Health supported the NCC proposed policy which limits the sale of legal highs to the Nelson CBD. He stated that in addition to the restrictions and prohibitions in the Act (e.g. prohibition on sales from dairies, convenience stores and alcohol outlets) the restriction in the proposed policy of sales only being allowed in the CBD, imposes a tight control over the sale of legal highs. He adds that, whilst restrictive the proposed policy does acknowledge that there is a legal right to sell legal highs (which is consistent with the intent of the Act).

27. The policies of other territorial authorities limiting sales to one zone such as the CBD also provide that the premises cannot be closer than a specified distance from sensitive sites such as schools (e.g. not within 50 or 100 metres) nor from other premises selling legal highs (e.g. not within 50 metres).

28. The Medical Officer of Health supported the NCC proposal that new premises should not be closer than 50 metres of existing outlets but considered that 100 metres from sensitive sites was too restrictive as it is likely to exclude outlets from rightfully establishing. He considers that a 50 metre buffer is adequate to meet the objective of limiting the proximity of licensed retailer to sensitive sites or communities. He stated “It provides an appropriate degree of separation between an outlet and a sensitive site”.

Proposal

29. It is proposed that the Council consult on a proposed LAPP that provides that:

    a) Premises licensed to sell legal highs must be located within the Blenheim Central Business Zone (CB1) and the Blenheim Central Business Zone/Primary Shopping Areas (CB2) from the Wairau/Awatere Resource Management Plan and as shown in blue and orange on the map attached; and

    b) Premises licensed to sell legal highs must not be located within 50 metres of a school, playground or place of worship; and

    c) New premises licensed to sell legal highs must not be located within 50 metres of an existing premise holding a licence (interim or full) to sell legal highs.

30. A draft Policy and Statement of Proposal are attached.

Next Steps/ Timeline

31. If Council opts to take no action, a further report can be provided after the promulgation of the supporting regulations.

32. If Council decides to proceed immediately with the development of a LAPP, it is recommended that the members of the District Licensing Committee be delegated to hear and decide on any submissions made on the proposed LAPP.

33. The proposed timeline for consultation on the proposal is:

- Advertise the Statement of Proposal on 28 February 2014
- Submission period from 28 February to 28 March 2014
- Hearings on 4 April or 7 April 2014
- Report on the consultation process to the Community and Finance Committee meeting on 22 April 2014
- Ratification by Council at the meeting on 15 May 2014
- Policy comes into force on 16 May 2014.

Summary

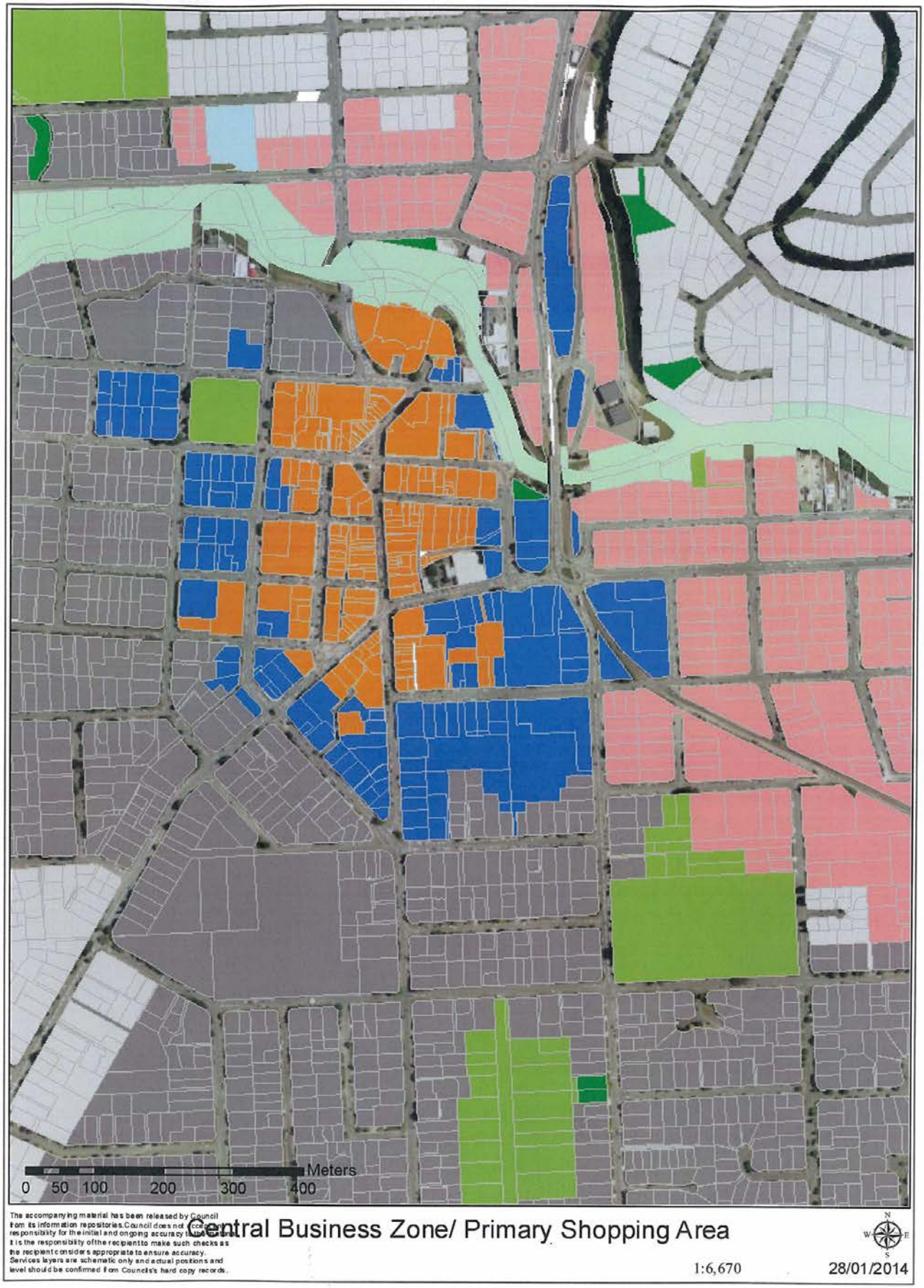
34. Given the level of concern about legal highs within the community and the impact they already have, especially on the youth of Marlborough, it is recommended that a draft policy be consulted on as soon as possible.

RECOMMENDED

1. That the report on the Psychoactive Substances Act 2013 be received.

2. That the draft LAPP and consultation documents be approved.

3. That the special consultative procedure commence and proceed in accordance with the timelines in paragraph 29 of this report.


Meters
0 50 100 200 300 400
The accompanying material has been released by Council from its information repositories. Council does not accept responsibility for the initial and ongoing accuracy of this material. It is the responsibility of the recipient to make such checks as the recipient considers appropriate to ensure accuracy. Services layers are schematic only and actual positions and level should be confirmed from Council's hard copy records.
Central Business Zone/ Primary Shopping Area
1:6,670
28/01/2014

Statement of Proposal for

Draft Local Approved Products Policy for Psychoactive Substances for Marlborough District

This statement of proposal has been prepared as provided for in sections 83(1)(a) and 87(2)(a) of the Local Government Act 2002 and section 69 of the Psychoactive Substances Act 2013.

1. Introduction

1.1 This is the draft Local Approved Products Policy ("Policy") of the Marlborough District Council. The draft is now open for public consultation.

1.2 The Psychoactive Substances Act 2013 ("the Act") allows Councils to develop policies for their territorial areas. Councils are not required to have a policy but may develop one if they choose to do so.

1.3 Once a policy is adopted by Council, the Psychoactive Substances Regulatory Authority (PSRA) has the ability to take the policy into account when deciding on applications for licences to sell psychoactive substances ("legal highs").

1.4 The policy can only cover the places where legal highs can and cannot be sold. This is by defining:

a) The location of the premises from which legal highs may be sold by reference to broad areas within the district;

b) The location from which legal highs may be sold by reference to proximity to other premises from which legal highs are sold within the district;

c) The location of premises from which legal highs may be sold by reference to premises or facilities of a particular kind or kinds within the district (for example, kindergartens, early childhood centres, schools, places of worship, or other community facilities).

The policy cannot place a ban, cap or sinking lid on sellers of legal highs nor can it control the price of legal highs.

1.5 The Act requires that the special consultative procedure under section 83 of the Local Government Act 2002 be followed. Council has prepared and approved this Statement of Proposal and Summary of Information as provided for in that section. The proposed policy has been advertised in the Marlborough Express and is available at Council offices and libraries.

1.6 Written submissions may be made to the Marlborough District Council from 28 February 2014 to 28 March 2014 and oral submissions may be made at a hearing to be scheduled early in April. It is expected that the policy will be in force before 1 June 2014.

2. The Psychoactive Substances Act 2013

2.1 The purpose of the Act is to regulate the availability of psychoactive substances to protect the health and minimise harm to, individuals who use these substances. The Act does this by licensing the:

- import
- research
- manufacture

- wholesale and retail

of legal highs. The licences are issued by the Psychoactive Substances Regulatory Authority (PSRA).

2.2 The Act also imposes specific restrictions, for example:

- no sales may be made to under 18's
- substances cannot be sold from:
  - a dairy
  - a convenience store
  - a grocery or supermarket
  - a petrol station
  - any premises licensed to sell alcohol
  - any tent or stall
  - any vehicle
- psychoactive substances cannot be given away
- psychoactive substances cannot be used to promote other products or to sponsor any activity
- labels cannot be designed to appeal to under 18's
- licences can include restrictions on how psychoactive substances may be displayed.

2.3 There are currently two retailers in Marlborough with interim licences – Tiger Takeaways at 42 High Street and The Western Hemp & Clothing Company Ltd at 35 Queen Street.

3. Reasons for the proposal

3.1 Marlborough District Council does not currently have a policy covering the places legal highs can and cannot be sold.

3.2 Strong concern has been expressed in the community over the impact of legal highs on the health of Marlborough youth. It is also believed that legal highs contribute to crime. Council has received submissions from community groups and from church ministers and school principals requesting that Council introduce a policy to control the sale of legal highs within Marlborough.

3.3 There is little local or national quantitative data available on the level of harm caused by legal highs. Most information is anecdotal and based on presentations to drug services, emergency departments and individual/families experiences with these substances. The Police and NMDHB have been request to provide what information they have on the use of legal highs in Marlborough and the harm they cause.

3.4 Generally, it is understood that a lot of people of different ages are presenting with problems associated with the use of "legal highs", particularly synthetic cannabis. The legal highs appear to be more addictive and unpredictable in their effects than cannabis. They can trigger mental health issues, personality changes, vomiting, blackouts, seizures and very occasionally kidney failure in some people. Withdrawal can be intense.

3.6 Once the policy is adopted and the Act fully implemented, only approved psychoactive products will be able to be sold from licenced premises that are located in those places considered most appropriate by the community.

4. Proposal

4.1 The following limitations on the location and density of premises from which approved psychoactive products under the Psychoactive Substances Act 2013 are proposed:

d) Premises licensed for the sale of approved products under the Psychoactive Substances Act 2013 must be located within the Blenheim Central Business Zones CB1 & CB2 as defined in the Wairau/Awatere Resource Management Plan; and

e) Premises licensed for the sale of approved products under the Psychoactive Substances Act 2013 must not be located within 50 metres of a school, playground or place of worship; and

f) New premises licensed for the sale of approved products under the Psychoactive Substances Act 2013 must not be located within 50 metres of an existing premise holding a licence (interim or full) to sell legal highs.

This is the preferred option of Council.

5. Other Options Considered by Council (which are not proposed, but on which comments are also welcome)

5.1 **Status Quo:** The status quo means having no policy. Council decided to reject this option and begin development of a policy so that people may have more say in where legal highs may be sold in their own communities.

5.2 This would mean that there were no controls over the location of premises wishing to sell psychoactive substances, apart from those already contained in the Act and the resource management plans that regulate where commercial premises may operate (for example, commercial premises cannot operate in a residential zone without resource consent).

6. Submissions

6.1 Any interested person or body is welcome to make a submission or comments on the proposed policy and the other options that have been considered for the location and density of retail outlets for the sale of approved psychoactive products under the Psychoactive Substances Act 2013 and on any aspect of, or omission from, the attached draft policy.

6.2 Copies of the Statement of Proposal (including the draft policy), and Summary of Information, are available from the Council's offices in Seymour Street, Blenheim, from the libraries in Blenheim and Picton and the Council website www.marlborough.govt.nz "Have Your Say" page.

6.3 Council will take account of all submissions made when making decisions on the proposed policy. There will be a Council hearing in early April for those submitters who indicate they wish to speak in support of their submission.

6.4 Submissions can be made by:

- Visiting Council's website www.marlborough.govt.nz "Have Your Say" page and filling in the online submission form:

- Emailing your submission form to submissions@marlborough.govt.nz :

- Dropping your submission form into the Council office at 15 Seymour Street, Blenheim:

- Posting your submission form to:

  Draft Local Approved Psychoactive Products Policy
  Marlborough District Council
  P O Box 443
  Blenheim 7240

Submissions must be received by Council no later than **5.00pm on Friday 28 March 2014**.

Please note that all submissions, including name and contact details of the submitter, will be made available to the public and media on Council's website, unless you specifically request that your contact details are kept private.

6.5 All enquiries should be directed to the Customer Services Centre on 520 7400 or email LAPPsubmissions@marlborough.govt.nz

Attachments

1. Draft Local Approved Products Policy

2. Submission Form

Draft Local Approved Products Policy for Psychoactive Substances for Marlborough District

1. Introduction

1.1 This policy is made under sections 66 to 69 of the Psychoactive Substances Act 2013 (the Act). The purpose of the Act is to regulate the availability of psychoactive substances in New Zealand to protect the health of, and minimise harm to, individuals who use psychoactive substances.

1.2 Council is not required to have a policy on psychoactive substances but may have one. Council can establish a policy that regulates the location of retail premises by reference to:

a) Areas within the district:

b) Proximity to other premises selling psychoactive substances:

c) The proximity of premises to other premises such as kindergartens, early childhood centres, schools, places of worship or other community facilities.

1.3 The Act does not allow Council to ban the sale of psychoactive substances in its district. Nor can it have a policy that is so restrictive that it effectively bans the sale of approved products. The Act does not give councils the ability to have a sinking lid policy.

1.4 Council recognises that concern has been expressed in the community over the impact of legal highs on the health of Marlborough youth. It is also believed that legal highs contribute to crime.

2. Policy Objectives

The objectives of this policy are to, by regulating the locations from which psychoactive substances may be sold,—

a) Minimise the harm to the community caused by psychoactive substances by limiting the location and density of retailers of approved psychoactive products:

b) Ensure that Council and the community have influence over the locations and density of retailers of approved psychoactive products:

c) Minimise the potential for adverse effect from the sale of approved psychoactive products in inappropriate locations:

d) To minimise the exposure and potential harm to sensitive communities, such as children and families from the sale of approved psychoactive products:

e) To support the intent of the Psychoactive Substances Act 2013 through the development of a Local Approved Product Policy which allows for the sale of psychoactive products in a regulated way.

3. Location of Premises from which approved psychoactive products can be sold

a) Premises licensed for the sale of approved products under the Psychoactive Substances Act 2013 must be located within the Blenheim Central Business Zones CB1 & CB2 as defined in the Wairau/Awatere Resource Management Plan; and

b) Premises licensed for the sale of approved products under the Psychoactive Substances Act 2013 must not be located within 50 metres of a school, playground or place of worship; and

c) New premises licensed for the sale of approved products under the Psychoactive Substances Act 2013 must not be located within 50 metres of an existing premise holding a licence (interim or full) to sell legal highs.

Summary of Information

Draft Marlborough Local Approved Products Policy

Reason for the proposal

Marlborough District Council is proposing to adopt the Draft Marlborough Local Approved Products Policy. This draft Policy has been developed in accordance with the Psychoactive Substances Act 2013. The Act enables territorial authorities to develop their own policies to provide guidance on the location of premises from which approved products may be sold by reference to:

- Broad areas within a district:
- Proximity to other premises from which approved products may be sold:
- Proximity to premises or facilities of a particular kind within a district.

The proposal

The following limitations on the location and density of premises from which approved psychoactive products under the Psychoactive Substances Act 2013 are proposed:

a) Premises licensed for the sale of approved products under the Psychoactive Substances Act 2013 must be located within the Blenheim Central Business Zones CB1 & CB2 as defined in the Wairau/Awatere Resource Management Plan; and

b) Premises licensed for the sale of approved products under the Psychoactive Substances Act 2013 must not be located within 50 metres of a school, playground or place of worship; and

c) New premises licensed for the sale of approved products under the Psychoactive Substances Act 2013 must not be located within 50 metres of an existing premise holding a licence (interim or full) to sell legal highs.

This is the preferred option of Council.

The Statement of Proposal also outlines other options considered by Council. Your comments on these options as well as the on the Proposal are welcomed.

Submissions

Copies of the Statement of Proposal (including the draft policy) are available from the Council's offices in Seymour Street, Blenheim, from the libraries in Blenheim and Picton and the Council website www.marlborough.govt.nz "Have Your Say" page.

Council will take account of all submissions made when making decisions on the proposed policy. There will be a Council hearing in early April for those submitters who indicate they wish to speak in support of their submission.

Submissions can be made by:

- Visiting Council's website www.marlborough.govt.nz "Have Your Say" page and filling in the online submission form:
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Submissions must be received by Council no later than **5.00pm on Friday 28 March 2014**.

Please note that all submissions, including name and contact details of the submitter, will be made available to the public and media on Council's website, unless you specifically request that your contact details are kept private.

All enquiries should be directed to the Customer Services Centre on 520 7400 or email LAPPsubmissions@marlborough.govt.nz

7. MDC Holdings Limited – Annual Report for Year Ended 30 June 2013

(Chairman) (Report prepared by M Fletcher) **S400-004-002-13**

Purpose

1. The purpose of this report is to present MDC Holdings Limited's Annual Report for year ended 30 June 2013.

Annual Report

2. MDC Holdings Limited's Annual Report for the financial year ended 30 June 2013 is **attached separately.**

Background

3. At its 1 May 2012 meeting the Community and Financial Planning Committee approved MDC Holdings Limited's Statement of Intent. The key financial targets and achievements are contained in the following table:

Target Description	**Target**	**Achievement**
Availability of finance	Have adequate cost effective facilities in place by 31 March 2013	Achieved. MDC Holdings Limited Group had debt at year-end of $52.4 M and debt facilities of $60 M following the successful renewal of one of its two $30 M facilities in December 2012.
Net profit after tax	$1.252 M	$1.368 M
Ratio of shareholder's funds to total assets	11%	13.6%

Comments

4. Mr Peter Taylor, Chairman of MDC Holdings Limited will make a presentation on the qualitative elements contained in the Statement of Intent and the financial performance of its subsidiaries, Port Marlborough NZ Limited and Marlborough Airport Limited.

RECOMMENDED

That the MDC Holdings Limited Annual Report for the financial year ended 30 June 2013 be received.

8. Audit Sub-Committee – Draft Terms of Reference

(Chairman) (Report prepared by M Fletcher) **E050-001-E01**

Purpose

1. To seek Council approval to the attached Draft Terms of Reference.

Background

2. Council at its 31 October 2013 meeting established an Audit Sub-Committee of the Community and Finance Committee.

3. The Terms of Reference have been developed following a review of similar Terms of Reference from Wellington City, Canterbury Regional, Auckland City and Waikato Regional Councils and the Auditor General's publication entitled "Audit Committees in the Public Sector".

Comments

4. The Draft Terms of Reference is very broad.

5. As expected, the majority of areas fall within the gambit of Finance and as such it would take the lead in servicing the Sub Committee.

6. Finance, however especially with an upcoming review of Council's Long Term Plan, is simply not resourced to meet all the aspects of the Terms of Reference. While some aspects are part of an annual cycle eg; the Annual Report and Audit related matters, it is proposed that the others be covered on a two to three year cycle.

Independent External Member(s)

7. One of the key contributors to the success of Council Audit Committees is the appointment of an appropriate external member or members. Auckland City has recently moved to appoint a second external member. To ensure that a person with appropriate skills and experience is appointed it is proposed to advertise the position externally with remuneration in the $8,000 – $10,000 range. This will need to be funded via a rates increase.

8. The proposed remuneration is similar to that paid to MDC Holdings Limited's Directors and what Hastings City Council is looking to pay their external Audit Committee member.

RECOMMENDED

That Council:

1. agree the Terms of Reference for the Audit Sub Committee;

2. note that with current resourcing the full range of activities in the Terms of Reference can only be covered on a two to three year cycle;

3. agree to proceed with the recruitment of an external Audit Committee member at a remuneration of up to $10,000 per annum;

4. note final appointment of the external Audit Committee member will be made by Full Council.

Audit Sub-Committee

Terms of Reference

Establishment

Council at its 31 October 2013 meeting established an Audit Sub-Committee (ASC) of the Community and Finance Committee. Council further agreed that the principal focus of the Sub-Committee is to oversee the audit of Council's Annual Report and Annual/Long Term Plan and consider and report as necessary on the findings of any audit management report.

Objectives

The objectives of the ASC is to assist Council to fulfil its corporate governance responsibilities. This is particularly in respect to maintaining and enhancing:

- The integrity of Council's financial and operational results and reporting.
- Council compliance with legislative and regulatory financial reporting and management requirements, standards and good practice.
- The robustness of Council's risk management systems, processes and practices.
- Council's internal control framework and financial management practices.
- The effectiveness of both the internal and external audit functions.

1 Membership

- The initial membership of the ASC shall be:
  - John Leggett (Chair)
  - Jamie Arbuckle
  - Mayor Alistair Sowman
  - A minimum of one independent external member with relevant professional experience
- The membership of the ASC will be reviewed by Council following each election or earlier should a vacancy or other need arise. The term of appointment for independent external member shall be in accordance with Council's Board appointment policy.
- No staff member of Council may be appointed to the ASC.
- The Mayor shall not be the Chairman of the ASC.

2 Authority

- The ASC is authorised by Council to investigate any activity within its terms of reference.
- Further the ASC shall have unrestricted access to all information and employees necessary to fulfil its responsibilities.

- The ASC shall also have unrestricted access to Council's external auditors.
- The ASC may obtain outside professional advice to assist it discharge its role.
- Unless authorised by Council, the ASC has no decision making powers, but makes recommendations on the issues that come before it.

3 Meetings

- The ASC shall meet at least three times a year at a date, time and place determined by the Chair.
- A quorum of members of the ASC shall be two, but must include an independent external member.
- The ASC may invite the Chief Executive, Chief Financial Officer, internal and external auditors and/or any other party to attend its meetings as required.
- The minutes of the ASC meeting shall be an agenda item at the following Community and Finance Committee Meeting or the next meeting after that if this proves impractical.
- Relevant extracts of the minutes are also to be forwarded to those parties who have a required action resulting from the minutes.

4 Responsibilities

Reporting

- Review the Annual Report and Long Term Plan, including performance reporting, prior to Council approval including the resolution of differences between management and external Auditors.
- Review the appropriateness of Accounting Policies.
- Assist the external Auditors to identify risks and issues relevant to the external audit.
- Agree the audit plan with external Auditors.
- Agree the external Audit engagement letters and fees.
- Review Audit letters of representation and supporting information
- Review the annual planned internal audit work programme.
- Review internal and external audit reports and the management action taken thereon.
- Review the appropriateness of the format and content of monthly Reports to the Council.
- Review management accounting and internal financial reporting practices.

Financial Management and Internal Controls

- Review periodically for appropriateness Council's financial policies and practices, including delegation policies.
- Review the effectiveness of Council's Control environment including computerised information system controls and security.
- Review periodically the Council's Treasury Management Policy.
- Review periodically the procedure for determining the levels of contract retention, performance bond and insurance.
- Monitor and review policies and procedures to minimise and manage conflicts of interest amongst Council members, management and staff.
- Review Council's fraud policy and satisfy itself that Council has appropriate processes and systems in place to capture and effectively investigate fraud-related information.
- Receive and investigate disclosures under Council's "whistle blowing" policy, where it is not appropriate for them to be received and investigated by the Chief Executive

Risk Management

- Review whether management has in place a current and comprehensive risk management framework and associated procedures for effective identification and management of Council's financial and business risks, including fraud.
- Monitor Council's Corporate Risk Profile/Assessment and the mitigation measures planned and underway.
- Review Council's insurance portfolio for adequacy of cover and level of deductibles.
- Review periodically Council's Disaster recovery planning, including whether disaster recovery plans have been tested.
- Review Council's exposure to Contingent Liabilities and Guarrantees.

Legislative Compliance

- Review the processes in place to ensure Council's compliance with legislative and regulatory requirements.

9. Borrowing Facilities

(Clr Dawson) (Report prepared by M Fletcher) **B045-01**

Purpose

1. The purpose of this report is to seek Council's approval to increase the delegated authority to raise funds from borrowing.

Background

2. At the Community and Financial Planning Committee's 30 August 2010 meeting it agreed, with subsequent approval by Council, to:

   "Agree to the Manager, Corporate Finance, subject to a maximum value of options "(a)" and "(b)" below being $40 M in total:

   (a) Establishing a bank facility in Council's name up to the value of $40 M; and/or
   (b) Issuing bonds progressively up to the value of $40 M,

   to meet cashflow needs over the next 12 months. (The final mix of options "a" and "b" will depend on the indicative pricing obtained)".

3. Since the approval was given the following has occurred:

   (a) A $30 M floating facility has been obtained with Westpac Banking Corporation following a competitive tender. The facility was for a term of three years. The provision of the facility was retendered in late 2013. Again Westpac was successful and the facility has been "rolled over" for a further three years. The debt raised via this facility is a mix of long term and short term floating debt, the level of which is heavily influenced by the quarterly rates receipts and monthly cashflows.

   (b) The Local Government Funding Agency (LGFA) has been established. Council is a shareholder of the LGFA owning 400,000 shares. The LGFA was established to obtain debt on behalf of Local Government at rates cheaper than can be obtained from other sources. The LGFA has been very successful in this endeavour. Council has obtained $8M of debt via the LGFA to date. Based on current pricing, over time it is likely for the long term debt obtained from Westpac to be transferred to the LGFA as it matures.

4. When the delegation was first established it was expected that it would require review in 12 months. However, for a number of reasons, in particular the deferral of major capital expenditure, it is only now, some three and a half years later that a review of the delegation is required.

Current Position

5. Following the 20 January 2014 "cheque" run, Council had the following debt:

	$M
• LGFA	8.0
• Westpac	
- Long term	14.0
- Floating	7.3
	29.3

Forecast Debt Levels and Requested Delegation

6. Based on the Pre-Election Report for 30 June 2014, 2015 and 2016 the following values are forecast:

	June 2014 **$M**	**June 2015** **$M**	**June 2016** **$M**
Forecast net debt	18.5	24.8	29.5
Forecast cash and investments	11.4	12.0	13.9
Forecast gross debt at 30 June	29.9	36.8	42.4
Quarterly rates revenue	13.9	14.6	15.4
Monthly other revenue	2.7	2.8	2.9
Forecast maximum gross debt	46.5	54.2	60.7
10% contingency	4.7	5.4	6.1
Forecast maximum gross debt including contingency	**51.2**	**59.6**	**66.8**

7. By way of explanation, Council's net debt is the starting point. However, the delegation should also allow for the:

   a) value of investments;

   b) need to cover cash payments made in the period between quarterly rates instalments plus the receipt of other revenue; and

   c) provision for a 10% contingency.

   As a result of the above calculation an increase in delegation to $60 M is recommended. This amount is recommended as it coincides with the forecast requirement for the next 18 months. The $51 M forecast requirement to 30 June 2014 is less than six months away, potentially requiring Council to revisit this topic in a relatively short time.

8. Reports on the actual debt raised will continue to be provided with the quarterly Treasury Management Report.

RECOMMENDED

That Council delegate authority to the Manager, Corporate Finance to raise debt on Council's behalf to a maximum value of $60 M in accordance with Council's Debt Management Policy.

10. NZ Local Government Funding Agency

(Chairman) (Report prepared by M Fletcher) **B045-01**

Purpose

1. The purpose of this report is to present the NZ Local Government Funding Agency's (LGFA) 2012-13 Annual Report.

Background

2. When Council adopted its 2012-22 Long Term Plan it agreed to become a shareholder of the LGFA. As the LGFA is jointly owned by Councils, by virtue of Section 6 Local Government Act 2002 the LGFA is a Council Controlled Trading Organisation (CCTO). As such it is required to deliver to its shareholders an audited annual report. Council owns 400,000 $1 shares of which 200,000 are uncalled.

Annual Report

3. A full copy of the 2012-13 Annual Report is available on request. The LGFA has had a very successful year. Thirty Councils are now shareholders, an increase of 12 over the year. In addition a further nine joined as either borrowers or guarantors. The borrowings of the 39 Councils are estimated to represent 90% of local government debt.

4. The following are some of the LGFA's key achievements against its Statement of Intent targets:

Target Description	**Target**	**Achievement**
Credit rating	Local currency AA+ Foreign currency AA (the same as the NZ Government)	AA+ AA
Lending to participating Councils	>$900 million	$2,481 million
Average cost of funds relative to NZ Government Stock (NZGS)	<0.50%	0.84%*
Average lending margin above LGFA cost of funds	<0.40%	0.26%
Surplus before dividend	$0.7 million	$2.6 million

5. The LGFA's relative cost of funds was trending towards the target level of 0.5% until the June 2013 quarter:

	September 2012	December 2012	March 2013	June 2013
Average cost of funds relative to NZGS	0.98%	0.84%	0.76%	0.84%

6. There are two main reasons for LGFA's relative cost of funds rising in the June 2013 quarter:

- A new May 2021 bond was introduced in the LGFA's May 2013 tender. Longer dated bonds price at a relatively higher margin above NZGS than shorter dated bonds as shown in the following table.

LGFA margins to NZGS as at 30 June 2013	
Maturity	**% Margin**
April 2015	0.45
December 2017	0.73
March 2019	0.77
May 2021	0.80

- Market uncertainty following a sharp rise in global bond yields during June 2013 (created by comments from US monetary authorities on their potential exit path from quantitative easing) adversely affecting LGFA's margins at 19 June 2013 bond tender. This phenomenon also applied to Swap rates. To illustrate this for the period 10 June 2013 to 25 June 2013 five year NZGS increased by 0.44%, whereas five year swap rates increased by 0.54%.

Summary

7. In summary the LGFA's results for the 30 June 2013 financial year have continued to exceed expectations. Estimated savings for AA rated Councils are estimated at between 0.2% and 0.3%.

RECOMMENDED

That Council receive the LGFA's 30 June 2013 Annual Report.

11. Treasury Management Report for Period Ended 31 December 2013

(Clr Dawson) (Report prepared by M J South) **T270-01**

Purpose

1. The purpose is to present the Treasury Management Report for the period ending 31 December 2013 to Council.

Attachment

2. **Attached** are details of Council's Treasury Management Report for the quarter ended 31 December 2013. Comparative details for the quarter ended 30 September 2013 are shown in italics and shaded.

Market Interest Rate Movements

3. The Reserve Bank of New Zealand again left the Official Cash Rate "OCR" unchanged at 2.5% in the December Monetary Policy Statement and projected the 90 day rate to climb to 3.80% by the end of 2014.

4. Bancorp, Council's fund managers, advise that during the December quarter interest rates in New Zealand continued to move higher. See 'Current Market Interest Rates' on table **attached.**

Investments

5. Details of Council funds and investments are **attached.**

6. Council maintains an investment portfolio reported as securities in the Treasury Management Report:

Investments – short term	$5,319,495
Investments – long term	$5,382,835
Total Investments	**$10,702,330**

7. The total investments average interest earnings rate of 5.81% is the same as the September quarter.

8. During the December quarter the following changes were made to the portfolio:

   - Maturing BNZ term deposits were reinvested for similar terms with slightly higher interest rates. Term deposits continue to provide higher yields than bonds of a similar short term period without locking in interest rates in a rising market.

9. Council maintains the investment portfolio considering:

   - Compliance with Council's Treasury Management Policy investment parameters.

   - The level of investment required to maintain an adequate disaster recovery reserve, as reported in the 30 September 2010 report and the Infrastructure assets disaster damage and loss funding plan update 2011/12 (7 February 2012 meeting).

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

Compliance with Council Policy

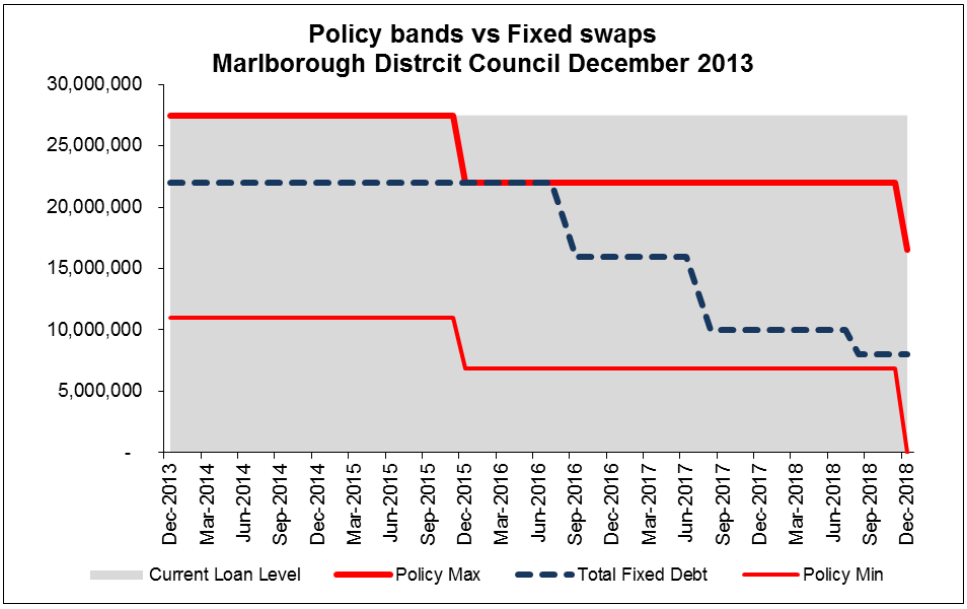
11. Council's Treasury Management Policy sets criteria surrounding credit rating, maximum investment allowed with any one institution and the maximum allowed to be invested with any type of institution.

12. All criteria have been met for the 31 December quarter.

External Borrowings

13. As at 31 December 2013 Council has $27.889 M of external borrowings.

14. The following graph shows Council's current Westpac and Local Government Funding Authority "LGFA" borrowings and fixed rate hedging or borrowings (fixed swaps) measured against Council Treasury Management Policy and hedging parameters (policy bands).



15. Current borrowings and fixed swaps comply with the policy bands.

16. MDC Holdings Limited's borrowings as at 31 December 2013 were $55.745 M.

RECOMMENDED

That the Treasury Management Report for the period ended 31 December 2013 be received.

MARLBOROUGH DISTRICT COUNCIL
QUARTERLY TREASURY MANAGEMENT REPORT

Current Market Interest Rates as at 31 December 2013

Term	Rate quoted from -	December 2013	November 2013	October 2013	*September 2013*
OCR	Reserve Bank	2.50%	2.50%	2.50%	2.50%
30 days	Reserve Bank	2.67%	2.67%	2.65%	2.63%
90 days	Bank bills	2.70%	2.70%	2.68%	2.68%
Maturity 12/17	NZ Government Bonds- yield	4.09%	4.01%	3.84%	3.89%
Maturity 03/19	NZ Government Bonds- yield	4.36%	4.28%	4.09%	4.14%
Maturity 05/21	NZ Government Bonds- yield	4.67%	4.59%	4.38%	4.40%
Maturity 04/23	NZ Government Bonds- yield	4.84%	4.77%	4.55%	4.56%

Statement of MDC Cash, Investments and External Borrowings as at 31 December 2013

					%Funds	*Last Quarter September 2013*
Bank Current Accounts						
- BNZ	*Current Funds or (Overdraft)*			635,466	5.54%	*($336,187)*
	(allowing for unpresented cheques of $55,163)					
On Call	**Rating**					
- BNZ	AA-		2.60%	138,384	1.21%	*$706,234*
	Readily Available Funds			***773,850***	**6.74%**	***$370,047***
Investments -short term (12 months or less)						
Banks						
- BNZ	AA-	1yr (06/14)	4.10%	53,630	0.47%	*$53,630*
- BNZ	AA-	180 days (06/14)	4.00%	194,332	1.69%	*$190,573*
- BNZ	AA-	180 days (06/14)	4.31%	2,053,821	17.90%	*$1,010,356*
- BNZ	AA-	180 days (05/14)	4.22%	1,043,890	9.10%	*$1,000,000*
- BNZ	AA-	94 days (12/13)	4.15%	-	0.00%	*$1,021,092*
- BNZ	AA-	180 days (04/14)	4.18%	1,010,435	8.80%	*$1,000,000*
Securities						
- Fonterra	A+	9 years (04/14)	7.00%	499,029	4.35%	*$499,029*
- Fonterra	A+	5 years (04/14)	8.74%	464,358	4.05%	*$464,358*
	Investments Available within 1 year		**4.89%**	***$5,319,495***	**46.35%**	***$5,239,038***
Investments -long term (greater than 12 months)						
Securities						
- BNZ Bond	AA-	6 years (05/15)	7.98%	1,034,915	9.02%	*$1,034,915*
- Rotorua District Council	UR	8 years (04/16)	8.16%	947,921	8.26%	*$947,921*
- Auckland Council	AA	7 years (09/17)	6.52%	500,000	4.36%	*$500,000*
- ANZ/National	BBB	5 years (04/18)	5.28%	1,000,000	8.71%	*$1,000,000*
- BNZ	AA-	7 years (12/18)	6.10%	1,400,000	12.20%	*$1,400,000*
- Rabobank	AA-	7 years (03/19)	6.10%	500,000	4.36%	*$500,000*
	Funds Available > 1 year		**6.71%**	***5,382,835***	**46.90%**	***$5,382,835***
	Total Funds Available		**5.81%**	***$11,476,180***	**100.00%**	***$10,991,920***
						5.81%

External Borrowings

Westpac		
- Loans less than 12 months	4.86%	5,500,000
- Loans greater than 12 months	5.88%	14,000,000
		19,500,000
Local Government Funding Authority		
- Loans greater than 12 months	5.73%	8,000,000
Total External Borrowings		**$ 27,500,000**
MDC Holdings Ltd		
- Current account (interest charged annually @ 90 day bank bill rate)		389,000
Total Borrowings		**$ 27,889,000**

12. Financial Report for Council – Period Ended 31 December 2013

(Clr Arbuckle) (Report prepared by J Somerville) **F045-06**

1. **Attached** is the financial report for Council for the first six months ended 31 December 2013.

2. The Income Statement reports a surplus of $741K for the year to date. This is a $2.71M improvement on the $1.97M budgeted deficit.

Revenue

3. Total Income and Rates for the December year to date is ahead of budget by $1.97M (4.6%).

4. Comments are provided below on variances greater than $100,000:

   a. The dividend payment from MDC Holdings was less than expected because the dividend it received from Port Marlborough was less than budgeted. Council prepares the budget prior to receipt of the Statement of Corporate Intent from Port Marlborough. Forecast has been revised.

   b. External interest revenue is under budget due the continuing low interest rates. As the Bancorp investments mature, the proceeds have been reinvested in short dated term deposits until interest rates increase.

   c. Funds received from Marlborough Regional Forestry are higher than originally budgeted because log prices and log quality have held and they are continuing to harvest in easier terrain.

   d. Property and other revenue is ahead of budget mainly due to the reimbursement of rates and insurance on the old Civic Theatre complex, increased corridor access fees and additional rental for the sub lease of the recently purchased Wither Road property.

   e. Community Facilities revenue is ahead of budget because of:

      i. Higher than budgeted reserves fund contributions (mainly from MDC's development of Stage 2 of Boulevard Park on Taylor).

      ii. Additional revenue mainly from disbursement recoveries of Marlborough Aquatic Centre insurance not in the original budget.

      iii. Receipt of Sport NZ grant to assist with Endeavour Park operational costs

   f. Roads and footpaths income is less than budget due to slower than anticipated subdivision and development contributions. Forecast includes revised estimates.

   g. Sewerage revenue is ahead of budget because of:

      i. Higher than budgeted sewer network upgrade and development contributions.

      ii. Increased trade waste charges to the original budget. The revised forecast reflects these changes.

   h. Solid Waste management is higher than budget mainly due to increased revenue from dump fees and the forecast has been updated to reflect this.

   i. Environmental Science and Monitoring forecast includes additional fees expected for the monitoring of coastal water quality in the Sounds.

   j. Building Control forecast has been updated to reflect the slower than anticipated income from building consents and associated inspections because applications received to date are less than predicted reflecting the ongoing economic climate.

   k. Harbours income is higher than expected due to unbudgeted revenue resulting from MDC staff being on standby in August during the oil rig "off load" from the Kan Tan IV vessel in Admiralty Bay. Forecast includes this income.

l. Regional Development revenue is ahead of budget because of:

i. Unbudgeted capital contributions to join the Southern Valleys' Irrigation scheme.

ii. Higher than forecast parking infringement charges.

Expenditure

5. Overall expenditure is slower than budgeted by $0.73M (1.6%). Comments are provided on variances greater than $100,000:

a. Community Housing forecast includes the estimated loss on sale of the Seddon units, together with increased insurance and contract charges.

b. Community Safety forecast has been reduced to reflect reduced costs because some projects have been contracted to outside organisations. Forecast for both revenue and expenditure have been updated to reflect this.

c. Emergency management is ahead of budget due to emergency earthquake works for the Haldon Dam. Efforts are being made to recover some of these costs from the property owner. Forecast includes estimated additional costs.

d. Community Facilities forecast has been updated to include additional insurance together with revised depreciation as well as increased repairs and maintenance costs.

e. Roads and footpaths expenditure is less than budget due to:

i. Less than anticipated unsealed and sealed pavement. We are expecting a surplus of $250,000 by year end due to contract savings.

ii. Slower than anticipated minor safety improvements expenditure (seasonal with the majority of the work undertaken in autumn).

iii. Depreciation and loan interest are lower than expected as the budget was based on the 2012-13 capital expenditure budget. Actual capital expenditure for 2012-13 was below budget which has a flow on effect into this financial year. These favourable variances are offset by;

iv. Expenditure on emergency reinstatement damage repairs and environmental maintenance which are well ahead of budget, due to the June 2013 storm event and the Seddon earthquakes. The increase in forecast is due to the re-estimate of the expenditure for emergency reinstatement.

f. Flood protection and control works are slower than budget due to less than expected flood damage costs and contract timing. The present forecast is being reviewed and will be updated to include additional expenses.

g. Sewerage is slower than budget in the areas of:

i. Treatment costs which are seasonal and it is expected this variance to be corrected by April - May 2014.

ii. Depreciation and loan interest are lower than expected as the budget was based on the 2012-13 capital expenditure budget and the actual expenditure was less. These favourable variances are offset by;

iii. Reticulation infiltration/leaks and connections maintenance all ahead of budget due to ongoing infiltration failures. The current forecast is being reviewed and will updated to reflect the increased costs.

h. Water supply forecast expenditure is expected to reduce mainly due to less than budgeted depreciation because of less than anticipated 2012-13 capital expenditure.

i. Solid Waste management forecast includes increased costs mainly for contracts (see additional revenue) and projects.

j. Environmental Policy is ahead of budget due to costs associated with the Colonial Vineyard plan change appeal defending Council's plan change decision (not recoverable).

k. Environment Science and Monitoring expenditure is forecast to increase due to the appointment of a Coastal Monitoring Scientist and associated costs.

l. Resource Consents forecast has been updated to reflect increased personnel costs.

m. Building Control is ahead of budget mainly due to contracts for compliance inspections.

n. External interest expense is lower than anticipated due to the savings, deferrals and delays in the 2012-13 /2013-14 capital expenditure programme.

o. Property and Other expenditure is ahead of budget mainly due to increased rates and insurance costs which have been reimbursed, seismic review of the building portfolio after the Seddon earthquakes and repairs required.

Capital Expenditure

6. Budgeted capital expenditure for the year is $45.35M including $19.1M of carryovers from the 2012-13 financial year.

   Actual expenditure of $14.54M to the end of December is $3.59M ahead of the same period last year ($10.95M) and $9.21M less than budgeted for the year to date.

7. Early indications are that there is likely to be deferrals and carryovers to 2014-2015 of approximately $1.24M in the following activities:

Activity	$M	Comment
Flood Protection & control works	$0.6M	Land owner access approval negotiations taking longer than expected in lower Wairau and land purchase/ design still to be finalised for Main St pump station upgrade.
Roads	$0.64M	Jackson/ORR intersection upgrade awaiting NZTA funding approval to proceed.

8. There is also expected to be capital savings of approximately $3.94M in the following activities:

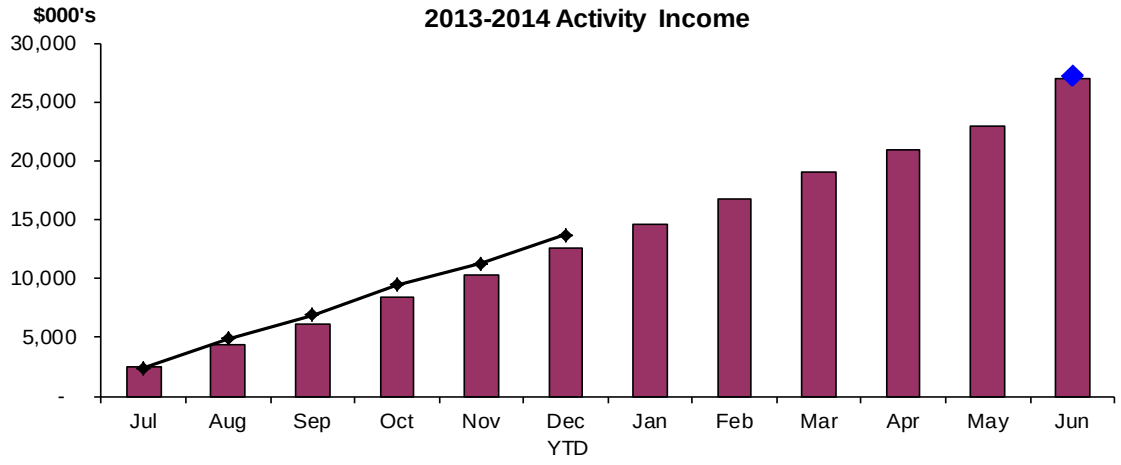
Activity	$M	Comment
Roads	$0.5M	Major rehabilitation of Northbank Road bridges now funded from other existing budgets.
Sewerage	$2.95M	Blenheim / Riverlands treatment plant overall costs savings.
Water	$0.49M	Picton mains and pressure zones upgrade deferred to 2015-16.

RECOMMENDED

That the financial report for the period ended 31 December 2013 be received.

Marlborough District Council
Income and Expenditure Statement
31 December 2013

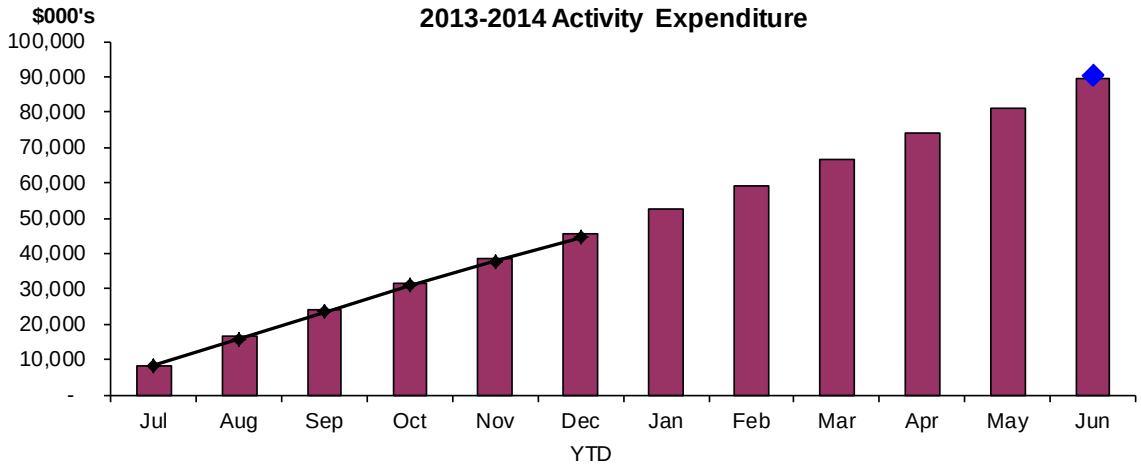
Income	Year to date				Full Year			
	Actual	Budget	Variance		Forecast	Budget		Variance
Rates	27,632,406	27,175,906	456,500		56,065,792	55,709,852		355,940
-less remissions	(234,114)	(255,006)	20,892		(450,000)	(510,000)		60,000
Rates	**27,398,292**	**26,920,900**	**477,392**		**55,615,792**	**55,199,852**		**415,940**
Rates penalty income	211,480	187,500	23,980		345,000	375,000		(30,000)
Total Rates	**27,609,772**	**27,108,400**	**501,372**		**55,960,792**	**55,574,852**		**385,940**
Other Income								
Dividends	723,000	827,000	(104,000)	4a	723,000	827,000		(104,000)
Interest Revenue (external)	264,165	382,998	(118,833)	4b	808,000	878,200		(70,200)
Petroleum Tax	172,279	183,498	(11,219)		362,500	367,000		(4,500)
Gain on Sale of Fixed Assets	-	-	-		1,620,000	1,620,000		-
Marlborough Regional Forestry	1,460,250	1,062,000	398,250	4c	1,770,000	1,416,000		354,000
Property and Other Revenue	765,393	570,738	194,655	4d	1,266,037	1,024,841		241,196
Total Other Income	**3,385,087**	**3,026,234**	**358,853**		**6,549,537**	**6,133,041**		**416,496**
Activity Income								
Democratic Process	-	20,838	(20,838)		41,680	41,680		-
Culture and Heritage	1,301	-	1,301		1,301	-		1,301
Community Housing	586,006	555,966	30,040		1,111,927	1,119,927		(8,000)
Community Safety	110,109	130,920	(20,811)		167,806	261,841		(94,035)
Community Support	126,208	105,018	21,190		218,781	210,030		8,751
Library Services	59,020	69,504	(10,484)		134,000	139,000		(5,000)
Emergency Management	50,360	24,102	26,258		48,200	48,200		-
Community Facilities	881,113	673,754	207,359	4e	1,355,615	1,337,180		18,435
Roads and footpaths	2,883,073	2,997,456	(114,383)	4f	7,718,375	8,072,415		(354,040)
Flood protection and control works	1,610,236	1,589,614	20,622		2,929,198	2,920,914		8,284
Sewerage	1,311,851	837,823	474,028	4g	1,995,640	1,635,650		359,990
Stormwater drainage	47,022	38,004	9,018		226,000	226,000		-
Water Supply	200,096	121,740	78,356		519,500	438,500		81,000
Solid Waste Management	2,320,541	2,198,168	122,373	4h	4,527,356	4,458,821		68,535
Environmental Policy	8,597	-	8,597		8,597	-		8,597
Environmental Science and Monitor	48,008	2,502	45,506		173,000	5,000	4i	168,000
Resource Consents	592,594	612,504	(19,910)		1,261,000	1,225,000		36,000
Building Control	961,767	1,057,080	(95,313)		1,893,650	2,114,150	4j	(220,500)
Compliance	753,797	730,808	22,989		831,100	868,600		(37,500)
Biosecurity (Pest Management)	69,119	10,002	59,117		85,000	20,000		65,000
Harbours	182,381	19,362	163,019	4k	319,000	188,731		130,269
Regional Development	912,505	805,842	106,663	4l	1,666,998	1,611,688		55,310
Total Activity Income	**13,715,704**	**12,601,007**	**1,114,697**		**27,233,724**	**26,943,327**		**290,397**



Total MDC Income	**44,710,563**	**42,735,641**	**1,974,922**	**89,744,053**	**88,651,220**		**1,092,833**

Marlborough District Council
Income and Expenditure Statement
31 December 2013

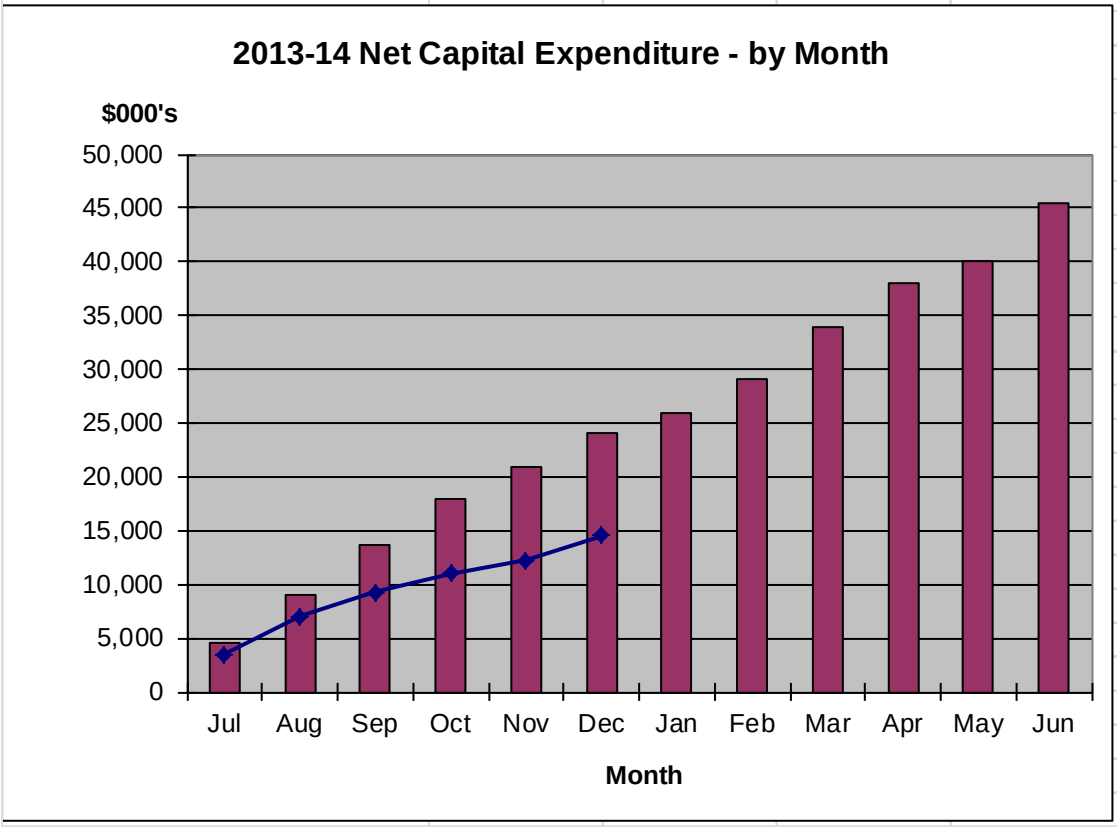
Expenditure	Year to date				Full Year			
	Actual	Budget	Variance		Forecast	Budget		Variance
Activity Expenditure								
Democratic Process	1,350,900	1,383,121	32,221		2,859,193	2,765,358		(93,835)
Culture and Heritage	2,801,253	2,788,645	(12,608)		3,039,735	2,966,157		(73,578)
Community Housing	729,615	671,519	(58,096)		1,513,399	1,242,838	5a	(270,561)
Community Safety	150,877	187,457	36,580		233,107	374,725	5b	141,618
Community Support	577,922	669,926	92,004		1,408,726	1,334,710		(74,016)
Library Services	901,073	872,765	(28,308)		1,737,924	1,716,524		(21,400)
Emergency Management	605,843	434,469	(171,374)	5c	978,406	787,295		(191,111)
Community Facilities	4,458,397	4,414,691	(43,706)		8,367,744	8,124,134	5d	(243,610)
Roads and footpaths	8,766,627	8,877,115	110,488	5e	20,288,665	19,633,746		(654,919)
Flood protection and control works	2,100,262	2,247,317	147,055	5f	4,503,732	4,482,034		(21,698)
Sewerage	4,439,053	5,248,495	809,442	5g	9,513,579	10,397,177		883,599
Stormwater drainage	810,885	858,867	47,982		1,689,709	1,717,643		27,934
Water Supply	4,083,332	4,125,381	42,049		7,926,710	8,095,439	5h	168,729
Solid Waste Management	3,355,273	3,397,280	42,007		6,878,933	6,760,572	5i	(118,361)
Environmental Policy	855,357	747,184	(108,173)	5j	1,524,036	1,509,187		(14,849)
Environmental Science and Monitor	1,261,006	1,290,952	29,946		3,256,876	3,148,375	5k	(108,501)
Resource Consents	1,103,392	1,045,669	(57,723)		2,339,279	2,229,187	5l	(110,092)
Building Control	1,326,980	1,225,607	(101,373)	5m	2,712,721	2,508,096		(204,625)
Compliance	1,063,112	1,128,366	65,254		2,287,894	2,231,032		(56,862)
Biosecurity (Pest Management)	556,355	647,532	91,177		1,305,523	1,300,375		(5,147)
Harbours	602,683	545,613	(57,070)		1,043,295	1,027,965		(15,330)
Regional Development	2,692,623	2,633,033	(59,590)		5,050,095	5,001,259		(48,837)
Total Activity Expenditure	**44,592,820**	**45,441,004**	**848,184**		**90,459,280**	**89,353,826**		**(1,105,454)**
Includes Internal Interest	3,190,158	3,763,902	573,744		6,828,479	7,527,804		699,326
	41,402,662	**41,677,102**	**274,440**		**83,630,801**	**81,826,022**		**(1,804,780)**



Other Expenditure								
Interest Expense (External)	575,915	1,194,720	618,805	5n	1,852,146	2,389,438		537,292
Property & Other Expenditure	1,990,856	1,830,044	(160,812)	5o	2,724,507	2,233,141		(491,366)
Total Other Expenditure	**2,566,771**	**3,024,764**	**457,993**		**4,576,653**	**4,622,579**		**45,926**
Total MDC Expenditure	**43,969,433**	**44,701,866**	**732,433**		**88,207,454**	**86,448,600**		**(1,758,854)**
SURPLUS	**741,130**	**(1,966,225)**	**2,707,355**		**1,536,599**	**2,202,619**		**(666,021)**

Marlborough District Council
Net Capital Expenditure
31 December 2013

	Actual YTD	Budget YTD	Variance	Total Budget
Democratic Process	23220	20000	-3220	20000
Culture and Heritage		4998	4998	10000
Community Housing	0	228,125	228,125	445,500
Community Support	174443	202,000	27,557	202,000
Library Services	110,636	123,252	12,616	316,562
Emergency Management	14,164	21,902	7,738	35,800
Community Facilities	277,457	1,557,863	1,280,406	3,040,260
Roads and footpaths	3,536,275	4,407,882	871,607	9,992,750
Flood protection and control works	422,705	825,504	402,799	2,286,800
Sewerage	7,163,412	11,616,297	4,452,885	14,976,330
Stormwater drainage	746,356	67,504	-678,852	1,144,242
Water Supply	777,288	1,441,865	664,577	2,672,667
Solid Waste Management	23,062	80,400	57,338	160,800
Environmental Science & Monitoring	68,073	34,500	(33,573)	69,000
Consents and Compliance		3,252	3,252	6,500
Harbour Control	85,003	153,750	68,747	540,898
Regional Development	(182,499)	104,500	286,999	148,000
Investment activities	(814,466)	804,000	1,618,466	6,104,000
Corporate Overheads	2,112,237	2,050,272	-61,965	3,176,580
Total Net Capital Expenditure	**14,537,366**	**23,747,866**	**9,210,500**	**45,348,689**



13. Debtors' Overdue Report as at 31 December 2013

(Clr Arbuckle) (Report prepared by S Greenhill) **A135-04**

Purpose

1. To present the Debtors and Property Leases and Licences Debtors reports as at 31 December 2013.

Background

2. This report reports on the levels of debt relating in the main to the following revenue streams:

   - Building consents
   - Resource consents
   - Development contributions
   - Licences
   - Trade waste
   - Water and sewerage connections

3. The Debtors Report as at 31 December 2013 is **attached** for Councillors' information.

4. The current balance includes the second quarter invoicing of Tradewaste of $450,372. (December 2012 $308,691).

5. The 90 days balance has reduced since July 2013.

6. The 30-90 days balance has increased since October primarily because of one significant development contribution for extraordinary sewer connection, invoiced in October 2013 that is still outstanding.

7. The Property Leases and Licences Debtors Report as at 31 December 2013 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. The current balance is low but is comparable to December 2012 ($17,492).

RECOMMENDED

That the information be received.

DEBTORS REPORT AS AT 31 DECEMBER 2013

Aged Analysis Report	Current Month	Comparison for Previous 5 Months				
	December	**November**	**October**	**September**	**August**	**July**
Current	1,260,709.16	1,109,740.92	1,667,170.43	1,091,072.58	789,935.80	935,655.05
30 - 90 Days	694,360.66	619,331.43	185,193.72	259,595.44	226,660.07	310,369.83
90 Days	78,599.32	83,892.69	95,367.84	107,626.01	162,527.18	151,428.29
Outstanding Debtors Closing Balance	2,033,669.14	1,812,965.04	1,947,731.99	1,458,294.03	1,179,123.05	1,397,453.17

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

	December	**November**	**October**	**September**	**August**	**July**
With Receivables Management	3,674.70	3,674.70	3,674.70	3,674.70	4,585.48	3,674.70
Paying by Arrangement	57,911.83	58,993.87	71,052.64	80,296.79	129,413.52	126,733.50
Debts in Dispute	13,168.58	14,303.95	13,329.42	15,060.61	14,322.24	12,311.44
Payments since month end taken off above amounts	2,163.89	5,329.76	6,151.04	7,693.00	12,434.15	8,276.39
Sub-Total	**76,919.00**	**82,302.28**	**94,207.80**	**106,725.10**	**160,755.39**	**150,996.03**
Various Debtors with Balances <$250	1,680.32	1,590.41	1,160.04	900.91	1,771.79	432.26
Over 90 days Outstanding Total	**78,599.32**	**83,892.69**	**95,367.84**	**107,626.01**	**162,527.18**	**151,428.29**

Property Leases and Licences Debtors Report as at 31 December 2013

Aged Analysis Report	Current Month	Comparison for Previous 5 Months				
	December	**November**	**October**	**September**	**August**	**July**
Current	16,437.02	59,382.19	46,186.42	70,343.29	59,882.87	162,835.65
30 Days	15,756.53	12,071.01	34,551.03	1,842.54	55,034.21	6,751.76
60 Days	5,118.35	30,917.64	730.32	8,447.25	2,773.80	239.73
90 Days	28,549.93	24,187.90	26,539.55	23,577.01	22,845.83	22,794.09
Outstanding Debtors Closing Balance	65,861.83	126,558.74	108,007.32	104,210.09	140,536.71	192,621.23
60 and 90 days Overdue Balance	33,668.28	55,105.54	27,269.87	32,024.26	25,619.63	23,033.82

14. Rates Reports as at 31 December 2013

(Clr Arbuckle) (Report prepared by W Williams) **F270-28-13**

Purpose

1. To present the Rate Levies Status report, Rate Arrears Aged Balance report and the Water Billing Debtors report as at 31 December 2013.

Rate Levies Status Report and Rate Arrears Aged Balance Report

2. **Attached** for information are the Rate Levies Status Report and Rate Arrears Aged Balance Report as at 31 December 2013.

3. We have collected 48.99% of the overall rates levied for 2013-2014 (inclusive of arrears) and this compares with 48.58% at this time last year.

4. Since 10 December, the final day for payment of rates instalment two, there were 836 (604) penalty letters posted due to non-payment. Of these 276 (192) require follow up in January. The comparable number last year is shown in brackets. One reason for the increase in numbers is that the letters were posted prior to Christmas rather than the second week in January.

5. **Attached** is Debt Management Report for properties with registered mortgages for the 2011, 2012 and 2013 rating years. Due to our successful collection methods there are only a very small number of properties with rate arrears still outstanding for the 2011 and 2012 rating years. For the eight debts that remain outstanding, out of an original 232, either:

    - an arrangement is in place for repayment (3);
    - a notice of demand has been sent to the mortgagee (2); or
    - Court action may be required (3).

6. As a result of the very low numbers and the inclusion of “Court Action” debts in a new Properties without Registered Mortgages report, it is proposed that this is the last time that a separate report on the 2011 and 2012 rating years will be provided.

7. **Attached** is a new report for Properties without Registered Mortgages. Ultimately Court action may be required to collect these debts. We will commence Court proceedings, as allowed under the Local Government (Rating) Act 2002, when the debt is over three years old or more than $3,700.00. The report identifies the stages involved and the number of properties at each stage. An agent has been contracted to provide this service for Council and the first eleven properties have been lodged with the agent to commence recovery action through the Court.

8. Rates instalment three will be posted 1 February 2014 and is due for payment by 10 March 2014.

Water Billing Debtors Report

9. **Attached** for information is the Water Billing Debtors Report as at 31 December 2013.

10. The current balance of $431,888.86 includes the quarterly billing for all areas except Awatere, which is four monthly (December 2012 $375,879).

RECOMMENDED

That the report be received.

Rate Levies Status Report as at 31 December 2013

Financial Division	Balance B/Fwd (01/07/13)	Inst Levy To Q2	Arrears Pen	Instal Pen	Adjustments	Cash Received (incl Paid in Advance)	Add back Paid in Advance 31/12/2013	Balance 31/12/2013
Blenheim	244,879	15,761,025	27,721	45,471	(89,176)	(16,304,403)	846,445	531,961
Blenheim Vicinity	101,890	6,061,462	8,918	16,635	(61,708)	(6,313,600)	331,273	144,871
General Rural	182,889	4,559,643	19,425	27,727	(43,634)	(4,806,687)	348,010	287,372
Picton	180,646	3,855,402	14,231	20,347	(39,812)	(3,954,578)	202,548	278,783
Picton Vicinity	3,762	265,606	562	1,728	(612)	(284,130)	33,314	20,230
Sounds Admin Rural	23,417	493,700	2,805	5,853	(1,325)	(552,081)	87,959	60,328
Utilities Network	436	7,294	42	25	-	(14,437)	6,791	151
Current Year Totals	**737,920**	**31,004,130**	**73,704**	**117,786**	**(236,267)**	**(32,229,916)**	**1,856,339**	**1,323,696**

Paid in Advance balance b/fwd	1/07/2012	1/07/2013
	402,654	435,552

Rate Arrears Aged Balance Report as at 31 December 2013

Year	Total Outstanding (01/07/2013)	Cash Received (-)	Total Arrears Outstanding 31/12/2013
2012/13	961,409	631,933	329,476
2011/12	127,006	66,437	60,569
2010/11	43,393	14,070	29,323
2009/10	27,577	7,623	19,954
2008/09	10,095	3,967	6,128
Prior 2008	3,992	2,380	1,612
Total	**1,173,472**	**726,410**	**447,062**

Rates balance b/fwd	737,920
Add back Paid in Advance	435,552
Total Arrears Actual	**1,173,472**

Debt Management Report
Properties with Registered Mortgages

Arrears 2011 Abridged Debt collection action commenced **January 2012** with a letter outlining the possible consequences of rate arrears to **91 ratepayers**	**Oct 2012 (First Council Report)**	**Oct 2013**	**Dec 2013 Last report for Arrears 2011**
Paid	**6**	**84**	**88**
Arrangement made for repayment	32	6	2
Notice of Default or Demand sent to Mortgagee	53	1	1
Still to pay (from above)	**85**	**7**	**3**
Total	**91**	**91**	**91**

Arrears 2012 Abridged Debt collection action commenced **November 2012** with a letter outlining the possible consequences of rate arrears to **141 ratepayers**	**Jan 2013 (First Council Report)**	**Oct 2013**	**Dec 2013 Last report for Arrears 2012**
Paid	**47**	**135**	**136**
Arrangement made for repayment	7	2	1
Notice of Default or Demand sent to Mortgagee	87	1	1
No mortgage registered - Court action required under properties without registered mortgages	-	3	3
Still to pay (from above)	**94**	**6**	**5**
Total	**141**	**141**	**141**

Arrears 2013 Debt collection action commenced **September 2013** with a letter outlining the possible consequences of rate arrears to **275 ratepayers**	**Oct 2013** **(First Council Report)**	**Dec 2013**
Paid	**91**	**157**
Arrangement made for repayment	35	24
Notice of Default sent to Mortgagee	104	57
Notice of Demand sent to Mortgagee	0	0
No mortgage registered - Court action required	30	32
Action still to be taken	15	5
Mortgagee sale in progress	0	0
Still to pay (from above)	**184**	**118**
Total	**275**	**275**

Debt Management Report
Properties without Registered Mortgages

Unencumbered Properties 2013 **55 Ratepayers** being 32 transferred from Arrears 2013: No mortgage registered – Court action required and 23 prior years	**Dec 2013** **First report to Council**
Paid following receipt of letter outlining the consequences of non-payment, letter giving notice of Court proceedings or as a result of Court action	**7**
Arrangement made for repayment	3
Awaiting response or further information required	5
Lodged with agent to commence recovery action through the Court after receiving no response to our letter advising Council will seek Judgment or our phone call where possible	11
Recovery letter sent by debt collection company	0
Notice of Claim filed and/or served on the ratepayer	0
Default Judgment	0
Judgment	0
To commence legal proceedings when debt becomes over three years old or more than $3,700	29
Still to pay (from above)	**48**
Total	**55**

Water Billing Debtors Report as at 31 December 2013

	Current Month	Comparison for Previous 5 Months				
Aged Analysis Report	**December**	**November**	**October**	**September**	**August**	**July**
Current	431,888.86	147.54	73,443.58	261,450.99	-	-
30 - 90 Days	14,172.46	42,254.14	50,990.59	(1,956.68)	27,590.45	91,012.71
90 Days	18,734.14	5,043.70	11,824.17	27,676.72	2,883.58	8,902.19
Outstanding Debtors Closing Balance	464,795.46	47,445.38	136,258.34	287,171.03	30,474.03	99,914.90

Debtors Action Report - Debtors over 90 days Balance >$250

	December	**November**	**October**	**September**	**August**	**July**
Paying by Arrangement	-	744.20	744.20	346.12	284.52	314.52
Negotiating Payment Arrangement	24,493.70	21,062.16	21,062.16	31,533.13	7,126.79	11,063.01
Sub-Total	**24,493.70**	**21,806.36**	**21,806.36**	**31,879.25**	**7,411.31**	**11,377.53**
Various Debtors with Balances <$250 or Credit Balances	(5,759.56)	(16,762.66)	(9,982.19)	(4,202.53)	(4,527.73)	(2,475.34)
90 days Outstanding Total	**18,734.14**	**5,043.70**	**11,824.17**	**27,676.72**	**2,883.58**	**8,902.19**

15. Decision to Conduct Business with the Public Excluded

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

- **Debtors' Overdue Report**

- **Council Leases and Rentals**

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 Council Leases and Rentals	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.