



**Minutes of a Meeting of the
ECONOMIC, FINANCE & COMMUNITY COMMITTEE
held in the Council Chambers, 15 Seymour Street, Blenheim
on TUESDAY, 13 JUNE 2023 commencing at 9.00 am**

Present

Cls J A Arbuckle (Chairperson), B G Dawson (Deputy), S R W Adams, S J Arbuckle, J D N Croad, R J Innes, B A Faulls, M R K Flight, G A Hope, B J Minehan, J C Rosene, T P Sowman and Mayor Nadine Taylor

Present via Teams

Cls A R Burgess and D A Dalliessi

In Attendance

Messrs M F Fletcher (Chief Financial Officer), D G Heiford (Manager, Economic, Community & Support Services) and Ms N Chauval (Committee Secretary)

Apologies

No apologies received.

EFC-0623-377 Declaration of Interests -

Clr Dawson declared an interest in PE Item 1 – Techhub

ATTENDANCE: Mr Neil Henry, Council's Manager, Strategic Planning & Economic Development and Mark Unwin, Council's Economic Development Programmes Manager, were present for the following item.

EFC-0623-378 Economic Development Update E100-010-01

Members noted that the purpose of the report was to provide an update on the activities of Council's Economic Development (ED) team between March and May. To highlight this report a powerpoint presentation was shown (presentation filed in CM Record No. 23119699).

Topics covered in the presentation were:

- *Updated infometrics data*
A link to the full report had been circulated to members.
- *Sister region*
A delegation from Ningxia, China visited Marlborough on 4-5 May. It was the first visit of a delegation since 2019 due to Covid. The delegation visited a number of locations and discussions were held about further co-operation related to wine technology, wine education and talent exchanges. Mr Henry noted further visits are being discussed and we have been invited to visit Ningxia in September, dates to be finalised. Currently working with local businesses that had been part of a previous delegation to gauge interest in attending.
- *Smart and Connected Updates*
Progression workshops for the Aquaculture group on Mussels as a superfood and are continuing to progress two key projects, one regarding profiling the health benefits of greenshell mussels and the other looking at opportunities to boost mussel spat retention.

- *Virtual Reality Videos*
14 June is the launch date for the VR Videos promoting roles within the aviation and wine industry. The next S+C Aviation and Aerospace meeting is scheduled for 25 July and members were invited to attend as a tour of the hangar is on the agenda.
- *Tech Week*
Eight events were arranged. 450 people involved over the week.
- *Winepro*
First booking has been received.
- *Te Ara o Tai*
Mr Henry provided a response to a query on current iwi consultation and how that will remain strong.

It was noted that if members have an interest in a particular area to advise the ED team and information on developments and meeting dates will be circulated.

Cirs Croad/J Arbuckle:
That the information be received.

Carried

ATTENDANCE: Ms Jodie Griffiths, Council's Community Partnerships Advisor, was present for the following item.

EFC-0623-379 Waiving of Fees Review for Community
C150-001-000-01

Members noted that the purpose of the report was to consider the overall budget for waiving of fees, the policies and to review the fee waiver for Community Use of the Marlborough Events Centre.

It was noted that the waiving of fees was established as an acknowledged way for Council to assist non-profit organisations to reduce costs when developing facilities for community, social, recreation and cultural needs or carrying out activities of community benefit.

The waiver of fee policies relate to Resource Consents, Building Consents, Food Licencing and Transfer Station fees.

In February 2010 the policy was reviewed with a maximum level which could be claimed per application set at \$1,500 + GST per organisation. This is on a per annum basis. The annual budget for waiving of fees is \$30,000.

Ms Griffiths noted there is steady demand for this waiver, with the requests being managed within the current budget. Prior to Covid-19 demand on the budget was increasing and that pressure could once again increase as community projects develop in the Post-Covid environment. Approximately 25% of the requests exceed the \$1500 + GST policy maximum.

Members were advised the community is grateful for this contribution as it does make a difference in projects going ahead. Ms Griffiths noted that the Council's Consents Team do forward eligible applications.

It was reported that momentum is gaining for community groups requesting a fee waiver in respect of the Marlborough Event Centre. Four events have been held with a further four due to be held in the coming months. It was reported that events over the next 12 month period can be funded from budget carry overs.

Ms Griffiths noted the 2024 -2034 Long Term planning process could be the ideal time to reconsider the policies and budgets for fee waivers as a further year would provide a better overview of demand and any increases could be considered.

It was reported that at last year's Annual Plan a budget of \$20,000 was approved for community events at the Events Centre, to date five events have been held and three are pending. The budget has not been expended

as it will take some time for momentum to build for those community events. Members were advised that this can be managed within the current budget but would like review.

Cllrs Croad/Adams:

That Council retain current budget levels and policies with a review of the policies, overall budget amount per waiver for the 2024-34 LTP.

Carried

EFC-0623-380 Library Report

L300-018-001-02

Members noted that the purpose of the report was to provide an update to members on the operations of the library service.

Mr Heiford noted that on Friday 12 May the new library was opened to the public with the Marlborough Art Gallery opening a week later.

Since opening the library has been busy with glowing feedback being received.

Stats for the period 12 – 28 May show - items checked out 24,832, checked in 29,667, 705 people joined the library, 858 have renewed their memberships. The number of people who have visited during that period is 26,293.

Clr Dawson noted a comment made during the Annual Plan Hearing in regard to providing only takeaway containers and cups and whether there could be consideration given to sustainable options for the café. Mr Heiford advised that the café is a satellite installation and doesn't have the dishwashing and cleaning facilities that would be required but he will have a discussion with operators.

It was suggested that for now customers could be encouraged to bring their own reusable cups and promote that on Council's community page.

Members sort information on the final construction in respect of screens and solar panels. Mr Heiford will organise for the information to be circulated.

Mr Heiford provided members with an update on bus access and current road works. It was reported that the official opening for the library is scheduled for 30 June 2023 and the road will be closed from 7.00 am that morning. Businesses in the area have been contacted.

During the report members requested that visitor stats for the new library, art gallery and the number of new memberships be continued to be provided in future reports.

Clr S Arbuckle/The Mayor:

That the report be received.

Carried

Postscript: Mr Lyall emailed Councillors with an update on the exterior lighting screens, public change area and the solar roof panels advising that the installation of the panels would commence 3 July and take 2-3 weeks to complete.

EFC-0623-381 Three Waters Better Off Funding

D050-007-001-01

Mr Fletcher noted that the purpose of the report was to provide information on the list of projects approved under Tranche One of Three Waters Well Being Funding and to seek Councillors agreement to amend the content and funding for one project.

In summary Mr Fletcher advised that the Crown had approved \$5.76 million of "Better Off Support" tranche one funding proposals. At the time of approval there was to be a further Tranche Two funding pool of \$17.28 million which would be available for application from 1 July 2024. The Crown have subsequently removed the tranche two funding.

Members were advised that the approvals for Tranche One funding permit Council to amend its proposals at six monthly intervals. This enables Council to amend its proposals to align with the funding requirements of each project and the evolving priorities. It was proposed that the changes agreed by Council are actioned to take effect from 1 July 2023. Members were advised that subsequent changes will be reported to Council at each six-monthly reset.

The following amendments to the funding proposals were noted:

- a) Lansdowne Park Lights – reduce funding from \$100,000 to \$20,000 to complete engineering report which is already underway.
- b) Tracks, trails and accessibility – utilise existing \$150,000 budget and \$80,000 from Lansdowne Park lights towards Okiwi Bay track and boardwalk project. The project will provide a pathway/boardwalk through native land and around a significant wetland providing protection to the wetland and allowing people to experience the values of the area. The land was accepted to be vested as a reserve with the subdivision in Okiwi Bay.
- c) Refer other projects marina 2 marina sealing, community hall audit and Seymour Square and Taylor Reserve back to Council for future funding consideration.
- d) Technology Hub – As Kanoa have provided further funding support of \$577,700 for improved fit out, this proposal is being modified in a separate paper in the “Public Excluded” section of this Agenda, as commercial negotiations are still in progress.

Members asked a number of questions on the amendments to the funding proposals which were answered by Jane Tito, Council’s Manager, Parks & Open Spaces.

Members requested a list of the projects that Council had signalled for Tranche Two and further information on the Okiwi Bay project.

The Mayor/Clr S Arbuckle:

1. **That Council note the list of projects approved under Tranche One of Three Waters Well Being Funding;**
2. **That Council agree to the amendments as outlined below to the Better Off Funding proposals.**
 - (a) **Lansdowne Park Lights – reduce funding from \$100,000 to \$20,000 to complete engineering report which is already underway.**
 - (b) **Tracks, trails and accessibility – utilise existing \$150,000 budget and \$80,000 from Lansdowne Park lights towards Okiwi Bay track and boardwalk project. The project will provide a pathway/boardwalk through native land and around a significant wetland providing protection to the wetland and allowing people to experience the values of the area. The land was accepted to be vested as a reserve with the subdivision in Okiwi Bay.**

Carried

EFC-0623-382 Financial Report for Council – Period Ended 30 April 2023

F275-001-01

Mr Fletcher presented Council's financial report for the period ended 30 April 2023 and noted that the Assets and Services and Community Facilities (including Parking) Departments Financial Report was attached as an addendum to the report due to this being a combined committee meeting.

It was noted that the forecast values have been reviewed with particular emphasis on capital expenditure. Much of this data has been extracted from the 2023-24 Annual Plan process with additional updates made to reflect updated progress expectations at year end. Forecast data will continue to be updated as information comes to hand.

Members were advised that the major variances between actual and budget are higher than anticipated development contributions and vested assets as subdivisions have reached the title issue stage requiring

contributions to be made, receipt of un-budgeted Affordable Water Reform Council Transition Support Package Funding, and lower than anticipated roading reinstatement expenditure due to the impacts of the August 2022 flood event. Accounting entries will be made at year end to move some of these costs to capital. Lower than anticipated grants uplifted by community-based organisations. External and internal interest expenses are lower than anticipated due to the savings, deferrals, delays and grant funding in past capital expenditure programmes resulting in less external borrowings.

It was reported that the 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 a \$120.0M (including \$37.6M of carryovers from previous financial years) capital works programme. This ensures that multiple projects can continue to progress. Council has also funded a 2022-23 Capital Expenditure budget of only \$82.4M to better match funding requirements with expected year end expenditure.

It was reported that the capital expenditure section of the financial report compares the full \$120.0M programmed to the actual capital expenditure and identifies those key projects which will be deferred.

It was noted that with the current inflationary environment and having Capex projects being delayed that budgets will need to be reviewed as part of the LTP process to ensure there is sufficient funds available to complete the projects.

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

Cirs Croad/J Arbuckle:

That Council receive the Financial Report for the period ended 30 April 2023.

Carried

EFC-0623-383 Debtors Overdue Reports as at 30 April 2023

F220-002-020-22

Mr Fletcher presented the Debtors Overdue Reports as at 30 April 2023 to members.

Members were advised that the Current and 30 – 90 Days balance includes a large Development Contribution invoice of \$800k which has been paid in May 2023. It also had a large government department invoice which had to be credited and recharged in May.

The 90 Days balance includes several Development Contribution invoices that will be paid once the building project is near completion. The list of overdue Building Consents is increasing as building projects are not being started due to the unavailability of materials and builders.

The Property Leases and Licences Debtors Report as at 30 April 2023 was attached to the agenda for Councillors' information.

Cirs J Arbuckle/Dawson:

That the information be received.

Carried

EFC-0623-384 Rates Report as at 30 April 2023

F270-36-21

Mr Fletcher advised that the purpose of the report was to advise the Council of the rates position as at 30 April 2023.

Members were advised on the current rating year arrears. It was noted 78.05% of the 2022-2023 rates have been collected this is slightly lower on the same period last year, which was 78.21%.

Of the arrears outstanding at 30 June 2022, 83.12% have been collected which is less than the 88.18% of the arrears outstanding at 30 June 2021. Members were advised that this lower collection rate could be attributed to the current cost of living situation and higher mortgage interest rates. It was noted that the Rates Team are continuously working with rate payers to find mutually agreeable repayment plans to help them manage their rates payments.

Mr Fletcher advised that as at 30 April 2022 1,629 rates rebate applications had been processed for the current rating year. This figure is more than the 1,572 applications processed for the same period last year. Council will be promoting the rates rebate scheme in the coming months.

Cirs J Arbuckle/Adams:
That the information be received.

Carried

EFC-0623-385 Information Package -

Cirs Hope/Fauls:
That the Economic, Finance & Community Information Package dated 13 June 2023 be received and noted.

Carried

EFC-0623-386 Decision to Conduct Business with the Public Excluded -

Cirs J Arbuckle/Croad:
That the public be excluded from the following parts of the proceedings of this meeting, namely:

- Techhub
- Contractual Negotiations
- Debtors Report

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

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Debtors Report	In order to protect the privacy of natural persons, as provided for under Section 7(2)(a).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.
Techhub Contractual Negotiations	To enable the Council, as holder of the information, to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) as provided for under Section 7(2)(i).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Carried

ATTENDANCE: The meeting adjourned at 10.17 am and reconvened at 10.32 am

The meeting closed at 11.15 am.

Record No: 23122123