

MARLBOROUGH DISTRICT COUNCIL
15 SEYMOUR STREET
PO BOX 443, BLENHEIM 7240
NEW ZEALAND

TELEPHONE (0064) 3 520 7400
FACSIMILE (0064) 3 520 7496
EMAIL mdc@marlborough.govt.nz
WEB www.marlborough.govt.nz



**MARLBOROUGH
DISTRICT COUNCIL**



Only Marlborough

10 June 2022

Record No: 22113720
File Ref: D050-001-C01
Ask For: Nicole Chauval

Notice of Committee Meeting – Thursday, 16 June 2022

A meeting of the Planning, Finance & Community Committee will be held in the Council Chambers, 15 Seymour Street, Blenheim on **Thursday, 16 June 2022 commencing at 9.00 am.**

BUSINESS

As per Agenda attached.

**MARK WHEELER
CHIEF EXECUTIVE**



**Meeting of the
PLANNING, FINANCE & COMMUNITY COMMITTEE
to be held in the Council Chambers, 15 Seymour Street, Blenheim
on THURSDAY, 16 JUNE 2022, commencing at 9.00 am**

Committee	Clr M A Peters (Chairperson) Clr J D N Croad Clr J L Andrews Clr J A Arbuckle Clr C J Brooks Clr B G Dawson Clr B A Faulls Clr M J Fitzpatrick Clr G A Hope Clr F D Maher Clr D D Oddie Clr T P Sowman Clr N P Taylor Mayor J C Leggett Iwi representative (to be advised)
Department Heads	Mr M F Fletcher (Chief Financial Officer) and Mr D G Heiford (Manager Economic, Community & Support Services)
Staff	N Chauval (Committee Secretary)

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1. Apologies

No apologies received.

2. Declaration of Interests

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

3. Destination Marlborough – 2022/23 Draft Business Plan

(Clr Croad)

E100-004-01

Purpose of Report

1. For Destination Marlborough to present their draft 2022/23 Business Plan.

Background

2. Council and Destination Marlborough have agreed that a draft business plan be prepared and presented prior to 30 June each year for consideration.
3. The Destination Marlborough Board finalise the plan by the end of June each year.

Presentation

4. Jacqui Lloyd, General Manager Destination Marlborough will present the draft plan and answer any questions the Committee may have. (10 minutes)

RECOMMENDATION

That Destination Marlborough Trust's draft business plan for 2022/23 be received.

4. Brayshaw Heritage Park – Land Rationalisation

(Chair) (Report prepared by Dean Heiford)

A200-002-03

Purpose of Report

1. To review and approve the future management of the Brayshaw Heritage Park site.

Executive Summary

2. The Brayshaw Heritage Park site (BHP) is made up of a number of parcels of reserves, these being sections 29, 30 & 38 Block III, Taylor Pass Survey District. (Refer attached aerial photo)
 3. The Brayshaw Heritage Park Administrators (BHPA) hold a control and manage appointment by section 29 of the Reserves Act 1977 over these parcels, while Council has a control and manage appointment over the adjoining DOC's Taylor River Protection Reserve. Churchwood Park is a reserve vested in Council.
 4. There has been an inequity between various groups that occupy the site in terms of their access to Council subsidies – only those organisations on the land leased from Council by the BHPA can access the rates and insurance subsidies.
 5. Council has not progressed the potential upgrade of services into the BHP nor has there been an overall grounds maintenance contract in place due to the status of the various parcels.
 6. Council has been working with the DOC and BHPA to rationalise the reserves and appointment status to enable the entire site to be managed and funded in a consistent manner by Council.
 7. The proposal to transfer the management and administration of the current BHP site (DOC reserve) to Council will achieve this.
-

RECOMMENDATIONS

That Council:

1. **Agree to accept a control and management appointment of the Department of Conservation parcels on the Brayshaw Heritage Park site.**
 2. **Approve the transfer of the leases between the occupiers and the Brayshaw Heritage Park Administrators, to Council on the same terms and conditions.**
 3. **Agree to delegate authority for the Manager, Economic, Community and Support Services to finalise all other aspects of the proposal.**
-

Background/Context

8. The Brayshaw Heritage Park has developed over several decades with a formal management plan as required under the Reserves Act (1977) being published in 1986. This recognised the various parcels and the tenure of the BHPA.
9. Various community groups have developed sites on BHP within the rules of the Management Plan. The Management Plan was updated in 2010 recognising the change in local government to the Marlborough District Council that holds Reserves Act appointments of some of the adjoining reserve parcels.
10. Council has a number of policies that support community organisations with rates relief, insurance, maintenance grants and development funding. Those organisations that were not on the Council owned or administered parcels at the BHP could not access these subsidies. Council did consider adjusting these policies but the precedent of providing this to community organisations not on Council land was seen as prohibitive financially.

11. Council staff identified the option for Council to take over the control and management of the DOC reserve parcels but this became difficult as the control and management appointment of the reserve parcels to the BHPA group potentially had to change. Vesting of reserves in Council became legally difficult due to the book value of DOC reserves. Book value of \$1million quantum has to be paid for to achieve a vesting of reserve in Council.
12. Council have identified that the vesting need not happen if all parties agree that Council can be instead granted a control and management appointment under section 28 of the Reserves Act. All parties have agreed to this change; the BHPA have formally minuted agreement to the change with some caveats and the DOC are consulting with iwi in respect of its decision making for the proposed change of reserve appointments.
13. There will be some increased costs to Council as the community groups on the site can apply for the Council subsidies. These will be included in the budget proposals for the increased Heritage Funding in the 2023/24 Annual Plan as requested by Council.
14. This will also allow Council to look at a maintenance contract for the BHP grounds and the development of future services into the sites, especially water and sewer upgrades.
15. It is recommended that Council's property managers action the changes with the Council General Counsel under the delegation requested for the Manager, Economic, Community and Support Services.

Advantages

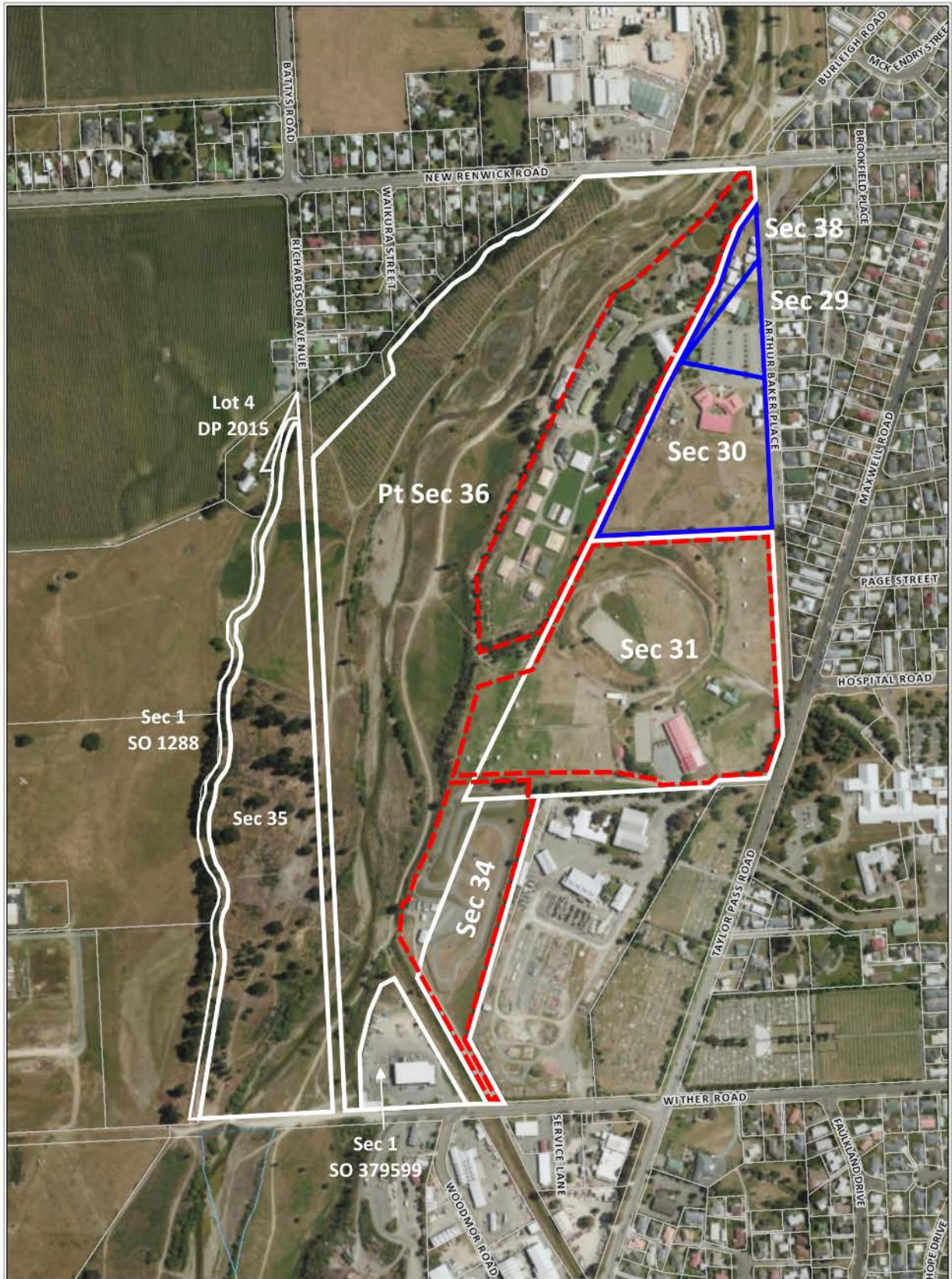
16. The rationalisation of the management and administration of the BHP site will allow Council to maintain and develop the site in conjunction with the BHPA and current occupiers. Council will develop a relationship agreement with the BHPA to assist in managing the site.
17. Council will be able to offer the current community group subsidies to the groups on-site.

Disadvantages

18. There are increased operating costs.
19. There will be future funding support required by Council to bring the site up to a suitable state for ease of maintenance, services and public safety.

Author	Dean Heiford, Manager Economic, Community and Support Services
Authoriser	Mark Wheeler, Chief Executive

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables consideration to be given to providing an ongoing community asset in Blenheim.			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	X	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	X	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	X	<input type="checkbox"/>	<input type="checkbox"/>
Social well-being	X	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	X	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	X	<input type="checkbox"/>	<input type="checkbox"/>
Arts & Culture	X	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	X
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	X
Parks and reserves	X	<input type="checkbox"/>	<input type="checkbox"/>
This proposal contributes to the LTP / Annual Plan, Economic Development and Social well-being and Arts & Culture relating to the provision of a heritage reserve and buildings for wider use in Blenheim.			
Nature of the decision to be made			
The options do not involve a significant decision in relation to land or a body of water.			
Financial considerations			
Initial support can be met within existing budgets. There are ongoing costs to Council to be identified and budgeted for in the 2023/24 Annual Plan.			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
The Brayshaw Heritage Park Administrators, Department of Conservation and iwi have been involved in the development of the proposal.			
Risks: Legal / Health & Safety etc			
There are risks or legal implications that will be addressed as part of the change process.			



The accompanying material has been released by Council from its information repositories. Council does not accept any responsibility for the initial and ongoing accuracy to the material. It is the responsibility of the recipient to make such checks as the recipient considers appropriate to ensure accuracy. Services layers are schematic; only actual positions and level should be confirmed from Council's hard copy records.

1:4,000

25/11/2014

5. Waitohi / Picton Tourism Opportunities – Preliminary Feasibility Study

(also refer separate report available on Council's website)

(Chair)(Report prepared by Dean Heiford)

C315-20-181

Purpose of Report

1. To receive the final report on the Picton Tourism Opportunities as completed by Visitor Solutions Limited (VSL).

RECOMMENDATIONS

That Council:

1. **Receive the Waitohi / Picton Tourism Opportunities – Preliminary Feasibility Study completed by Visitor Solutions Limited.**
2. **Note the conclusions and recommendations in the report and that no further feasibility work be done on the three opportunities at this stage.**
3. **Request that terms of reference and a scope for the wider Waitohi / Picton Development Study be drafted and brought back to the Committee for consideration.**

Background/Context

2. As part of the Council's 2020/21 Annual Plan process, three potential tourism opportunities were suggested for Waitohi / Picton.
3. Council resolved to examine the three proposals at a preliminary level to assess the potential to provide positive economic and community benefits for Waitohi / Picton.
4. This preliminary high-level feasibility analysis is seen as a first sieve of assessment and is timed to contribute to the proposed review of the 2010 Urban Growth and Development Strategy.
5. The three opportunities explored were:

Aquatic opportunity – there has been long held community desire for a public aquatic facility in Picton, with the potential for an aquatic facility signalled in the 2010 Strategy. In 2019, the Picton Waitohi Pools & Wellness Centre Charitable Trust developed a high-level concept for an aquatic facility which included a hot-pool and spa/wellness centre. The Council resolved to investigate an aquatic opportunity to meet tourism and community outcomes.

Mountain biking opportunity – like much of New Zealand, Picton is blessed with unique topography but with the added advantage of the terrain being close to the town-centre. A high-level proposal was developed by TrailPro for a mountain biking park on the hills surrounding Picton to provide a variety of trails.

Maritime Heritage and Environment opportunity – there is a strong community desire to strengthen and promote the heritage and environmental values associated with Picton and the Marlborough Sounds. Picton's Smart and Connected Group developed a concept for a Marlborough Maritime Heritage and Environment Centre which builds off the prominence of the Edwin Fox Maritime Centre, the Picton Museum, and the Marlborough Sounds. There is a group of stakeholders interested in the potential opportunity, including Mana Whenua.

6. There were delays in the completion of the study due to Covid. The conclusion and recommendations from the report are attached as Appendix 1. The full report is available on Council's website.

7. The preamble to the detailed conclusions / recommendations noted;

All will require detailed feasibility studies to refine the concept, determine site, finalise costs, and confirm viability. Detailed feasibility studies can also test commercial interest.

It is important to note, doing nothing or waiting may be an appropriate response particularly considering the long-term recovery from the impact of the COVID-19 pandemic.

8. Council has not progressed the original proposal to review and update the 2010 Urban Growth and Development Strategy for Waitohi / Picton due to the uncertainties with the IReX Project.

Discussion

9. The wider Waitohi / Picton Development Study was proposed in the 2018/19 Annual Plan process with further funding budgeted in 2019/20. The total budget allocated was \$200,000. An initial review of the 2010 Urban Growth and Development Strategy was undertaken by Urbanism Plus (the original project managers) to understand what was still relevant and what needed to be updated. Several areas were identified where the original study could be updated and new areas to be covered.
10. Terms of Reference were being developed for the study but were put on hold because of the IReX project and the wider ramifications of this project on the wider Waitohi / Picton Community. There was also an issue with over consulting with the community on two major projects at the same time. Council instructed management to put the Redevelopment Study on hold until the IReX project had been negotiated and finalised.
11. During the halt in the review process the three Waitohi / Picton Tourism Opportunities were raised at the 2020/21 Annual Plan. Council decided to progress primary feasibility studies on these proposals to look at options post Covid for tourism in Waitohi / Picton and to inform the wider study when it was undertaken.
12. Visitor Solutions Limited (VSL) were the successful consultancy company that undertook the preliminary feasibility studies. A comprehensive consultation process was undertaken on the proposals which included partnering with Te Atiawa during the consultation for a Te Ao Māori perspective on the proposals. The initial findings were presented to a public meeting at the then new Picton Yacht Club building which was well attended. Further refinement and testing of the key findings was undertaken which was delayed due to Covid restrictions.
13. The final report when accepted by Council will be made available to the public.
14. There are several detailed conclusions and recommendations overall and for each of the proposals in Part 9 of the report. The key for Council is if they wish to progress the next stage of detailed feasibility studies and business cases for any or all the proposals.
15. With the practical completion of the IReX negotiations there is an opportunity to restart the Waitohi / Picton Development Study.
16. It is recommended that any further feasibility or business case investigations not be undertaken for the current proposals and that terms of reference and scope for the Waitohi / Picton Development Study be drafted and brought back to the Committee for consideration.
17. Once terms of reference and the scope have been agreed a process for undertaking the project and a timeline can be developed.

Attachment

Attachment 1 - Waitohi Picton Tourism Opportunities Preliminary Feasibility Study February 2022 (the report is available on Council's website via the following link <https://www.marlborough.govt.nz/your-council/meetings?item=id:2g1ee8nv11cxbyxb6815>)

Author	Dean Heiford, Manager Economic, Community and Support Services
Authoriser	Mark Wheeler, Chief Executive

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables the Waitohi / Picton Development Study to be undertaken to inform and help plan the future of Waitohi / Picton.			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	X	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	X	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	X	<input type="checkbox"/>	<input type="checkbox"/>
Social well-being	X	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	X	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	X	<input type="checkbox"/>	<input type="checkbox"/>
Arts & Culture	X	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	X
Land transport	X	<input type="checkbox"/>	<input type="checkbox"/>
Parks and reserves	X	<input type="checkbox"/>	<input type="checkbox"/>
This proposal contributes to the LTP / Annual Plan, Economic Development and Social well-being and future planning for Waitohi / Picton.			
Nature of the decision to be made			
The options do not involve a significant decision in relation to land or a body of water.			
Financial considerations			
The initial project can be implemented within existing budgets. There may be further project funding to be budgeted for in the 2023/24 Annual Plan.			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
The project is a consultation and planning process.			
Risks: Legal / Health & Safety etc			
There are risks or legal implications that will be addressed as part of the project plan and consultation process.			



9.0 CONCLUSION & RECOMMENDATIONS

9.1 OVERALL

This preliminary feasibility study has assessed the merits of three potential tourism development opportunities in Picton including an aquatic, mountain biking and heritage & environment.

The preliminary feasibility is intended assess at a high level the potential of the three opportunities to increase tourism expenditure and provide economic benefit for Picton. Overall findings include:

- Depending on the concept selected, all three opportunities have merit and could appeal to visitors.
- None in isolation are likely to dramatically lift visitor-nights in Picton.
- The hot pool / spa experience and the Edwin Fox Centric concept are the stronger economic / visitor attraction opportunities, if well executed.
- All in part or combination, have the ability to contribute to making Picton a more desirable destination increasing the length of stay.
- While there is potential for private investment and/or external funding, all three are likely to require some public capital and/or operational funding from Council to progress, facilitate, or implement.
- There is a need to test community appetite for any public investment and financial contribution.
- All will require detailed feasibility studies to refine the concept, determine site, finalise costs, and confirm viability. Detailed feasibility studies can also test commercial interest.
- There may be other reasons to progress potential opportunities such as community outcomes, civic outcomes.

It is important to note, doing nothing or waiting may be an appropriate response particularly considering the long-term recovery from the impact of the COVID-19 pandemic.

9.2 AQUATIC OPPORTUNITY

CONCLUSIONS

Based on the available data Visitor Solutions has concluded that:

- There is a solid visitor market for hot pool / spa experience as opposed to the other aquatic options considered.
- An **iconic** hot pool / spa experience has strong potential to create additional visitor nights but needs a unique setting to achieve this. This type of experience could contribute to achieving a critical mass of attractions, making Picton a more desirable destination to stay longer or break journeys.
- Identifying an iconic/unique location is a critical factor for the proposed opportunity. This distinguishes it from the concept proposed by the Picton Waitohi Pools and Wellness Centre Charitable Trust.
- The hot pool / spa experience could be an opportunity for private / public partnership but likely needs initial Council facilitation to make this happen.
- There is potential to add some community aquatic elements but this needs to be careful managed to minimise diluting the compelling visitor appeal.
- Need to determine if there is community appetite for hot pool / spa experience in Picton and if the community support council involvement in facilitating and/or investing in such a concept.

AQUATIC RECOMMENDATIONS

1. Determine if there is any political and community appetite to pursue a hot pool / spa experience facility in Picton.
2. It is likely Council's facilitation is required to prove the concept, therefore undertake a detailed feasibility study to identify potential sites, size, design, costs, and viability of a hot pool / spa experience. This study should also assess the potential commercial interest for partnerships and/or investment.

9.3 MOUNTAIN BIKING OPPORTUNITY

CONCLUSIONS

Based on the available data Visitor Solutions has concluded that:

- The proposed downhill mountain biking park (as currently envisioned) is unlikely to be a viable as a stand-alone commercial activity capable of directly funding its own capital or operational costs.
- Grants will be required to support the development of the park and its ongoing operations. The capital cost is preliminary estimated at between \$4 and \$5 million. While operational subsidies of circa \$150,000 per annum should be planned for until greater clarity is possible around the operating model and costs.
- Based on other mountain biking park examples the development is anticipated to create economic and social benefits for the local community and region. Quantifying these benefits with any accuracy at this time is difficult. However, it is considered that pure economic returns are likely to be below the cost of establishment.
- It is acknowledged many sports and leisure services offered by Councils do not make commercial returns (eg playing fields and many community swimming pools). These are undertaken for their social benefits; mountain biking opportunities could be considered similarly.
- Significant work remains to clarify the legal and technical viability of the proposal (as currently envisioned). Understanding landowner consent/support is essential. If sufficient landowners are

not supportive and would not support offering the land at low or no cost, then the proposal may prove unviable.

- To be viable it is considered likely the mountain biking park would need a greater critical mass of experiences such as chairlifts/gondolas (and associated uplift opportunities) and other 'gravity-ride' options (such as scooters, trikes, luge, or ziplines). Although combining experiences, would not guarantee commercial success and would need to be carefully investigated. Given the more commercial nature of the possible experiences and the associated land ownership issues, the private sector is considered the primary driver for any development. If this advances, then the Council or a volunteer based organisation could consider leveraging potential development of the mountain biking opportunity.

MOUNTAIN BIKING RECOMMENDATIONS

1. Discussions be held with landowners to establish their level of interest in the concept of a wider visitor activity park (which would include mountain biking as a component). These discussions should determine what requirements landowners would have and/or whether there is commercial interest in potential development.
2. If landowner interest is forthcoming, a feasibility study should be undertaken to define the development concept and test its feasibility. Given the complexity, this may be best led through the commercial sector.

9.4 HERITAGE / ENVIRONMENT FACILITY

CONCLUSIONS

Based on the available data Visitor Solutions has concluded that:

- Both heritage and environment concepts (the “integrated experience” and the “Edwin Fox” centric experience) have development potential. **Which one is a superior proposition will depend largely on the underlying development objective of funders and proponents.** This is a key decision that needs to be made before any further work should advance.
- From a purely economic benefit perspective Visitor Solutions believes the Edwin Fox centric approach (Option 2) has the strongest point of difference, revenue potential and the ability to generate the most visitation.
- For some people, the Edwin Fox centric approach may be seen as being too ‘non-traditional’ and less inclusive. This does not need to be the case as we feel the delivery of different narratives can be implemented. However, it is clear the approach has some limitations. Primarily if there is a strong desire to consolidate the different heritage and environment experiences under one roof and to tell localised narratives.
- Within the current context, it may be best to see the Edwin Fox experience as a spoke in the heritage and environmental experience network rather than the hub. This network approach role is more aligned to option 3 with the potential to develop both experiences advanced in time.

HERITAGE & ENVIRONMENT RECOMMENDATIONS

1. Discussions are held between Te Ātiawa, MDC and key proponent groups and stakeholders to consider the findings of this preliminary feasibility study. A key decision is what is the key objective for any heritage/environment development – such as economic development or cultural/community expression or a combination of both. Confirming the objectives will provide clarity on which concept to pursue (or to pursue first).
2. Once the objective(s) is clear, then it is recommended a more detailed feasibility study is undertaken to fully scope and test the concept(s). This could be based on option 1 (integrated experience) or option 2 (Edwin Fox centric experience) or a combination of both or master planning for both.
3. Regardless of the outcome of recommendations 1 and 2, the ‘hands on’ environment depot in Picton could advance independently as any potential sites arise.

6. Marlborough Economic Wellbeing Strategy 2022-32 submissions and proposed final changes

(also refer separate reports available on Council's website)

(Clr Croad) (Report prepared by Neil Henry)

E101-001-001-02

Purpose of Report

1. To present a summary of the key submission points received from the public consultation on the draft Marlborough Economic Wellbeing Strategy (MEWS).
2. To recommend changes to the final document resulting from the submissions.
3. To approve the final MEWS 2022-2032 once the agreed changes have been made.

Executive Summary

4. Council's economic development team has developed MEWS 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. Significant levels of pre-consultation took place in developing the draft strategy, including a number of workshops and discussions with key partners.
5. The public consultation opened on 7 April and closed on 9 May following adoption of the draft MEWS at the Planning, Finance and Community committee meeting on 17 March.
6. A total of 25 submissions were received, which are summarised in the attached table. (Refer Attachment 1)
7. Staff have considered the submissions, provided comment and recommend some changes to the document to be made before its final adoption. This information is set out in the attached document. (Refer Attachment 1)
8. Once any changes are approved, the final document will be updated and published on the Council website.

RECOMMENDATIONS

That Council:

1. **Approve the recommended changes to the Marlborough Economic Wellbeing Strategy, as set out in the Attachment 1.**
2. **Approve the final Marlborough Economic Wellbeing Strategy 2022-2032.**

Background/Context

9. Council's economic development team set out a new direction for the function last year as part of the 2021-31 Long Term Plan process. The direction indicated six pillars of work:
 - 9.1 Business capability
 - 9.2 Innovation, R&D and transformation
 - 9.3 Workforce and talent development
 - 9.4 Economic leadership and vision
 - 9.5 Investment and attraction

9.6 Foresight and intelligence

10. The development of the draft Marlborough Economic Wellbeing Strategy took place in 2021 and early 2022 as part of the 'Economic leadership and vision' pillar and builds upon previous work including the Te Taihū Intergenerational Strategy that was completed in 2020.
11. MEWS is a strategy for the economic wellbeing of the region – it is not a strategy solely for MDC or the economic development team at MDC. It will guide the work of the economic development team in terms of project that Council directly delivers, supporting the development of our key sectors, and advocacy to government and other partners on the region's needs. MEWS will also guide key sectors on the work they are undertaking.
12. MEWS represents the voice of businesses, start-ups, investors, CEO's, mentors, business service providers, large industry representatives. A total of over 100 business leaders including industry representatives participated in the workshops with more than 1000 sticky notes with challenges/strengths/opportunities and ideas.
13. It is intended that MEWS will be refreshed every three years to pick up on changes and new opportunities.

Consultation arrangements

14. This committee adopted the draft MEWS for public consultation at the meeting on 17 March 2022.
15. The consultation period took place from 7 April until 9 May.
16. The document was made available on the Council website and was circulated widely to industry and business contacts within and outside of Marlborough. Council promoted the consultation through its media channels.

Response to the consultation

17. A total of 25 responses were received to the consultation.
18. Responses were received from a variety of sources including industry bodies, iwi, government organisations, business and individuals
19. The key points of the submissions have been summarised, with staff comments and any recommended changes to the strategy in Attachment 1
20. The recommended changes in the attachment are amendments to the draft strategy that was issued for consultation (Attachment 1). Reference is made in Attachment 1 to the specific locations of the changes to original text in the draft strategy.

Next steps

21. If approved, the document will be updated and professionally designed before being published on the Council website. Minor grammatical, formatting and layout changes may be required as part of this process which will be overseen by staff.

Option One (Recommended Option) – adopt recommended changes, adopt strategy

22. That the recommended changes to strategy are approved, document amended and final strategy adopted.

Advantages

23. That having had multiple opportunities for input for stakeholders, the strategy is ready to be adopted (with final recommended changes made).

Disadvantages

24. None.

Option Two – adopt strategy without incorporating recommended changes

25. That the strategy is adopted without incorporating any changes from the consultation.

Advantages

26. None.

Disadvantages

27. That submitters responses and suggestions to the public consultation are not taken into account in the final document.

Attachments

Attachment 1 – Summary of submissions, staff comments and recommended changes

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Attachment 2 – Draft Marlborough Economic Wellbeing Strategy 2022-2032 and Economic Wellbeing Strategy Bibliography (available on Council's website via the following link

<https://www.marlborough.govt.nz/your-council/meetings>)

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

Summary of decision-making considerations

Fit with purpose of local government

The proposal enables the community to provide comment on the draft Marlborough Economic Wellbeing Strategy 2022-2032 prior to its final adoption. The strategy will guide the work programme of Council's economic development team, and of other partners and industry.

Fit with Council policies and strategies

	<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"/>	✓

This proposal principally contributes to the economic development activity, and also to other activities of Council as described above.

Nature of the decision to be made

The options do not involve a significant decision in relation to land or a body of water.

Financial considerations

The strategy development has been budgeted for in economic development activity in 2022/2023 budgets.

Significance

The decision is considered of low significance under Council's Significance and Engagement Policy. The proposed consultation will be in the form as described in the report.

Engagement

Engagement has occurred with a range of stakeholders as described in the report.

Risks: Legal / Health & Safety etc

There are no known significant risks or legal implications.

Climate Change Implications

There are no known climate change implications to this decision.

MARLBOROUGH ECONOMIC WELLBEING STRATEGY 2022-2032 (EWS) – SUMMARY OF SUBMISSION POINTS

ITEM #	SUMMARY OF KEY SUBMISSION POINTS	STAFF COMMENTS	SUGGESTED ACTIONS
1	Wayne Jackson, Nelson Marlborough Institute of Technology		
1.1	Marlborough needs a productivity target required to match the NZ average	Marlborough (\$119,834 GDP per filled job) is above the NZ average productivity (\$114,782) when Taranaki region is removed (Taranaki, at \$157,096, is an outlier due to energy industry). Marlborough has a higher productivity economy with its current industry mix. Productivity improvements are suggested via technology adoption.	No changes to the document
1.2	Identify target areas to produce value growth from existing and new industries	MEWS focuses upon existing strengths, application of technology and new sectors	Add 'have a watching brief on emerging industries that can add value to the regional economy' to page 34 of the strategy
1.3	Identify key enablers	Agree. This work to be carried out in partnership with industries.	Add 'identify key enablers with industry and other stakeholders' to page 18 of the strategy
1.4	Identify operational framework and success metrics	Agree. Framework and many actions will require collaboration, so this will need to be developed with stakeholders.	Intent is acknowledged, no changes to the document
2	Kay Saville-Smith, CRESA		
2.1	Add the following sectors: Housing, building and construction, green technology, manufacturing design and metal fabrication	Acknowledged	Amend page 10 of MEWS to 'These are all very important topics that underpin the success of any strategy, however for the purpose of focus and clarity this strategy is focused specifically on building strength, productivity, and wellbeing in Marlborough's focus business sectors. <u>We acknowledge that there are other sectors that contribute to the regional economy.</u> '

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2.2	Long term, secure and affordable housing underpins regional development, recruitment and retention of skills. Key industries can assist by developing an integrated workforce and housing plan.	Affordable housing was raised as an issue in developing the strategy and is acknowledged. Council will continue to play its multi-dimensional role in supporting the provision of housing with other stakeholders. Council economic development will assist via the co-ordination of industry led responses.	Add 'Council will continue to play its multi-dimensional role in supporting the provision of housing with other stakeholders' to page 10 of the strategy
3	Bev James, Marlborough Sustainable Housing Trust		
3.1	Add the following sectors: Building and construction including residential development and green building design.	Acknowledged	Amend page 10 of MEWS to 'These are all very important topics that underpin the success of any strategy, however for the purpose of focus and clarity this strategy is focused specifically on building strength, productivity, and wellbeing in Marlborough's focus business sectors. <u>We acknowledge that there are other sectors that contribute to the regional economy.</u> '
3.2	The proposed strategy notes that housing availability and affordability is a wellbeing theme, yet this is not addressed at all in the strategy. This oversight will reduce the value and success of the strategy and action plan. A considerable body of international research shows the significant benefits that secure, affordable housing has for local economies and community wellbeing.	Affordable housing was raised as an issue in developing the strategy and is acknowledged. Council will continue to play its multi-dimensional role in supporting the provision of housing with other stakeholders. Council economic development will assist via the co-ordination of industry led responses.	Add 'Council will continue to play its multi-dimensional role in supporting the provision of housing with other stakeholders' to page 10 of the strategy' to page 10 of the strategy
4	Lexie O'Shea/Jane Murray, NMDHB Public Health Service		
4.1	NMH supports the proposed vision of the strategy, and pleased that the vision incorporates the core values of the Te Taihū intergenerational strategy NMH supports the focus of the strategy across various industries and Maori economy	NMH's support for the vision is acknowledged	Intent is acknowledged, no changes to the document
5	Corey Heberd, Rangitāne O Wairau Group		

ITEM #	SUMMARY OF KEY SUBMISSION POINTS	STAFF COMMENTS	SUGGESTED ACTIONS
5.1	Significant level of iwi engagement is required, and Council is reminded to consider ways in which it may foster the development of Māori capacity.	MEWS is intended as a region wide wellbeing document, including but not limited to Council's role. All stakeholders will need to be aware of supporting Māori capacity for engagement. Council is considering ways of supporting iwi capacity development.	Intent is acknowledged, no changes to the document
5.2	Considerable time, effort and energy was put into the development of the Te Taihu intergenerational strategy. We encourage Council to adopt outcomes, actions and measures in alignment with this strategy. It is unclear how the EWS will be monitored, and progress measured.	MEWS is aligned with the Te Taihu vision. Agree. Framework and many actions will require collaboration, so this will need to be developed with stakeholders.	Intent is acknowledged, no change to the document is required.
5.3	Consider how the EWS complements and connects to other regional plans, including Te Taihu and Marlborough Regional Workforce Plan	The need to connect to these plans is acknowledged	Intent is acknowledged, no change to the document is required.
5.4	Any growth of the Ocean Economy should be sustainable and that the Crown upholds its obligations to Te Tiriti O Waitangi	The MEWS includes recommendations for the aquaculture sector related to environmental monitoring, iwi involvement and government.	Intent is acknowledged, no change to the document is required.
5.5	Support for plans to enable Marlborough to improve its food resilience	Acknowledged	Intent is acknowledged, no change to the document is required.
5.6	Agri-tech automation may have negative impacts on more vulnerable workers including Rāngitane whanau and Māori leading to redundancies	The risk is acknowledged. The Marlborough Regional Workforce Plan references diverse opportunities for meaningful employment and equitable workplaces to support workers through the transition	Add 'support the Marlborough Regional Workforce Plan actions to enable training and equity in the workplace' to page 34 of the strategy
5.7	Concerned by the proposal to utilise the Kaihautū role to progress Māori business initiatives. Suggest a separate role or entity to deliver the proposed actions in this area.	Acknowledged	Remove 'For MDC to help stimulate support for Māori business through its Kaihautū position' from page 39 of the strategy. Council to consider position to support Māori business at a future date.
5.8	Encourage Council to collaborate with and support the Te Taihu Māori Business Network rather than recreate a Marlborough version.	Acknowledged	Amend 'A need for a central network for Māori businesses in Marlborough' by adding 'via the Te Taihu Māori Business Network' to

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			page 39 of the strategy
5.9	The EWS could better reflect housing challenges within the region. We would hope to see a key area of focus reflected in the Marlborough EWS.	Acknowledged	Amend page 10 of MEWS to 'These are all very important topics that underpin the success of any strategy, however for the purpose of focus and clarity this strategy is focused specifically on building strength, productivity, and wellbeing in Marlborough's focus business sectors. <u>We acknowledge that there are other sectors that contribute to the regional economy.</u> '
5.10	Investment and funding of initiatives will be required	EWS is intended as a region wide wellbeing document, including but not limited to Council's role. Accordingly, resources will be required from a range of stakeholders. Council increased its investment in economic development by \$100,000 in 2021/22 and may consider further investments as required.	Add 'Additional resources will be required from all stakeholders to enable the MEWS' to page 10 of the strategy
5.11	Ensure correct Te Reo translations and wording in the final document.	Agreed.	Required corrections to be made to the final version of MEWS
6	Brian Dawson, Business Trust Marlborough		
6.1	Corrections: <ul style="list-style-type: none"> - Business Network Marlborough should read 'BNI' - Northspur movie was 50% funded by Angel Investors Marlborough (AIM) (not 100% as stated) AIM is incorrectly stated as a partner in the Tech & Innovation Lab	Agreed	Page 11 (Methodology) – change 'Business Network Marlborough' to 'Business Network International (BNI)'. Page 29 – change '100%' to '50%' Page 33 – remove reference to 'Marlborough Angels' as a partner in the Tech and Innovation Hub project
6.2	Ambitious programme will require prioritisation and milestones	Agreed. Framework and many actions will require collaboration, so this will need to be developed with	Intent is acknowledged, no changes to the document

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		stakeholders.	
6.3	Expressed support for 'Screen and Creative' and 'Technology and Innovation' focus in the MEWS	Acknowledged	Intent is acknowledged, no changes to the document
7	Jessica Ettridge, Ministry of Social Development		
7.1	Include the Ministry of Social Development (MSD) as a key stakeholder to assist with workforce and talent development challenges. Mention flexible working options on the back of MSD work as part of the Smart and Connected (Labour and Skills) group.	Agreed. Flexible working is a project of the Labour and Skills group, which has a number of projects that are not itemised in the work programme as Council's role is to support the group.	Add 'MSD' to the partnerships column in the 'Workforce and Talent Development' section of the Economic Development Teamwork programme on page 16 of the strategy and in regional stakeholders on page 8
8	Cressida Bishop, Millennium Public Art Gallery		
8.1	Would like to see reference to the current Arts & Culture Strategy and welcome supporting an update. A regional review should also be reflective of reviews happening at national levels to keep the region connected and eligible for central govt./external funding.	Acknowledged	Will refer to MDC's current Arts & Culture Strategy and change the wording 'develop a Marlborough Strategy for the Arts & Culture to 'update the Marlborough Arts & Culture Strategy' on page 30
9	Belinda Jackson, Lawson's Dry Hills Winery		
9.1	Very supportive of an (updated) Arts & Culture Strategy for Marlborough – particularly with a view on music, attracting bands and suitable places for bands to perform. This would be beneficial for the entire economy and a great tourism attraction tool too.	Acknowledged	Update the wording on page 29 with: 'there are specific opportunities for the music sector to develop, including spaces for musicians to perform and attracting bands to Marlborough'
9.2	Re. developing a film sector very supportive particularly getting education here for roles/jobs in screen & arts for young people	Acknowledged	Update wording of Screen & Creative industries on page 30 – bullet 1) 'there is huge potential for young people's training and education in the region for screen sector'
10/ Ref220512644	Kees van der Linden, Habitation		
10.1	Refers to 'my submission attached' but missing attachment	Sent an follow-up e-mail, no response	No change to document

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11/ Ref220514128	John Inder		
11.1	The report only mentions Climate Change in passing on the effects of the ocean warming on the aquaculture industry.	Acknowledged	Include the following mention on page 10: 'MDC acknowledges that the Natural environment and biodiversity are of vital importance to the future wellbeing of the Marlborough region. It is not possible to silo the 'Taio': it is the natural environment which constitutes a vital part of the regional economy and on which our human wellbeing depends'. Climate change is a threat to the future wellbeing of the planet. MDC's economic development team will continue to actively work with industry on improving sustainability through change and risk mitigation.'
11.2	A cycling revolution in the region – 'make Marlborough the cycling town of the SI or New Zealand. Good for Tourism and the planet.	Acknowledged. This is not a specific topic for the MEWS but it is referred to in the Destination Marlborough Management plan	Intent is acknowledged, no changes to the document
11.3	Get the cycleways between Nelson and Kaikoura finished	Acknowledged. This is not a topic for the MEWS but it is referred to in the Destination Marlborough management plan	Intent is acknowledged, no changes to the document
12/ Ref220515217	Cathie Bell/Nikki de Reeper, Feast Marlborough		
12.1	Low hanging fruit – economic wellbeing – connections with other regions to help the flow of ideas and capital for initiatives	Acknowledged	Intent is acknowledged, no changes to the document
12.2	Low hanging fruit - environmental wellbeing – local opportunities value extraction and circular economy initiatives. Potential in waste minimisation/reutilisation space. MDC's solid waste team should be encouraged to do more.	Acknowledged: An Energy & Waste strategy is mentioned in the document on page 23	Intent is acknowledged, no changes to the document
12.3	Low hanging fruit – social-cultural wellbeing – lots of great programmes in other regions that could be adapted here.	Acknowledged	Intent is acknowledged, no changes to the document

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12.4	Attachment submission on Food sector: Feast Marlborough supports the overall vision for the Strategy. Feast Marlborough also endorses the importance of the interconnectedness of the four well-beings.	Acknowledged	Intent is acknowledged, no changes to the document
12.5	The strategy lacks recognition of the importance of food and its role in the four well-beings – it wasn't engaged with as part of council's wellbeing strategy draft and hasn't been offered a Smart+Connected group	Acknowledged	Add the following to page 18/19: MDC's Economic Development Team is keen to engage and work with Marlborough's Food Producers and further investigate how to include Marlborough Food Producers in the wider 'Food & Fibre' Economic Focus sectors. The Food & Fibre' umbrella-name would align MEWS with MPI's terminology. The purpose would be inclusive and collaborative programme-platforms to support the various sub-sectors (wine & viticulture, food, aquaculture, forestry).'
12.6	Suggestion that Council's staff is limited and has been impacted by Covid	MDC economic development have extra resources since Covid: \$ 100K per annum for innovation & technology and an extra FTE – there are resources for engagement and structured support for the Marlborough Food Producers they have been identified as one of Marlborough's key Economic industries contributing highly to the regions wellbeing.	No changes to the document
12.7	Feast Marlborough wishes to speak with MDC and organise a Food Hui with EatNZ CEO Angela Clifford – budget should be provided by MDC. Hui in Chch revealed initiatives that could be followed by Marlborough to create a vibrant, thriving & sustainable food sector in Marlborough & across the country.	Acknowledged and MDC is willing to have a meeting with Feast and EatNZ to look at the opportunity of supporting such a Food Hui for Marlborough	Intent is acknowledged, no changes to the document
13/ Ref2205155558	Thomas Powell, Climate Karanga Marlborough		
13.1	Acknowledgement at front and centre of the Economic Wellbeing Strategy document of the natural environment and biodiversity as vital to the wellbeing of Marlborough	Acknowledged	Include the following mention on page 10: 'MDC acknowledges that the Natural environment and

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			biodiversity are of vital importance to the future wellbeing of the Marlborough region. It is not possible to silo the 'Taio': it is the natural environment which constitutes a vital part of the regional economy and on which our human wellbeing depends'. Climate change is a threat to the future wellbeing of the planet. MDC's economic development team will continue to actively work with industry on improving sustainability through change and risk mitigation.'
13.2	Recognition of climate change as an immediate challenge for all seven Focus sectors in the economy with a clear, long-term strategy for both prevention and planning for the impacts of 'big weather events' such as flood, fire and land subsidence	Council has emergency plans in place and will continue to play a multi-dimensional role in supporting the provision of fire, emergency and other big weather events with other stakeholders in the region. Council EDTeam will assist via the co-ordination of responses for businesses and industry.	Intent is acknowledged, no changes to the document
13.3	A detailed strategy for reducing energy consumption and carbon emissions as part of the economic development strategy for 2022-2032	Agreed that the relevant council plans should be included in the strategy	Add Marlborough Environment Plan, Marlborough Regional Policy Statement and Management plan under the Resource Management on page 6 of the MEWS
13.4	A plan for ongoing, overt, well publicised and accountable consultation with all groups in the Marlborough community who play part in the economy of the region	Acknowledged. Council supports collaboration within the region through Smart+Connected and other groups.	Intent is acknowledged, no changes to the document
14	Johny O'Donnell, O'D&Co		
14.1	Commends MDC with the strategy in particular the alignment with the Te Tauihu Intergenerational Strategy and the links to wellbeing and in alignment with the govt. wellbeing agenda	Acknowledged	Intent is acknowledged, no changes to the document
14.2	Re. Aquaculture – important sector for our region and recognised in the Te Tauihu Strategy – consider referring to it as the 'Blue Economy'	Acknowledged	Replace title Chapter 7.1 on page - 20/-21- with 'Aquaculture - The Blue Economy'

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14.3	Re. Blue Economy - Also clearly align with Nelson/Tasman region and not only align with regional view of tangata whenua in the region and the importance of the connection	MEWS includes a recommendation to work with NRDA on the Oceans Economy	Intent is acknowledged, no changes to the document
14.4	Re. Blue Economy - As part of the blue economy specifically mention the opportunity of the potential of 'the blue carbon' economy – unlock the potential of blue carbon in a way that rapidly improves NZ's carbon position and our knowledge economy exports	Acknowledged	Intent is acknowledged, no changes to the document
14.5	Re. Forestry – supports the commentary around driving greater productivity and add value.	Acknowledged	Intent is acknowledged, no changes to the document
14.6	Re. Forestry - Have the courage to acknowledge the detrimental effect of forestry sector on biodiversity – therefore suggest a more mature approach to regenerative native forestry. MDC to form a position together with the sector and support the national conversation around regenerative future of forestry. Suggest to research 'Dame Anne Salmonds 'close-to-nature-practises' which is aligned with Te Ao Maori view – protecting & sustaining nature by working with it rather than against it.	Acknowledged	Include on page 28- to actions & programmes: 'Investigate the regenerative native forestry opportunity with stakeholders'
14.7	Re. Forestry - Suggests the economic aspects of forestry are only one aspect, further acknowledge the wider societal cost of forestry on ecosystems and regional infrastructure.	Acknowledged	Include on page -28- to actions & programmes: 'Will review how forestry narrative can be revised so it also links back to wellbeing factors of the region'
14.8	Re. Screen – Creative Sector underpinning force across all key economic drivers – encourage to think as a cornerstone of future economic development	Acknowledged	Include: 'It is important to acknowledge the importance of Creative Industries as cornerstone of future economic development in the region' on page 29
14.9	Re. Screen/Creative – Marlborough ranks poorly on infometrics Creativity index – 35 th of the national creativity index with just 2.3% of the workforce retaining in the Creative Sector – turn this around and be aligned with the TTI strategy and the work Nelson/Tasman are doing.	Noted. MEWS includes recommendations for the Creative Industries	Intent is acknowledged, no changes to the document
14.10	Re: Screen - Unlocking the potential of the Creative Sectors in Marlborough will require unprecedented levels of collaboration & coordination across the sector – this requires proper resourcing by MDC & community as a whole	Noted. MEWS includes recommendations for the sector and will require collaboration & contributions from public & private sectors	Intent is acknowledged, no changes to the document
14.11	Re. Food & Fibre – submit that Food & Fibre is a useful umbrella term for both forestry, viticulture, wine & food industries – to align with MPI's roadmap 'Fit for a better world' report 2020.	Acknowledged & agree to make a clear link	Include the following to page 18/19: 'The EDTeam is keen to engage and work with Marlborough's Food

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			Producers and further investigate how to include Marlborough Food Producers in the wider 'Food & Fibre' Economic Focus sectors. The Food & Fibre' umbrella-name would align MEWS with MPI's terminology. The purpose would be inclusive and collaborative programme-platforms to support the various sub-sectors (wine & viticulture, food, aquaculture, forestry)'.
14.12	Re. Māori economy – commend the report.	Acknowledged	No changes to the document
14.13	Re. Māori economy – large% of population in Marlborough identify as Māori and interestingly median age is 26.8 years as opposed to national median of 45.5 years – massive opportunity for retention/attraction young people in Marlborough	Acknowledged	Add under background & context page -37- 'An interesting statistic for Marlborough is that the median age of Marlborough's Maori population is 26.8 years as opposed to the national median of 45.5 years. This offers an excellent opportunity for retention/attraction of young people in the region.'
14.14	Re. Māori Economy - Expand on and leverage the work the Te Taihū Marlborough Business network is doing – free to join and supports 100 businesses in Nelson/Tasman & Marlborough already.	Acknowledged	Amend 'A need for a central network for Māori businesses in Marlborough' by adding 'via the Te Taihū Māori Business Network' to page 38 of the strategy
14.15	Re. Māori Economy – warning not to blur the lines between the Kaihautū Māori within MDC – the positions should collaborate but they are two distinctively different roles. Also: suggest more alignment with tangata whenua and the Maori economy	Acknowledged	Remove 'For MDC to help stimulate support for Māori business through its Kaihautū position' from page 38 of the strategy. Council to consider position to support Māori business at a future date.
15	Hannah Lamb, Marlborough Food Collective		
15.1	Create a Marlborough Food Producers Collective so the Marlborough Food Producers can collaboratively work on challenges & opportunities, mitigate risks, environmental impact and improve sustainability. The collective could also be utilized	Acknowledged - MDC has had several meetings with Hannah about a potential collective and is happy to help drive this forward	Add the following to page 18/19: 'The ED Team is keen to engage and work with Marlborough's Food Producers and further investigate

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	<p>as a regional emergency planning group, an environmental research group and finally will collate legislative information from the sector. The Food Producers collective needs to be producer-led, not-for-profit – selling directly to consumers. Farmers are not included in the food-producers collective since they are well covered through other groups (Primary producers Forum/Federated Farmers). The group aims to shorten the supply chain, be a unified voice and create new opportunities for small artisanal producers.</p>		<p>how to include Marlborough Food Producers in the wider 'Food & Fibre' Economic Focus sectors. The Food & Fibre' umbrella-name would align MEWS with MPI's terminology. The purpose would be inclusive and collaborative programme-platforms to support the various sub-sectors (wine & viticulture, food, aquaculture, forestry)."</p>
15.2	<p>Seek funding for R&D to set up the collective, funding for meetings and workshops and financial support in forming the collective as a trust covering costs & legal fees.</p>	Acknowledged	<p>Add the following to page 18/19: 'The ED Team is keen to engage and work with Marlborough's Food Producers and further investigate how to include Marlborough Food Producers in the wider 'Food & Fibre' Economic Focus sectors. The Food & Fibre' umbrella-name would align MEWS with MPI's terminology. The purpose would be inclusive and collaborative programme-platforms to support the various sub-sectors (wine & viticulture, food, aquaculture, forestry).'</p>
15.3	<p>It is specifically mentioned that the R&D and workshops should all be food-producer only meetings and industry-led</p>	Acknowledged	<p>Add the following to page 18/19: 'The ED Team is keen to engage and work with Marlborough's Food Producers and further investigate how to include Marlborough Food Producers in the wider 'Food & Fibre' Economic Focus sectors. The Food & Fibre' umbrella-name would align MEWS with MPI's terminology. The purpose would be inclusive and collaborative programme-platforms to support the various sub-sectors (wine & viticulture, food, aquaculture,</p>

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			forestry).’
15.4	Identifying & acknowledging role each stakeholder plays to enable the sector to strengthen and unify. Marlborough’s key stakeholders in Food & Fibre sector: MDC, DM, MPI, MBIE, Marlborough Business Trust, Feast Marlborough	Acknowledged.	Add the following to page 18/19: The ED Team is keen to engage and work with Marlborough’s Food Producers and further investigate how to include Marlborough Food Producers in the wider ‘Food & Fibre’ Economic Focus sectors. The Food & Fibre’ umbrella-name would align MEWS with MPI’s terminology. The purpose would be inclusive and collaborative programme-platforms to support the various sub-sectors (wine & viticulture, food, aquaculture, forestry).’
16	Brad Chandler, MPI Tasman Forestry		
16.1	In favour of all initiatives & actions as described for the Forestry industry – questions if there are people in place to drive this work to ensure it happens since it deserves all the drive & energy it can in order to achieve the future goals	This is a strategy for the region and once the strategy has been finalised we’ll go through a democratic process of prioritizing and identifying projects & project groups. The vehicle for this process is the Smart+Connected Forestry Group as well as MFIA & Industry	Intent is acknowledged, no changes to the document
17	Karen Villarroel, Wholefood Marlborough		
	Acknowledgement of receipt and appreciation of the communication and contact. Discussing and sharing the draft strategy with food producers	Acknowledged	Intent is acknowledged, no changes to the document
18	Vern Harris, MFIA		
	Identify the author of the Māori Economy report in the actual strategy	Noted and the author of the report is mentioned in Chapter 7.7 on page 38	Intent is acknowledged, no changes to the document
19/ REF220506050	Melissa Macfarlane		

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19.1	Replace “balanced” in the Vision to “fuelled by”. In that we can focus on the latter two to improve the first.	The vision was a culmination of the workshops and was carefully considered and aligned to the central government wellbeing framework. We agree that the vision could be part of the ongoing review as we develop and enhance the strategy.	Intent is acknowledged, no changes to the document
19.2	Wellbeing and lifestyle should be added as an area of focus industry. Worth \$1.5 trillion internationally and we could be ahead of the curve in this new work life blend	MEWS focuses upon existing strengths and areas where we see the best return for economic wellbeing, the focus areas should be subject to review and addition based on effectiveness and agreed measures	Add 'have a watching brief on emerging industries that can add value to the wellbeing of the regional economy' to page 34 of the strategy
19.3	Do not constrain the tech and innovation sector for Agritech alone	Acknowledged and agreed. The strategy intent is that tech and innovation is across all sectors	Intent is acknowledged, no changes to the document
19.4	Turbocharge the activation by combining the existing business services providers into a single entity and working from a new centralised techhub	Business service providers are currently working closely and will continue to collaborate for the benefit of the region. Currently we cannot commit organisations outside of council control to action items. The techhub is under development with the business case going through Council	Intent is acknowledged, no changes to the document
20/ REF220514917	Steph Hopkins, Aquaculture New Zealand		
20.1	The document is well-conceived and has a good balance of content. Council could consider summarising the tables on pages 14-17 that set out the work programme of the Economic Development Team and clarifying their relevance, as it is not clear how the ongoing activities will intersect with the actions arising from this Strategy	Agreed. Change the last column in the ED actions so that it links into the relevant section/action items of the MEWS	Update the table on page 14-17 to connect to the action items in the MEWS
20.2	In addition to the Council's Long-Term Plan, the Strategy should also reference and reflect the Marlborough Regional Policy Statement and Management Plans prepared under the Resource Management Act. For example, the Marlborough Environment Plan (including the draft aquaculture provisions) is a key regional policy and planning instrument that shapes how the region will manage its activities and environment.	Agreed that the relevant council plans should be included in the strategy	Add Marlborough Environment Plan, Marlborough Regional Policy Statement and Management plan under the Resource Management on page 6 of the MEWS

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20.3	We encourage MDC to engage thoroughly with aquaculture businesses, supporting industries, the Marine Farming Association and Aquaculture New Zealand, to garner views before finalising the Strategy.	We expect the strategy to be a living strategy and we will continue to engage to ensure the action plan is relevant for industry. While this report will be finalised the review process will allow for the continued feedback from industry	Intent is acknowledged, no changes to the document
20.4	Will the strategy be broadened to include other Marlborough marine economic activities	The MEWS mentioned in the background and context “As a next step we recommend broader industry workshops including participants from the Port, Marinas, Maritime Transport/ferries, vessel repair and technology businesses, yachting companies, coastal tourism, inshore and open ocean aquaculture, and inshore and deep-water commercial fishing companies”	This should be added to the action items on page 23 “The ED Team as part of the review of the Smart and Connected programme reach out to broader industry workshops including participants from the Port, Marinas, Maritime Transport/ferries, vessel repair and technology businesses, yachting companies, coastal tourism, inshore and open ocean aquaculture, and inshore and deep-water commercial fishing companies”
20.5	The Benje Patterson People and Places Report should be referenced.	Agree this should be added as a reference to the Relevant reports/materials	MEWS document to be updated on page 23 with a reference to the Benje Patterson People and Places report
20.6	Rewording the current state of affairs to reflect the implication currently that growth ambitions puts pressure on the environment and if EWS endorses and supports the Government’s Aquaculture Strategy goals and outcomes	Agree we need to change the wording to reflect that growth does not necessarily mean pressure on the environment MEWS strategy is an industry strategy and the position on the Government’s Aquaculture strategy and will come from the industry	Remove “growth ambitions puts pressure on the environment” on page 21.
20.7	Regarding the Opportunities section, the first paragraph is confusing and appears to question the industry’s sustainability: “the industry would benefit from a coordinated approach across all stakeholders. The introduction of a sustainable management regime for the aquaculture sector might help fulfil its potential, contribute to the economy...”. It is unclear what ‘integrated approach’ and ‘regime’ are needed? Aquaculture is sustainably managed by the Council under the Resource Management Act;	Agree there is no need to introduce a new regime if there is already one in place.	Change the wording on page 21 to “The full adoption of the existing sustainable management regimes including but not limited to the AQNZ administered A+ Sustainable Management programme or the Marine Farming Association Environmental programme might

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	the industry are participants of the Marine Farming Association's Environment Programme and the AQNZ-administered A+ Sustainable Management Programme; and individual companies may have international third-party certification.		help...."
20.8	The list of opportunities on page 22 could be further refined with industry input at a future workshop. There is a range of feedback on the opportunities for the sector	Agree with this and we have mechanisms in place for the industry to develop and refine these opportunities	Intent is acknowledged, no changes to the document
20.9	Significant levels of iwi engagement is required, and Council is reminded to consider ways in which it may foster the development of Māori capacity.	MEWS is intended as a region wide wellbeing document, including but not limited to Council's role. All stakeholders will need to be aware of supporting Māori capacity for engagement. Council does have in its workstream to foster development of Māori	Intent is acknowledged, no changes to the document
20.10	The list of actions and programmes is a great start and may be refined following discussion with industry representatives. Further scoping and prioritisation might be needed to stage the timing and efforts to deliver. Is it the intent that the ownership of these actions falls to the Smart+Connected Forum for implementation and monitoring?	MEWS is a regional wide strategy based on regional collaboration. Where appropriate the ED team will support and facilitate the action items. As it's an industry group supported by council it will be up to the Smart and Connected Forum to decide on which action that they will take on and where the ownership sits.	Intent is acknowledged, no changes to the document
20.11	If the Strategy is to focus on Marlborough's 'Ocean Economy', it should be supported by improved science and data collection by both Marlborough District Council and marine industries. The OECD recommends collaboration between ocean science and ocean industry and improved marine data collection/dissemination as actions that should boost economic activity and contribute to sustainable use and conservation of marine environment ⁶ .	Agree with this and the action items already include digital connectivity, environmental monitoring and bringing our science and research community together with industry	Intent is acknowledged, no changes to the document
20.12	Improved Council environmental monitoring should consider integrated, catchment-wide approaches and novel tools to give us greater understanding of the marine ecosystem as a whole, rather than focussing on marine-farm level effects monitoring. The Marlborough aquaculture industry have been leaders in environmental monitoring for decades and there is already a considerable body of knowledge on the effects of aquaculture	Agree with this and the action items already include digital connectivity, environmental monitoring and bringing our science and research community together with industry	Intent is acknowledged, no changes to the document

ITEM #	SUMMARY OF KEY SUBMISSION POINTS	STAFF COMMENTS	SUGGESTED ACTIONS
20.13	Threats including climate change should be included in the action list as a priority for collaborative research and effort to build resilience across the Ocean Economy. Council could play a central role to facilitate this work.	MEWS does need to acknowledge the threat of climate change on our economic wellbeing consider developing with regional stakeholder's action plans to counter the threat of climate change	Add an action item under the focus sectors Change the wording to Include the following mention on page 10: 'MDC acknowledges that the Natural environment and biodiversity are of vital importance to the future wellbeing of the Marlborough region. It is not possible to silo the 'Taio': it is the natural environment which constitutes a vital part of the regional economy and on which our human wellbeing depends'. Climate change is a threat to the future wellbeing of the planet. MDC's economic development team will continue to actively work with industry on improving sustainability through change and risk mitigation.'
21/ REF220515263	Stewart Maclennan		
21.1	Concern re the lack of innovation in the way the wine industry works leading to burnout	MEWS is encouraging innovation to improve productivity, a strong brand and industry to provide living wages and good pathways for careers	Intent is acknowledged, no changes to the document
22/ REF220515689	Ned Wells, Marine Farmers Association		
22.1	Introducing further background information on the Oceans Economy that demonstrates the innovative and sustainable nature of the industry and includes a typo for Marine Farming Association	Agree to be included	Report to be corrected on page 21 with further background information
22.2	Employment in the sector is primarily located in Havelock and Picton, with processing plants also located in Riverlands and Cloudy Bay Industrial Park". It is important to recognise that aquaculture also supports a number of rural communities in Marlborough, for example Rai Valley.	EWS refers to the primary locations and realises the importance for of the sector for the total region	Intent is acknowledged, no changes to the document
22.3	"The growth ambitions within the industry are creating pressure on the environment". What is this statement based on? There is no evidence to suggest that the current industry is having a widespread negative effect on the environment. With the	Agree we need to change the wording to reflect that growth does not necessarily mean pressure on the environment	Remove "growth ambitions puts pressure on the environment" on page 21.

ITEM #	SUMMARY OF KEY SUBMISSION POINTS	STAFF COMMENTS	SUGGESTED ACTIONS
	exception of the Blue Endeavour open ocean application, there is no significant 'new space' being sought in Marlborough.		
22.4	The focus, set at a national level and shared locally, is to make the industry more sustainable, productive, resilient, and inclusive". These are tenets of the Government Aquaculture Strategy – is the national strategy endorsed by MDC?	EWS strategy a regional position on the Governments Aquaculture strategy	No action as it is included in a collaboration work
22.5	The granting of open ocean salmon space in Marlborough does not mean the existing Sounds farms will be followed.	Agree with the feedback.	Comment in brackets (Marlborough Sounds fish production is expected to reduce but continue for some time) on page 22 to be removed.
22.6	The development of seaweed aquaculture and an Ocean Tech hub have the potential to deliver positive economic and environmental outcomes in the Marlborough District. MDC should enable these burgeoning sectors through supportive policy that inspires investment confidence.	EWS has several streams to improve collaboration and working on plans that inspire investment confidence. This is a regional strategy not a MDC strategy. There is a well-established process for assessing the environmental effects of any new activity on land and water via the resource management plans	Intent is acknowledged, no changes to the document
22.7	Iwi are already well established in the Top of South aquaculture industry. MDC needs to work closely with both Iwi and Central Government to ensure that future aspirations can be realized	EWS mentioned all parties working with both Iwi and Central Government to this objective	Intent is acknowledged, no changes to the document
22.8	"The introduction of a sustainable management regime for the aquaculture sector might help fulfil its potential". This statement should be qualified or deleted. What are the mechanics of the proposed regime and how would they interact with the Resource Management Act or its successor?	Agree there is no need to introduce a regime if there is one in place	Change the wording on page 21 to "The full adoption of the existing sustainable management regimes including but not limited to the AQNZ administered A+ Sustainable Management programme or the Marine Farming Association Environmental programme might help...."
22.9	We support the list of proposed 'Actions & Programmes'; however, it would be worth reviewing this list as part of the broader industry consultation.	MEWS includes continued industry consultation	Intent is acknowledged, no changes to the document
23	Marcus Pickens, Wine Marlborough		
23.1	Include the iwi research with the listing of the Iwi tribes and other working in the document for consistency including the wellbeing themes. Consistency around the use of EDT and EDTeam. Missing 7.7 in the focus sectors	Improves the reading of the document	Amend paragraph order in the summary and ensure wellbeing themes on page 5 and 10 are consistent. Update page 20 to include Maori economy and fix the

ITEM #	SUMMARY OF KEY SUBMISSION POINTS	STAFF COMMENTS	SUGGESTED ACTIONS
			consistency in the document with regards to ED and EDTeam
23.2	Summarise the actions on the executive summary that will improve the economic wellbeing in Marlborough	Agreed	Update the executive summary to reflect the actions that will improve the economic wellbeing
23.3	Improvement in the vision statement	The vision was a culmination of the workshops and was carefully considered. As it is now a wellbeing strategy aligned to the central government wellbeing framework	Intent is acknowledged, no changes to the document
23.4	Include Wine Marlborough in the regional stakeholders list	ED Team have said that the list is flexible	Include Wine Marlborough Marine Farming Association, Smart and Connected groups in the list on page 8
23.5	Bullets points in actions to be numbered to allow for referencing	ED Team agrees with this feedback	Amend the document so the actions are numbered
23.6	Wine Industry sales were down due to supply constraints, the food and wine was cancelled due to safety concerns posed by Covid. Issues with the data in the report. At least 80% of export wines are grown in Marlborough. Include Marlborough Growth Forecast 2020 in relevant reports/materials.		Update the wording on page 35 'At least 80% of New Zealand's export wines are grown in Marlborough'. Update page 36: Relevant reports/materials – add 'Marlborough wine growth forecast 2020'
23.7	We could also add the new development of the MRC extension to be called the NZ Wine Centre is a real asset to Marlborough and to this campus....in fact it may be worth itemising this - great industry collaboration happens on this site with WM, BRI, SWNZ, Plant & Food Research, NMIT wine school. It's a hectare of intense knowledge and powerful ideas.	Te Whare a Waina / New Zealand wine centre is a very important development for the industry and one that should be acknowledged and supported	Add "support the development of the Te Whare a Waina / New Zealand wine centre" to the action items on Page 37
23.8	Maybe this is broader than just RSE accommodation and needs to include RSE and other housing availability/demand?	As per page ten the MEWS is focused on the business sectors, zoning for housing demand is a core function of MDC work	Intent is acknowledged, no changes to the document
23.9	Add Marlborough Growth Forecast 2020 to the relevant report section	Agreed	Add Marlborough Growth Forecast 2020 to the relevant report section on page 37
23.10	Two Smart and Connected industry groups for wine	Agreed	Intent is acknowledged, no changes to the document

ITEM #	SUMMARY OF KEY SUBMISSION POINTS	STAFF COMMENTS	SUGGESTED ACTIONS
24/ REF220509625	Aine O 'Neil		
24.1	Increasing conversations with iwi at the early stages of planning. A strong focus on the environmental wellbeing can support improving Social-Cultural wellbeing and deliver economic wellbeing	Agreed. The MEWS encourages more collaboration with iwi – this is a key part of improving economic wellbeing	Intent is acknowledged, no changes to the document
24.2	Perhaps there is an opportunity to tie in with cross cutting matters pertaining to climate change adaptation (and the opportunities it presents) across all sectors as the environmental benefits are likely to be realised sooner with a collective approach	Agreed – Climate Change needs to be a focus across all sectors	Include the following mention on page 10: 'MDC acknowledges that the Natural environment and biodiversity are of vital importance to the future wellbeing of the Marlborough region. It is not possible to silo the 'Taio': it is the natural environment which constitutes a vital part of the regional economy and on which our human wellbeing depends'. Climate change is a threat to the future wellbeing of the planet. MDC's economic development team will continue to actively work with industry on improving sustainability through change and risk mitigation.'
24.3	Supporting central government through current and future planning to deliver aquaculture settlement obligations to iwi. Focus on infrastructure needs to support the reduction of waste to landfill. Fore example, the aquaculture industry has developed a report with the Sustainable Business Network and MPI on reducing plastics in aquaculture. It would be great if council identified ways it could support the findings and outcomes of the report which are applicable for many sectors. Report available at https://www.mpi.govt.nz/dmsdocument/41124-Tackling-plastic-waste-in-NZ-aquaculture-FINAL-Opportunities-Report This should be viewed as a 'Marlborough challenge – not one for individual companies to solve.	Agreed. MEWS has a recommendation to create a waste and energy strategy for the region. This report and the recommendations should be included in the references and assessed for potential actions.	Report to be added to the reports/additional material on page 23
24.4	Focus on the MEP (Marlborough Environment Plan) to allow on farm innovation to enable the integration of more circular thinking. For example, waste capture mechanisms in salmon or integration of multi tropic species such as seaweeds.	Agree – the MEWS will now include reference to the MEP	Add reference to the MEP to the MEWS on page 12

ITEM #	SUMMARY OF KEY SUBMISSION POINTS	STAFF COMMENTS	SUGGESTED ACTIONS
24.5	Through good policies and conditions in the MEP, better enable Innovation to maximise the use of current marine space with a specific focus on improving retention and survival for mussel aquaculture. Help and support farms innovation into high value species, innovative products and new mechanisms of farming including Open Ocean Aquaculture. Develop communication around aquaculture and the many Environmental Social Governance (ESG) benefits the industry provides. Work with iwi and central government to support a sustainable future salmon industry structure.	Agree – the MEWS sets out this feedback in the opportunities and action plan in the Aquaculture sections	Feedback acknowledged with no change to the document
25/ REF220509553	Brendon Burns		
25.1	I understand the focus of the strategy are sectors which use land and sea but tourism will continue to be a major industry and contributor to our community's wellbeing. One example of this is cultural tourism. As the landing and settlement site of our first peoples, the Wairau Bar area will, I believe, increasingly become a major attraction to both New Zealand and overseas visitors	Acknowledged – Tourism is an important part of the Marlborough economy and the future directions for tourism will be covered by the Destination Management Plan by Destination Marlborough.	Feedback acknowledged with no change to the document
25.2	While there are references to climate change and its impacts in the strategy, given its increasingly profound impact, we need to put it front and centre of our focus. Climate change may, for instance, make our sauvignon blanc less appealing; it could mean pinus radiata is no longer feasible to plant. Both these would have enormous consequences for our economic wellbeing and needs to be reflected. Additionally, while it is not Council's task, our iconic and unique wine brand is, I believe, being undermined by now having more than half our exports done in bulk and often lower quality formats.	Agreed – Climate Change needs to be a focus across all sectors	Include the following mention on page 10: 'MDC acknowledges that the Natural environment and biodiversity are of vital importance to the future wellbeing of the Marlborough region. It is not possible to silo the 'Taio': it is the natural environment which constitutes a vital part of the regional economy and on which our human wellbeing depends'. Climate change is a threat to the future wellbeing of the planet. MDC's economic development team will continue to actively work with industry on improving sustainability through change and risk mitigation.'
25.3	Like many organisations, Council needs to rethink its approach. This is a question to address and work through with iwi in a setting and context they provide	The MEWS mentioned all parties working with both iwi and Central Government to this objective. MDC also has workstreams outside of the MEWS	Feedback acknowledged with no change to the document

ITEM #	SUMMARY OF KEY SUBMISSION POINTS	STAFF COMMENTS	SUGGESTED ACTIONS
		to improve collaboration.	
25.4	<p>The elephant in the wine cellar are bulk exports, now accounting for more than half our sauvignon blanc. Often this wine is sold under supermarket/generic brands at prices considerably lower than premium bottled wine. I fear that these risks are exposing consumers to lesser quality wine which then becomes a black mark on Marlborough sauvignon blanc, including better quality, bottled wine.</p> <p>Chile and other major producers continue to try and produce sauvignon blanc that tastes like ours. Our lower quality wine may be helping them. We should also be aware of bio-security risks. We've just beaten MBovis as a nation but sometimes the bugs win.</p>	<p>This is an important topic for the industry to consider and should be tackled through collaboration and the industry workshops</p>	<p>Feedback acknowledged with no change to the document</p>

7. Regional Events Update

(Clr Croad) (Report prepared by Samantha Young)

E100-002-011

Purpose of Report

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

Executive Summary

2. Following the move to the 'Orange' Covid traffic light setting and the subsequent lifting of restrictions on events, organisers are feeling much more positive about the future for the sector.
3. Marlborough is no longer seeing the level of event cancellations and postponements that it was experiencing in the first six months of the year.
4. The 2021/2022 Commercial Events Fund is complete with \$42,900 approved across four events in the final funding round of the year.
5. The 2021/2022 Sport & Recreation Community Activity Fund is complete with \$38,529.26 approved across eight events.
6. Marlborough hosted one of the first large sporting events in New Zealand since Covid event restrictions were lifted welcoming the Saint Clair Vineyard Half Marathon on Saturday 7 May 2022.
7. Printed and digital versions of the Marlborough Winter Events Guide showcasing events taking place around the region between 1 June and 31 August 2022 has been released and promoted via multiple channels to Marlborough, Nelson, Christchurch/Canterbury and Wellington.

RECOMMENDATION

That the information be received.

Background/Context

8. The Regional Events Advisor role supports the development of the events sector in Marlborough to ensure it maximises the economic return to the region, guided by the Regional Events Strategy. The main activities carried out by the Advisor include:
 - Development, management and implementation of the Regional Events Strategy
 - Marlborough Follow-ME events calendar, printed & digital collateral and social media platforms
 - Managing the Commercial Events Fund and assisting its sub-committee
 - Identifying and executing Bid opportunities
 - Supporting and advising regional event managers

Marlborough Events Update

9. **General Overview**
 - Following the move to the 'Orange' Covid traffic light setting and the subsequent lifting of restrictions on events, organisers are feeling much more positive about the future for the event sector. They are aware however that there are a number of potential challenges ahead including:
 - Sourcing staff and volunteers

- Supplier availability
- Compacted event calendar for 2022/2023
- Consumer hesitancy
- Funding availability (including sponsorship)

- Discussions and site visits are underway with regional event organisers regarding potential use of the new Taylor River Landfill Park and the opportunities it presents to Marlborough events.
- Council's Regional Events Advisor is working with a number of local event organisers on potential new large events including indoor and outdoor music concerts, adventure races and food/beverage events. Discussions are also underway (in partnership with Nelson Regional Development Agency (NRDA)) on a proposal that could see a number of outdoor music events come to the Top of the South.
- Marlborough's events calendar is thankfully no longer seeing the large level of cancellations or postponements that it has been experiencing over the last 6 months.
- A face-to-face quarterly event managers meeting hosted by Council's Regional Events Advisor will be held in June - due to the attendance levels at these meetings and the Covid restrictions in place, this will be the first in-person meeting since March 2020.

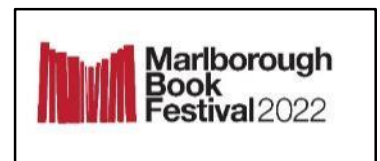
10. **Saint Clair Vineyard Half Marathon 2022**

- This event was held on Saturday 7 May 2022, just six weeks after the Covid restrictions were lifted for large outdoor events.
- Entry numbers this year were lower compared to previous years but that was expected given the uncertainty around whether the event could go ahead.
- Organisers reported a number of participants registered for the 21km half marathon swapped to the 12km due to Covid and lack of training.
- Organisers have received amazing feedback with a number of people thanking them for going ahead with the event when so many others had cancelled.
- This event received funding through Council's Commercial Events Fund. The organisers will be providing a full post-event accountability report within three months of the event taking place.



11. **Marlborough Book Festival 2022**

- This event will be held from 7 to 10 July 2022.
- Due to funding received through Council's Commercial Events Fund, the event has expanded from three to four days with more capacity made available at the sell-out opening gala evening as well as additional sessions added. This will hopefully encourage attendees from out of town to increase the number of nights they stay in the region.



12. **Commercial Events Fund**

- This contestable fund is open to organisers of commercial events that create economic benefits to Marlborough by increasing visitation to the region. Community events, conferences, conventions, trade shows and exhibitions are not eligible
- The budget for the 2021/2022 fund is \$130,000
- There are two rounds per annum. Round 1 was completed in October 2021 with \$71,000 + bid approved. Applications to Round 2 closed on 14 March. Six applications totalling \$118,100 were received
- The Commercial Events Fund Sub-committee met on 7 April to review the applications and approved \$42,900 as follows:

Organisation	Event Name	\$ Requested	Funding Decision
Two Rivers of Marlborough Ltd	Black Cottage Cricket Festival 2022	\$29,800	Approved \$8,900
Marlborough Water Polo Club	Canterbury v Wellington Senior Men's Water Polo Pre-Season Games	\$2,500	N/A
Feast Marlborough Charitable Trust	Feast Marlborough - Sounds Seafood Festival 2022	\$45,000	Declined
Havelock Mussel Festival Inc	Havelock Mussel & Seafood Festival 2023	\$10,000	Approved \$10,000
Marlborough Readers & Writers Charitable Trust	Marlborough Book Festival 2022	\$14,800	Approved \$8,000
Garden Marlborough (2004) Inc	Rapaura Springs Garden Marlborough 2022	\$16,000	Approved \$16,000

13. Sport & Recreation Community Activity Fund

- This contestable fund is open to event organisers or local clubs and organisations looking to create small sport and community activities that are of low cost to participants and encourage involvement, accessibility and physical activity.
- The annual funding available is \$30,000. However for 2021/2022 an additional \$10,000 was available enabling \$40,000 to be considered for allocation.
- Applications for 2021/2022 closed on 4 April. Eight applications totalling \$47,755.76 were received.
- The decision-making panel (Clr Nadine Taylor, Council's Parks and Open Spaces Manager and Council's Regional Events Advisor) met on 12 April to review the applications and approved \$38,529.26 of funding as follows:

Organisation	Event Name	\$ Requested	Funding Decision
Blenheim Samoan Community Charitable Trust	Move and Shake with Samoans	\$13,425	Approved \$8,400
Creative Kids Trust	Creative Kids' Lantern Walk	\$5,127.88	Approved \$5,127.88
Endeavour Park Pavilion Society	Marlborough Mount Everest Challenge	\$6,500	Approved \$6,500
Graeme Dingle Foundation Marlborough	Wet 'n' Wild Days	\$9,835	Approved \$6,513.50
Marlborough Orienteering Club	Orienteering Events	\$4,622.88	Approved \$4,622.88
Marlborough Water Polo Club	Marlborough in May Junior Water Polo Tournament	\$2,500	Approved \$2,500
Rapaura Tennis Club	Winter Tennis and Coordination Training	\$2,000	Approved \$2,000
Tasman Regional Sports Trust	Kicking It In Picton	\$3,445	Approved \$2,865

14. Follow-ME Event Promotion

- A 'What's On' guide was produced showcasing events that took place around Marlborough during the weekend that the Saint Clair Vineyard Half Marathon was on. This provided information on additional activities for people to enjoy while they were here. This guide was shared via social media as well as to accommodation providers and the Saint Clair Vineyard Half Marathon organisers to forward to their participants

What's On in Marlborough
Fri 6 to Sun 8 May 2022

Marlborough is proud to host the Saint Clair Vineyard Half Marathon 2022 on Saturday 7 May. But that's not all, when you are not busy running through the vines or acting as members of the cheer squad, we have a whole host of activities and events going on around the region to keep you entertained.

6 MAY
International Sauvignon Blanc Day
Sauvignon Blanc Day at Rock Ferry Wines
Sauvignon Blanc Day - Complimentary Wine Tasting

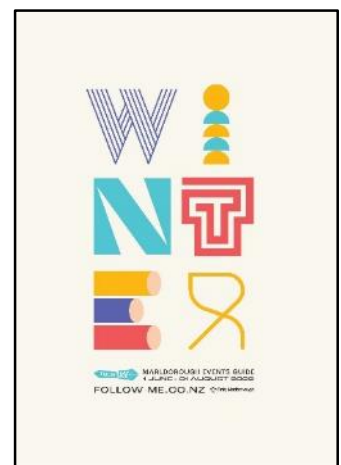
6-8 MAY
Saint Clair Vineyard Half Marathon 2022
Contour Drawing Workshop
Mother's Day

7-8 MAY
Photograph Wairau Valley '21 Exhibition
Blenheim Rotary Bootsale Market
Members' Autumn Exhibition

Check out: follow-me.co.nz for more information on Marlborough events

- The Marlborough Winter Events Guide showcasing events taking place between 1 June and 31 August 2022 has been released. This will be promoted locally as well as to Nelson, Christchurch/Canterbury and Wellington using the following channels:

- Printed copies distributed via multiple channels including Council offices, Marlborough District Libraries, i-SITES, accommodation, Millennium Public Art Gallery, ASB Theatre Marlborough and Bluebridge Ferries
- 'Social Card' - social media advertising geo-targeted to Marlborough, Nelson, Christchurch/Canterbury and Wellington
- Digital advert via Stuff geo-targeted to Marlborough
- MDC and Follow-ME social media platforms
- Follow-ME e-newsletters
- Council pages in the Marlborough Express
- Adverts in the Marlborough Midweek, Blenheim Sun and Marlborough Magazine
- Posters with QR code for people to scan to the electronic version of the Guide



15. **Marlborough Events Centre Update**

- Marlborough Civic Theatre Trust welcomed Joseph Casalme as the new Chief Executive on Monday 9 May as well as a new part-time Events Coordinator on Monday 2 May
- Following the new Chief Executive's appointment, Council staff will develop a formal management agreement between the Trust and Council for the Marlborough Events Centre
- Recent venue improvements/upgrades:
 - Audio visual upgrade underway with final works scheduled for week commencing Monday 13 June
 - Air conditioning upgrade under review in partnership with Clubs of Marlborough
 - Automatic entrance doors installed with finishing touches to be completed in the next week or so
- Following the lifting of capacity limits on indoor events, the Marlborough Events Centre was able to host the 2022 RANZCO Conference (the Royal Australian and New Zealand College of Ophthalmologists) at the end of April - the first large conference since the most recent Covid outbreak in January
- Event Manager, Katharine Overend will represent the Marlborough Events Centre at MEETINGS 2022 at Te Pae Christchurch Convention Centre in June. This is New Zealand's only national tradeshow for business events and provides an opportunity to showcase our venue to potential business leads



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

8. Adoption of the Age Friendly Strategy

(also refer separate report available on Council's website)

(Clrs Andrews/Sowman) (Report prepared by Jodie Griffiths)

C150-002-012-10

Purpose of Report

1. The purpose of the report is to provide Council with the Age Friendly Strategy for Marlborough.

Executive Summary

2. The ageing demographic will have a significant impact on the Marlborough community in many areas such as housing, accessibility, transport, workforce, ratepayer base, impact on health services. Council has agreed to the Age-Friendly Community model to update its strategic approach to this issue.
3. Following data collection with the community, production of a summary findings report and consultation with key stakeholders the Age Friendly Strategy has been developed. The strategy is for a five year period, with a review after the first twelve months.
4. Marlborough to make application to become recognised as an Age Friendly Community.
5. Costs associated with this work can be covered within existing budgets.

RECOMMENDATION

The Marlborough Age Friendly Strategy be accepted and adopted by Council. That staff seek accreditation as a recognised Age Friendly Community in New Zealand.

Background/Context

6. Council's Positive Ageing Accord expired 30 June 2019. Council approved investigation to be carried out in 2019, however work on the consultation with community, report writing, and development of the strategy was hampered by Covid-19.
7. Marlborough, with 23% (NZ 15%) of its population aged 65 or over (population estimates 2018), has an ageing profile which is the highest of any regional authority in New Zealand. By the time of the 2043 census this cohort is projected to increase to 34%. By number, the largest increase will be in Blenheim as it is our major population centre (+3,430 more people will be 65+ in 2043).
8. The ageing demographic will have a significant impact on the Marlborough community in many areas such as housing, accessibility, transport, workforce, ratepayer base, impact on health services.
9. Using the Age-friendly Community model would provide the best outcome for wide engagement and community buy in. In October 2021 Council agreed to the development of an Age Friendly Strategy and consideration of seeking accreditation as an Age Friendly Community.

The Strategy

10. The Age-Friendly model identifies eight domains that contribute to communities becoming Age-friendly, these being:
 - Housing
 - Social Participation
 - Respect and social inclusion
 - Civic participation and enjoyment
 - Communication and information
 - Community support and health services
 - Outdoor spaces and buildings
 - Transportation

11. The Marlborough Age Friendly Strategy is available on Council's website. In the document, each domain contains key priorities for Marlborough and three action points as a starting point.
12. Once adopted the strategy document will be widely distributed to encourage Government and community organisations to align with the goals and aspirations, becoming more Age Friendly in strategic decision making as well as everyday work. Council departments will have a role in creating good outcomes for older people.

Next step

13. If adopted Marlborough will apply to become recognised as an Age Friendly Community by either the World Health Organisation or a proposed Aotearoa version.
14. Council has sufficient Positive Ageing budget to undertake this work.

Attachment

Attachment 1 - Age Friendly Marlborough 2022 (The report is available on Council's website via the following link <https://www.marlborough.govt.nz/your-council/meetings>)

Author	Jodie Griffiths, Community Partnerships Advisor
Authoriser	Dean Heiford, Manager Economic, Community & Support Services

Summary of decision-making considerations			
Fit with purpose of local government			
Providing a strategic approach to meeting the needs of Older Person community in Marlborough			
Fit with Council policies and strategies			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	X	<input type="checkbox"/>	<input type="checkbox"/>
Financial Strategy	<input type="checkbox"/>	<input type="checkbox"/>	X
Infrastructure Strategy	X	<input type="checkbox"/>	<input type="checkbox"/>
Social well-being	X	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	X
Arts & Culture	X	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	X
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	X
Parks and reserves	X	<input type="checkbox"/>	<input type="checkbox"/>
Nature of the decision to be made			
The options do not involve a significant decision in relation to land or a body of water.			
Financial considerations			
The project is funded from the Positive Ageing Budget.			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
Collaboration with Government Departments, community groups and organisations to all work together from a strategic perspective to gain better outcomes for Older People in Marlborough.			
Climate Change Implications			
There are no known climate change implications to this decision.			

9. MDC Youth Council Plan 2022

(The Mayor) (Report prepared by Jodie Griffiths)

C150-002-018-01

Purpose of Report

1. The purpose of this report is to advise Council of the goals and objectives of the 2022 Youth Council.

Executive Summary

2. Receive and accept the 2022 Youth Council plan as presented.

RECOMMENDATION

That Council approve and adopt the Youth Council Plan for 2022.

Background/Context

3. The Youth Council was established as a mechanism to communicate and gain participation by young people in civic and community activities.
4. The Youth Council develops their plan each year with actions identified for implementation to achieve positive outcomes for young people in the community.
5. There are twenty one students selected as youth councillors representing Marlborough Girls and Boys Colleges and Queen Charlotte College.
6. Approximately ten meetings are held each year, with additional time attributed to subgroups and youth projects and activities. Mayor Leggett and Councillors Andrews and Sowman attend the full meetings.
7. The plan is supported by an annual budget of \$60,000 for delivery of youth services.

The Plan

8. The objectives and goals for this year have been discussed by Youth Council over the previous two months. Agreement was reached to approve the final plan on 2 May 2022.
9. Full details are contained in the attached plan. Some of the highlights include:
 - Well considered decision making regarding the distribution of youth funding. This includes considering youth event requests on a 'case by case' basis rather than contracting one organisation to deliver all events. This will encourage greater diversity, allow for flexibility and provide Youth Council the opportunity to run their own events.
 - Leadership opportunities such as engaging with the Electoral Commission and election process, Top of the South Youth Council's meeting and professional development session, Youth Declaration with United Nations, Festival for Future and providing a Marlborough youth voice for various community and health surveying.
 - The Youth Art Exhibition – Folio; in conjunction with the Millennium Art Gallery. A launch event was not permitted with the restrictions but the exhibition was held. Also completion of a youth mural with artist Sean Duffel.
 - Youth Week events as well as support for Pink Shirt Days.
 - Contribution and support to the 2022 Future of Work Conference held on 2 June.
 - Submission to Council's Annual Plan in 2022 and presenting at the hearing

10. Continuation and updating of the My Voice Youth Website, Facebook page and Instagram; as effective tools for promoting information to young people. Youth Council also intend to explore a possible TikTok account.
11. Engagement in wider Council matters. The Mayor and Councillors are reporting to Youth Council on the key areas affecting Council, at each meeting. Youth Council will therefore be better placed to be consulted on any relevant issues.

Attachment

Attachment 1 - MDC Youth Council Plan 2022

page [48]

Author	Jodie Griffiths, Community Partnerships Advisor
Authoriser	Dean Heiford, Manager Economic, Community & Support Services

MDC Youth Council Action Plan 2022

Background

All of the Council's Long Term Plan 2018-2028 community outcomes have relevance to our young people. It is important that their views are considered in decision making to ensure we are building a future that meets their current and future aspirations.

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

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

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

The Youth Council has been established since 2000 as a mechanism to communicate and gain participation by young people in civic activities.

The membership is comprised of students from Marlborough Girls and Boys Colleges and Queen Charlotte College.

Youth Council Purpose

The purpose of the Youth Council is to:

- Provide a line of communication between youth, Council and other organisations.
- Provide an opportunity for youth to raise issues relating to them and undertake some projects to address these.
- Increase youth awareness of wider community issues.
- Gain youth input on Council processes and projects.
- Development of youth leadership skills through involvement in civic activities.
- To provide opportunities in decision making for allocation of Council's youth funding.

The Plan

The plan summarises the issues identified by the Youth Council members that they want to make a difference on for Marlborough Youth. It also identifies actions to be undertaken both by the Youth Council and in conjunction with other organisations.

It is intended that this will assist Council in achieving positive community outcomes for youth and as well as give guidance on priorities for allocation of youth funding.

Objectives

The objectives of the plan are as follows:

- **Youth Voice** - youth views are valued and listened to
- **Youth Support** – youth are supported to take action and participate
- **Leadership** - opportunities for personal growth and community participation
- **Events & Activities** – regular youth events are supported
- **Youth Health** – promotion of youth friendly health services
- **Youth Achievement** – showcase young people and their achievements

- **Positive Promotion of Youth** – positive youth profile in the community
- **Education & Training** – opportunities for career development
- **Environment** – think and act sustainably

Budget

There is an annual budget of \$60,000 available for projects and activities which enhance experiences and opportunities for Marlborough youth.

Allocation of this funding is made by decisions reached by the majority at Youth Council meetings. In addition a Youth Funding committee comprising of the Mayor and one representative from each of the schools on the Youth Council is established to determine funding decisions when this is not possible via a meeting.

Marlborough Youth Council Action Plan 2022

Youth Voice - youth views are valued and listened to.		
Actions	When will this be achieved?	Who is involved - Youth Council and others?
<ul style="list-style-type: none"> Youth Council representatives promote who they are, allowing young people to raise their issues via Youth Council, as well as proactively gain wider input on issues raised through their school and other networks. Undertaken through school notices/assemblies, MyVoice website and social media. 	<ul style="list-style-type: none"> Ongoing throughout the year 	Youth Council – all + Council staff
<ul style="list-style-type: none"> Complete a submission to Council's Annual Plan on youth related topics. 	<ul style="list-style-type: none"> May & June 2022 	AP subcommittee + Council staff
Youth Support – youth are supported to take action and participate		
Action	When will this be achieved?	Who is involved - Youth Council and others?
<ul style="list-style-type: none"> Offer support to peer support programmes in Secondary Schools. 	<ul style="list-style-type: none"> Available all year 	Youth Council - all
<ul style="list-style-type: none"> Offer support to local SADD students 	<ul style="list-style-type: none"> Initiatives on request 	Youth Council – all + Council staff
<ul style="list-style-type: none"> Hold 2 Youth Week events & support Pink Shirt Day 	<ul style="list-style-type: none"> May 	Events subcommittee (lead), Council staff and all YC
Leadership - opportunities for personal growth and community participation		
Action	When will this be achieved?	Who is involved - Youth Council and others?
<ul style="list-style-type: none"> Training for Youth Council members for development of leadership skills 	<ul style="list-style-type: none"> Top of the South YC hui Throughout the year 	Youth Council – all + Council staff
<ul style="list-style-type: none"> Youth Leadership opportunities are promoted to young people 	<ul style="list-style-type: none"> Throughout the year 	Youth Council – all + Council staff

<ul style="list-style-type: none"> Participation in opportunities such as leadership conferences, including UN Aotearoa Declaration and Festival for the Future 	<ul style="list-style-type: none"> April & July 	Selected YC members
Events & Activities – regular youth events are supported		
Action	When will this be achieved?	Who is involved - Youth Council and others?
<ul style="list-style-type: none"> Funding made available for a range of youth focus events. 	<ul style="list-style-type: none"> Throughout the year 	Youth Council – all + Council staff
<ul style="list-style-type: none"> Partner with the Millennium Art Gallery to complete the uncompleted Youth Mural as well as the 2022 Folio youth exhibition Provide input into new gallery development 	<ul style="list-style-type: none"> Folio – May & June Mural – July During the year 	Millennium Public Art Gallery + Local artist + College Art Teachers Youth Council + Council staff
<ul style="list-style-type: none"> Redefine the partnership with the ASB Theatre & Youth Council to subsidise youth productions./performances 	<ul style="list-style-type: none"> Agreement completed by 1 July 	Youth Council – all + Council staff ASB Theatre
<ul style="list-style-type: none"> Participate in and support collaborative approaches between organisations to create activities, programmes and opportunities for Marlborough youth. 	<ul style="list-style-type: none"> FOW June Throughout the year 	Youth Council – all + Council staff Marlborough Youth Trust, Graeme Dingle Foundation + other organisations
<ul style="list-style-type: none"> Continue support for CACTUS programmes and PCT activities. 	<ul style="list-style-type: none"> Annual funding 	Youth Council – all + Council staff Marlborough Youth Trust
Youth Health, safety & wellbeing – promotion of youth services & safety/wellbeing support		
Action	When will this be achieved?	Who is involved - Youth Council and others?
<ul style="list-style-type: none"> Promote health services to youth via website & social media Investigate additional support in schools for mental health and wellbeing (such as speakers, real life stories & tools/apps/podcasts) 	<ul style="list-style-type: none"> Ongoing 	Public Health Youth Council – all + Council staff
<ul style="list-style-type: none"> Promote Cyber safety education and initiatives, including online resources 	<ul style="list-style-type: none"> Ongoing 	Youth Council all + Council staff
Youth Achievement – showcase young people and their achievements		
Action	When will this be achieved?	Who is involved - Youth Council and others?
<ul style="list-style-type: none"> Continue to support youth chosen to represent Marlborough and/or New Zealand at a national or international level under the policy for supporting youth in need. 	<ul style="list-style-type: none"> Ongoing 	Youth Council + Council Staff

Positive Promotion of Youth – positive youth profile in the community		
Action	When will this be achieved?	Who is involved - Youth Council and others?
<ul style="list-style-type: none"> Youth Council to promote positive stories about local youth on an event/activity basis also utilising Youth Council social media tools. Profile all Youth Council members on social media 	<ul style="list-style-type: none"> Throughout the year 	Communication subcommittee Youth Council + Council staff Media
<ul style="list-style-type: none"> Promote activities for Youth Week that profile the positive contribution young people make in our community. 	<ul style="list-style-type: none"> May 	Youth Council - all + Council Staff
Education & Training – opportunities for career development		
Action	When will this be achieved?	Who is involved - Youth Council and others?
<ul style="list-style-type: none"> Provide up to date information about transition from school to workforce or further training/study Investigate ex-YC members sharing experiences and tips 	<ul style="list-style-type: none"> Ongoing 	Communication subcommittee + Council staff
<ul style="list-style-type: none"> Future of Work Conference 	<ul style="list-style-type: none"> 2 June 	Youth Council + Council Staff Graeme Dingle Foundation Colleges Local Business
Environment – think and act sustainably		
Action	When will this be achieved?	Who is involved - Youth Council and others?
<ul style="list-style-type: none"> Encourage youth participation in environmental issues by including information on the My Voice website and promoting activities on FB page and inclusion in any contracts with Youth Funding. Youth Council to follow Council actions and practises aimed to reduce impact and enhance the environment. 	<ul style="list-style-type: none"> Throughout the year 	Youth Council – all + Council Staff

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables <i>local decision-making and action by Council on behalf of communities and relates to providing a public service and it is considered good-quality and cost effective.</i>			
Fit with Council policies and strategies			
	<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"/>
This proposal contributes to the categories identified above to enable local decision making, social wellbeing, support for arts and culture activities and use of local parks and reserves.			
Nature of the decision to be made			
The options do not involve a significant decision in relation to land or a body of water.			
Financial considerations			
The project has been budgeted for in the Long Term Plan 2021 - 2031.			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
Engagement has occurred with the Youth Council and local Secondary Schools.			
Risks: Legal / Health & Safety etc			
Any risks will be identified and managed through regular monitoring by Council staff with the Youth Council. Permission has been given by a parent or guardian for each Youth Council member along with approval from the College Principals.			
Climate Change Implications			
There are no known climate change implications to this decision.			

10. Long Term Plan Working Group

(The Chair)

D050-001-L21

1. The Minutes of the Long Term Plan Working Group meeting held on 23 May 2022 are **attached** for ratification by the Committee.
-

RECOMMENDATION

That the Minutes of the Long Term Plan Working Group meeting held on 23 May 2022 be ratified.



**Report of the LONG TERM PLAN WORKING GROUP
held in the Council Chambers, 15 Seymour Street, Blenheim
on MONDAY, 23 MAY 2022 commencing at 1.00 pm**

Present

Cls M A Peters (Chairperson), J A Arbuckle, J D N Croad, F D Maher, N P Taylor (from 1.10pm), and Mayor J C Leggett

Also Present via Zoom

Clr D D Oddie

In Attendance

Martin Fletcher (Chief Financial Officer), Dean Heiford (Manager Economic, Community & Support Services) Robert Foitzik (General Counsel), Chris Lake (Financial Services Manager), Tessa Dever (Financial Accountant), Linda Fletcher-Firks (Team Leader Rating) and Nicole Chauval (Committee Secretary)

In Attendance via Zoom

Rainbow Zhao (Systems Accountant)

Apologies

Mark Wheeler (CEO) and Glyn Walters (Communication Manager)

ATTENDANCE: Clr Taylor joined the meeting at 1.10pm during the following item.

1. Rates Remission for Heritage Buildings in Private Ownership F230-L24-09-05

Members noted that at the December 2020 LTP Working Group meeting a paper was presented regarding the remission of rates for heritage buildings in private ownership. This was instigated following a member of the Blenheim Club meeting with the Mayor and CEO to express their concern at the level of rates paid by the Blenheim Club and the costs of maintaining a heritage building.

By way of background it was noted that at that meeting it was agreed that Council Finance staff would develop a draft rates remission policy. A draft policy was developed and presented at a meeting held on 4 March 2021. At that meeting it was agreed that the LTP Working Group support the direction of the draft Remission policy, subject to the Public Access condition being reviewed and reported back to a subsequent LTP Working Group meeting.

Members were advised that a review of the public access condition has been undertaken.

As at 17 March 2022 Heritage New Zealand's Register of Historic Places identified that Marlborough had 100 historic sites and of those 13 had public access. Approximately 60 additional sites are listed in appendix 13 of the Marlborough Environment Plan.

This register shows if the site can be visited or has no public access. It was noted that nearly all the sites able to be visited appear to be on Council or DOC land. However, there appears to be some inconsistencies in the register eg; the Farmers Building is identified as private with no public access. This then raises the issue of whether the remission should apply to commercial/industrial property as well residential/rural.

The categories noted in Appendix 13 are Building Envelope and Interior; Building envelope; Building Other – Foundations/Façade/Chimney; Plaque/Memorials/other; Wahi Tupuna/Tipuna. These categories could provide a means of categorising a level of rates remission.

As a result this identified the following six issues General Rates and Charges or Total Rates and Charges, Rural Properties, Commercial Buildings, Exterior, Interior and Public Access. Chris Lake outlined each of the categories and they were further detailed in the agenda item.

Members discussed the proposed criteria for public access to the building interior and proposed remission values. Also considered was whether a cap was a suitable option.

The draft Heritage Buildings in Private Ownership Rates Remission Policy was included in the agenda item.

After further discussion members thanked Chris Lake for the work that had been done in providing the background information and draft policy but taking everything into consideration proposed that the policy not be progressed.

The following amendment to the recommendation was made.

That the LTP Working Group thank management for the work undertaken in drafting a provisional policy for Remission of Rates for Heritage Buildings in private ownership but resolved not to proceed with such remission.

This was moved by Cllr Arbuckle and seconded by Cllr Taylor.

It was noted during further discussion that Council is currently putting its resources into an overall Heritage Strategy which will mean a significant commitment for heritage. It was suggested that this be acknowledged in the recommendation and the following wording '*of until after the completion of the heritage strategy*' be added to the motion.

Members agreed to the amendment and the substantive motion with the amendment was put.

Cllrs Arbuckle/Taylor:

That the LTP Working Group thanked management for the work undertaken in drafting the Heritage Buildings in Private Ownership Rates Remission Policy but resolved not to proceed until after the completion of the Heritage Strategy.

Carried

2. Review of Depreciation Policies

F230-L24-06

Members noted that the report to the Working Group was to consider the appropriateness of Council's current policy of not funding depreciation on many Community Facility assets and the impact of that policy on the ability to pay for the eventual replacement of those assets.

Prior to discussion Martin Fletcher proposed the following amendments to the recommendation:

That the words ... *Further explore the concept of funding* be added to recommendation 1.

An additional recommendation be added *Request a paper that identifies the current economic life/assumption of each class of asset.*

It was noted that for most assets Council adopts the financially prudent approach of funding depreciation. This increases the short-term income Council requires from ratepayers and customers but provides a flow of cash which is "held" in a specific depreciation reserve and is available to fund renewal of those assets. Consideration is being given to the small grouping of community assets for which Council does not currently fund depreciation and the impact on funding replacement of those assets.

The proposed amendments address how we fund the renewal of our community facilities. In previous years Land Sub has been used. There has been a recognition that Land Sub should only be used for growth related assets or improvements. This essentially leaves a funding gap. In the last Annual Plan budget meeting it was proposed that Council meet that funding gap with debt. It was noted that this does work in the short term but over time that debt will increase which then raises the question of whether the move to the more normal accounting process of funding depreciation to actually provide the funds for renewals becomes appropriate. Using debt is ultimately more expensive because of the interest element.

It was noted that the recommendation from staff is to fund depreciation expense on all community assets from rates and other income, either immediately or as a phased transition, possibly dependent on recovery of the tourist economy.

The advantages for this are that the funds are available for asset replacement with minimal or lower impact on rates at the time; better aligning users of facilities with funders of those same facilities and improving decisions around use.

It was noted that an initial rates increase, could be mitigated by being implemented over a number of years.

During discussion on applying the policy it was noted that Council does not fund depreciation on the Event Centre or assets in the Community Facilities activities such as Halls, Cemeteries, Reserves, Street Plots or Street Trees. The amount of depreciation involved for each asset was detailed in the agenda item. As part of that discussion it was suggested that the replacement of Halls be debt funded. This would provide an opportunity for the community to consider the future of that facility.

At the conclusion of the discussion members suggested that halls be debt funded; cemeteries, street plots and street trees depreciation not be funded and that Reserves and the Event Centre be further investigated and that a further paper be provided.

Members agreed with amendments to the recommendations provided by Mr Fletcher.

Cllrs Taylor/Croad:

That the LTP Working Group recommend that Council agree to:

- 1. further explore the concept of funding depreciation on Reserves and Events Centre as part of the 2024-34 Long Term Plan; and**
- 2. transition the application of this policy change over a four-year period.**
- 3. request a paper that identifies the current economic life/assumptions of each class of asset.**

Carried

ATTENDANCE: The Mayor withdrew from the meeting at 2.02 pm during the following item.

3. Roading Rates and Charges – French Pass and Kenepuru F230-L24-09-05

Chris Lake, Council's Financial Services Manager, noted that the purpose of the report was to review the basis for levying the French Pass Road Charge and Kenepuru Road Rate especially in regard to properties with no direct road access.

Members were advised that the French Pass Road Charge and Kenepuru Road Rate have not been reviewed for a number of years. 135 properties have been identified as having no road access to their properties. These properties could be removed from requiring a French Pass Road Charge and Kenepuru Road Rate from 1 July 2023. Also discussed was the view the Council could decide that even those properties without a direct connection to the road still derive some benefit. For example, if the owner of a non-connected property planned to build a dwelling on it, then it would be a significant saving if most of the materials could be trucked to a nearby location before a final transfer to site by helicopter. It would also assist with fire damage prevention. It was noted that while the benefit would not be high, Council already has a weighting of 25 on Sounds Admin Rural properties with no roads, so possibly the same weighting could apply here.

It was noted that this change would decrease the French Pass Road Charge to the identified properties from \$99 p.a to \$25 p.a. There would be no change for the Kenepuru Road Rate, as it is expected to be repaid by then.

It was noted that both targeted rates were established to progress seal extension/roading improvements along those respective routes (and including some side roads under agreement with the Community

roading advisory groups). Typically, in the past, physical works were programmed every 2-3 years and the costs repaid from the targeted rate, sometimes with a matching contribution from general rates. The last round of sealing works was considerably increased in scale on both roads following submissions from those communities.

In response to a query on whether if this was approved would it set a precedent and create an issue in other places or other instances from a rating policy point of view. Mr Fletcher advised that it wouldn't as it is for a targeted rate which is very specific.

Cllrs Croad/Peters:

That the LTP Working Group recommends:

- 1. That the weighting for the French Pass Road Charge and the Kenepuru Road Rate be reduced to 25 for those properties which have no road access.**
- 2. That the change take effect from the 1 July 2023.**

Carried

4. CPI Adjusted Funding

F230-L24-09-05

Mr Fletcher noted that the purpose of the report was to seek the Working Group's endorsement of the CPI percentage budget increase for organisations funded with this adjustment factor.

By way of background it was noted that over the last ten years Council has approved a number of organisations to have their operating grant funding increased annually by CPI. Over recent years the CPI adjustments have typically been in the 1% to 2% range. However, the actual CPI adjustment on a year-on-year basis more recently has been significant.

It was reported that these percentages compare to 0.9% budgeted for 2021-22 which was the forecast CPI increase in the August 2020 RBNZ Monetary Policy Statement (MPS). The increase included in the budget so far for 2022-23 is 2.2% based on the August 2021 MPS.

It was noted that the increase in the CPI has typically been in the 1-2% range over recent years. This year, the "year on year" movement to 31 December 2021 was 5.9% (November MPS forecast was 5.7%) and to 31 March 2022 was 6.9%.

Members were advised that despite the size of the increase it is recommended that the 5.7% increase forecast for 1 December 2021 be applied.

It was reported that these forecasts do change over time and to achieve a consistent approach each year, it was suggested that the CPI forecast for 31 December of any year be as contained in that year's Reserve Bank November Monetary Policy Statement (MPS). This should provide an accurate forecast as the Reserve Bank has responsibility for managing CPI movements. It was noted that the date represents the midpoint for the year and therefore would be reasonably accurate as it is only six weeks out from the publication date.

During discussion it was noted that having a fixed methodology and time would provide affected organisations a greater level of certainty for effective planning.

It was reported that Council's budget has been prepared on the basis of maintaining existing Levels of Service, to use only part of the CPI increase would possibly decrease that Level of Service.

Cllrs Arbuckle/Croad:

That the LTP Working Group:

- 1. agree to use the forecast CPI in the Reserve Bank's November Monetary Policy Statement to adjust the budgets for entities and projects where Council has agreed to increase their annual funding by CPI. The figure used will be for the December of the year prior to the year of the budget.**
- 2. agree that the CPI increase to be applied for 2022/23 is 5.7%.**

Carried

5. Capital budgets explained

F230-L24-09-05

Members noted that the purpose of the report was to provide an explanation on the various views of Council's capital budget following a Councillor query. The "life cycle" of the capital budget was attached to the agenda item for members' information.

It was noted that when the Finance team prepare Council's budgeted financial statements and forecast borrowing requirements, they work to achieve the financial envelope allocated for capital expenditure. The financial envelope is set as part of the Long Term Plan and aims to estimate the actual expenditure likely to be achieved in each year. Actual progress on individual projects can vary for many reasons, the majority of which are outside Council's control. As a result, Council takes a global view in arriving at the fiscal envelope referred to above.

If Council looked to finance the total value of the capital budget, this would have a significant rates impact, and it wouldn't make sense to generate additional funds before they're needed. To fit within the financial envelope, Activity capital budgets are scaled back. While an effort is made to scale evenly across the activities the reduction is done at a high level e.g. not by project.

It was noted that the goal is to spend the amount funded and not to exceed the revised budget. It is also important to monitor whether projects are being completed within budget at an individual level.

Cllrs Peters/Taylor
That the information be received.

Carried

There being no further business the meeting was declared closed at 2.26 pm.

Record No: 22104981

11. Financial Report for Council – Period Ended 30 April 2022

(Clr Peters) (Report prepared by Tess Dever)

F275-001-01

Purpose of Report

- To present the Financial Report for Council for the period ending 30 April 2022.

Executive Summary

- The Financial Report for Council from 1 July 2021 to 30 April 2022 is presented below. Additional information is given on variances at an activity level later in this report.

Revenue and Operational Expenditure

(in millions)	1 July to 30 April 2022			Whole year		
	Actual	Budget		Forecast	Budget	
Surplus/Deficit	\$5.3	(\$2.5)	✓ \$ 7.8	\$22.8	(\$2.6)	✓ \$25.4
Income	\$123.9	\$92.3	✓ \$ 31.6	\$152.9	\$109.9	✓ \$ 43.0
Expenditure	\$118.6	\$94.8	✗ \$23.8	\$130.1	\$112.5	✗ \$ 17.6

Major variances between actual and budget:

- 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 has approved a 95% subsidy rate on emergency works up to \$20M and has subsequently approved a further \$21.5M at this enhanced subsidy rate for 2021/22. To date \$25.8M has been claimed in addition to \$0.9M received at the standard funding assistance rate.
- Vested assets and development contributions are ahead of budget due to contributions for Rose Manor subdivision, Westwood, Wai-iti and Patchett Way developments.
- Government funding for the following projects Catchment Care, Hillside Erosion and Te Hoiere.
- Lower than anticipated grants uplifted by community-based organisations.
- 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.

Capital Expenditure

(in millions)	1 July to 30 April 2022			Whole year		
	Actual	Budget		Forecast	Funded	
Capex	\$59.6	\$107.5	✗ (\$47.9)	\$78.3	\$77.0	✓ \$ 1.3

Capital expenditure progress is impacted by many reasons including finalising community consultation, obtaining land access, obtaining resource consents, the availability of external professional expertise and receiving an acceptable contract price and contractor availability.

To address this Council has funded a budget of \$77.0M for capital expenditure in the 2021-31 Long Term Plan despite having a \$130.4M (including \$53.4M of carryovers from previous financial years) capital works programme. This ensures that multiple projects can be kept on the go.

The capital expenditure section of the financial report compares the full \$130.4M programmed to the actual capital expenditure with key projects deferred into future years identified.

Currently Council is forecasting a record capital expenditure spend.

RECOMMENDATION

That Council receive the Financial Report for the period ending 30 April 2022.

Income and Expenditure Statement



Income (\$000's)	1 July 2021 to 30 April 2022				Notes	Whole Year			
	Actual	Budget	Variance			Forecast	Budget	Variance	
Rates	63,867	63,154	713	1%		75,501	75,833	(332)	-1%
-less remissions	(381)	(368)	(14)	4%		(484)	(608)	124	-20%
Rates	63,486	62,786	699	1%		75,017	75,285	(268)	0%
Rates penalty income	238	263	(24)	-9%		238	315	(77)	-5%
Total Rates	63,724	63,049	675	1%	3a.	75,314	75,600	(286)	-0%
Other Income									
Dividends	3,162	2,597	565	22%	3b.	3,164	2,599	565	22%
Interest Revenue (external)	520	2,056	(1,535)	-75%	3c.	894	2,467	(1,573)	-64%
Petroleum Tax	340	346	(6)	-2%		409	415	(6)	-1%
Gain on Sale of Fixed Assets	7,461	-	7,461	-	3d.	7,461	-	7,461	-
Marlborough Regional Forestry	-	-	-	-		3	-	3	-
Property and Other Revenue	4,452	2,011	2,441	121%	3e.	4,847	2,350	2,497	106%
Total Other Income	15,935	7,010	8,925	127%		16,778	7,831	8,947	114%
Activity Income									
People									
Democratic Process	1	1	(0)	-9%		2	2	(0)	-9%
Culture and Heritage	552	550	2	0%		1,102	1,925	(823)	-43%
Housing for Seniors	1,361	1,345	16	1%		1,632	1,619	14	1%
Community Support	567	525	43	8%		671	629	42	7%
Library Services	1,861	1,727	133	8%	3f.	3,526	5,868	(2,341)	-40%
Emergency Management	267	16	251	1570%	3g.	269	19	250	1307%
Community Facilities	3,320	2,361	959	41%	3h.	3,409	2,828	581	21%
Roads and Footpaths	38,484	9,847	28,636	291%	3i.	52,589	11,498	41,090	357%
Flood Protection and Control Works	5,379	4,543	836	18%	3j.	7,133	5,665	1,468	26%
Sewerage	6,943	6,423	520	8%	3k.	7,879	7,575	304	4%
Stormwater Drainage	2,574	872	1,702	195%	3l.	2,916	1,127	1,789	159%
Water Supply	3,185	2,323	862	37%	3m.	3,679	2,602	1,077	41%
Solid Waste Management	8,438	7,496	942	13%	3n.	10,279	8,938	1,281	14%
Environmental									
Environmental Science and Monitoring	3,237	284	2,953	1038%	3o.	3,747	566	3,182	563%
Environmental Protection	844	715	130	18%	3p.	859	724	134	19%
Resource Consents	1,788	1,339	449	34%	3q.	2,042	1,606	436	27%
Regulatory									
Building Control	2,912	2,869	43	2%		3,487	3,421	66	2%
Environmental Health	340	327	13	4%		403	392	11	3%
Biosecurity	4,826	4,651	174	4%	3r.	4,826	4,653	172	4%
Animal Control	726	638	88	14%		747	668	79	12%
Harbours	595	492	103	21%	3s.	685	590	95	16%
Regional Development	1,618	1,760	(142)	-8%	3t.	1,951	2,112	(161)	-8%
Total Activity Income	89,818	51,105	38,713	76%		113,832	65,087	48,745	75%
Total MDC Income	169,478	121,164	48,314	40%		205,924	148,518	57,406	39%
Total revenue which is non-cash or tied to a reserve or to fund capex	(45,501)	(28,893)	(16,608)	57%		(53,034)	(38,569)	(14,466)	38%
Total MDC Operating Income	123,976	92,270	31,706	34%		152,890	109,949	42,941	39%

1 July 2021 to 30 April 2022
(in millions)

Actual vs Budget by Activity Group (in millions)



3. Comments are provided below on variances greater than \$100,000 and the forecast has been updated where required:
- a. Rates is ahead of budget due to higher than expected metered water sales primarily in Southern Valleys and Rural Awatere.
 - b. Dividend income is ahead of budget because of a higher interim dividend from MDC Holdings.
 - c. External interest revenue is behind budget due to continued low interest rates. As investments mature, the proceeds have been reinvested in short dated term deposits rather than corporate bonds. The marginal yield advantage is not enough to offset the longer terms to invest in bonds.
 - d. Gain on Sale of Fixed Assets is ahead of budget due to the sale of stage 7 of Boulevard Park on Taylor (BPOT). This item was budgeted in the last financial year.
 - e. Property and other revenue is ahead of budget due to:
 - i. Receipt of an insurance claim for the 2016 Kaikoura Earthquake.
 - ii. Unbudgeted contributions from Land Information New Zealand (LINZ) for the LIDAR mapping of Marlborough.
 - iii. Unbudgeted subvention income from MDC Holdings.
 - f. Library Services is forecast to be behind budget due to funding for the new Library and Art Gallery from the Shovel Ready Fund that is expected to be received next year.
This is partially offset by operational funding from the Department of Internal Affairs for staff and resources.
 - g. Emergency management is ahead of budget due to subsidies received from Waka Kotahi for flood response and welfare costs.
 - h. Community Facilities is ahead of budget due to higher than anticipated development contributions as part of the Wai-iti and Rose Manor subdivisions have reached the stage required to contribute.
 - i. Roads and Footpaths income is ahead of budget due to:
 - i. Waka Kotahi emergency funding for the flood damage sustained in the July flood event. Waka Kotahi has approved a 95% subsidy rate on emergency works up to \$20M and has subsequently approved a further \$21.5M at this enhanced subsidy rate for 2021/22 To date \$25.8M has been claimed in addition to \$0.9M received at the standard funding assistance rate. The total expenditure approved at the 95% rate is \$80M+.
 - ii. Development contributions received from the Wai-iti and Rose Manor subdivisions as they have reached the stage required to contribute.
 - iii. Vested assets received from the Rose Manor, Westwood, Wai-iti and Patchett Way Developments.
 - j. Flood Protection and Control Works is ahead of budget due to:
 - i. Unbudgeted sale of logs on flood protection land.
 - ii. Gravel Extraction revenue being higher than anticipated.
 - iii. Unbudgeted proceeds from insurance claims of \$500K relating to the July 2021 flood. Forecast has been updated for level of claim expected on expenditure to 30 June 2022 (\$1.3M).
 - k. Sewerage is ahead of budget due to vested assets received from the Rose Manor, Westwood, Wai-iti and Patchett Way developments.
This is partially offset by trade waste revenue which is lower as water usage was lower than anticipated last year as a result of COVID-19 lockdowns and restrictions.
 - l. Stormwater is ahead of budget due to:
 - i. Unbudgeted funding from the Department of Internal Affairs (DIA) as part of the three waters review.

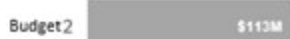
- ii. Vested assets received from the Rose Manor, Westwood, Wai-iti and Patchett Way developments.
- m. Water Supply is forecast to be ahead of budget due to:
- i. Higher than anticipated connection and backflow prevention revenue.
 - ii. Development contributions received from the Wai-iti subdivision as it has reached the stage required to contribute.
 - iii. Vested assets received from the Rose Manor, Westwood, Wai-iti, Patchett Way developments.
- This is partially offset by lower than budgeted funding from the Department of Internal Affairs (DIA) as part of the three waters review. This is because projects have been delayed.
- n. Solid Waste Management is ahead of budget due to higher than anticipated dump fees, This is due to increased usage from commercial customers and a fee increase implemented to recover the \$10 per tonne Waste Levy increase imposed by Central Government.
 - o. Environmental Science and Monitoring is ahead of budget due to government funding approved after the budget was set for: Catchment Care, Hillside Erosion and Te Hoiere.
 - p. Environmental Protection is ahead of budget due to higher than anticipated monitoring charges.
 - q. Resource Consents is ahead of budget due to Marine Farm Applications and Land use Applications being higher than anticipated.
- This is partially offset by coastal consents and water applications both lower than expected.
- r. Biosecurity is ahead of budget due to funding for the Kotahitanga mō te Taiao Alliance. Kotahitanga mō te Taiao is an alliance formed by all the Councils and some of the iwi in the top of the South Island, and the Department of Conservation. The focus is on landscape-scale conservation projects that also have environmental, social, economic, and cultural benefits.
 - s. Harbours is ahead of budget due to revenue associated with the float-off of the Valaris Gorilla in the Marlborough Sounds and higher than expected navigation levies.
 - t. Regional development is below the budget due to less than anticipated revenue for Parking and water connections in Southern Valleys.

Expenditure	1 July 2021 to 30 April 2022				Notes	Whole Year			
	Actual	Budget	Variance			Forecast	Budget	Variance	
Activity Expenditure									
People									
Democratic Process	2,813	3,005	(191)	-6%	4a.	3,363	3,585	(222)	-6%
Culture and Heritage	1,256	1,585	(329)	-21%	4b.	1,371	1,682	(311)	-18%
Housing for Seniors	1,273	1,389	(116)	-8%	4c.	1,552	1,691	(139)	-8%
Community Support	2,465	2,788	(323)	-12%	4d.	2,887	3,206	(319)	-10%
Library Services	2,690	2,606	85	3%		3,185	3,236	(51)	-2%
Emergency Management	902	612	291	48%	4e.	1,022	732	290	40%
Community Facilities	11,540	12,682	(1,142)	-9%	4f.	13,797	15,282	(1,484)	-10%
Roads and Footpaths	47,841	19,559	28,282	145%	4g.	62,985	23,407	39,578	169%
Flood Protection and Control Works	6,046	4,866	1,180	24%	4h.	7,871	5,844	2,027	35%
Sewerage	9,924	10,099	(175)	-2%	4i.	11,796	12,133	(337)	-3%
Stormwater Drainage	2,014	2,038	(23)	-1%		2,394	2,469	(75)	-3%
Water Supply	8,128	8,761	(633)	-7%	4j.	9,746	10,483	(737)	-7%
Solid Waste Management	10,903	9,243	1,660	18%	4k.	13,041	10,907	2,133	20%
Environmental									
Environmental Policy	1,662	1,584	79	5%		1,970	1,900	70	4%
Environmental Science and Monitoring	6,138	5,071	1,068	21%	4l.	7,967	6,400	1,567	24%
Environmental Protection	1,625	1,640	(15)	-1%		1,915	1,967	(52)	-3%
Resource Consents	2,890	2,784	105	4%	4m.	3,386	3,336	50	2%
Regulatory									
Building Control	3,499	3,644	(145)	-4%	4n.	4,212	4,377	(165)	-4%
Environmental Health	510	581	(70)	-12%		607	697	(89)	-13%
Biosecurity	4,870	5,543	(673)	-12%	4o.	6,243	6,852	(409)	-6%
Animal Control	676	709	(34)	-5%		825	851	(26)	-3%
Harbours	1,726	1,801	(75)	-4%		2,007	2,138	(131)	-6%
Regional Development	5,282	6,108	(826)	-14%	4p.	6,276	7,001	(725)	-10%
Total Activity Expenditure	136,673	108,697	27,976	26%		170,417	129,976	40,441	31%
Less Internal Interest	(3,805)	(4,168)	362	-9%	4q.	(4,571)	(5,001)	430	-9%
	132,868	104,529	28,339	27%		165,847	124,975	40,871	33%
Other expenditure									
Interest expense (external)	2,042	4,662	(2,619)	-56%	4q.	2,902	5,594	(2,692)	-48%
Property and other expenditure	4,294	3,707	587	16%	4r.	3,768	3,219	548	17%
Total other expenditure	6,336	8,369	(2,033)	-24%		6,670	8,813	(2,143)	-24%
Total MDC expenditure	139,204	112,898	26,306	23%		172,517	133,789	38,728	29%
Total expenditure which is non-cash or reserve funded	(20,538)	(18,007)	(2,531)	14%		(42,400)	(21,231)	(21,169)	100%
Total MDC operating expenditure	118,666	94,891	23,775	25%		130,117	112,558	17,560	16%
Operating SURPLUS	5,310	(2,621)	7,931	-303%		22,772	(2,609)	25,381	-973%

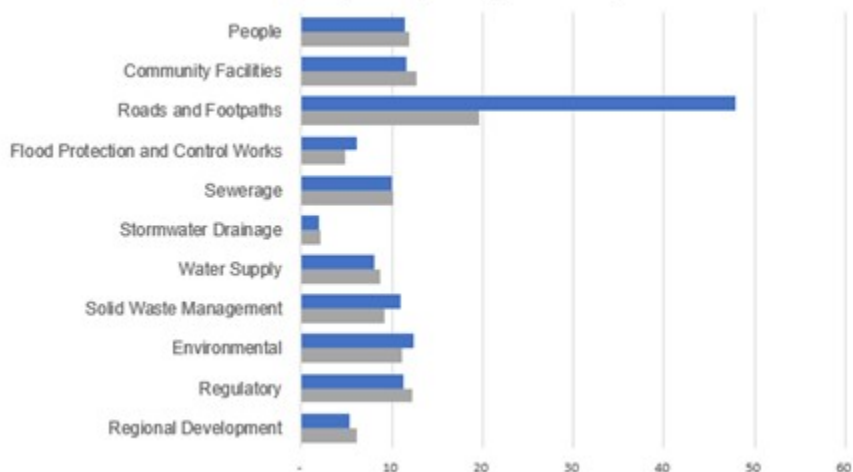
1 July 2021 to 30 April 2022
(in millions)



Whole Year (in millions)



Actual vs Budget by Activity Group (in millions)



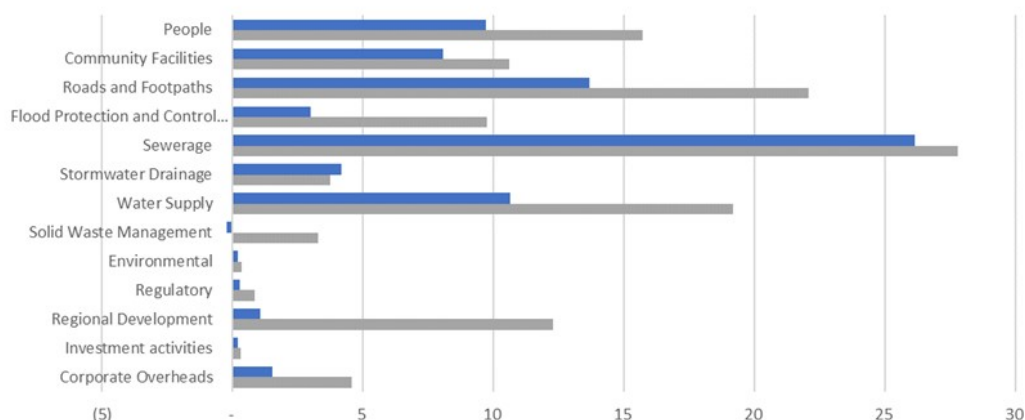
4. Comments are provided below on variances greater than \$100,000 and the forecast has been updated where required:
- a. Democratic Process is behind budget due to delays in working with Iwi to appoint a Kaihāutu and the subscription budget is yet to be spent.
 - b. Culture and Heritage is below budget due to annual grants being uplifted slower than anticipated.
 - c. Housing for Seniors is behind budget due to lower than anticipated repairs and maintenance, which should be largely corrected by year end with several larger projects expected to be completed.
 - d. Community Support is behind budget due to community grants being uplifted slower than anticipated and professional fees yet to be used for the Smart and Connected programme.
 - e. Emergency Management is ahead of budget due to costs associated with the response and welfare from the July flood.
 - f. Community Facilities is behind budget due to:
 - i. Lower than anticipated grants, mainly for the Whale Trail and Link Pathway. The Whale Trail Funding was discussed at the 3 February 2022 Assets and Services meeting with funding paid in advance up to \$300,000 approved per quarter.
 - ii. Lower than budgeted contract costs and repairs and maintenance.
 - g. Roads and Footpaths expenditure is ahead of budget due to:
 - i. Costs for the emergency reinstatement of the Kenepuru Road and repairs throughout the roading network from the July 2021 flood event. Costs to 30 April are \$28.5M.
 - ii. Network and Asset Management which has been charged to operational expenditure but 60% was budgeted under capital expenditure.
 - h. Flood Protection is ahead of budget due to flood damage repairs required after the July flood event.
This is partially offset by lower than budgeted minor works as focus is on the flood damaged areas.
 - i. Sewerage is forecast to be behind budget due to depreciation being less than expected because of the capital program last year not meeting expectations.
 - j. Water Supply is behind budget due to:
 - i. Lower than anticipated insurance as capital projects were not completed as planned when the budget was set.
 - ii. Lower pump station and reticulation costs due to the lower water utilisation over the winter months.
 - iii. Lower than anticipated treatment costs as chemical purchases had not taken place due to sufficient supplies being on hand.
 - iv. Depreciation being less than expected because of the capital program last year not meeting expectations.
 - k. Solid Waste Management is ahead of budget due to:
 - i. Higher contract costs caused by the higher utilisation at the landfill
 - ii. The settling of the ETS surrender obligation at higher pricing than anticipated.
 - iii. Levy payments have increased \$10 per tonne to reflect Waste Levy increase imposed by Central Government. This is partially offset by revenue. (refer to 3 (n)).
 - l. Environmental Science and Monitoring is ahead of budget due to unbudgeted costs for Catchment Care, Hillside Erosion and Te Hoiere. This is funded by government funding (refer to 3 (o)).
This is partially offset by lower than budgeted consultancy costs for Environment Review projects.

- m. Resource Consents is ahead of budget due to additional costs for external expertise in the processing of marine farm resource consents. These costs are offset by revenue (refer to 3 (q)).
- n. Building control is behind budget due to unspent training budgets.
- o. Biosecurity is behind budget due to:
 - i. Lower than anticipated costs for the Wilding Conifer Programme funded by the Ministry for Primary Industries.
 - ii. The Stoat eradication project on D'Urville Island has been put into hibernation due to land access issues.
- p. Regional Development is behind budget due to:
 - i. Grants which have been allocated but have not yet been uplifted.
 - ii. Consultancy budget not yet utilised for the Picton redevelopment project and support for the technology, food and screen sectors.
- q. External and internal interest expenses are behind budget due to the savings, deferrals and delays in past capital expenditure programmes resulting in less external borrowings.
- r. Property and other expenditure is ahead of budget due to:
 - i. Contract and Software costs for IT being higher than expected as IT requirements continue to increase within the organisation.
 - ii. Higher than anticipated insurance costs as the timing of the invoices have changed for the Local Authority Protection Programme.
 - iii. Unbudgeted legal fees for the Freedom Camping Bylaw review.
 - iv. This is partially offset by Unspent professional fees for the Climate change project.

Net capital expenditure

	1 July 2021 to 30 April 2022				Notes	Whole Year			
	Actual	Budget	Variance			Forecast	Budget	Variance	
People	4,224	4,182	(42)	-1%		4,246	4,182	(64)	-1%
Culture and Heritage	85	2,369	(2,284)	-96%	5a.	518	2,843	(2,325)	-82%
Housing for Seniors	116	3,033	(2,917)	-96%	5b.	150	3,640	(3,490)	-96%
Community Support	-	48	(48)	-100%		16	53	(37)	-70%
Library Services	7,674	7,629	45	1%	5a.	9,003	9,155	(152)	-2%
Emergency Management	11	7	3	44%		11	9	2	20%
Community Facilities	6,868	8,882	(1,814)	-21%	5c.	8,043	10,590	(2,547)	-24%
Roads and Footpaths	10,723	17,639	(6,917)	-39%	5d.	13,647	22,067	(8,420)	-38%
Flood Protection and Control Works	2,025	8,350	(6,325)	-76%	5e.	2,984	9,742	(6,758)	-69%
Sewerage	20,337	23,112	(2,774)	-12%	5f.	26,120	27,773	(1,653)	-6%
Stormwater Drainage	3,488	3,082	406	13%		4,161	3,728	433	12%
Water Supply	6,838	15,815	(8,977)	-57%	5g.	10,633	19,170	(8,537)	-45%
Solid Waste Management	(577)	2,734	(3,310)	-121%	5h.	(230)	3,280	(3,510)	-107%
Environmental	29	292	(263)	-90%		103	333	(230)	-69%
Environmental Science and Monitoring	62	298	(236)	-79%		189	355	(166)	-47%
Resource Consents	-	3	(3)	-100%		0	3	(3)	-87%
Regulatory	103	291	(188)	-65%		233	333	(100)	-30%
Environmental Health	-	3	(3)	-100%		1	3	(3)	-85%
Harbours	190	708	(519)	-73%		252	850	(598)	-70%
Regional Development	492	10,225	(9,733)	-95%	5i.	1,072	12,268	(11,196)	-91%
Investment activities	138	250	(112)	-45%		183	300	(117)	-39%
Corporate Overheads	1,138	3,553	(2,417)	-68%	5j.	1,528	4,573	(3,047)	-67%
Total Net Capital Expenditure	59,607	107,537	(47,931)	-45%		78,279	130,402	(52,123)	-40%

Forecast vs Budget by Activity Group (in millions)



5. Council has set a budget of \$77.0M for capital expenditure in the 2021-31 Long Term Plan. To achieve this a capex program of \$130.4M has been planned including \$53.4M of carryovers from previous financial years. This ensures that multiple projects can be kept on the go.

As of time of writing Council has a total value of contracts for new assets in progress of \$82.0M. There is \$20.0M of contracted works still outstanding most of which will make significant progress before 30 June 2022.

Total capital expenditure from 1 July to 30 April 2022 is \$59.6M which is \$4.9M more than the same period last year (\$54.7M).

Comments below are on variances over \$1M to the programmed works:

- a. Culture and Heritage and Library services are behind programmed works and could have carryovers of \$2.5M for the new library and art gallery build.

- b. Housing for Seniors is behind programmed works and could have carryovers of \$3.5M for the George Street Senior Housing development with construction expected to start early in the next financial year.
- c. Community Facilities is behind programmed works and around \$2M of carry overs are expected relating to:
 - i. Public conveniences upgrades which have been delayed for various reasons including resource consent and contractor availability. These have been partially re-budgeted into 2022/23 with further carry over expected.
 - ii. Picton cemetery heritage preservation work which has been delayed.
 - iii. Upgrades to the Seddon Pool.
 - iv. Delays in various other programmed works over reserves.
- d. Roads and Footpaths are behind programmed works and around \$8M of carry overs are expected relating to:
 - i. The general roading renewals program which is behind due to challenges in resourcing this work in addition to emergency works. As we are in the first year of the 2021-24 National Land Transport Programme it is possible to carry over any surplus subsidy budget into next year.
 - ii. Continued delays in small townships upgrades as community consultation and resource consents progress.
 - iii. Continued delays in CBD works with \$1.1M expected to be carried over and \$1M re-budgeted into 2022-23.
 - iv. Services and roading infrastructure in the Northwest Blenheim Extension Zone to facilitate growth in the District.
- e. Flood Protection and Control Works are behind programmed works and likely to have \$5.0M of carryovers for various projects around the region while focus is put on flood damage repairs. Significant projects behind budget are noted below.
 - i. Lower Wairau stopbank protection works.
 - ii. SVIS/Upper Conders stopbank upgrade.
 - iii. Town branch drain upgrades downstream of Easthaven development.
 - iv. Replacement of the Wither Hills woodshed which has been delayed indefinitely.

Additionally the land purchase for the Pukaka Quarry expansion will not be recognised as expenditure until title has issued and settlement funds released by Council's solicitor.

- f. Sewerage is behind programmed works and will have carryovers of at least \$1.2M due to:
 - i. Delays in the construction of the stage 4B of the Picton sewer upgrade. Some of this project has been re-budgeted into 2023-24.
 - ii. Upgrades at Seddon and Havelock delayed due to issues finding suitable sites. Some of these have been re-budgeted.

The delays are offset by vested assets which are \$1.5M ahead of budget.
- g. Water Supply is behind programmed works and likely to have carryovers of around \$6M due to:
 - i. Lions back reservoir \$0.8M.
 - ii. Treatment plants in Renwick \$3M and Wairau Valley \$1.2M which have been delayed due to design, site, contractor and resource consent issues.

- iii. Treatment plants in Havelock and Riverlands which have been re-budgeted into 2022-23 and 2023-24.
- h. Solid Waste Management is behind programmed works however only a small carry over expected is expected due to:
 - i. Additions being offset by \$1.3M surrender of Carbon Credits to meet our obligations under the Emissions Trading Scheme.
 - ii. Re-budgeted amounts of \$3M for construction of stage 9 of the regional landfill. The Design phase is currently underway with construction expected to start in October 2022 and go over two years.
- i. Regional Development is behind programmed works with only a small carry over expected due to \$11.2M of re-budgeted items including:
 - i. Booster pump station upgrades at the Southern Valley Irrigation Scheme of \$0.9M.
 - ii. Flaxbourne Irrigation Scheme \$10.3M. This is currently making its way through the resource consent process making the start of construction difficult to predict. At this stage we are assuming it will be pushed out to 2022-23.
- j. Corporate Overheads are behind programmed works and could have approximately \$2.5M of carryovers due to delays in various Information Technology projects.

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

	Financial Year to 30 April 2022	Financial Year to 30 April 2021
Cash received from:		
Rates	57,078	54,595
User charges	16,517	20,464
Property Rentals	5,378	5,140
Subsidies and Grants	43,033	19,053
Interest and dividends	3,682	3,425
Sale of assets	9,219	128
Development Contributions	7,657	3,054
Other revenue	11,940	10,151
Operating cash received	154,504	116,009
Cash spent on:		
Net GST	1,813	2,263
Payments for operating costs	(117,359)	(72,032)
Payments for capital expenditure	(52,177)	(54,863)
Operating cash spent	(167,723)	(124,632)
Cash borrowed from/(repaid to):		
LGFA for Council	21,125	(0)
Other	(3,767)	-
Cash from/(to) borrowing	17,358	(0)
Invested in subsidiaries or investment property	(1,105)	(108)
Cash and investments:		
net increase/(decrease)	3,034	(8,726)
at the beginning of the year	14,227	28,158
at the end of April	17,261	19,432

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

Author	Tessa Dever, Financial Accountant
Authoriser	Martin Fletcher, Chief Financial Officer

12. Information Package

RECOMMENDATION

That the Planning, Finance & Community Information Package dated 16 June 2022 be received and noted.
