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**MARLBOROUGH
DISTRICT COUNCIL**



1 April 2022

Record No: 2263440
File Ref: D050-001-02
Ask For: Mike Porter

Notice of Council Meeting – Thursday, 7 April 2022

Notice of the Council Meeting to be held in the Council Chambers and via Zoom, 15 Seymour Street, Blenheim on Thursday, 7 April 2022 to commence at 9.00 am.

BUSINESS

As per Order Paper attached.

MARK WHEELER
CHIEF EXECUTIVE



**Order Paper for the
COUNCIL MEETING
to be held in the Council Chambers and via Zoom, 15 Seymour Street, Blenheim
on THURSDAY, 7 APRIL 2022 commencing at 9.00 am**

Open Meeting

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Note: The Planning, Finance & Community Committee minutes (both open and PE) were circulated separately post the agenda being initially distributed. These minutes are now included in this final version of the agenda.

Marlborough District Council

Order Paper for the
COUNCIL MEETING
to be held in the Council Chambers and via Zoom, 15 Seymour Street, Blenheim
on THURSDAY, 7 APRIL 2022 commencing at 9.00 am

1. Karakia

Tēnā koutou, tēnā koutou, tēnā koutou katoa
E te Atua tō mātou Kai-hanga,
ka tiāho te maramatanga me te ora, i āu kupu kōrero,
ka tīmata āu mahi, ka mau te tika me te aroha;
meatia kia ū tonu ki a mātou
tōu aroha i roto i tēnei huihuinga.
Whakakī a matou whakaaro ā mātou mahi katoa,
e tōu Wairua Tapu.
Āmine.

(God our Creator,
when you speak there is light and life,
when you act there is justice and love;
grant that your love may be present in our meeting.
So that what we say and what we do may be filled with your Holy Spirit.
Amen.)

2. Apologies

3. Declaration of Interests

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

4. Minutes

- 4.1 Confirmation of the Minutes of the Council Meeting held on 24 February 2022
(Minute Nos. Cncl-0222-234 to Cncl-0222-259)



**Minutes of a Meeting of the
Marlborough District Council
held in the Council Chambers and via Zoom, 15 Seymour Street, Blenheim
on THURSDAY 24 FEBRUARY 2022 commencing at 9.00 am**

Present

The Mayor J C Leggett (in the Chair), Cllrs J L Andrews, J A Arbuckle, C J Brooks, J D N Croad, B G Dawson, B A Faulls, M J Fitzpatrick, G A Hope, F D Maher, M A Peters, T P Sowman and N P Taylor.

Present via Zoom

Cllr D D Oddie.

In Attendance

Mr M S Wheeler (Chief Executive), Mr M F Fletcher (Chief Financial Officer), Mr D G Heiford (Manager Economic, Community & Support Services), Mr R P Coningham (Manager Assets & Services), Ms G M Ferguson (Consents & Compliance Group Manager), Mr A J Lyall (Property and Community Facilities Manager), Mr H R Versteegh (Environmental Science & Policy Group Manager), Mr R Foitzik (General Counsel), Mr D G Walters (Communications Manager) (via Zoom), Mr S A Donaldson (Planning & Development Engineer), Mr P J Hawes (Environmental Policy Manager) (via Zoom), Mr S J Murrin (Marlborough Roads Manager), Ms C L Lake (Financial Services Manager) (via Zoom), Ms N J Chauval (Committee Secretary) and Mr M J Porter (Democratic Services Manager).

Karakia

The meeting opened with a karakia.

The Mayor welcomed all to the meeting, whether present in the Council Chambers or via Audio Visual link (Zoom) as per Standing Orders and the *COVID-19 Response (Urgent Management Measures) Legislation Act 2020*. The Mayor also advised the meeting was being recorded and that a link to the recording would be loaded to Council's website as soon as practicable following the meeting in accordance with the *COVID-19 Response (Urgent Management Measures) Legislation Act 2020*.

Cncl-0222-234 Declaration of Interests

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

A number of declarations were noted in the agenda:

- The various interests as declared under Minute Nos. Cncl-1221-178;
- The interest as declared under Minute No. PF&C-0222-222 (Minute No. PF&C-0222-225); and
- The interest declared at the meeting by Cllr Taylor under Minute No. Cncl-0222-257.

Cncl-0222-235 Annual Plan Budgets 2022-23

F230-A22-03

The Mayor welcomed everybody and introduced the purpose of the budget side of the meeting as per the Agenda. The Mayor also acknowledged the work of Mr Fletcher and his staff and indeed all staff who had worked on reports.

Cncl-0222-236 Budget Summary

F230-A22-03

Mr Fletcher spoke to his report which provided Council with an overview of the budgets proposed for inclusion in Council's 2022-23 Annual Plan (AP). Mr Fletcher also spoke to a short powerpoint presentation (filed in CM – Record No. 2240233).

In summary Mr Fletcher reported that the proposed budgets maintain current levels of service, the proposed rates increase for 2022-23 is 5.37% after removing the increase relating to the Energy Efficiency Voluntary Targeted Rate. This is a 1.06% reduction on the 6.43% rates increase forecast in the Long Term Plan (LTP) for 2022-23. The proposed budgets maintain a continuation of existing levels of service and a capital expenditure programme that mainly focuses on core infrastructure. To reduce the impact on rates, extensive use has been made of the Infrastructure Upgrade and Depreciation Reserves and a \$4.3M allocation from the COVID-19 Rates Relief Reserve. Most of the increase is driven by the cost pressures facing local government as reflected in the Local Government Cost Index (LGCI); Council's capital expenditure programme and consequential increased maintenance, management, depreciation and cost of increased debt; increasing Government requirements; and additional personnel costs. Net debt levels are forecast to be within the \$230M net debt cap set by Council until 2026-27 onwards, where the cap is exceeded by a maximum of \$31M (including Flaxbourne Irrigation) in 2029-30; should the Three Waters reforms not proceed. Should the Three Waters reforms proceed, there will be no exceedances.

Mr Fletcher, in his background to the report, advised that for each of the two years between Long Term Plans Council is required to prepare an Annual Plan. 2022-23 is the first year since Council adopted its 10 year 2021-31 LTP. As part of the preparation of the LTP, Council undertook a significant review of its operations and policies. Council's review included the levels of service for all its activities; Rating and Revenue Policies including the method of rating, rating areas and its Revenue and Financing Policy; Treasury, debt and investment policies; and key assumptions including legislative impact, inflation, interest rates, NZTA subsidy level, population growth and the economic lives of Council assets. The interest rates assumption has been further reviewed as part of the preparation of this AP and Council has decided to retain the current 4% interest rate. This year's AP has been prepared in an environment that is similar to that which existed when the LTP was prepared, i.e. the Council and the community are facing:

- the continuing impacts of COVID-19 both on Marlborough and the rest of the world. Much of Marlborough's economy is trade and tourism related and therefore reliant on how the rest of the world deals with the impacts of the COVID-19 epidemic. Except for the tourism sector, the Marlborough economy has withstood the economic impacts of COVID well, certainly much better than some of the pessimistic forecasts being made by many commentators 12 months ago;
- increasing impacts of Government Regulation and National Policy Statements. The Taumata Arowai – Water Services Regulator Act was passed in July 2020 and the National Policy Statement (NPS) on Freshwater Management 2020 was also issued in the same year;
- along with further NPSs being in the pipeline, there is also the review of the Resource Management Act 1991 and how the Three Waters will be delivered in the future. As a result of the uncertainty surrounding these developments and reviews, it has been assumed that the status quo will remain for the purposes of preparing this AP. They will be better addressed in the 2024-34 LTP when greater certainty exists. In the interim, Council must keep abreast of any developments and be prepared to provide input/comment;
- higher levels of population growth are currently being experienced compared to the position of 5-10 years ago. Higher levels of growth increase the demand for additional Council infrastructure. While much of the growth component is paid for via Development Contributions in the long term, Council must fund the costs upfront; and
- increasing requests from the community for either increased levels of service or increased financial support.

In addition:

- higher than normal levels of inflation are currently experienced, with forecast CPI increases expected to peak at just over 6%, before returning to more normal levels; and
- supply chain, i.e. the availability of certain materials and the availability of skilled personnel is becoming a real issue.

Mr Fletcher spoke on the budget approach which was detailed in the report.

The prime drivers for rates increases are the Local Government Cost Index (LGCI), capital expenditure and personnel costs. The **LGCI** is forecast each year by BERL and used by the majority of Local Authorities to forecast likely inflation movements. The forecast for 2022-23 is 2.4. One of the other main drivers is financing **Capital Expenditure**. Over the past five years actual Capital Expenditure has ranged from \$36.2M in 2020 (COVID) to \$68.5M in 2021 with an average of \$51.5M. A total budget of \$83.4M (including \$5.0M for the Flaxbourne Irrigation Scheme) was recommended. Detail on how this figure was recommended and the effect on depreciation was included in Mr Fletcher's report. Mr Fletcher advised that with the LGCI forecast to increase by 2.4% and the indicative impact on rates from Capex and Personnel being 4.3% and 2.7% respectively these three factors explain a significant portion of the total rates increase.

There is also a fourth significant driver, Government requirements. The exact dollar values of the additional costs resulting from increasing Government requirements are difficult to quantify as collectively they impact the whole of Council, including for example, the NZ Drinking Water Standards, Traffic Management requirements, National Environmental and Policy Statements, even down to specifying the level of training required by Building Control Officers. There is no indication that the pace of Government reforms and resulting additional costs will slow.

The report covered in detail how the proposed budget impacts upon projected debt. An important point to note was that Council's 2021-31 self imposed debt cap is exceeded from 2026 onwards, this is mainly due to the level of capital expenditure.

The table below identifies the activities that have the greatest impact on the proposed increase in rates and charges and in summary the reasons why. It should also be noted that some of the increase results from the flow on effects of previous years' decisions, particularly if last year expenditure was funded from reserves for one year and this year are fully rate funded and investment in infrastructure intensive activities such as Sewerage, Water and Community Facilities. These projects are now incurring a full year's charge for depreciation, interest on loans and, for some, increased operating costs. Conversely, if budgeted Capital Expenditure has been deferred or delayed, then the corresponding depreciation and interest will not come to charge:

General Roading and Footpaths	995,120	The main increases are increased depreciation costs due to increase in assets in prior years.
Community Facilities	634,572	The increase is due to the employment of the new Regional sports hub facilitator, a feasibility study for Lansdowne Park and repair of the Seddon pool. There are also additional costs for the District's reserves and public conveniences.
Environmental Management	409,067	Additional resources are required for environmental review to keep pace with government (National policy and environmental statements) and the community demand for quality environmental data and monitoring to position Council well for the future.
Democratic Process	98,810	The main increase is due to additional costs related to the October 2022 local body elections.
Solid Waste Management	398,678	The income from the Green waste dump fees has decreased due to lower actual fees than budgeted. There has also been an increase in the operating costs of the recycling collections.
Library	318,302	The main increase is due to increased depreciation costs and internal interest due to the new library building.* ¹
Regional development	100,000	Government funding was previously provided for the Economic Portfolio Manager role. This funding has ceased, with the position continuing.
General Revenues	(300,000)	Increase in the COVID-19 Rates Relief Reserve.
Targeted Rates and Charges:		
Awatere & Riverlands water supplies	332,419	Additional costs due to the Riverlands new water treatment plant including treatment costs.
Energy Efficiency	84,762	an Increase expected in the energy efficiency loan repayments.

Mr Fletcher reported that managers have identified a number of new initiatives with supporting papers which are contained elsewhere in this Agenda. The table below shows the indicative impact on Rates should Council agree to proceed with the proposed initiatives. Similar to previous years, Chris Lake will have her Rates Forecasting Model at the 24 February meeting to provide Councillors with an indicative rates movement at the conclusion of the meeting. NB, the indicative rates movement at the time will include the financial impact of any related staff positions, depreciation and debt servicing costs:

Levels of Service Increases	Total \$	Indicative Rates Impact 2022-23	Comments
Marlborough Convention Centre	113,500	-	Funded from Forestry and Land Development Reserve as was the initial funding.
Marlborough Heritage Trust	170,000	100,000	\$70,000 in 2021-22 Forestry and Land Development Reserve as it relates to current year \$100,000 in 2022-23 rates funding
Small Townships Programme	250,000	9,139	Rates funded debt – first year impact shown
Picton Foreshore Maintenance	100,000	100,000	
Giving effect to NPS for Freshwater Management – Plan preparation	125,000	125,000	Also \$125,000p.a. for 2023-24 and 2024-25 years
Giving effect to NPS for Freshwater Management – Te Mana o te Wai	50,000	50,000	Also \$50,000p.a. for 2023-24 and 2024-25 years
Potential variations to the PMEP to provide for urban growth	150,000	150,000	
Community Facility Structure and Playground funding	831,400	23,396	\$191,400 from the Land Subdivision Reserve and the remainder from Rates funded debt - first year impact shown.
Lansdowne Park Sports hub	70,000	70,000	
Marlborough Roads Staffing	18,000	18,000	
Future Staffing	712,500	712,500	
Three Waters “Greater Good” Funding		(1,358,035)	
Total Rates Impact		0	

The forecast balances (\$M) of Council's discretionary Reserves were highlighted in the report. Further detail on the allocations already approved from these Reserves is shown under Minute Nos. Cncl-0222-240 and Cncl-0222-241.

The Mayor/Clr Peters:

That Council receive the information contained in this Budget Summary Paper and adopt it as supporting information to the 2022-23 Annual Plan.

Carried

Cncl-0222-237 Water and Sewerage Capital Budgets F230-A22-03

Mr Donaldson provided an overview of Water and Sewerage projects and capital budgets over the 2022-32 period.

The report included specific detail on the projects proposed and their capital costs.

Members expressed their appreciation of the quality of Council's work in this area, and the quality of information contained in the report.

Cls Taylor/Hope:

That the water and sewerage budget and programme for the 2022-32 period be received and the information be adopted as supporting information.

Carried

Cncl-0222-238 Road and Footpaths Budget

F230-A22-03

Mr Murrin (via Zoom) provided an overview of major roading expenditure, broken down into three categories: Maintenance; Renewals; and Capital Improvements. It was noted that expenditure is split into subsidised and unsubsidised. Subsidised expenditure attracts a subsidy from Waka Kotahi. The current subsidy for Council's standard roading programme is set at 51%.

It was further reported that the Waka Kotahi subsidised Roding Programme is funded in a 3-year block and is known as the 2021-24 National Land Transport Programme (NLTP). The 2022-23 year is the second year of the current NLTP.

Mr Murrin further reported that the only major capital improvement proposed in the 2021-31 Long Term Plan were bridge replacements. There is a total of \$7.64M budgeted over 2 years 2025-27 for the High Street Bridge and a further \$7.4M is budgeted in 2027-28 for the Wither Road West Bridge, across the Taylor River.

Cllrs Taylor/Maher:

That the report be received.

Carried

Cncl-0222-239 Capital Expenditure Schedule

F230-A22-03

Members noted the proposed capital expenditure programme for the 2022-23 Annual Plan. Mr Fletcher reported that the majority of the larger items are either commented on in the previous two items; or relate to the Blenheim Library and Art Gallery, Flaxbourne Irrigation, or Solid Waste Management. It was noted that the figures in this schedule differ from those contained in the above items, due to the budget adjustments made to broadly align with the funding envelope agreed in the Long Term Plan.

Cllrs Peters/Croad:

That the information be received and adopted as supporting information.

Carried

Cncl-0222-240 Reserve Balances

F230-A22-03

Mr Fletcher outlined the forecast balances for Council's significant Reserves.

Members noted that budget provision from the Forestry and Land Development Reserve for the Wither Hills woolshed (\$0.31M in 2022-23 and Stoat Eradication (\$).37M in future years) have been surrendered and will be sent back to Assets & Services Committee for further consideration.

It was further noted that the allocation commentary under the Land Sub Reserve should read "\$0.29M Coating netball courts – Lansdowne Park".

Cllrs Peters/Brooks:

That the information be received and adopted as supporting information.

Carried

Cncl-0222-241 Infrastructure Upgrade Reserve

F230-A22-03

Mr Fletcher provided a specific update on the Infrastructure Upgrade Reserve.

Cllrs Arbuckle/Brooks:

That Council receive and adopt this paper as supporting information.

Carried

Cncl-0222-242 Forecast Financial Statements

F230-A22-03

Mr Fletcher explained the forecast Financial Statements reflecting the income, expenditure and funding decisions in the 2022-2023 Draft Annual Plan.

The report included the Statement of Comprehensive Revenue and Expense; Statement of Changes in Net Assets / Equity; Statement of Financial Position; Statement of Cash Flows; and the accompanying Financial Statement Notes.

Cllrs Peters/Arbuckle:

That the information presented be received as supporting documentation.

Carried

Cncl-0222-243 Council Activities

F230-A22-03

Mr Fletcher advised that the purpose of this paper was to present for Council's information each of Council's Activities and provide a guide to the structure of each the Activity Statements. The intention was that this information would be made available to the public during the consultation process as supporting information. The papers were separately attached to the Agenda (filed in CM – Record No. 2232450).

Cllrs Peters/Arbuckle:

- 1. That Council note the availability of the information contained in the separate Activity Attachment.**
- 2. That Council receive and adopt the information as supporting information.**

Carried

ATTENDANCE: The meeting adjourned at 10.49 am and reconvened at 11.08 am.

Cncl-0222-244 Marlborough Events Centre Funding

C600-005-C03-01

Mr Heiford advised that the purpose of the report was to approve funding for the Marlborough Events Centre Audio Visual System upgrade.

In summary it was reported that the Marlborough Events Centre (MEC) has been operated by the Marlborough Civic Theatre Trust (MCTT) since February 2021. Council staff have been working closely with the MCTT staff to transition the MEC to the new management structure while still maintaining existing bookings and pursuing new bookings in the ever-changing COVID-19 / events environment. Council staff have been assisting the Marlborough Civic Theatre Trust (MCTT) to review the operation of and systems at the MEC. Council provided funding in the 2021/31 Long Term Plan for one-off costs of refurbishment of the MEC and ongoing operating costs.

There are two key operating systems in the MEC that are under review, being the Air Conditioning System (shared plant with the Clubs of Marlborough) and the Audio Visual systems. The Air Conditioning system is under review and a short / medium term solution may be an update to the operating systems. This update can be completed from the current maintenance funding allocation. Any capital replacements will need to be brought back to Council for funding consideration. The Audio Visual systems are at end of life and are old technology. The MEC management team have sought designs and quotes for the upgrade of the systems. The preferred supplier is NZ Audio and Video with a price of \$113,500 + GST. The kitchen fit out has been delayed as there have been limited functions due to COVID-19 and there is a selection process for a preferred caterer to be appointed for the MEC. Any kitchen fitout will be done in conjunction with the successful caterer and considering the facilities at the ASB Theatre.

Cllrs Taylor/Faulks:

- 1. That Council approve a budget increase in 2022-23 (from the Forestry and Land Development Reserve) of \$113,500 + GST to cover the upgrade of the MEC Audio Visual System which is required in 2021-22.**
- 2. That Council note that the upgrade will be funded in 2021-22 from the current capital allocation for the MEC Kitchen fitout.**

Carried

Cncl-0222-245 Marlborough Heritage Trust Funding A200-002-10

Mr Heiford advised that the purpose of the report was to review and approve top up funding for the Marlborough Heritage Trust for the 2021-22 and 2022-23 financial years.

In summary it was reported that the Marlborough Heritage Trust (MHT) manages and operates the Marlborough Museum and Archives and other assets at Brayshaw Heritage Park and the Edwin Fox. The MHT is funded via operating grants from Council, contracts with Government, entry fees (to the Edwin Fox), donations and the proceeds of fundraising events. It is also heavily reliant on volunteers and donations of heritage items to operate. Council staff have been working closely with the MHT to review and update the operating costs associated with the MHT in relation to major increases in the cost of insurance and the decrease in visitors to the Edwin Fox complex (due to the impacts of COVID-19). Council have initiated a review of the MHT to ensure it is fit for purpose and to understand the future requirements due to the organisation's submissions to the LTP in 2021. The outcome of the review will be presented to Council later in the year. There were several options that will be put forward. All options would require at least a year to implement hence the recommendation of funding for the shortfall in 2021-22 and an increase for 2022-23 to give the MHT certainty while any changes were implemented. Any funding changes required for 2023-24 would be introduced into the Annual Plan process for the year.

The report gave Council two options for the funding proposal (approve or decline the increased annual operating costs for MHT). Members agreed to approve the proposal.

Cllrs Peters/Taylor:

That Council approve the increase to the operating costs grant up to \$70,000 per annum for 2021-22 and \$100,000 for 2022-23, with funding from the Forestry and Land Development Reserve.

Carried

Cncl-0222-246 Small Townships Programme E105-002-01

Mr Lyall advised that the purpose of the report was to consider options for a funding increase in the existing Small Townships Programme (STP).

In summary it was reported that in 2015 Council agreed to funding \$500,000 annually for the Small Township Programme. Operating costs made up personnel, interest and overhead costs were funded from the annual amount. As projects have progressed the operational costs are now consuming approximately half of the annual amount each year. The reduction in the amount of capital available along with the reduction in purchasing power due to inflation over the last 6 years is now starting to impact on the programme momentum. It is suggested that increasing the annual grant by \$250,000 will provide sufficient funding to ensure the programme momentum continues. The cost of funding an additional \$250,000 will cost the Blenheim Vicinity and General Rural areas a total of \$18,275 per annum if debt funded. This equates to a rate increase of 0.09%. It was also suggested that the Small Townships Programme annual funding should be increased in line with the Local Government Cost Index to maintain the purchasing power of the programme.

Cllrs Brooks/Arbuckle:

- 1. That Council increase funding to the Small Township Programme by \$250,000 per annum by debt funding rated across the Blenheim Vicinity and General Rural areas.**
- 2. That Council agree to increase the value of the Small Townships Programme annually by the Local Government Cost Index movement to maintain the purchasing power of the programme.**

Carried

Cncl-0222-247 Giving Effect to the National Policy Statement for Freshwater Management 2020 L225-09-04-01, E360-002-002-02

Mr Hawes (via Zoom) advised that the purpose of the report was to provide a report on the implications of the National Policy Statement for Freshwater Management 2020 (NPSFM) and to seek additional budget approval to enable the statutory planning work required under the NPSFM.

In summary it was reported that the Essential Freshwater package, introduced by central government in 2020, created additional requirements for the Council in respect of freshwater management and protecting ecosystem health. This included substantial changes to the NPSFM that the Council is required to give effect through the PMP. An external audit has found that the PMP provides a good platform to give effect to the NPSFM. However, the audit also found that there is a substantial body of work to establish and implement a community vision with respect to freshwater and to give effect to Te Mana o te Wai. It was therefore anticipated that the existing resourcing of the Environmental Policy Group will not be sufficient to fully give effect to the NPSFM within the timeframe required. Specialist planning skills are also required in terms plan evaluation and development, and community engagement. Additional funding of \$125,000 was sought for the Environmental Policy Group Budget in the 2022-23, 2023-24 and 2024-25 years to implement the statutory planning requirements under the NPSFM.

The report covered in detail information under the headings of Background/Context, NPSFM, External Review and Resourcing.

Clrs Hope/Peters:

1. That the information be received.
2. That Council make provision for additional funding of \$125,000 for the Environmental Policy Group Budget in the 2022-23, 2023-24 and 2024-25 years to implement the statutory planning requirements under the NPSFM.

Carried

**Cncl-0222-248 National Policy Statement for Freshwater
Management 2020 – Giving Effect to Te Mana o
te Wai** N100-001-04-01, E360-002-002-02

Mr Hawes (via Zoom) advised that the purpose of the report was to provide a report on the implications of the National Policy Statement for Freshwater Management 2020 (NPSFM) with respect to giving effect to Te Mana o te Wai and to seek budget approval to assist Marlborough's tangata whenua iwi to work collaboratively with the Council on this important task.

In summary Mr Hawes reported that the NPSFM requires Council manage freshwater to give effect to Te Mana o te Wai. Te Tau Ihu iwi, with support of the National Science Challenge, have initiated a process for determining how Te Mana o te Wai applies to wai in Te Tau Ihu. The first stage in the process, to gather information and develop an iwi “current state” report, has been completed. The Stage One report, “Te Mana o te Wai – Te Tau Ihu Case Study Report: Volume One”, was received by the Planning, Finance and Community Committee on 17 February 2022. The Stage One report included conclusions and recommendations for ngā Iwi, the three councils and central government to consider in progressing to Stage Two.

The Stage Two process intends to co-design a planning framework to give effect to Te Mana o te Wai across Te Tau Ihu. Additional funding is sought to assist with Stage Two. There is an expectation that each of the three Top of the South Councils will contribute \$30,000 to Stage Two. Council also has obligations to engage with Ngāi Tahu/Ngāti Kuri and iwi that are currently not participating in the Te Tau Ihu initiative. Additional funding is sought to facilitate this engagement and to provide the Council the ability to engage additional technical support, if required. Additional funding of \$50,000 for the Environmental Policy Group budget was sought for the 2022-23, 2023-24 and 2024-25 years to assist Council give effect to Te Mana o te Wai as part of the statutory planning requirements under the NPSFM.

Further detail was included in the report.

Clrs Peters/Hope:

1. That the information be received.
2. That Council make provision for additional funding of \$50,000 for the Environmental Policy Group Budget in the 2022-23, 2023-24 and 2024-25 years to give effect to Te Mana o te Wai as part of the statutory planning requirements under the NPSFM.

Carried

Cncl-0222-249 Potential Rezoning Variations to the PMEP

M100-01-01, E360-002-002-02

Mr Hawes (via Zoom) advised that the purpose of the report was to seek budget approval for additional funding for the Environmental Policy Group as a contingency to enable consideration of potential variations to the PMEP to rezone land for residential purposes.

In summary it was reported that in the 2022-23 year Council may receive requests to rezone land currently zoned Rural Environment in the PMEP for residential purposes. There are risks that the short-term demand for new housing may not be met despite there being sufficient land zoned and serviced for residential purposes in the next 0-3 years. The Housing and Business Capacity Assessment 2021 recommended that the Council therefore be prepared to consider proposals to rezone land not currently zoned for residential purposes as a means of managing the short-term risk of demand exceeding supply. Rezoning would occur through notification of variations to the PMEP. Council has been approached informally by multiple landowners of land currently zoned Rural Environment to discuss the potential to rezone their property for residential purposes.

The resources of the Environmental Policy Group for the 2022-23 year are already heavily committed to resolving appeals to the PMEP, completing the First Schedule process for Variation 1 and 1A and giving effect to the National Policy Statement 2020. To undertake an assessment and, should the proposal be adopted by Council, processing of any rezoning proposal will require external support. Contingency funding of \$150,000 is sought for the Environmental Policy Group budget to enable the engagement of professional services to assess and process any formal requests received. Longer term supply will be informed by a review of the Growing Marlborough Strategy. A budget for this will be developed for 2023-24.

Further detail was included in the report.

Cllrs Oddie/Brooks:

- 1. That the information be received.**
- 2. That Council make provision for additional funding of \$150,000 for the Environmental Policy Group Budget to enable consideration of potential variations to the PMEP to rezone land for residential purposes.**

Carried

Cncl-0222-250 Community Facilities: Structures and Playground Funding

R510-021-01

Mr Lyall advised that the purposes of the report were to request funding for upgrades to Council's structures to maintain current levels of service and meet safety requirements, and to request funding for improvements and upgrades to Council's regional playgrounds.

In summary it was reported that an independent engineering report had identified remedial works required to a number of Councils bridges, boardwalks, platforms and structures over the next four years. The structures form a critical part of Council's recreational walking and cycling tracks network. The estimated cost for the works is \$363,000 and it was suggested that it could be funded over a 4-year period.

Staff have identified improvements to 6 playgrounds around the region that include asset replacement and improvements due to aged seating and tables, play equipment, safety matting and landscaping. The estimated cost for the works is \$469,000. It was proposed that funding for these projects come from a mix of the Land Subdivision Reserve and rate funded, depending on the size of the growth component of each project.

The report covered in detail Background – Structures, Health and Safety, Proposed Structures Upgrades and Replacements, Background - Regional Playgrounds, and Next Steps.

Cllrs Brooks/Andrews:

- 1. That Council allocate \$191,400 from the Land Subdivision Reserve over the 2023-2027 financial years as per Tables 1 and 2 (below) to fund the growth component of the works required to upgrade the structures, bridges and Reserves to meet level of service safety and demand requirements:**

Table 1

Structure	2023/24	2024/25	2025/26	2026/27	% Growth Driven	Land Sub Account Funding	Debt Funding
Tractor Bridge, Pollard Park, Blenheim			\$35,000		10	3,500	31,500
Summerhouse Footbridge No. 1 Pollard Park, Blenheim			\$14,000		10	1,400	12,600
Summerhouse Footbridge No. 2 Pollard Park, Blenheim			\$9,000		10	900	8,100
Rhododendron Area Footbridge Pollard Park, Blenheim			\$20,000		10	2,000	18,000
Pollard Golf Course Footbridge No. 1, Blenheim			\$25,000		15	3,750	21,250
Humphries Track Footbridge No. 3, Essons Valley, Picton				\$65,000	15	9,750	55,250
Barnes Track Footbridge No. 2, Essons Valley, Picton	\$65,000				15	9,750	55,250
Barnes Track Boardwalk No. 1, Essons Valley, Picton				\$11,000	15	1,650	9,350
Barnes Track Boardwalk No. 2, Essons Valley, Picton				\$9,000	15	1,350	7,650
Barnes Track Footbridge No. 5, Essons Valley, Picton		\$65,000			15	9,750	55,250
Duck Footbridge (over model railway) Foreshore, Picton		\$15,000			10	1,500	13,500
Whitehead Park Bridge, Brooklyn Dr, Blenheim		\$15,000			10	1,500	13,500
Camborne Green Footbridge, Tremorne Ave, Blenheim		\$15,000			10	1,500	13,500
	\$65,000	\$110,000	\$103,000	\$85,000		48,300	314,700
	2023/24	2024/25	2025/26	2026/27			
Debt Funded Component	55,250.00	95,750.00	91,450.00	72,250.00			
Rates Impact	2,019.66	7,539.47	14,382.56	20,366.62			

Table 2

<i>Auckland Street Reserve (Skate Park) - Picton</i>	Cost	% Growth Driven	Land Sub Account Funding	Debt Funding
Basketball area (3 on 3) surface and line marking	20,000	100	20,000	0
Tiered spectator seating	25,000	100	25,000	0
Skateboard/bike concrete spine jump	70,000	100	70,000	0
Total:	115,000		115,000	
<i>Scotland Street Reserve - Picton</i>				
Renew play equipment	80,000	0	0	80,000
New seats/tables	6,000	100	6,000	0
Landscaping upgrade	3,000	0	0	3,000
Total:	89,000		6,000	83,000

<i>Kowhai Reserve - Renwick</i>	Cost	% Growth Driven	Land Sub Account Funding	Debt Funding
Renew play equipment	35,000	0	0	35,000
Replaces seats/tables	11,000	0	0	11,000
Landscaping upgrade	12,000	0	0	12,000
Total:	58,000		0	58,000
<i>Vorbach Reserve - Renwick</i>				
Renew play equipment and surfacing	90,000	0	0	90,000
Replaces seats/New tables	11,000	60	6,600	4,400
Landscaping upgrade	11,000	0	0	11,000
Total:	112,000		6,600	105,400
<i>Lions Reserve - Renwick</i>				
Improve parking area and entrance	23,000	0	0	23,000
Replace seats/tables	11,000	50	5,500	5,500
Landscaping upgrade	11,000	0	0	11,000
Total:	45,000		5,500	39,500
<i>Havelock Memorial Reserve</i>				
Install new matting (replacing bark)	50,000	20	10,000	40,000
Total:	50,000	20	10,000	40,000
Total All Reserves	469,000		143,100	325,900
2022-23 Rates Impact				11,913

2. That Council note that the closing balance of the Land Subdivision Reserve will be \$634,652.
3. That Council approves the use of \$640,600 of rate funded debt to fund the non-growth component of the works required to upgrade the structures, bridges and Reserves to meet level of service safety and demand requirements.

Carried

Cncl-0222-251 Community Facilities: Lansdowne Park Sportshub – Request for Operational Budget

R510-021-01

Mr Lyall advised that the purpose of the report was to request that a budget be approved to operate the new Lansdowne Park Sportshub building.

In summary it was reported that the Lansdowne Park Sportshub was recently completed as an administration centre for a number of sports codes and clubs to operate from. Staff requested an annual budget of \$70,000 be provided for operating the facility. It was suggested that funding be provided by way of Rates.

Cllrs Fitzpatrick/Croad:

That an annual budget of \$70,000 be established to cover the operational costs of managing the Lansdowne Park Sportshub from 1 July 2022 and that funding be provided from Rates.

Carried

Cncl-0222-252 Wellbeing Funding

D050-007-001-01

Mr Fletcher advised that the purpose of the report was to inform Councillors of the availability of government funding, its use by another Council and how it could be used to partially fund the 2022-23 Annual Plan.

In summary it was reported that Council is due to receive \$23M of "Better Off" funding from the announcements made by Government as part of the Three Waters Reform package. Up to \$5.75M of that package is available

for the period 1 July 2022 to 30 June 2024. The criteria for using this funding appear relatively broad especially if the approach undertaken by Mayor Goff proves correct. To avoid exacerbating the longer-term issues that arise when utilising Reserves to reduce rates, it is proposed that the “Better Off” funding should be applied to improved Levels of Service at this stage. It was further proposed that a strategic review of the long-term use of this funding be undertaken post 30 June 2022.

Further detail was included in the report.

Members noted that \$100,000 has already been budgeted from the Forest and Land Development Reserve, therefore the amount in the resolution differs from that in the agenda by that amount.

Members debated whether the \$1.26M was too conservative or not.

Cllrs Peters/Taylor:

- 1. That Council agree to funding of up to \$1.26M from the Government Three Waters Better Off package; and**
- 2 That Council agree to undertaking a strategic review of how the balance of Three Waters Better funding be spent.**

Carried

Cncl-0222-253 Marlborough Roding Recovery Update

R800-007-02

Mr Coningham advised that the purpose of the report was to provide an update on the Roding Recovery Project and to approve funding for the next Recovery Stage.

In summary it was reported that the report provided the latest information relating to the roading recovery following the 17 July 2021 storm event, including current roading status, recovery costs and timeline, resourcing, challenges and risks.

The report covered the background in detail along with detail under headings of Roding recovery standards, cost estimates and Waka Kotahi financial assistance, and Future management of the region’s high-cost corridors.

Cllrs Maher/Fauls:

- 1. That Council approve the roading reinstatement standard in accordance with the Waka Kotahi emergency works rules (work category 141, effectively replacing to pre-event status).**
- 2. That Council approve expenditure of \$17m for the initial response and recovery up to end June 2022.**
- 3. That Council approve an investigation to consider asset optimisation options for the regions costliest roading corridors.**

Carried

ATTENDANCE: The meeting adjourned at 12.38 pm and reconvened at 1.15 pm.

Cncl-0222-254 Confirmation of Minutes

-

The Mayor/Cllr Taylor:

That the Minutes of the Council Meeting held on 9 December 2021 (Minute Nos. Cncl-1221-178 to Cncl-1221-190) be taken as read and confirmed.

Carried

Committee Reports

Cncl-0222-255 Assets & Services Committee -

Cllrs Taylor/Fitzpatrick:

That the Committee report contained within Minute Nos. A&S-0222-191 to A&S-0222-203 be received and the recommendations adopted.

Carried

Cncl-0222-256 Environment Committee -

The commentary under Minute No. PF&C-0221-230 (Marlborough Smart+Connected and Smart Business Marlborough update) is to be amended to state that the Renwick Village Green has been “completed” and is not progressing.

The Mayor/Cllr Brooks:

That Councillors T P Sowman, B A Faulls and J A Arbuckle be appointed as the Sub-Committee to:

- hear and determine any submissions received on the proposed fees and policy through the consultation process in relation to Minute No. Env-0222-215 (Revision of Building Control Fees Financial year 2022-2023); and
- hear and deliberate on any submissions received on the proposed fees in relation to Minute No. Env-0222-217 (Proposed Food Act 2014 Fees 2022/2023).

Carried

The Mayor/Cllr Arbuckle:

That the Committee report contained within Minute Nos. Env-0222-204 to Env-0222-221 be received and the recommendations, as amended above, adopted.

Carried

Cncl-0222-257 Planning, Finance & Community Committee -

Cllrs Peters/Croad:

That the Committee report contained within Minute Nos. PF&C-0222-222 to PF&C-0222-233 be received and the recommendations adopted.

Carried

NB: Cllr Taylor reiterated an interest in Minute No. PF&C-0222-225 (Appeals on the PMP Decision) and did not take part in discussion nor vote on the issue.

Cncl-0222-258 Fit and Proper Certification under CCCFA

L150-016-12

Mr Fletcher and Mr Foitzik reported that the purpose of the report was to seek Council approval that the Mayor, all Councillors and potentially all members of the Executive Leadership Group apply to the Commerce Commission for a ‘fit and proper’ certification under the Credit Contracts and Consumer Finance Act 2003 (“CCCFA”). The application costs are \$1055 per application/ person. The total number of persons remaining to be certified is 26 (13 elected members, up to 12 executive leadership members plus one Senior Accounting Officer; the Mayor and the CFO have received certification already). The total application costs therefore come to \$27,430.

In summary it was reported that Council provides energy efficiency funding services to ratepayers for approved works on rating units. This Energy Efficiency Scheme (“Scheme”) includes funding options for solar power, solar water heating, home heating and home insulation. The Scheme falls within the definition of ‘credit contract’ and Council is therefore a financial services provider (“Lender”) under the CCCFA. The CCCFA was amended in April 2021 and a new Part 5A added (“the Amendment”). From 1 October 2021, all directors and senior managers of lenders providing consumer credit contracts or acting as mobile traders must be

certified as a 'fit and proper person'. The Amendment mean that local authorities are required to secure certification for any person in a governance role equivalent to a director in a limited liability company and any senior manager. That would include the elected council leader (either a Mayor or Regional Council chair), other elected members, the Chief Executive and their direct reports. The Commerce Commission rejected Council's application to only have the Mayor and its CFO certified and cancelled the Council's registration as a Financial Services Provider. The Commerce Commission advised that, for Council's application to be assessed further, "applications must be submitted from additional persons occupying roles with the Council that are equivalent to a "director", or that are senior management roles".

Further detail was included in the report.

Cllrs Peters/Croad:

1. That Council approves that the Mayor and all Councillors, potentially all members of the Executive Leadership Group and one senior financial services account manager apply for certification as a 'fit and proper' person to the Commerce Commission.
2. That Council approves the allocation of up to \$27,430 from the Forestry and Land Development Reserve.

Carried

Cncl-0222-259 Decision to Conduct Business with the Public Excluded

The Mayor/Cllr Taylor:

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

- Confirmation of Public Excluded Minutes
- Levels of Service Increases – Community Facilities: Picton Foreshore
- Levels of Service Increases – Marlborough Roads Staffing Budgets
- Levels of Service Increases – Staffing Budgets 2022-23

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
Minutes	As set out in the Minutes	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.
Levels of Service Increases – Community Facilities: Picton Foreshore	To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information, as provided for under Section 7(2)(b)(ii).	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.
Levels of Service Increases – Marlborough Roads Staffing Budgets	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

Levels of Service Increases – Staffing Budgets 2022-23		which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.
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Carried

The meeting closed at 2.06 pm.

Confirmed this 7th day of April 2022

J C LEGGETT
MAYOR

Record No. 2246836

4. Minutes

- 4.2 Confirmation of the Minutes of the Extraordinary Council Meeting held on 4 March 2022
(Minute Nos. Cncl-0322-260 to Cncl-0322-261)

**Minutes of the
EXTRAORDINARY MEETING of the MARLBOROUGH DISTRICT COUNCIL
held in the Council Chambers and via Zoom, 15 Seymour Street, Blenheim
on FRIDAY 4 MARCH 2022 commencing at 4.00 pm**

Present

The Mayor J C Leggett (in the Chair), Cllrs J A Arbuckle, C J Brooks, J D N Croad, B G Dawson, B A Faulls, M J Fitzpatrick, G A Hope, F D Maher, M A Peters and T P Sowman.

Present via Zoom

Cllrs D D Oddie and N P Taylor.

In Attendance

Mr M S Wheeler (Chief Executive), Mr M F Fletcher (Chief Financial Officer), Mr R Foitzik (General Counsel), Mr L D Grogan (Nautical & Coastal Manager) and M J Porter (Democratic Services Manager).

Karakia

The meeting opened with a karakia.

The Mayor welcomed all to the meeting, whether present in the Council Chambers or via Audio Visual link (Zoom) as per Standing Orders and the *COVID-19 Response (Urgent Management Measures) Legislation Act 2020*. The Mayor also advised the meeting was being recorded and that a link to the recording would be loaded to Council's website as soon as practicable following the meeting in accordance with the *COVID-19 Response (Urgent Management Measures) Legislation Act 2020*.

Apology

The Mayor/Cllr Arbuckle:

That the apology for absence from Cllr J L Andrews be received and sustained.

Carried

Cncl-0322-260 Declaration of Interests

-

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

Cncl-0322-261 Decision to Conduct Business with the Public Excluded

-

The Mayor/Cllr Brooks:

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

- Waitohi Picton Ferry Precinct Redevelopment Loan

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
Waitohi Picton Ferry Precinct Redevelopment Loan	To enable the Council, as holder of the information, to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) as provided for under Section 7(2)(i).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Carried

The meeting closed at 5.26 pm.

Confirmed this 7th day of April 2022

J C LEGGETT
MAYOR

Record No. 2247743

4. Minutes

- 4.3 Confirmation of the Minutes of the Extraordinary Council Meeting held on 24 March 2022
(Minute Nos. Cncl-0322-286 to Cncl-0322-287)

**Minutes of the
EXTRAORDINARY MEETING of the MARLBOROUGH DISTRICT COUNCIL
held in the Council Chambers and via Zoom, 15 Seymour Street, Blenheim
on THURSDAY 24 MARCH 2022 commencing at 8.30 am**

Present

The Mayor J C Leggett (in the Chair), Cllrs J L Andrews, J D N Croad, B G Dawson, B A Faulls (from 8.36 am), M J Fitzpatrick, F D Maher, M A Peters, T P Sowman and N P Taylor

Present via Zoom

Cllrs D D Oddie, J A Arbuckle and G A Hope

In Attendance

Mr M S Wheeler (Chief Executive) and N J Chauval (Committee Secretary/Zoom Management).

Karakia

The meeting opened with a karakia.

The Mayor welcomed all to the meeting, whether present in the Council Chambers or via Audio Visual link (Zoom) as per Standing Orders and the *COVID-19 Response (Urgent Management Measures) Legislation Act 2020*. The Mayor also advised the meeting was being recorded and that a link to the recording would be loaded to Council's website as soon as practicable following the meeting in accordance with the *COVID-19 Response (Urgent Management Measures) Legislation Act 2020*.

Apologies

The Mayor/Cllr Taylor:

That the apologies for absence from Cllr C J Brooks and Cllr Faulls for lateness be received and sustained.

Carried

Cncl-0322-286 Declaration of Interests

-

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

Cncl-0322-287 Review of the Responsible Camping Control Bylaw 2022 –Appointment of Hearings Panel

R510-005-15-02

Members noted that the purpose of the report was to appoint a Hearings Panel to review and hear submissions and make recommendations to Council on the Marlborough District Council Responsible Camping Control Bylaw 2022.

A panel of three was proposed to review and hear submissions in the Review of the Responsible Camping Control Bylaw 2022. The panel proposed consisted of Commissioner - Martin JE Williams (Chair), Mayor - John Leggett and Deputy Mayor - Nadine Taylor

The hearings are scheduled to take place on 28 March 2022 with a new Bylaw scheduled to be in place by May 2022.

Cllrs Croad/Peters:

That Council approve the appointment of the Hearings Panel consisting of Commissioner Martin Williams (Chair), Mayor John Leggett and Deputy Mayor Nadine Taylor to review and hear submissions and make recommendations to Council on the Review of the Responsible Camping Control Bylaw 2022.

Carried

ATTENDANCE: Cllr Fauls joined the meeting at the conclusion of the above item.

The meeting closed at 8.37 am.

Confirmed this 7th day of April 2022

**J C LEGGETT
MAYOR**

Record No. 2257085

5. Committee Reports

5.1 Assets & Services Committee

Assets & Services Committee Meeting held on 10 March 2022
(Minute Nos. A&S-0322-262 to A&S-0322-273)



**Report and Minutes of a Meeting of the
ASSETS & SERVICES COMMITTEE**
held in the Council Chambers and via Zoom, 15 Seymour Street, Blenheim on
THURSDAY, 10 MARCH 2022 commencing at 9.00 am

Present

Clrs N P Taylor (Chairperson), M J Fitzpatrick (Deputy), J L Andrews, C J Brooks, B G Dawson, F D Maher, Mayor J C Leggett and Mr R Hunter (iwi representative)

Present via Zoom

Clrs M A Peters

Also Present

Clrs J A Arbuckle, J D N Croad, B A Faulls and T P Sowman

Also Present via Zoom

Clrs G A Hope and D D Oddie

In Attendance

Mr Richard Coningham (Manager – Assets & Services Department) Jamie Lyall (Manager – Property and Community Facilities), Mike Porter (Zoom Management) and Nicole Chauval (Committee Secretary)

The Chair welcomed all to the meeting, whether present in the Council Chambers or via Audio Visual link (Zoom) as per Standing Orders and the *COVID-19 Response (Urgent Management Measures) Legislation Act 2020*. The Chair also advised the meeting was being recorded and that a link to the recording would be loaded to Council's website as soon as practicable following the meeting in accordance with the *COVID-19 Response (Urgent Management Measures) Legislation Act 2020*.

Clr Taylor presented Joseph Larrington with the Connexis Infrastructure Training NZ Apprenticeship Wastewater Treatment with strand in Multistage Processes and Wastewater Treatment with strand in Multistage Processes, Level 4 certificates.

Apologies

No apologies were received.

A&S-0322-262 Declaration of Interests

-

Clr Brooks declared an interest in Item 9 – Notable Tree Removal Request – Eucalyptus viminalis, Rema Reserve, Hope Drive, Blenheim.

ATTENDANCE: Steve Murrin, Marlborough Roads Manager, was present via Zoom for the following item.

A&S-0322-263 Effects of February Weather Events on Roding Network

R800-006-002-02

Mr Murrin provided members with an update on the damage suffered across the Roding Network as a result of the two Weather Events in early February. Clean up and recovery works are underway.

Members were advised that the two major dropouts on the French Pass Road and an additional one on Port Underwood Road are likely to take some time. These tasks have been given to the Marlborough Roads Recovery Team to complete.

It was noted that the costs of the clean-up and the building of retaining walls is still being finalised but is likely to be in the region of \$1.5 - \$2.0M.

Photos of the damage were included in the information pack.

Members were advised that a separate Emergency Works claim will be submitted to Waka Kotahi as a result of the weather events. It is anticipated that as these events happened in the same financial year as the July 2021 event the same Funding Assistance Rate will be applied but this is yet to be confirmed by Waka Kotahi.

It was noted that if approval wasn't given then the standard the financial assistance rate of 71% would apply.

Cirs Fitzpatrick/Brooks:
That the report be received.

Carried

ATTENDANCE: David Craig, Management Accountant – Operations, was present for the following item.

A&S-0322-264 Financial Report for the year to 31 January 2022

F275-001-02

The Financial Report for the Assets and Services and Property and Community Facilities (including parking) Departments for the year to 31 January 2022 was presented to members.

Mr Craig noted for the reporting period there is a surplus of \$2.9M. Income is favourable to budget by \$20.0M, expenditure is unfavourable to budget by \$17.1M and Capex is unfavourable to budget by \$27.5M.

The major variances between year to date actual and budget were noted as: Roothing emergency reinstatement costs following the July 2021 storm event are above budget by \$17.0M and are offset by increased rooding subsidies of \$16.0M. Other flood damage repair costs of \$1.8M have been incurred to date, predominantly within the Flood Protection Activity, and will be subject to an insurance claim. Any resulting shortfall will be funded from Emergency Reserves. There are some related savings of \$0.5M in minor works contracts.

Development contributions (\$1.3M) and Reserve fund contributions (\$0.7M) are both favourable to budget because of levies charged for the latest stages of the Rose Manor and Wai Iti subdivisions.

Vested assets are favourable to budget by \$1.4M. Accounting entries have been completed for vested assets of \$1.93M in relation to stages 7C-E of the Rose Manor subdivision development. Further entries are anticipated in February-March for Westwood stage 2 and Wai Iti stage 1 developments, with a total estimated value of \$6.65M.

Trade waste revenue is unfavourable to budget by \$525,000. Dump fee revenue is favourable to budget by \$419,000. This reflects the fee increase implemented to recover the \$10 per tonne Waste Levy increase imposed by Central Government.

Grant expenditure is favourable to budget by \$491,000. Approval has been given to make quarterly advance payments to Marlborough Kaikoura Trail Trust for Whale Trail funding.

Network and Asset Management costs are unfavourable to budget by \$966,000. Council budgets for 60% of this cost under its roading renewal activities.

It was noted that year to date capital expenditure of \$31.0M remains ahead of the comparative period for last year at \$22.8M. The Forecast values have been updated to reflect the best estimate of expected year end results. Further work is required to improve the accuracy of the forecast values and particularly so for capital expenditure.

Members were advised that capital expenditure is forecast at \$85.7M. It was noted this is a very optimistic assessment and is more likely to be in the \$65M - \$70M range.

Cirs Peters/Dawson:
That the financial report for the period ended 31 January 2022 be received.

Carried

**A&S-0322-265 Road Exchange Proposal – 3608 State Highway
6, Havelock R800-004-H14**

Members noted that the purpose of the report was to consider an application for a road stopping in exchange for an easement involving land at 3608 State Highway 6, Havelock and the provision of a 10 m wide esplanade strip.

Members were advised that the applicant wants to stop a section of unformed road within the property to enable expansion of their mussel shell business and essentially in exchange grant an easement along the boundary with State Highway 6, Havelock and the provision of a 10 m wide esplanade strip.

A plan of the proposal was attached to the agenda item for members' information.

It was noted that the public would not be denied access to the river given the other options available such as off Readers Road coupled with the provision for the esplanade strip. A number of groups/organisations including the NZ Walking Access Commission were approached and are in support of the proposal.

It was reported that all costs would be the responsibility of the applicants other than the water supply easement documents.

Clr Maher/The Mayor:

1. That Council authorise the procedures in terms of Sections 17 and 116, 117 and 120 of the Public Works Act, to be granted an easement and by way of compensation to stop an area of legal road and amalgamate this with the adjoining title and in terms of s237(b) Resource Management Act 1991 and for the owner to grant a 10 m wide esplanade strip. The proposals being as shown on the plan referred to.
2. That such approval be on the basis that the applicant is responsible for all survey, legal, administrative and other costs even if the processes do not proceed for whatever reason.
3. That it be confirmed that Council sees the exchange as an equality of value with no monetary difference to be secured.
4. That any additional easements necessary for services or utilities impacting on the portion of road proposed to be stopped to be created be registered in conjunction with any transfer of land with all costs involved to be the responsibility of the applicant.
5. That as indicated in 1 above, the road once stopped be amalgamated with the applicant's adjoining property such that both titles are held within the one title.
6. That if survey documentation to initiate the processes is not completed within a year of Council's consent, then the application lapses.
7. That the easement documents proposed for the purposes of conveyance of the main Havelock water supply shall be completed by the solicitors appointed by Council at the cost of Council and on the terms deemed necessary for such water supply purposes.
8. That encumbrance documentation, prepared by the solicitor acting for Council at the cost of the applicant, be entered into to cover the fact that there is no immediate zoning for the stopped road pending action by the Policy Unit by way of plan change.

Carried

**A&S-0322-266 Road Stopping/Vesting Exchange Proposal –
Higgins Road PN183871#05**

It was noted that the report presented sought to obtain Council authorisation of the procedures associated with an exchange proposal under the Public Works Act involving land located in Higgins Road.

By way of background it was noted that the applicants own land in Higgins Road and wish to develop it as a vineyard but are unable to fully do so whilst unformed legal road runs through part of the property. It is intended that the applicant will ensure that a replacement strip of legal road will be formed and vested to ensure continuity of legal access.

A plan of the proposal was attached to the agenda for members' information.

Members were advised that a survey plan will be prepared to enable the legalisation process to be actioned once ratified at Full Council.

Cllrs Maher/Brooks:

1. That Council approve:

- a) Pursuant to section 114 of the Public Works Act 1981 the declaration as road the land shown outlined in blue on the attached plan and the vesting of this in Council; and
- b) Pursuant to section 116, 117 and 120 of the Public Works Act the stopping of the area of unformed legal road shown outlined in orange on the attached plan and for this to be amalgamated with the adjoining title held by Talley's.

2. That any easements necessary for services or utilities impacting on the portion of road proposed to be stopped be created and registered in conjunction with any transfer of the land should the exchange be completed with all costs involved to be the responsibility of the applicant.

3. That if the survey documentation to initiate the exchange is not completed within a year of Council consent then any consent shall lapse.

4. That Council shall obtain a valuation, at the cost of the applicant, to define the values of the respective parcels with the applicant to pay compensation to ensure exchange equity.

5. That any approval be on the basis that the applicant is responsible for all costs involved with the proposal.

6. That the applicant shall ensure that the parcel of land to be vested in Council as legal road shall be formed to a standard acceptable to Marlborough Roads with all costs to be the responsibility of the applicant.

NB This may require some added width at the corner leading into the road proposed to be vested to ease the acute angle of that corner.

7. That there be no severance parcel resulting from the road formation, with any severance areas being amalgamated into adjoining land.

8. That encumbrance documentation, prepared by the solicitor acting for Council at the cost of the applicant, be entered into to cover the fact that there is no immediate zoning for the stopped road pending action by the Policy Unit by way of plan change.

Carried

A&S-0322-267 Waste Fees and Charges

W300-006-008-14

Members noted that the purpose of the report was to gain approval to implement the proposed waste fees and charges from 1 July 2022.

Mr Coningham reported that the annual review of waste fees and charges has been completed. This year will see a significant increase in landfill gate fees predominantly attributable to the changes in the waste disposal levy, carbon price and aftercare/reserve provisions at the regional landfill site. Cost recovery for these increases is via increased gate fees, and amendment to the kerbside refuse collection targeted rate.

During discussion it was noted that there is no alternative option to these revised waste fees and charges as they are initiated by Government legislative changes designed to support the policy of landfill avoidance. Any attempt to reduce the impact of these changes would undermine this policy approach.

Cllr Fitzpatrick/Mr Hunter:

That Council agrees to:

- 1. Recover all costs associated with an increase in the waste disposal levy, landfill carbon price, landfill aftercare/reserve provisions, and contract escalations from user pays (gate fee) contributions and an amendment to the kerbside refuse collection targeted rate.**
- 2. Implement the updated waste fees and charges with effect from 1 July 2022.**

Carried

Clr Peters requested an update on the lease and operation of Council's vineyard/land adjoining the regional landfill site. Clr Taylor noted she will discuss with Council staff on providing a report either to a future Committee meeting or Council briefing.

ATTENDANCE: Dean Heiford, Manager Economic, Community and Support Services, was present for the following item.

A&S-0322-268 Powerhouse Reserve Management

A200-002-22, PN530442#08

Members noted that the purpose of the report was to review and approve the future management structure for the Powerhouse Reserve, Picton. An image of the Reserve was shown (presentation filed in CM Record No. 2248454).

By way of background members were advised that the Powerhouse Reserve in Picton has been leased to the Picton Seaport Trust (and its predecessors) since 1994. The Picton Seaport Trust (PST) has gradually developed the reserve by renovating existing buildings and relocating other heritage buildings onto the site. This development has been within the lease parameters and Resource Consent U120416 with Building Consents applied for on an as required basis.

Members were advised that the PST is effectively defunct with the manager / administrator having left the district and no other trustees available to pick up the operations of the Trust. Council administration and support in the interim will allow the formation of a new trust and the associated renewal of the resource consent and lease with the Trust. The current funds and assets will be signed over to Council from the current manager / Trust for the wider community.

It was noted that Clr Taylor and staff have been looking at options for the review and revival of a replacement trust. Members of the Picton community have identified that they wish to retain the site and buildings for wider community use.

In response to a query on what the aspirations are for the space. It was noted that once a new Trust is established one of their roles would be to investigate community desires for the space. Presently ideas have been raised regarding the environment and arts. The community see it as an exciting development for Picton with considerable possibilities.

It was noted that the current resource consent needs to be renewed as does the lease with Council. This will provide an opportunity to modernise the deed to more reflect the community desire from a solely heritage focus to dual use of the site and buildings for community organisations and events.

Mr Heiford advised that Council staff will stay engaged for some time to assist any newly formed Trust and consideration will be given to further development of the site for ease of future maintenance.

Cirs Taylor/Andrews:

- 1. That Council take over the administration and management of the Powerhouse Reserve buildings and amenities until a new Trust is formed, new Resource Consent is approved, and a new lease entered into with a suitable legal entity.**
- 2. That approval be given for Council staff to assist with the formation of a new trust in liaison with the Picton Community.**
- 3. That approval be given for Council staff to assist, with the new trust, in applying for a new Resource Consent to reflect the proposed wider community use of the Powerhouse Reserve.**
- 4. That approval be given for Council staff to assist, with the new trust, entering a new lease with Council that reflects the wider community use of the Powerhouse Reserve.**
- 5. That Council agree to delegated authority for Councillors Taylor and Brooks and the Manager, Economic, Community and Support Services to finalise all other aspects of the proposal.**

Carried

ATTENDANCE: Robert Hutchinson, Parks and Open Spaces Officer, was present via Zoom for the following two items and Jane Tito, Parks and Open Spaces was present for the following three items.

A&S-0322-269 Notable Tree Removal Request – *Eucalyptus viminalis*, Rema Reserve, Hope Drive, Blenheim
R510-034-002-02

The purpose of the report was to consider a request for removal of a Notable *Eucalyptus viminalis* growing on Rema Reserve, Hope Drive, Blenheim.

Prior to the meeting supplementary information on the notable tree removal request was circulated to members. The following three reports were attached to the agenda for members' information: Post failure Report December 2021 - Tim Lovejoy; Tree Management Review October 2021 - Brad Cadwallader; Climbing Report March 2021 - Tim Lovejoy and the Marlborough District Council Tree Policy - Policy 6.2.4

Members were advised that in accordance with the Council's Tree Policy a postal survey of 125 homes within a 250 metre radius from the tree was undertaken and wider community feedback was also sought. 89 responses were received, 59 from residents and 30 from the general public. Of the responses received 42 of the residents and 5 of the general public sought removal of the tree while 16 of the residents and 25 of the public sought retention of the tree. There was 1 undecided submission.

It was reported that the Eucalyptus undergoes six-monthly visual inspections, a yearly climbing inspection and is visually inspected after winds exceed 75Kmph. The tree is currently healthy, and all identifiable issues have been dealt with either by pruning or stopping branches where these are of concern. A maintenance plan has been developed to manage the 95-year-old tree.

Clr Arbuckle noted his support for retaining the tree and proposed that the recommendation contained within the attached report, 'Tree Management Review October 2021 - Brad Cadwallader', that a low rail fence be installed once all recommended work has been carried out be included in any recommendation to retain the tree. He noted that the tree is healthy and there will always be a cost to preserve trees for the future.

Mr Hutchinson advised that a temporary fence has been installed as a precautionary measure to isolate members of the public from the area immediately beneath the tree and warning signs have been ordered.

It was noted that following the removal of two gums in the area maintenance costs for the tree have increased to \$2500/pa. This is at the high end of tree maintenance costs as staff are reacting to every complaint received from residents. For others it is a set maintenance process of approximately \$500 per year.

During further discussion it was noted that the outcome from the survey of the residents surrounding the tree was that the majority supported the tree's removal. Members noted that the reports refer on a number of occasions to the tree developing a pattern of failure.

It was put forward that in future when sub-divisions are being developed consideration be given to the location and type of tree plantings to ensure they are appropriate for the area and residents of that sub-division both now and in the future.

It was queried whether the current Tree Policy was fit for purpose. A section of the Tree Policy was attached to the agenda item. The recent Picton tree decision was raised and members were advised that there has been subsequent discussions with the landowners who had requested the removal of a tree adjoining their property in Picton.

It was suggested that Clrs Taylor, Brooks and Andrews meet to consider whether a review of the policy is required.

It was noted that a resource consent will be required if the tree is to be removed and members suggested that this be noted in the recommendation.

Clrs Fitzpatrick/Andrews:
That Council approve the request to remove the notable *Eucalyptus viminalis*, from the Rema Reserve, Hope Drive, Blenheim and to move to the next stage of the process.

Carried

NB: Clr Brooks declared an interest in the above Notable Tree Removal Request – Eucalyptus viminalis, Rema Reserve, Hope Drive, Blenheim item and did not take part in discussions nor vote on the issue.

A&S-0322-270 Indoor Facilities Review**R510-014-006-01**

Members noted the purpose of the report was to consider a draft report on the stocktake of all facilities in the District to provide for sporting, recreational and cultural use and be updated on finding available space for sporting, recreation and cultural groups. The draft report was attached to the agenda for members' information.

An assessment provided by staff at the November 2021 Assets & Services Committee meeting was that there was limited capacity in Council-owned facilities for additional sporting, recreation and cultural use. Investigations were still underway to consider other community facilities including those on school grounds that may have capacity for additional use.

Members were advised that the report concluded that there is a limited supply of indoor spaces for court sport that can handle high impact activities; a lack of indoor spaces able to accommodate the permanent or semi-permanent set out of apparatus, equipment or flooring such as a boxing rink; and there is an opportunity to have a centralised booking system for all facilities.

Mr Hutchinson noted that discussions are happening with an Australian based company about a centralised booking system and how their programme would fit within our systems and province. So far things are looking positive. If suitable consideration will be given to whether it will be held within the Council network or from outside. Both options are being worked through.

Members noted there were a number of facilities not included in the report. It was reported that the report targeted public community halls and facilities not commercial facilities. The St Christophers Hall was not included and Mr Hutchinson to follow this up. Members to email Ms Tito any further additional facilities.

It was noted that staff are continuing to work with the groups who were seeking a 'permanent home' for their activities. This has not yet been able to be resolved given the requirements for three of the groups to have permanently set-up equipment and an inability to share facilities.

Cllrs Brooks/Taylor:

That the report and information be received.

Carried

ATTENDANCE: Grahame Smail, Parks and Open Spaces Officer, was present for the following item.

A&S-0322-271 Picton/Waitohi Community Garden R510-009-H10-05

The purpose of the report was to seek approval for the establishment of a community garden for the Picton/Waitohi community at the Huia Street Reserve, Picton and to confirm funding of \$15,500 for the establishment of the community garden. An image of the proposed site was shown (presentation filed in CM Record No. 2248704).

By way of background members were advised that approval had been given for a community garden to be established in an area of river reserve adjoining Beach Road Reserve. Funding of \$15,500 was approved to help support the establishment of the community garden along with assistance to provide a water supply and meet any consenting requirements. However, due to unforeseen circumstances the project did not go ahead and the Council funding and offer of other assistance was not drawn upon.

It was noted that under the umbrella of Charitable Trust Envirohub Marlborough, a small project group met to reignite the establishment of a community garden largely based on the original 2018 proposal. Council staff have met with the group and advised of an alternative location for the garden at the end of Huia Street within the Huia Street Reserve.

Members of the project group met and considered both the Beach Road site and the Huia Street Reserve and determined the Huia Street Reserve was preferable. A proposal was prepared by the project group for use of the Huia Street site and this was attached to the agenda for members' information.

Mr Smail noted that the project will make good use of the site and the community group have put together a programme and made approaches to a number of community organisations in regards to utilising the space.

Mr Hunter was fully supportive of the proposal and advised that the Marlborough Community Gardens have been communicating with the group and have offered their support. It was noted that to ensure longevity of the initiative expanding into likeminded groups ensures they will be around for some time.

Clr Brooks/Mr Hunter:
That Council:

1. **Approve the establishment of a community garden for the use and benefit of the Picton/Waitohi community at Huia Street Reserve.**
2. **Approve \$15,500 (fifteen thousand, five hundred dollars) as establishment support funding including assistance with the provision of other aspects such as access, fencing, water supply and signage.**
3. **Approve the garden to be established under the auspices of Envirohub Marlborough through a formal lease.**

Carried

ATTENDANCE: Maighan Watson, Project & Contracts Manager, was present for the following item.

A&S-0322-272 Parking Financial Report for Six Month Period to December 2021

R800-002-01

Ms Watson presented the Parking Financial report for the six-month period ending 31 December 2021.

It was noted that at the start of the 2021-22 financial year, the new tariffs for parking fees, leases and permits were introduced across Blenheim and Picton Central Business Districts (CBD's). In November 2021 Central Government lifted the moratorium in place which had previously restricted enforcement for vehicle WOFs, COFs and registrations. This temporary freeze has substantially impacted infringement revenue for the first 5-month period of the financial year.

Members were advised that data for the first 6-month period shows parking revenue is tracking close to budget this is in spite of the 1-hour free parking which does indicate that Council has the balance right. The forecast for the year-end revenue position at six-months is 5% below budget.

It was noted that any adverse impacts of Covid-19 on parking revenue and CBD occupancy levels for the six-month period from January to June 2022 are currently unknown. Consequently, revenue forecasting and the year-end position may be affected.

Clr Arbuckle noted his support for the free parking but queried whether it was sustainable given that the account is in deficit due to the parking building and therefore there is a need to keep reviewing the financial position of the portfolio.

It was noted that as a result of the removal of the 'lollipop' metres and the parking building barrier there has been a decrease in vandalism and spend on consumables.

Clrs Peters/Dawson:
That the information be received.

Carried

A&S-0322-273 Information Package

Clrs Taylor/Andrews:
That the Assets and Services Information Package dated be received and noted.

Carried

The meeting closed at 11.16 am.

Record No. 2249158

5. Committee Reports

5.2 Environment Committee

Environment Committee Meeting held on 17 March 2022
(Minute Nos. Env-0322-274 to Env-0322-281)



**Minutes of a Meeting of the
ENVIRONMENT COMMITTEE**
held in the Council Chambers and via Zoom, 15 Seymour Street, Blenheim
on THURSDAY, 17 MARCH 2022 commencing at 9.00 am

Present

Councillors G A Hope (Acting Chairperson), J A Arbuckle, B A Faulks, T P Sowman, Mr E R Beech (Rural representative)

Present via Zoom

Councillors D D Oddie (Deputy), J D N Croad and Mayor J C Leggett (from 9.15 am) (withdrew 10.26 am)

Also Present

Councillors J L Andrews and N P Taylor (from 9.10 am)

Also Present via Zoom

Councillors C J Brooks, M A Peters

In Attendance

Mr H R Versteegh (Environmental Science and Policy Group Manager), Mike Porter (Democratic Services Manager/Zoom Management) and Nicole Chauval (Committee Secretary)

Apologies

Cllrs Hope/Arbuckle:

That the apology from Mayor J C Leggett for lateness be received and sustained and the apology for lateness from Cllr N P Taylor be noted.

Carried

Env-0322-274 Declaration of Interests

-

No interests with items on the agenda were declared.

ATTENDANCE: Matt Oliver, Council's Environmental Scientist – Land Management was present for the following two items and Andrea Wolter and Brenda Ross GNS Science were present via Zoom for the following item.

Env-0322-275 Reconnaissance report on landslides caused by the 16-18 July 2021 rainstorm in the Marlborough region - Phase 1

E355-015-003-01

Members noted that the purpose of the report was to receive the first phase of reporting into landslides in the Marlborough Sounds caused by the 16-18 July 2021 rainstorm. To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 2254313).

It was noted that as a result of the intense winter storm (< 10 to > 250-year event in study area) extensive damage to roading and houses occurred throughout the Marlborough Sounds. The resulting repair work is still underway some eight months later.

It was noted that in the past Council has typically investigated such events itself and produced landslide event reports. This time GNS offered its services at no cost. Members were advised that the data gathered can be used to inform the GNS Rainfall-induced Landslide (RIL) Model that seeks to improve risk assessment for land sliding nationally. This is due to be completed in 2024.

Members expressed their appreciation of GNS Science for providing the expertise and report at no cost.

Members were advised that following the event, rain radar data provided by MetService was assessed to locate the areas that received the most rainfall. Over 1500 images from earlier flooding reconnaissance flights, media reports and Geonet reports were inspected to show locations of landslides. This helped to determine an optimal (and unbiased) flight path.

A helicopter reconnaissance flight was conducted covering some 650km over five hours. Over 2500 images were captured. These were later geolocated in Council's DAVIS software. The landslides identified were mapped in Google Earth by Zeke Hoskins and sent to GNS for inclusion in the distribution mapping.

Field visits were conducted to several sites where property damage occurred. These include properties in Mahikipawa, Havelock and in Queen Charlotte Sound/Totaranui. It was noted that Harbours provided a vessel and skipper during the weekend to avoid poor weather.

Field visits included detailed assessments of property damage, often including interviews with landowners, foot inspection of most landslides (where physically possible) and UAV surveys.

Members noted that collaboration with a capable research institute such as GNS on work such as this is extremely valuable for future planning and natural hazard management. The greater expertise that GNS can apply should lead to improved understanding of risks posed by landslides in this region. Previous Council reports have documented events but not led to the deeper investigations required to enable substantive change in risk management. Mr Versteegh noted that provision is being made for a Natural Hazard Policy role which will benefit from this kind of technology.

It was noted that a Phase 2 report is currently in progress. This report will likely have further information relevant to natural hazard planning.

Cllrs Hope/Faulls:
That the report be received.

Carried

ATTENDANCE: Siobhan Allen, M&R Forestland Management and Mark Bloomberg were present via Zoom for the following item.

ATTENDANCE: Val Wadworth, Council's Environmental Scientist – Hydrology and Peter Hamill, Council's Team Leader Land and Water, Environmental Science and Monitoring were present for the following item.

Env-0322-276 Rainfall event 3-5 February 2022 E385-003-01

The purpose of the report was to provide an update on the rainfall event which affected northern parts of Marlborough, particularly the Rai Valley area, between the 3-5 February 2022. This expands on the late supplementary item presented to the February Environment Committee meeting.

It was reported that the event occurred in two discrete parts, the first on the morning of the third, and the second on the afternoon/evening of the fourth. The rainfall caused slips, and road damage and closures, including the closure of State Highway 6 to Nelson for several days. Anecdotal reports of rainfall in excess to 700 mm have been reported for this event around the head of Tennyson Inlet.

Flows in the Te Hoiere/Pelorus and Rai Rivers were not exceptional, which is consistent with the rainfall data. Very localised heavy rainfall caused the damage north of Rai Valley.

Members were advised that a damage assessment flight was undertaken to gain an overview of the level of damage the flooding had caused. The main observation from the flight was that there were discrete areas where riverbank erosion had taken place but there were not large numbers of sites. It was noted that the observations were taken from the air at an elevation of over 300m and therefore only large areas of erosion

were able to be detected. Smaller localised areas along the riverbanks were unable to be detected from the air.

It was reported that the benefits of riparian vegetation were very evident with the majority of the erosion seen occurring on banks that were devoid of vegetation (other than pasture grasses) and were not fenced. In the upper Tunakino Valley, where the highest rainfall intensities were measured, most of the river and side tributaries are fenced. This has allowed native riparian vegetation to remain and in areas without riparian vegetation, pasture grasses have gone rank and created a dense layer of vegetative material. The rank grasses and native riparian vegetation has protected the riverbanks in this area and no major erosion was observed. In contrast in the upper Opouri River where little is fenced, and the riparian vegetation consists of grazed pasture bankside erosion was more prevalent.

Members were advised that there are a number of debris dams forming and in particular the Ronga River has completed redirected itself due to the debris dams. Geoff Dick, Council's Rivers and Drainage Engineering Manager is investigating these areas in regards to additional flows when the debris dams move.

It was noted that the Te Hoiere Project has identified erosion control within the catchment as one of the actions in the Integrated Catchment Enhancement Plan (ICEP). In order to determine the best solution for managing riverbank erosion a proposal is being scoped for the Te Hoiere Steering Group to carry out a geomorphological analysis of the river and come up with a methodology for the long-term stabilisation of the riverbank that includes potential engineering solutions and riparian protection options.

Cirs Fauls/Sowman:
That the report be received.

Carried

ATTENDANCE: Siobhan Allen, M&R Forestland Management and Mark Bloomberg and David Palmer, University of Canterbury were present via Zoom for the following item.

Env-0322-277 Estimation of catchment susceptibility to debris flows and debris floods - North Marlborough

E355-015-003-01, E385-00-001

Members noted that the purpose of the item was to receive a report on estimated catchment susceptibility to debris flows and debris floods in North Marlborough, and to adopt the associated GIS layers as a "for information only" webmap usable by resource management professionals to screen for potential debris flow/flood risks. To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 2254221).

Members were advised that the work was commissioned following the capture of large areas of LiDAR data as part of a nationwide scheme. The data has enabled more detailed analysis of catchment morphology than was previously possible and enabled the current work. The detailed analysis was first proposed as a tool to help guide forestry harvest planning and management but it has been realised that the resulting tool could be useful in screening for hazards for other land uses.

It was noted that the study has provided a detailed map of debris flow and debris flood susceptibility to further Marlborough District Council's understanding of landslide hazards within a defined study area.

The limitations of the method were discussed and the report comes with a clear proviso that the electronic layers are only to be used for information or a screening layer and do not represent a definitive geotechnical categorisation of catchments. It was noted that any development occurring in a catchment identified as having high susceptibility should include more detailed onsite geotechnical evaluation by a suitably qualified geotechnical professional. Any identified catchment may require further investigation to determine the influence of other factors such as vegetation, land use, geology, soils and climate.

Siobhan Allen, M&R Forestland Management provided members with information on the benefits that the information has provided to the forestry industry.

Matt Oliver, Council's Environmental Scientist – Land Management provided a demonstration of the software to members.

Members were advised that the webmap will be made available to land map professionals not the public at large.

Mr Beech/Clr Arbuckle:

- 1. That the report be received.**
- 2. That Council approves the use of the associated GIS layers as a “for information only” web service.**

Carried

ATTENDANCE: The Mayor withdrew from the meeting at 10.26 am during the above item.

ATTENDANCE: Meeting adjourned at 10.26 am during the above item due to technical issues and resumed at 10.43 am to conclude the item.

ATTENDANCE: Georgia Murrin, Council's Alcohol Licensing Inspector, was present for the following item.

Env-0322-278 Alcohol Licensing Functions E350-005-008-02

It was noted that the purpose of the report was to provide the Committee with an overview of Council's Alcohol Licensing functions and, performance under the Sale and Supply of Alcohol Act 2012 (the Act). To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 2254155).

It was noted that the Sale and Supply of Alcohol Act 2012 came into force on 18 December 2012. Under the Sale and Supply of Alcohol Act 2012, Council has the responsibility of appointing a Licensing Committee and appointing one or more Licensing Inspectors.

Alcohol licensing inspectors have an independent role when reporting to the licensing committee on licence applications and when performing functions and duties under the Act. This allows inspectors to report on applications in an objective manner without political influence.

It was noted that the public can object to new and renewed licence applications, however, objections are only considered when the objector has a greater interest than the general public. Objections cannot be a result of commercial competition.

Public hearings are held when decisions for licences cannot be decided solely on the papers, due to agency opposition or public objection.

Clr Taylor raised about the ability of local communities to feedback into the process for approving new off licences and whether the development of a Local Alcohol Policy (LAP) would be appropriate to better facilitate this. There was considerable discussion on the query and it was noted that a LAP has been drafted but is currently on hold. The reasons for this were outlined in the discussion.

It was noted that it is important that the community is able to provide input and how the community hears about applications for licences was discussed. It was reported that Ms Murrin is currently investigating how other councils inform their communities of applications and is happy to consider other recommendations from members.

Members were advised that from 1 July 2021 to now there have been 47 applications for On Licences, 38 for Off Licences, 16 for Club Licences, 93 for Special Licences and 265 Manager Certificate applications. Currently there are 30 Club Licences, 132 Off Licences, 135 On Licences and 1045 Managers Certificates.

Ms Murrin reported that performance measures have been set with the aim of contributing to the reduction of alcohol related harm in Marlborough. Annually the requirement is to inspect 90% of On Licenced premises. Alcohol Licensing Inspectors have completed 67% of inspections to date and aim to complete the remainder before the end of the financial year. The tri-agencies have a responsibility to monitor and enforce the Act. This is partly achieved by undertaking Controlled Purchase Operations (CPOs). The next CPO is due to take place in the next few months.

Newsletters from the tri-agencies are also routinely sent out to licensed premises when information needs to be disseminated. A newsletter was provided to licensees in December 2021.

Clrs Fauls/Sowman:

That the information be received.

Carried

ATTENDANCE: Sue Bulfield-Johnston, Council's Administrator and Hearing Facilitator, Advocacy and Practice Integration, was present for the following item.

Env-0322-279 Resource Consent Hearings Update R450-004-22

The report to the Committee provided a rolling summary of hearings scheduled and completed for applications for resource consent. It was noted that since the onset of Covid-19 and the Level 4 Lockdown a practice has been implemented to consider extension of timeframes and online hearings where appropriate.

It was noted that six hearings have been completed in the year commencing 1 July 2021. Decisions have been issued for all of these applications. A table listing the hearings was attached to the agenda item for members' information.

Hearings have been set down for February and March for three applications for resource consent and three s357B objections to costs.

It was noted that as Marlborough is in the 'RED' level under the COVID-19 Protection Framework (Traffic Light System) attendance at Hearings has been by Zoom.

Cllrs Arbuckle/Sowman:
That the report be received.

Carried

Env-0322-280 Appeals Update R450-004-22

It was reported that as at 1 March 2022 Council is engaged in nine proceedings either as respondent or s274 party. A summary and update was provided with further detailed information contained in the agenda item.

Mr Verteegh provided members with a further update on the EDS v Otago Regional Council (Plan appeal – MDC as s274 party) - Policy.

Cllrs Hope/Arbuckle:
That the information be received.

Carried

Env-0322-281 Information Package -

Members requested a copy of the full joint submission on Te Ara Paerangi Future Pathways Green Paper.

Cllrs Hope/Arbuckle:
That the Regulatory Department Information Package dated be received and noted.

Carried

Postscript: The submission was circulated to Councillors following the meeting.

The meeting closed at 11.32 am.

Record No: 2254582

5. Committee Reports

5.3 Planning, Finance & Community Committee

Planning, Finance & Community Committee Meeting held on 24 March 2022
(Minute Nos. PF&C-0322-288 to PF&C-0322-303)



**Report and Minutes of a Meeting of the
PLANNING, FINANCE & COMMUNITY COMMITTEE
held in the Council Chambers and via Zoom, 15 Seymour Street, Blenheim
on THURSDAY 24 MARCH 2022 commencing at 9.00 am**

Present

Cllrs M A Peters (in the Chair), J D N Croad, J L Andrews, C J Brooks, B G Dawson, B A Faulls, M J Fitzpatrick, F D Maher, T P Sowman, N P Taylor and Mayor J C Leggett

Present Via Zoom

Cllr J A Arbuckle, G A Hope and D D Oddie

In Attendance

Messrs M F Fletcher (Chief Financial Officer) and N Chauval (Committee Secretary/Zoom Management)

In Attendance via Zoom

D G Heiford (Manager, Economic, Community & Support Services)

Apologies

No apologies were received.

PF&C-0322-288 Declaration of Interests

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No interests with items on the agenda were declared.

ATTENDANCE: Brian Dawson, Manager and Sue Avery, Chair Business Trust Marlborough were present for the following item.

**PF&C-0322-289 Business Trust Marlborough Six Month Report
2021/22** **E100-005-007-02**

The Manager, Brian Dawson, and Chair, Sue Avery, of Business Trust Marlborough, presented the Trust's six-monthly review to February 2022. To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 2262251).

The report was attached to the agenda for member's information.

Members were advised that the Trust has recruited two new staff members, Liz Webb and Tracey Green. This will help the Trust to further execute their strategy and build some resilience to the office team.

Cllrs Croad/Fitzpatrick:
That the report be received.

Carried

ATTENDANCE: Mr Glenn Webster, Council's District Libraries Manager, was present via Zoom for the following item.

**PF&C-0322-290 Marlborough District Libraries Collection
Development Policy 2022 L300-015-002-01**

Council's District Libraries Manager Glenn Webster reported that the Collection Development policy outlines general collection development parameters, including the planning of Marlborough District Libraries' collections, both physical and digital. It is also a guide to the investigation, planning and development of any future collections. The policy was attached to the agenda for members' information.

The Marlborough District Libraries' selects, acquires, processes, makes available and deselects resources to support its mission to provide experiences, technology, information, ideas, stories, and spaces for learning, engagement and creativity, and access to the digital world anywhere, anytime.

It was noted that the Libraries' annual collection budgets are allocated to provide resources in the most efficient and cost-effective manner possible.

Mr Webster provided members with a general update on the libraries and provided answers to a number of questions posed by members.

Cllrs Dawson/Brooks:
That the information be received.

Carried

PF&C-0322-291 2022 Triennial Election Resolutions D050-004-022-01

The purpose of the report was to seek a resolution from the Committee for the 2022 local body election process.

It was noted that the 2022 Triennial Elections will be held on Saturday, 08 October 2022 and for this election Council is under the Single Transferable Voting System (STV).

A Pre-Election Report which provides a high level overview of the main issues facing the Council plus a summary of financial position will be published by 29 July 2022.

An update of the Election Handbook for candidates is being undertaken and a copy of the election timetable was attached to the agenda item for members' information.

A memorandum will be circulated to Council staff outlining the protocol during the election period.

Cllrs Taylor/Andrews:

- 1. That the report be received.**
- 2. That Council resolve in relation to the 2022 Triennial Elections:**
 - (a) That it be noted that Dean Heiford is the Electoral Officer for Council.**
 - (b) That the order of candidates' names on the voting document be in random order.**

Carried

ATTENDANCE: Jane Orphan, Chief Executive, and Brian Greenall, Chairman, Omaka Aviation Heritage Centre Trust were present for the following item.

PF&C-0322-292 New Zealand Aviation Museum Trust – Funding Request A200-002-02

Members noted that the purpose of the report was to consider a request for funding for an extension to the New Zealand Aviation Museum Trust – Omaka Aviation Heritage Centre.

Prior to the presentation by Ms Orphan and Mr Greenall The Chair noted that information had been circulated to Councillors by a member of the public raising a concern regarding what they considered a conflict of interest by Mr Dean Heiford, Council's Manager Economic, Community & Support Services. The Chair advised that there was no conflict of interest as Mr Heiford is part of Council's Management Team who presents papers to Committees for consideration by Councillors and represents Council's interests on the Trust.

Clr Peters then proposed the following changes to the recommendations contained in the agenda with the addition of a third recommendation.

1. 'That Council agrees to a contribution of up to \$1.7M by way of an underwrite or a loan to be funded from a reserve and subject to review of an updated business plan.
2. That Council's contribution be subject to the Trust receiving confirmation of funding from the Lotteries Significant Project Fund and other fundraising to complete the project.
3. That no Council funding will be released until Council is satisfied that funding is in place for the completion of the full project.

Members supported the Chair's amendments.

Jane Orphan and Brian Greenall spoke to the report and presented a powerpoint presentation (presentation filed in CM Record No. 2262279).

Mr Greenall noted that the Trust are making an application to the Lotteries Significant Projects Fund and have an extension to 28 March so that this funding request could be considered. Funding is not being sought elsewhere due to the timeframe constraints.

It was noted that applications to Lotteries require support from the local Council to be successful.

In response to a query regarding the Trust's ability to service a loan Mr Greenall noted that the Trust has completed financial projections for three years out, there are two secured loans which are due to conclude in the very near future and the Trust's operating costs are self-funding. Therefore the Trust is comfortable in its ability to service a loan and with the new extension there will be increased income streams by way of providing facilities for holding large functions rather than relying solely on attendance to the Centre.

It was noted that a design has been completed and costed with an estimate of c \$5M for completion – this includes construction, fees and fitout. Final costs will be subject to tender prices. The Trust will actively seek further sponsorship and apply to other funding sources to offset these costs. The 2023 Easter Airshow will be a major fundraising opportunity.

Members were advised that the Trust would like to secure funding for the next stage and contracts in place to avoid any escalation of costs. These are estimated to be a minimum of 10% of total cost so a potential project increase of \$500,000 over the next year.

Members sought further details on which reserve the funding would be provided from. Mr Fletcher provided members with a number of options available including consideration being given to utilising the 3-waters well-being allocation. Members noted that the motion before the Committee today would provide the opportunity to determine the best outcomes for the Council and the Trust.

The Mayor/Clr Maher:

1. **That Council agrees to a contribution of up to \$1.7M by way of an underwrite or a loan to be funded from a reserve and subject to review of an updated business plan.**

2. That Council's contribution be subject to the Trust receiving confirmation of funding from the Lotteries Significant Project Fund and other fundraising to complete the project.
3. That no Council funding will be released until Council is satisfied that funding is in place for the completion of the full project.

Carried

NB: The order of the agenda was altered at this point and the following Item 8 was heard ahead of Item 7.

ATTENDANCE: Neil Henry, Council's Manager, Economic Development and Strategic Planning, and Brad Olsen, Principal Economist Infometrics were present for the following item.

PF&C-0322-293 Marlborough Economic Update (Infometrics)
E100-007-01

Members noted that the purpose of the report was to receive the presentation from Infometrics on the latest Marlborough economic data, covering the 2021 Economic Profile and the most recent quarterly results. To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 2262281).

It was noted that Council contracts Infometrics Ltd to provide a detailed annual economic profile on the Marlborough district, and quarterly economic reports. These reports are made available via the Council website. The annual and latest quarterly reports are available via the following link: <https://www.marlborough.govt.nz/about-marlborough/infometrics-economic-and-community-data>

A two page summary of the annual report was attached to the agenda item for members' information.

Cllrs Croad/Andrews:
That the information be received.

Carried

ATTENDANCE: Sam Young, Council's Regional Events Advisor, was present for the following item.

PF&C-0322-294 Regional Events Update
E100-002-011

Members noted that the purpose of the report was to provide the Committee with an update on the activities of Council's Regional Events Advisor and Marlborough's event sector.

Ms Young advised that the move on 23 January 2022 to the 'Red' setting of the Covid-19 Protection Framework meant a large number of Marlborough events postponed/cancelled due to the restrictions on gathering numbers. The announcement yesterday to allow unlimited numbers for outdoor events was well received.

Saint Clair Vineyard Half Marathon will now go ahead and organisers are working hard to get the message out and build up consumer confidence. Discussions are also underway with Feast Marlborough regarding Friday Night Feast.

Members were advised that Round 2 of the 2021/2022 Commercial Events Fund closed on Monday 14 March. The 2021/2022 Sport & Recreation Community Activity Fund is open with applications accepted until 4 April.

The Te Tauihu Regional Events Fund for Marlborough is now fully allocated. Fifteen applications were received with seven events receiving funding approval.

A digital Marlborough Autumn Events Guide showcasing events taking place around the region between 1 March and 31 May 2022 has been released and promoted via multiple channels to Marlborough, Nelson, Christchurch/Canterbury and Wellington.

It was reported that following a post-event evaluation of the 2021 South Island Masters Games, Council's Commercial Events Fund Sub-Committee have approved funding for the 2023 event which will run in October 2023.

Marlborough has secured the Summer Challenge Women's Adventure Race 2023 through Council's Bid Fund. This event will be held in Picton in February 2023.

Members were advised that the Chief Executive position for the ASB Theatre has been filled with the new Chief Executive starting at the end of May. Upgrades have been undertaken for the Marlborough Events Centre utilising this quiet period to cause the least disruption.

Ms Young provided members with an explanation and background information on the Follow-Me reports contained in the Information Package. Members noted they found the information useful and were supportive of continuing to have the information provided.

Cllrs Croad/Brooks:
That the information be received.

Carried

ATTENDANCE: Vance Kerslake, Regional Lead, Marlborough Regional Skills Leadership Group, was present for the following item.

PF&C-0322-295 Marlborough Regional Skills Leadership Group **E101-003-001-01**

Members noted that the purpose of the report was to provide a presentation to the Committee on the role and purpose of Marlborough RSLG and the draft Marlborough workforce development plan that has recently been out for public consultation. A powerpoint presentation was shown (presentation filed in CM Record No. 2262284).

The group is one of 15 Regional Skills Leadership Groups (RSLGs) in New Zealand, set up by the Government to identify and support better ways of meeting future skills and workforce needs in our region. They are part of a joined-up approach to labour market planning which will see the workforce, education and immigration systems working together to better meet the differing skills needs across the country. The group will provide independent advice which employers and government agencies can act on.

It was noted that membership is drawn from a range of public and private organisations across Marlborough. Council is represented on the RSLG by Neil Henry.

The powerpoint presented developed a number of questions from members which Mr Kerslake responded to.

Cllrs Croad/Taylor:
That the report be received.

Carried

ATTENDANCE: The meeting adjourned at 11.25 am and resumed at 11.31am

ATTENDANCE: Neil Henry, Council's Manager Strategic Planning and Economic Development and Dorien Vermaas, Council's Economic Portfolio Manager, were present for the following item.

PF&C-0322-296 Draft Marlborough Economic Wellbeing **Strategy 2022-32** **E101-001-001-02**

The purpose of the report was to approve the draft Marlborough Economic Wellbeing Strategy 2022-32 for public consultation. The Strategy and Bibliography were included as electronic links in the agenda item. To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 2262288).

By way of summary Mr Henry noted that the Economic Development Team had developed the draft Marlborough Economic Wellbeing Strategy in partnership with Marlborough Regional Skills Leadership Group and industry partners. The strategy sets a direction for the development of Marlborough's economy, its key current sectors, and development of new sectors and areas of support. The strategy will guide the work programme of Council's economic development team, and of other partners and industry.

It was noted that significant levels of consultation have taken place in developing the draft strategy, including twelve workshops and multiple discussions with key partners.

The proposed public consultation is planned to open on 7 April and close on 9 May. The draft document will be available on the Council website and will be circulated widely to industry and business contacts and promoted through Council's various media channels.

The consultation will provide a further opportunity for stakeholders to provide comment on the contents of the strategy before its adoption which will enable any matters not included in the draft to be considered.

The results of the consultation will be presented to a future Committee meeting.

Cllrs Croad/Taylor:

- 1. That Council adopts the Draft Marlborough Economic Wellbeing Strategy 2022-32 for public consultation.**
- 2. That approval is given to undertake the proposed public consultation phase, commencing 7 April 2022.**

Carried

ATTENDANCE: Jodie Griffiths, Council's Community Partnerships Advisor and Ethan Patrick (Youth Council), were present for the following item.

PF&C-0322-297 MDC Youth Council Plan 2020-2021 Review
C150-002-018-01

Jodie Griffiths, Council's Community Partnerships Advisor noted that the purpose of report was to advise Council on the outcomes from the Youth Council Plan for 2020-2021. The Action Plan and outcomes was attached to the agenda for members' information.

It was noted that the Youth Council normally operates for a calendar year, however due to the loss in time from the COVID-19 restrictions the term of the Youth Council was extended. This extension provided an opportunity for the Youth Council to implement their plan.

The reported highlights of the year were well considered decision making regarding the distribution of youth funding; Engaging with a number of leadership opportunities such as Electoral Commission, get together with Top of the South Youth Councils and professional development sessions, and coordinating a Marlborough Youth Hui with other youth leaders; The Youth Art Exhibition – Folio in conjunction with the Millennium Art Gallery; Youth Week activities in 2020 and 2021 as well as support for Pink Shirt Days; Support for a successful Future of Work Conference held on 8 June 2021 with over 350 Marlborough young people benefitting from the event; Submission to Council's Annual Plan in 2021; Youth Civic Awards took place in 2021 despite restrictions. A simple ceremony was achieved and recognition given to five outstanding youth contributing to Marlborough's community.

Members were advised that there has been the continuation of the My Voice Youth Website, Facebook page and Instagram which are proving to effective tools for promoting information to young people.

The Mayor/Cllr Andrews:

That Council receive the report for the Youth Council Plan 2020-21 and outcomes.

Carried

PF&C-0322-298 Sister City Sub-Committee

D050-001-S02

The Minutes of the Sister City Sub-Committee meeting held on 1 March 2022 were attached for ratification by the Committee.

Clr Hope noted the Marlborough Conference which was to be held on 7-8 April 2022 has been postponed to 7-8 November 2023.

Cirs Hope/Sowman:

That the Minutes of the Sister City Sub-Committee meeting held on 1 March 2022 be ratified.

Carried

PF&C-0322-299 Small Townships Programme Sub-Committee

D050-001-S03

The Minutes of the Small Townships Programme Sub-Committee meeting held on 10 February 2022 were attached for ratification by the Committee.

Clr Brooks advised members that Robyn Searle (Project Manager – Community) has resigned. Clr Brooks acknowledged Ms Searle's work over the last 12 months. Recruiting is currently underway.

Clr Brooks/Fauls

That the Minutes of the Small Townships Programme Sub-Committee meeting held on 10 February 2022 be ratified.

Carried

PF&C-0322-300 MDC Holdings Limited – 2022-23 Statement of Intent

S400-004-010-22

Council's, Chief Financial Officer, Martin Fletcher and Adrian Ferris, Council's Corporate Accountant presented the MDC Holdings Limited (MDCH) 2022/23 Draft Statement of Corporate Intent (SOI) to members. The SOI was included with the agenda for members' information.

Members were advised that schedule 8 Local Government Act 2002, requires MDCH to deliver to Council a completed SOI by 30 June of each year for the next year (year ending 30 June 2023) and two subsequent years.

Members were advised that the 2022/23 draft SOI is consistent with the 2021/22 SOI. It was noted that the significant points are that the targets for Port Marlborough NZ Limited (PML) have been based on its 2021-22 SCI. The statutory timing for preparing Port Company SCI's is 31 July for the draft and 30 September for the final document, which is some seven months after MDCH is required to submit a draft SOI to Council.

The cashflow requirements and timing thereof for the IREX project have yet to be finalised. This means that the value of debt for each year could change, although in total it is fixed at \$110 million.

Cirs Peters/Oddie:

That Council approves the Draft 2022-23 Statement of Intent (SOI) for MDC Holdings Limited.

Carried

ATTENDANCE: Mr Sean Nicholson, Council's Assistant Financial Accountant, was present for the following item.

PF&C-0322-301 Financial Report for Council – Period Ended 31 January 2022

F275-001-01

Mr Nicholson presented Council's financial report for the period ended 31 January 2022.

Members were advised that the major variances between actual and budget were sale of stage 7 of Boulevard Park on Taylor (BPOT). This item was budgeted in last financial year (Gain on Sale of \$7.5M); Receipt of an insurance claim for damage from the 2016 Kaikoura Earthquake and 2021 July flood event. (\$1.8M); Waka Kotahi emergency funding for the flood damage sustained in the July flood event. Waka Kotahi have approved a 95% subsidy rate on emergency works up to \$20M. To 31 January \$18.2M has been spent on flood damage repairs with Waka Kotahi contributing \$15.7M; Vested assets and development contributions are ahead of budget due to contributions from Rose Manor and Wai-iti developments. Further vested assets are anticipated for Westwood and Wai-iti developments, with a total estimated value of \$6.6M; Government funding for the following projects Catchment Care, Hillside Erosion and Te Hoiere (\$2.1M); Lower than anticipated grants uplifted in the first 6 months; Lower external interest costs due to the low interest rates and lower capital expenditure in previous years. Internal interest costs are less due to lower capital expenditure last year.

Comments were provided in the report on variances greater than \$100,000.

It was noted that Sean Nicholson was leaving Council to take up a position in Wellington. Members expressed their appreciation for the good work he has undertaken for Council and wished him well in his future endeavours.

Cllrs Peters/Croad:

That Council receive the Financial Report for the period ending 31 January 2022.

Carried

PF&C-0322-302 Information Package

-

Cllrs Dawson/Faulls:

That the Planning, Finance & Community Information Package dated be received and noted.

Carried

PF&C-0322-303 Decision to Conduct Business with the Public Excluded

-

Cllrs Taylor/Brooks:

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

- Contract Review
- Operational Review
- Trust Membership
- Committee Membership
- Agreement

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
Contract Review Operational Review Agreement	To enable the Council, as holder of the information, to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) as provided for under Section 7(2)(i).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.
Trustee Membership Committee Membership	In order to protect the privacy of natural persons, as provided for under Section 7(2)(a).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Carried

The meeting closed at 12.57 pm.

Record No: 2264047

5. Committee Reports

5.4 Grants Sub-Committee

Grants Sub-Committee held on 22 March 2022
(Minute No. Grnt-0322-282 to Grnt-0322-285)



**Minutes of a Meeting of the
GRANTS SUB-COMMITTEE
held in the Council Chambers, 15 Seymour Street, Blenheim
on 22 MARCH 2022 commencing at 1.00 pm**

Present

Clr Jenny Andrews (Chairperson), Clr Cynthia Brooks, Clr Thelma Sowman, Mrs Karen Hartshorne, Mrs Kate Parker, Ms Deborah Dalliessi, Mr Graeme Haymes

In Attendance

Jodie Griffiths (Community Partnerships Advisor), Natalie Lawler (Community Partnerships Support) and Nicole Chauval (Committee Secretary)

Apologies

Clr Brooks/Mrs Hartshorne:

That an apology for non-attendance from Ms Sally Wadworth be received and sustained.

Carried

Grnt-0322-282 Role and Responsibilities – Declaring an Interest

D050-001-G02

Committee members were reminded of their responsibilities when allocating the available funding under set criteria, and they were advised of what was expected of them when having an interest in a particular application. The intention of declaring an interest is to ensure that those with an interest have no involvement in the decision making process.

Council's District Secretary's advice is that Committee members, once they have declared an interest, leave the room for that particular application. Members were advised that it is important that it be seen that matters are processed without any influence especially where, for example, there are competing applications; some organisations may not have a representative around the table. The rule needed to be applied strictly for the process to be seen as fair to all concerned.

It was noted that declaring an interest applies to those who are members or honorary members of an organisation and also where it could be perceived that a person has an interest in an organisation.

It was reported that the chairperson would make the final decision if there was dissent.

Mr G Haymes/Ms D Dalliessi:

That the information be received.

Carried

Grnt-0322-283 Clarification of Process for Decision Making

D050-001-G02

Committee members' attention was drawn to the process for decision making that had been successfully used by previous Grants Sub-Committees. Members had been asked to familiarise themselves with the process prior to the meeting so that this could be consistently applied when considering grant applications.

Members were advised that at any time when an application is being discussed and a Committee member has declared an interest in, they must leave the room.

The process was written on the whiteboard so members could refer to them during deliberations if required.

It was noted that the criteria for Creative NZ is currently being updated.

Mrs K Hartshorne/Mrs D Dalliessi:
That the information be received.

Carried

Grnt-0322-284 Sport NZ Rural Travel Fund 2022-23 Allocation **C150-001-011-19**

Sport NZ had made funding of \$21,303.00 available for rural travel for young people aged between 5-19 years under specific criteria and eligibility conditions. Nine applications were received and all were eligible for consideration. Requests totalled \$33,662.50.

Committee members discussed the applications and made the following recommendations:

Organisation	Project Description	Grant
Awatere Rugby Football Club	Travel to rugby games from Ward and Seddon to Blenheim	\$2,000.00
Havelock School	Travel for junior to local competition	\$2,500.00
Picton Football Club	Travel between Picton and Blenheim for 8 junior football teams	\$2,500.00
Queen Charlotte College	Travel for netball, touch rugby, volleyball and tennis teams for local competitions	\$3,120.00
Renwick Cricket Club	Player travel from Linkwater, Canvastown & Kaikoura	\$1,500.00
Seddon School	Travel to weekly hockey, touch, rugby & netball competitions	\$2,500.00
Waitaria Bay School	Travel to participate in various sports competition	\$1,560.00
Waitohi JAB Rugby	Travel for JAB teams to weekly competition	\$2,620.00
Ward School	NKTravel to weekly touch, tennis & cricket competition	\$3,000.00

Mrs T Sowman/Mrs K Hartshorne:
That Council approve the above listed grants to Sport NZ Rural Travel Fund applicants totalling \$21,300.00.

Carried

Grnt-0322-285 Creative Communities NZ Arts Funding Scheme **Allocation 2021-22 – Round 2** **C150-001-003-19**

The Grants Sub-Committee allocates Creative Communities funding twice a year, with closing dates at the end of February and September each year.

Available funds to allocate for Round 2 totalled \$50,190.27. Eighteen applications were received, all of which were eligible to be considered for funding. Requests totalled \$62,365.40.

Committee members discussed the applications and made the following recommendations:

Organisation	Project Description	Grant
Upbeat Orchestra	Upbeat Orchestra Training Weekend	\$5,000.00
Kelsie Skelton	Holiday Dance Camps	\$2,056.00
Marlborough Nelson Centre of the Piping and Dancing Association of NZ	Top of the South Championships Condition: For venue hire.	\$3,000.00
StageLab	StageLab Production	\$2,500.00

Organisation	Project Description	Grant
	Condition: For gear and venue hire.	
Creative Kids Trust Board	Creative Workshops	\$2,000.00
Little Green Man Productions	Matariki Glow Show 2022 Condition: For venue hire and ticketing.	\$2,000.00
Marlborough Art Society Incorporated	Art workshops and exhibitions	\$2,300.00
Paula Kerslake	Kids School Holiday Art Club	\$500.00
Marlborough Girls' College	Weaving Together Through Music Therapy	\$1,500.00
Andrea Navarro	Art workshop for migrants	\$700.00
Marlborough Opera Festival	Marlborough Opera Festival Condition: For venue hire.	\$3,000.00
Mieke Davies	Container Mural - St Mary's school.	\$1,500.00
Little Marlborough Book Festival	Little Marlborough Book Festival	\$1,000.00
Susana Tyrell	Pasifika Group Weaving Project	\$2,500.00
Rebecca Faapopo	Le Taupou O Aiga Dance Group	\$1,050.00
Jim Tannock	Photography Exhibition Condition: For Cotton Rag Archival print.	\$1,400.00
The Godfrey Cheatham Arts Residency	Godfrey Cheatham Arts Residency website	\$1,500.00
The Tasman Broadcasting Trust T/A Fresh FM	Multicultural Voices in Marlborough Note: Recommend apply to Community Grants and consider applying to the Ministry of Ethnic Communities	Declined

Cllrs Andrews/Brooks:

That Council approve the above listed grants to Creative Communities NZ Arts Funding Scheme applicants totalling \$33,506.00.

Carried

Jodie Griffiths advised that The Omaka Observation Charity Trust had been a recipient of an Arts & Culture grant of \$3000 in 2021 for crater construction and transport. The Trust has advised that there is more work required for their resource consent application. They have engaged a consultant to progress the resource consent application. The Trust are seeking approval to change the use of the grant money, the project is the same, all funding will now be allocated for excavating costs.

Clr Sowman/Clr Andrews

That the Grants Committee approve the request from the Omaka Observation Charity Trust to use their approved funding for excavation costs.

Carried

The following audit visits were proposed:

- Little Green Man – Cllr Andrews
- Little Marlborough Book Festival and Opera Festival – Cllr Brooks and Kate Parker
- Jim Tannock (Photo Exhibition) – Kate Parker and Karen Hartshorne

Members further discussed the deliberation process and agreed that having an opportunity to have discuss and clarify any points before deliberating was beneficial.

It was requested that for future applications information on whether groups received Council operating grants be provided for deliberations.

Ms Griffiths advised that in future any environment applications received in the MDC Community Grants round will be forwarded to Council's Environment Grant for consideration. The environment team can also refer any funding requests back to Community Grants under the Community & Social Services category.

The meeting closed at 3.12 pm.

Record No: 2258844

6. 2022-23 Annual Plan Update - Have Your Say document (includes Appendix 6.1)

(Report prepared by M Fletcher)

F230-A22-03

Purpose of report

1. To adopt Council's 2022-23 Annual Plan, consultation document, called the *2022-23 Annual Plan Update - Have Your Say*.

RECOMMENDED

That Council adopt the *2022-23 Annual Plan Update – Have Your Say*.

Background

2. The Local Government Act 2002 (Act) was amended in 2014 and requires councils to produce a consultation document (attached as Appendix 6.1) as the basis for the public's participation in decision-making on annual plans.
3. The purpose of the amendment to the Act was to increase the focus on the Long Term Plan and to reduce the resource commitment needed to produce a Draft Annual Plan, and provide councils with more flexibility on whether or not to consult, and the level of consultation they wish to undertake.

Comments

4. Aside from the impacts of COVID-19, there is no significant variation from the Council's 2021-31 Long Term Plan (LTP). The *2022-23 Annual Plan Update - Have Your Say* is a high-level summary which identifies Council's signalled intention to have a rates increase of 5.37%, the impact that has on levels of service and major capital budgets/projects proposed for the 2022-23 year, and the subsequent three years. It also includes a message from the Mayor and how to make a submission.
5. The *2022-23 Annual Plan Update - Have Your Say* will be published on Council's website and can be printed off from there. It will also be made available via local newspapers.
6. In addition, a number of articles and media releases on this year's Annual Plan projects and programmes will continue to be published on our website, Facebook and Twitter during April.
7. A small number of printed copies of the *2022-23 Annual Plan Update - Have Your Say* will be made available from Council offices and libraries.
8. Council's website will contain supporting information about the Annual Plan, including the agenda from the 24 February Council meeting, which included all the new projects, the budget summary, LTP activity statements, capital expenditure and general financial content at that time.

Attachments

Appendix 6.1 – 2022-23 Annual Plan Update - Have Your Say

Page 56

Author	M Fletcher, Chief Financial Officer
Authoriser	M Wheeler, Chief Executive

<i>Summary of decision-making considerations</i>			
<i>Fit with purpose of local government</i> The proposal supports the continued financial viability of Community facility providers and Community organisations. <i>Fit with Council policies and strategies</i>			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	✓	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Social well-being	✓	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	✓	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	✓	<input type="checkbox"/>	<input type="checkbox"/>
Arts & Culture	✓	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters	✓	<input type="checkbox"/>	<input type="checkbox"/>
Land transport	✓	<input type="checkbox"/>	<input type="checkbox"/>
Parks and reserves	✓	<input type="checkbox"/>	<input type="checkbox"/>
<i>Nature of the decision to be made</i> The options do not involve a significant decision in relation to land or a body of water.			
<i>Financial considerations</i> Council has signalled intention to have a rates increase of less than 2.2%.			
<i>Significance</i> The decision is considered of low significance under Council's Significance and Engagement Policy because the rates increase is less than that contained in 2018-28 LTP.			
<i>Engagement</i> See above and in the Consultation Document itself.			
<i>Risks: Legal / Health & Safety etc</i> There are no known significant risks or legal implications.			
<i>Climate Change Implications</i> There are no known climate change implications to this decision.			



Annual Plan Update

2022-23



Message from the Mayor



Despite the challenges of the Covid-19 pandemic, Marlborough is a successful, growing region. However, that continued success brings with it a greater demand for transport, water, sewerage and stormwater infrastructure and community facilities to support that growth.

This is the first annual plan following last year's Long Term Plan 2021-31. The environment in which we are operating has changed very little since this time last year. This year's proposed rates increase of 5.37% is largely driven by external factors: inflationary pressure, new Government requirements, increased labour costs and supply chain issues, which are impacting on all of New Zealand's councils. This council's proposed increase is however significantly lower than many others.

To reduce the impact on rates, we have made use of our Infrastructure Upgrade and Depreciation reserves and allocated \$4.3M from the Covid-19 Rates Relief Reserve. This year's budget proposal maintains current levels of service and a strong capital expenditure programme focused on delivering Marlborough's core infrastructure needs. I'm pleased to say we have been able to allocate \$83.4M in capital expenditure this coming financial year, our highest ever.

However, staff turnover has increased and it has become more difficult to fill positions in local government across New Zealand. With inflation running at almost 6%, we have had to allocate more funding to allow the Council to remain competitive in the employment market.

“ This year’s budget proposal maintains current levels of service and a strong capital expenditure programme focused on delivering Marlborough’s core infrastructure needs.”

Net debt levels are forecast to be within the \$230M net debt cap set by Council until 2027-28 onwards, where the cap is exceeded by a maximum of \$33M (including the Flaxbourne irrigation project), should the Three Waters reforms not proceed. Council still remains significantly under the maximums set by the Local Government Funding Agency. However, if the reforms do go ahead, there will be no exceedances as any capital works required under the new delivery structure will not be part of Council’s financials.

Councillors supported a number of new expenditure items, mainly requests for increased levels of service, which are set out below.

Full details of this proposal are contained in the Annual Plan Budgets 2022-23 agenda paper of the Council meeting of 24 February 2022, available at: www.marlborough.govt.nz

This consultation document outlines our priorities for the coming year. Please take the opportunity to have your say.

Help us shape Marlborough’s future and how we get there, together. I encourage you to make a submission

Ehara taku toa I te toa takitahi, engari he toa takitini.*



John Leggett
Mayor of Marlborough

*My strength is not mine alone,
it comes from the many.



New projects for the year ahead

The new initiatives the Council has adopted in its Annual Plan Budget 2022-23 are set out below.

The majority of these items are proposed to be funded from Reserves.

- ◆ Upgrades and improvements for community facilities and playgrounds in Blenheim, Picton, Renwick and Havelock - \$831.4K over four years, with \$23,396K from rates-funded debt in 2022-23.
- ◆ Funding to cover operational costs at Lansdowne Park Sports Hub - \$70K
- ◆ An operating grant increase to Marlborough Heritage Trust of \$100K in 2022-23. The Trust manages and operates the Marlborough Museum and archives at Brayshaw Heritage Park, and the Edwin Fox.
- ◆ Amenity upgrades in Marlborough's smaller towns through the Small Townships Programme - \$250K, with \$9.139K from rates-funded debt in 2022-23. This restores the original purchasing power of the programme.



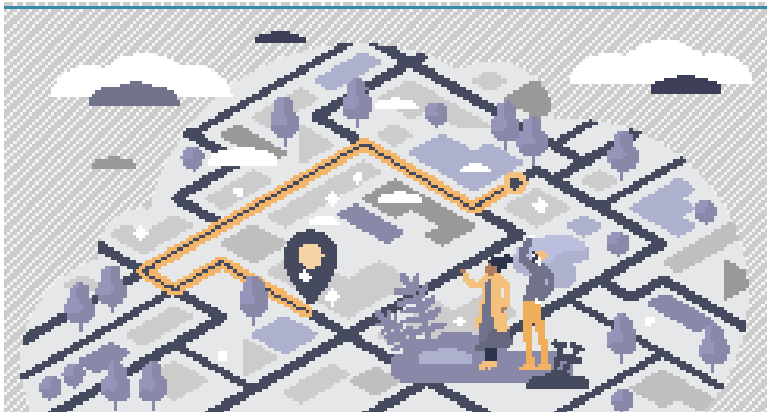
- ◆ A higher level of landscape and garden maintenance for the Picton Foreshore - \$100K to cover increased staff costs.
- ◆ \$125K for additional costs to implement the National Policy Statement (NPS) on Freshwater Management for three years.
- ◆ \$50K for building capacity and capability to implement the NPS on Freshwater Management - Te Mana o te Wai - for three years.
- ◆ Funding to support potential rezoning variations for housing and other developments to the Proposed Marlborough Environment Plan: \$150K.
- ◆ Increase in staff remuneration budgets to remain competitive in the challenging employment market (\$562K), and additional personnel in Emergency Management, Human Resources and Rivers to meet increased workloads - \$150K.
- ◆ The rating impact of these proposals has been reduced to zero through the use of \$1.36M of the \$23M 'three waters well-being' funding that the Government announced in July 2021. Further use of this funding to reduce rates is not proposed because of the negative impact on rates when this funding ceases.

**Have
your
say**

Question 1

Do you support the increased investment in these areas?
Would you like to see reduced funding in some of these areas?

How much our activities cost per household per day on average



\$1.²³

Roads and Footpaths

\$1.⁰¹

Water Supply



\$0.²⁶

Stormwater Drainage

\$0.⁴⁹

Flood Protection & Control Works

\$0.⁸²

Sewerage





Key capital expenditure for 2022 - 2023

Total value in budget

A number of the capital expenditure items listed below are multi-year projects.



New district library and art gallery construction	\$9.2M
Construction of 12 new senior housing units in George Street, Blenheim	\$3.0M
Parks and reserves upgrades and renewals, including playgrounds, track improvements, street trees and construction of the A&P Park grandstand in Blenheim	\$6.9M
Roading, footpaths, wharves and cycleways, including streetscape improvements in Picton and Blenheim	\$17.2M
Drinking water improvements including new treatment plants	
• Blenheim	\$2.1M
• Havelock	\$5.5M
• Picton	\$4.6M
• Renwick	\$4.5M
• Riverlands	\$8.6M
• Wairau Valley	\$1.0M
Sewerage including new treatment plants, pump stations, pipelines and other renewals	
• Blenheim	\$6.5M
• Havelock	\$3.2M
• Picton	\$2.6M
• Seddon	\$2.7M
Bluegums landfill staged capacity development	\$2.7M
Flood protection including Town Branch Drain upgrade	\$5.5M

Activities with the greatest impact on the proposed increase in rates and charges

Some of this year's rates increase comes from the flow-on effects of previous years' decisions (particularly if expenditure was previously funded from reserves for one year but is fully rate funded this year) and investment in infrastructure-intensive activities such as sewerage, water and community facilities. These projects now incur a full year's charge for depreciation, interest on loans and, for some, increased operating costs. Conversely, if budgeted capital expenditure has been deferred or delayed, then the corresponding depreciation and interest will not come to charge.

- ◆ General roading and footpaths \$995,120 – mainly from increased depreciation costs due to increases in assets in prior years.
- ◆ Solid waste management \$398,678 – the income from the Greenwaste dump fees has decreased due to lower actual fees than budgeted. There has also been an increase in the operating cost of the recycling collections.
- ◆ Community facilities \$634,572 – due to the combined impact of small increases across many of Council's reserves and public toilets and the employment of a new regional sports hub facilitator.
- ◆ Library \$318,302 – increased depreciation costs and internal interest for the new library and art gallery building.
- ◆ Environmental management \$409,067 – additional resources are required to keep pace with the Government's legislative changes and the community's demand for good quality environmental data and monitoring.
- ◆ Regional development \$100,000 – continued funding for the Economic Portfolio Manager role.
- ◆ Democratic process \$98,810 – additional cost to run the local body elections in October 2022.
- ◆ General revenues \$300,000 – increase in the Covid-19 Rates Relief Reserve.

Targeted rates and charges

- ✦ Water supplies \$392,419 - due to increased insurance costs, additional treatment costs with the new plants at Renwick and Riverlands, and Awatere maintenance.
 - ✦ Energy efficiency \$84,762 - an expected increase in energy efficiency loan repayments.
-



**Have
your
say**

Question 2

Do you support funding the proposed projects and initiatives?
Would you like to see reduced funding in some of these areas?



**Have
your
say**

Question 3

What other initiatives or projects would you like the Council to support this year?

How to find out more about your rates

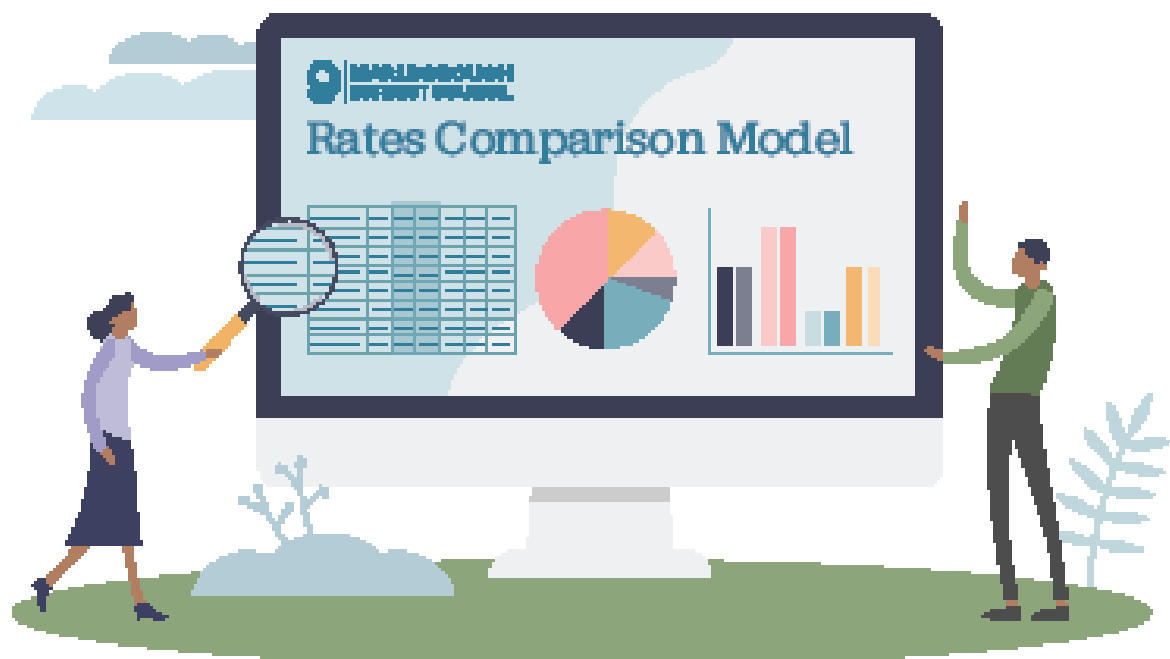
There's a wealth of information on the Council website about how the rates for your property are calculated.

Marlborough properties are levied works and services rates and charges, based on the property's land value, which of the six Geographic Rating Areas the property is located in, and whether the property type is Residential/Rural or Commercial/Industrial. There are also targeted rates and charges where a service is only provided to a particular area, for example water, sewerage and Wairau River flood protection.

Go to: www.marlborough.govt.nz/services/rates and click on How to use the Rates Comparison Model

The instructions on that page will take you to the Rating Information Smart Map where you can see your current year's rates and the proposed rates for the new financial year beginning 1 July 2022. Simply enter your property address in the white search box at the top left of the page.

If you click on View Rates Comparison you will find a detailed breakdown of rating information for your property.



Have
your
say

How to submit

Online form

The online form is the quickest and easiest way to make a submission. Simply go to marlborough.govt.nz and follow the online prompts. Please indicate in your submission if you'd like to speak at a public hearing.

Hard copy

A hard copy of our submission form can be printed from our website, or collected from Council's Blenheim or Picton offices, or Marlborough District Libraries. All hardcopies must be returned before close of business on 10 May.

Email

Please send your submission to annualplan@marlborough.govt.nz

Timeline



marlborough.govt.nz

7. Decision to Conduct Business with the Public Excluded

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

- Confirmation of Public Excluded Minutes
- Committee Reports (Public Excluded Sections)

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
Minutes and Committee Reports	As set out in the Minutes and Reports	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.