

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



22 November 2023

Record No: 23245938
File Ref: D050-001-C01
Ask For: Nicole Chauval

Notice of Committee Meeting – Tuesday, 28 November 2023

A meeting of the Economic, Finance & Community Committee will be held in the Council Chambers, 15 Seymour Street, Blenheim on **Tuesday, 28 November 2023 commencing at 9.00 am.**

BUSINESS

As per Agenda attached.

MARK WHEELER
CHIEF EXECUTIVE

Public Forum

A public forum will be held prior to the Economic, Finance & Community Committee meeting, starting at 8.30am. If you wish to address the Committee you will need to confirm your attendance and speaking time with the Committee Secretary at least 24 hours prior to the meeting Ph: 03 520 7400. Please note topics are restricted to the agenda items or those within the Committee's delegation.



**Meeting of the
ECONOMIC, FINANCE & COMMUNITY COMMITTEE**
to be held in the Council Chambers, 15 Seymour Street, Blenheim
on TUESDAY, 28 NOVEMBER 2023, commencing at 9.00 am

Committee	Clr J D N Croad (Chairperson) Clr S R W Adams (Deputy) Clr J A Arbuckle Clr S J Arbuckle Clr A R Burgess Clr D A Dalliessi Clr B G Dawson Clr B A Fauls Clr M R K Flight Clr G A Hope Clr R J Innes Clr B J Minehan Clr J C Rosene Clr T P Sowman Mayor Nadine Taylor lwi representative (to be advised)
Department Heads	Messrs G K Blake (Chief Financial Officer) and D G Heiford (Manager Economic, Community & Support Services)
Staff	N Chauval (Committee Secretary)

In Public	Page
1. Apologies	1
2. Declaration of Interests	1
3. MDC Holdings Limited and Group Annual Reports for the Year Ended 30 June 2023	2
4. Marlborough Civic Theatre Trust.....	3
5. Economic Development Update.....	4
6. Collaboration, Innovation and Transformation (CIT) Programme	10
7. Screen Marlborough 2022-23 Report and 2023-34 Plan	16
8. Marlborough Research Centre Trust Annual Report 2022-23	23
9. Welcoming Communities.....	35
10. Temporary Alcohol Ban – Renwick	39
11. Commercial Events Fund Sub-Committee	42
12. Housing for Seniors Sub-Committee	48
13. Small Townships Programme Sub-Committee	54
14. Sister City Sub-Committee	70
15. CBD and Parking Sub-Committee.....	72
16. Long Term Plan Working Group.....	77
17. Financial Report for Council – Period Ended 30 September 2023	91
18. Debtors Overdue Reports as at 31 October 2023.....	98
19. Rates Report as at 31 October 2023.....	101
20. Information Package.....	105
21. Decision to Conduct Business with the Public Excluded	106

Public Excluded

1. Sub-Committee Report (Public Excluded Section) 1

2. Sub-Committee Report (Public Excluded Section) 4

1. Apologies

An apology from Clr G A Hope has been 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. MDC Holdings Limited and Group Annual Reports for the Year Ended 30 June 2023

(also refer separate reports available on various websites)

(The Chair) (Report prepared by Adrian Ferris)

S400-004-002-23

Purpose of Report

1. To present the Annual Reports of the MDC Holdings Limited Group for year ended 30 June 2023.

RECOMMENDATION

That the Annual Reports of MDC Holdings Limited and its subsidiaries for the financial year ended 30 June 2023 be received.

Annual Reports

2. The annual reports for the year ended 30 June 2023 for:

- MDC Holdings Limited
[MDC Holdings Limited Annual Report 2023](#)
- Marlborough Airport Ltd; and
[Marlborough Airport Ltd Annual Report 30 June 2023](#)
- Port Marlborough NZ Ltd
[Port Marlborough Annual Report 2023](#)

are available via the links above and printed copies available on request.

3. Unqualified audit opinions were received for each Report.

Presentation

Mr Warren McNabb Chair Port Marlborough NZ Ltd; Mr Rhys Welbourne, Chief Executive, Port Marlborough NZ Ltd; Mr Matt Kerr Chair MDC Holdings Limited and Marlborough Airport Ltd will provide a presentation on their organisations' Annual Reports (45 minutes)

Author	Adrian Ferris, Corporate Accountant
Authoriser	Geoff Blake, Chief Financial Officer

4. Marlborough Civic Theatre Trust

(The Chair)

A200-002-09

Purpose of Report

1. To present Marlborough Civic Theatre Trust's report on the operations and financial results of the Theatre for the year ended 30 June 2023. The Audited Report and Financial Results will be circulated separately.
2. To present an update on the Theatre's operations as they currently stand and likely future position.

RECOMMENDATION

That the information be received.

Presentation

A short presentation will be given by Kevin Moseley, Chairman; Anton James CA Trustee; and Joseph Casalme, CEO (20 minutes).

Author/Authoriser	Geoff Blake, Chief Financial Officer
-------------------	--------------------------------------

5. Economic Development Update

(The Chair) (Report prepared by Dorien Vermaas)

E100-010-01

Purpose of Report

1. To provide an update on the activities and achievement of Annual KPI's of Council's Economic Development team between EFC meeting 24 August 2023 and 13 November 2023

Executive Summary (against Programme KPI's)

2. Leadership Pillar

- Quarterly Infometrics Report- the quarterly report for quarter 3 of 2023 was recently published by Infometrics. The report is available on the Council website.
- Marlborough hosted a senior delegation from its sister region Ningxia, China on 18 November, and attended the Third International Friendship Forum in Ningxia in September.

3. Transformation through Tech & Innovation Pillar

- Marlborough Tech and Innovation Hub is delayed due to delays between the building owner and their builder. The team is monitoring this carefully.
- The ED team participated in the national AgriTech Industry Growth workshop with AgriTechNZ, MBIE, NZTech, Callaghan Innovation, NZTE facilitated by KPMG

4. Business & Workforce capability

- Smart+Connected Industry groups continue to hold regular meetings and work on collaborative projects.
- BTM & Chamber of Commerce business community meetups continue.
- NZTE and B-Lab Australia & Aotearoa organised their first 'Business for Good workshop' in the regions and chose Marlborough. This is an exciting impact management programme for future focused businesses. B-Corp certification is a worldwide renowned certification aiming for an inclusive, equitable and regenerative economic system.

5. Storytelling Pillar

- Quarterly newsletters were published
- Chamber of Commerce Annual Business Awards night took place on November 17th.

6. Screen Marlborough

Update from Screen Marlborough elsewhere on this agenda:

- Report Screen Marlborough FY 2022-'23
- Annual Plan Screen Marlborough FY 2023-'24

7. Other Activities

- Kanoa Funding application for The Tech and Innovation Hub was successful and the first tranche has been paid. There is currently a delay in the project due to the building owner's contractor moving on to another job. This has postponed the estimated date for the opening to June 2024
- WinePro continues to build momentum with BRI coming onboard and Wine Marlborough committing funding. Two steering groups have been established:
 - Programme WinePro
 - Town activations

RECOMMENDATION

That the information be received.

Innovate Marlborough Report

8. Annual Plan & other services delivered by the ED Team

The Annual Plan for the ED Team was written as a handbook for the actions, projects & approved last EFC-meeting. The ED Team reports here's a list with services delivered by the ED Team

- Ongoing building & maintaining partnerships/relationships with stakeholders in the eco-system for Marlborough economy *)
- Business Development Advisory Service for commercial/industrial activities

* i.e. NZ Wine Centre, Sanford Bioactives, BTM, CoC, Wine Marlborough, Marine Farming Assn. TOTS Wood Council, Kanoa Investment Team, Callaghan Innovation, NZTE, MBIE, MPI, MfE, MSD, NZTech, AgriTechNZ,

9. Business Development enquiries

- Beca investigating space at the tech hub
- Hawaikikura investigating space at the tech hub

Leadership Pillar Programme

10. Infometrics Economic Data

- The latest quarterly report (quarter 3 2023) was published on 16 November. It can be viewed via the following link: <https://qem.infometrics.co.nz/marlborough-district>

11. Ningxia sister region

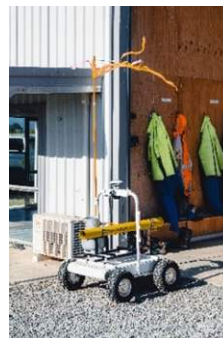
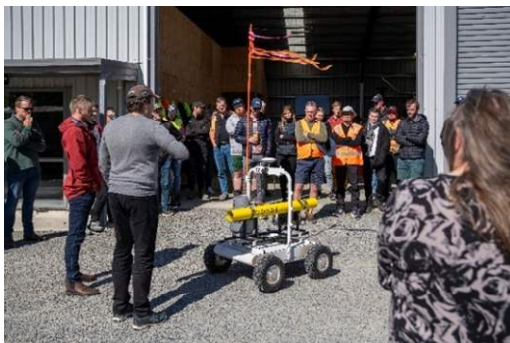
- Marlborough has re-engaged with its sister region of China following the hiatus caused the Covid-19 pandemic. The relationship has been very productive economically based upon wine consultancy, wine technology and wine education and future opportunities are being explored.
- Marlborough hosted a senior delegation from its sister region Ningxia, China on 18 November. The delegation met with the Mayor, visited New Zealand Wine Centre and a local vineyard owned by winemaker David Tyney.



- Marlborough sent representatives to the Third International Friendship Forum in Ningxia in September. A meeting was also held at the New Zealand Embassy in Beijing with Ambassador Grahame Morton and officials from NZTE and MPI to discuss the Marlborough-Ningxia relationship.

Transformation through Tech, Innovation, R&D Pillar

- Marlborough Tech and Innovation Hub is delayed due to delays between the building owner and their builder. The team is monitoring this carefully.
- The ED team participated in the national AgriTech Industry Growth workshop with AgriTechNZ, MBIE, NZTech, Callaghan Innovation, NZTE facilitated by KPMG
 - Fruitminder open day at Caythorpe open day included some thought-provoking sessions from a range of industry specialists, including Marlborough locals Josh McCulloch and Chris Clifford, alongside the Computer Vision team from UC.



Storytelling Pillar

12. MarlboroughNZ

- The new platform www.marlboroughnz.com is expected to go 'live' at the end of November



- Innovate Marlborough August and October newsletters published.

Business & Workforce Capability

13. Business Trust Marlborough (BTM)

- Activities continue:
 - i) Business mentor matches & SME business support
 - ii) Supporting the community build of alumni of the startup weekends & startup community

14. Chamber of Commerce Award night happening on November 17th.

Sector Awards:

- i. NZ Ethical Employers
- ii. Marlborough Appliance Repair Specialist
- iii. Full Plate NZ
- iv. Repost
- v. BDO
- vi. Manu Ora
- vii. Kiwiaz Landscape Design
- viii. Aquanort Pools
- ix. Hop on Hop off Wine Tours Ltd
- x. Caci Clinic
- xi. Herb & Olive

Special Category Awards:

- i) Box On Boxing
- ii) Eikenhof Skincare
- iii) Hop on Hop off Wine Tours Ltd
- iv) Marlborough Youth Trust
- v) Village to Village Charitable Trust
- vi) Manu Ora
- vii) Stadium 2000
- viii) Repost
- ix) AWWA
- x) Carbonscape
- xi) BDO
- xii) Real Workspace

15. Participants in the NZTE & B-Lab Business for Good workshops:

- Talleys
- Carbonscape
- Hawkes Bay Wine Co
- Moana Pacific Fisheries
- Giesen Group
- Dove River Peonies
 - ChinChiller Brewing
 - Marisco Vineyards
 - Wairau River Wines/Rose Family Estate

- Cloudy Bay
- Whitehaven Wines
- Marlborough Grape Growers Co-Op

Smart + Connected Groups

16. Smart + Connected version 2.0

The ED-team have worked extensively with the Smart + Connected industry groups to provide a more agile and contemporary support system for the industry cluster needs. The proposal for the next version of the Smart + Connected programme is included as a separate item on the agenda. This proposal seeks to keep all the useful elements of the Smart + Connected programme whilst introducing a 'toolbox' of innovation & support mechanisms that industry sectors can apply for.

17. Aquaculture

- The last progression workshops for the Aquaculture group are held bi-monthly. The October meeting saw a presentation on the various workshops from last year that the group has worked on and workstreams have been delivered and achieved the outcomes they were looking for. MDC was thanked for their intense support. One workstream is continuing:
 - 'Flupsie' project – collaboration between MFA, Port Marlborough, University of Auckland and AquacultureNZ
- The next meeting will be 13th December 2023
- Brendon Burns continues to be the Chair of the Aquaculture Steering Group

18. Labour and Skills

- Vance Kerslake – Regional Lead for the Regional Skills has resigned and is leaving the region. Therefore the group needs to appoint a new Chair.
- The latest S+C Labour & Skills steering group meeting was held on 5th August 2023
- Topics meeting:
 - Talent attraction for Marlborough
- The next meeting is scheduled for 6 December 2023

19. Aviation & Aerospace –

- The S+C Aviation and Aerospace meeting took place on 19th September 2023 at the Marlborough Airport
- Presentations were made by the Head of Sustainability for Wellington Airport and Senior Advisor for Intelsat
- <https://www.nmit.ac.nz/news/partnership-pays-off-for-aviation-industry-and-akonga/>
 - As a result of the Memorandum of Understanding (MoU) with the national carrier, signed in August 2023, NMIT ākonga on the Level 4 New Zealand Certificate in Aeronautical Engineering can now complete the required work-based training with Air New Zealand, and apply for an Air New Zealand traineeship.
- The next meeting and annual plan review is due to be held at the Blenheim Club on 16th November 2024
- The group Chair is Matt Kerr

20. Forestry and Wood Sector

- The S+C Forestry and Wood meeting was held on 8 November '23.
- Tim Hinton continues to Chair this group. Tim's heading up the operations for PFOlsen in the region.
- Hackathon follow up meeting took place on 14 November with stakeholders from the industry identifying 6 projects and prioritising next steps to proceed.

21. **Circular Wine**

The S+C Circular meeting was held on 6th September 2023

- MDC is progressing engagement with the waste minimisation fund to seek potential co-funding on business casing a regional waste solution. Presentations have been made by Ecogas and Mike Davies
- Jim White is the chair of the group
- Next Meeting is planned for 6th of December 2023

22. **Screen Marlborough**

- Please find update on Screen Sector and the Marlborough Screen Office through separate agenda item:
 - Report Screen Marlborough 2022-'23
 - Annual Plan Screen Marlborough

Next Steps

- 23. To continue with the delivery of the projects & actions as presented & approved in the ED Team Annual Plan.
- 24. To continue meeting the desired outcomes and KPI's for economic wellbeing for the region.

Authors	Dorien Vermaas, Economic Development Portfolio Manager
Authoriser	Neil Henry, Manager, Economic Development and Strategic Planning

6. Collaboration, Innovation and Transformation (CIT) Programme

(The Chair) (Report prepared by Dorien Vermaas)

E100-010-03-01

Purpose of Report

1. To note a change to the name of the programme from 'Smart+Connected' to 'Collaboration, Innovation and Transformation'
2. To seek approval for an amendment to the programme to enable funding to be provided to support projects prioritised by the groups, within existing budgets

Executive Summary

3. Smart + Connected Industry Programme has been the backbone of the ED-Team programme, successfully bringing industries together to collectively tackle problems and/or break down barriers for growth. ED Team have reviewed the programme and is proposing to add flexibility to the Programme in order to remain relevant and fresh and offer a wider range of tools for support to industries.
-

RECOMMENDATION

That Council approves the proposed programme amendment to enable funding to be provided to support projects prioritised by the groups within existing budgets.

Background/Context

4. The Smart + Connected Programme has been a successful cluster programme for the Marlborough region since 2014, winning national awards in 2019. The programme has been reviewed and it's changing into its new set up for future support to industries. This paper refers to the industry group programme, as the community groups have been handed over to the Community & Partnership team. The ED Team have done a review of the Industry S+C Programme and based on the outcomes of the review this new version of the programme is more contemporary and offers flexibility in the support needed by industry.

Proposed Collaboration, Innovation and Transformation Industry programme

5. See Attachment 1

Option One (Recommended Option)

6. **Approves the proposed programme amendment to enable funding to be provided to support projects prioritised by the groups within existing budgets.**

Advantages

7. The proposed amendment:
 - 7.1 help groups' achievement of key projects
 - 7.2 maintains and enhances commitment and participation by the members.
 - 7.3 Enables groups to be more ambitious with transformative projects

Disadvantages

8. The proposal is to undertake the change within existing budgets, which will increase the call on the budgets and require good prioritisation processes. It is proposed that proposals from groups are

approved by the Economic Development Manager with input from the Economic Development and Events Portfolio Holder.

Option Two – Status Quo

9. Maintain existing practice to fund activities to establish and review groups.

Advantages

10. Reduced competition for the existing budgets.

Disadvantages

11. Groups would be less able to progress priority projects, which could lead to lower participation in groups by industry partners.

Next steps

12. If approved, engage with groups to identify priority projects and matched funding for Council consideration.

Presentation

A short presentation will be given by Dorien Vermaas

Attachment

Attachment 1 – Smart + Connected Version 2.0 – Collaboration, Innovation & Transformation Programme
page [13]

Author	Dorien Vermaas, Economic Development Portfolio Manager
Authoriser	Neil Henry, Strategy and Economic Development Manager

Summary of decision-making considerations			
Fit with purpose of local government			
The proposal enables democratic local decision-making and action by, and on behalf of communities and relates to providing a public service and it is considered good-quality and cost effective.			
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"/>	X
Financial Strategy	<input type="checkbox"/>	<input type="checkbox"/>	X
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	X
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	<input type="checkbox"/>	<input type="checkbox"/>	X
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	X
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	X
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	X
This implementation of the proposal would have a benefit to industries, and to Council in areas of common interest such as environmental performance and regional economic development.			
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			
This proposal is within existing budgets			
Significance			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
Engagement			
Engagement with existing Smart and Connected groups has taken place, and the proposal is supported.			
Risks: Legal / Health & Safety etc			
None identified.			
Climate Change Implications			
There are no known climate change implications to this decision.			

Smart+Connected version 2.0 – Collaboration, Innovation & Transformation Programme

1. Introduction

Smart+Connected is a cluster programme designed for Marlborough's industry sectors and community groups and initiatives. The programme started in 2014 with the Havelock Community Group, followed in 2015 by the Forestry Industry group and then Aquaculture in 2016.

The programme is based on collaboration and connection within an industry and/or a community to jointly solve the problems that are barriers for growth and cannot be solved by individual businesses or stakeholders. It has been a successful programme over 9 years and has received a Best Practice Award from Economic Development New Zealand in 2019 for 'Inclusive Growth' and the overall Premier Best Practice Award.

The current programme is as follows:

Smart+Connected is an approach to lead the Marlborough region into the future through economic and community development. Guided by the community, Council's approach is to facilitate conversation that is:

- **Smart:** Thinking strategically - becoming more efficient, creating new solutions, and leveraging those solutions to create new opportunities;
- **Connected:** Acting collaboratively - staying informed, and supporting each other locally, nationally and internationally.

Our vision is to empower our industries and communities to strategically think, plan and take action. Through Council's support, industries and communities are able to build relationships for more effective partnerships.

2. MDC Support

Annually, \$50,000 is available to support the Smart+Connected programme. MDC support for the groups has been as follows:

- Budget for facilitation for Innovation Day – to be held bi-annually.
- Deep interviews with individual business & industry stakeholders and encourage their participation in the Innovation Day
- Help identify projects and form the project-groups.
- Secretarial support at the meetings to take minutes/actions so the groups can really focus on moving the projects along.

Annual budget has been ringfenced for the S+C programme either to:

- Form a new group.
- Review current groups and reinvigorate an existing group if required.

3. Active Smart+Connected industry groups

There are currently six active Smart+Connected groups:

- Aquaculture
- Aviation and aerospace
- Blenheim Business Association
- Circular wine

- Forestry and Wood Sector
- Labour and skills

4. Change of programme name

This proposal is for a revised Smart+Connected Programme – Version 2.0 – with a new name for the programme – Collaboration, Innovation and Transformation programme (CIT). This reflects the direction set in the Marlborough Economic Wellbeing Strategy (MEWS) for innovation and transformation.

Sector Collaboration, Innovation & transformation programme

This programme is designed to enable business sectors or industry groups in Marlborough to work on tackling large cross-industry problems occurring today and/or in the (near) future.

The basics of the programme are the same: collaboration and connection are the key elements to success and MDC's Economic Development Team is happy to assist with seed-funding as well as providing other tools or support identified to help with innovation and/or transformation processes.

It is proposed that in addition to the current practice of establishing, reviewing and supporting groups, Council funds collaborative projects that have been prioritised by the groups, in partnership with industry. This would:

- help groups' achievement of key projects
- maintains and enhances commitment and participation by the members.
- Enables groups to be more ambitious with transformative projects

A) Consideration of proposals from groups

- a) Proposal has to be applied for from Industry body and/or collective.
- b) Proposal has to address industry problems and overcoming barriers by working together – it can tackle new initiatives and or ideas to be trialed/piloted/tested.
- c) Project proposals are match-funded by partner funding on an equal level – 50%-50%. If there isn't any other funding available it's up to the discretion of MDC whether Council funding can be provided. Some groups (such as Labour and Skills) are not industry specific and therefore do not have an industry body to provide funding, so are less likely to be able to provide match funding.
- d) Proposals need to be relevant and aligned with regional strategies and within regulatory boundaries for future proofing the industry, i.e. circularity, innovation, tech & science, startups, decarbonization, investment, climate, environment, energy, waste-streams, sustainability etc.
- e) Start of the CIT programme 1 January 2024
- f) As a service the ED-Team can provide a list with business service providers who are willing and capable to engage with the industry programme, i.e.:
 - a. Marketing & communications specialists
 - b. Writers/researchers to write grant applications for central government.
 - c. Subject matter experts, scientists, engineers' consultants
 - d. Strategy & facilitation specialists
 - e. Event organizers and coordinators
 - f. Mentors/industry leaders
- g) Establishment of new CIT groups or reviewing existing groups to be funded from this budget and considered by Council before approval.
- h) No more than \$10,000 of Council funding will be available for projects, except in exceptional circumstances.
- i) Funding for establishment of new groups may exceed \$10,000 and match funded will be sought but will not be required (as per current practice)

B) Opportunities for applications

Examples for some of the opportunities to apply for co-funding

- a) Writing:
 - a. Funding application for Central Government Funding or
 - b. Industry Feasibility report
 - c. Industry Strategy
- b) Industry Innovation Day – industry wide workshops - Hackathon
- c) Leading an Industry-Lab group (formerly Smart+Connected group)
- d) Other - at the discretion of Council.

C) Decision making and procurement

- a) Proposals will be assessed and approved by the Economic Development Manager, with political input sought via the Economic development and events portfolio holder.
- b) Council may directly engage service providers, or may provide funding to partners to employ, subject to what is most effective and appropriate.

7. Screen Marlborough 2022-23 Report and 2023-34 Plan

(The Chair) (Report prepared by Dorien Vermaas)

E100-000-001

Purpose of Report

1. To receive the performance review for 2022- 2023 on Screen Marlborough office and Screen sector development in the region
2. To receive the 2023-24 Annual Plan for Screen Marlborough

RECOMMENDATION

That the information be received.

Background/Context

3. This report reflects the activities and service levels carried out by the Marlborough Screen Office to support the Marlborough Screen Industry.

Report Screen Marlborough 2022-2023

4. Attachment 1 details the report on activities of Screen Marlborough in 2022-23.

Screen Marlborough 2023-24 Plan

5. Attachment 2 details the 2023-24 Screen Marlborough Plan.

Next steps

6. The Economic Development team will continue the operation of the Screen Office as detailed in the 2023-24 Plan.

Presentation

A short presentation will be given by Dorien Vermaas – Marlborough Screen Office Manager.

Attachments

Attachment 1 - Screen Marlborough Activity 2022-23

Page [17]

Attachment 2 - Screen Marlborough Plan 20232024

page [20]

Author	Dorien Vermaas, Economic Development Portfolio Manager
Authoriser	Neil Henry, Economic Development Manager

Screen Marlborough activity 2022-23

Introduction

The Film Industry in New Zealand is going through a review and change process that started during and after covid. Important trends that have been affecting the Screen industry worldwide:

- Covid lockdown and international insecurities re. travel – many large international Studio-contracts were postponed and remained unsigned.
- New technologies are impactful and changing the needs for the industry as well as the business models and skills needed.
- Writers' strike was the longest strike on record and currently the Actors strike is continuing.
- NZ Screen Industry review – Government have gone through a thorough review of the Screen Industry and the rebate process. A commitment of a 20% rebate was confirmed in May 2023 and last Oct. the 5% uplift for producers was confirmed as well.

As a result business for production studios and crews has been 'light' for several years now. Expectations are that 2024 will be a much more positive year for NZ Film Studios and the film sector in general.

Screen Marlborough supports the Marlborough Screen sector through:

- Active support to create the Sawmill Creative Society and participation in the monthly board meetings.
- Ensuring Marlborough is 'film friendly' handling permitting applications for (inter)-national and regional film makers.
- Up to date online presence for Marlborough as an amazing film region and 'open-for-business' approach
- Supporting the regional film community meetups and get-togethers
- Supporting regional capability-growing for film making skills and experience
- Representation Marlborough Film Office in the wider NZ-Inc. Screen-team
- Hosting Film makers, scouts and crews in the region
- Performance regional Screen & Creative Industries sector

KPI's and measured successes

1) Sawmill Creative Society

This charitable Trust was set up to help develop the Sawmill Creative Studios and its owners' vision to come to fruition. After initial teething problems the trust now has a capable board who are handling:

- incoming enquiries for productions,
- bookings for the studio,
- hosting visiting crews,
- hosting workshops and training sessions
- building sets and upgrading the studio environment

Screen Marlborough has supported the trust with the legal aspects and the Trust-deed as well as collaboration through guidance and attendance in monthly meetings.

During the year the offering of the Sawmill Studio complex changed from various studio-size options including one large soundstage to the workshop studio including offices on the Flight Industrial site.

Four offices upstairs in the main studio-building are now rented out to Creative entrepreneurs involved in the Screen & Creative technology industry. These entrepreneurs are collaborating on projects for the region and themselves which enables new business ideas to come off the ground.

Other parts of the 'Flight Industrial'-site have been transforming into an 'Agritech' and innovation site attracting business to the region varying from Oxin/Smart Machines and Autoline as well as and Future Post – manufacturers of plastic posts from recycled plastics and wind-turbines. This Agritech-focused development of the site works well with the Creative Industries & Sawmill Creative Studios development.

2) Film friendly Marlborough

- a. Permit enquiries through the film office in 2023:
 - i. BBC 'natural planet' documentary filming in Picton/ Marlborough Sounds
 - ii. Local short movie with Director Aaron Falvey – Undertow
 - iii. A post Kaikoura earthquake television-series shooting for six weeks in Kaikoura. This was a \$ 6 mln NZOnScreen funded. Screen Marlborough hosted the production-team(s) on various occasions before they decided to shoot on location in Kaikoura and use studios in Auckland.
 - iv. A television programme featuring food producers enquiring about filming on Wairau Bar – Production team pivoted due to weather circumstances and their short turn-around time for a permit from iwi and DOC to film at the Wairau Bar
 - v. A studio from Queenstown filming on private land & road-area of Wine Companies
 - vi. Local film makers' short movies
- b. Production of a Marlborough Film Permitting Guide to clarify the what & how-to for film permitting in the region. The guide was put together in collaboration with MDC Parks & Reserves Team, DOC and Iwi in the region who are all important stakeholders and guardians of the land. Copy of the Film Permitting Guide attached with the report.

Note: Important to realize that the Film Office only provides advice and guidance to location scouts & production companies who approach Screen Marlborough for film permits. Sometimes Film makers film on private land or directly contact the landowners, DOC, Iwi, MDC Parks & Reserves team.

3) Online presence and marketing Screen Marlborough – 'open for business' approach

- a. Rebranding Marlborough logo and new website includes the new Screen Marlborough pages with:
 - i. New image library for the Marlborough region – imagery in collaboration with New Zealand Film Commission
 - ii. Newly designed film permit application-pages
 - iii. Case studies of various film projects in the region.
- b. Support for the online presence of the Sawmill Studios www.sawmillstudios.co.nz
- c. Leaflets & banner for the Big Screen Symposium/Akl and international Film markets in LA

4) Support regional film makers meetups and get-togethers, including support for the Top of the South Film Festival, the Random Film Festival and the 'making Marlborough' documentary.

5) Supporting regional capability-growing for film making skills and experience

- Screen Marlborough supported the initiative for a young film-makers workshop 'Striking on Screen' for students age 15 – 18 during the holidays to produce a full movie in 5 days.

The initiative was a collaboration between Kiwi collaborative Studios – Tyler Redmond and Samantha Baxter of the Marlborough's Children's and youth Theatre.

The programme was successful with ongoing workshops and proposals for extended follow up programmes.

6) Representing Marlborough in NZ Inc. Screen Team

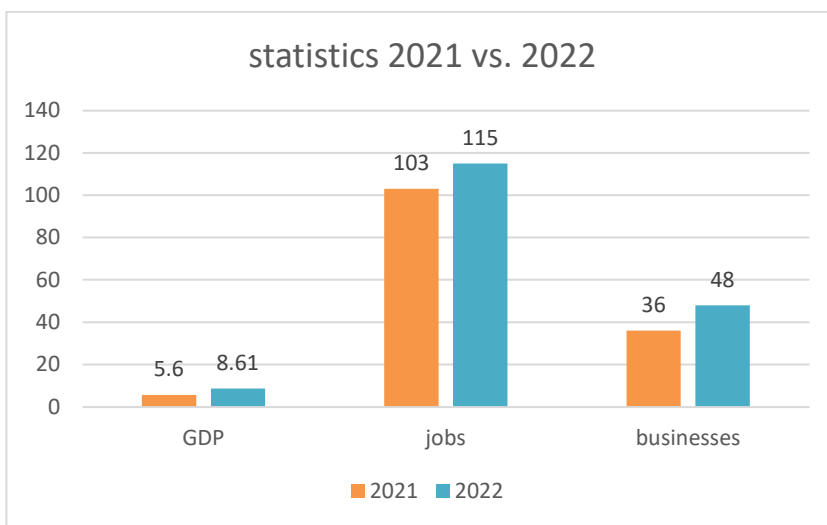
- Monthly meetings NZ Film Commission re. international film enquiries. Due to the confidential nature of this information and list of enquiries from all the large studios only approved Film Offices get access to this meeting & information. There are currently 10 Regional Film offices.
- Monthly catchups with other film offices about collaboration on attraction activities, capability & training, skills, workshops, promotion, film community building
- Annual Conference with all film offices & NZFC

- 7) Hosted in 2022-23:
 - a. Regional Film Offices Conference in Picton – Nov 2022
 - b. Large international Film Studio
 - c. CEO NZ Film Commission
 - d. Auckland television studio
 - e. Show me shorts-team
 - f. Individual film makers, producers and writers

8) Performance regional Screen & Creative sectors

Compared to the statistics on the Motion Picture and Video Production statistics mentioned in the Marlborough Economic Wellbeing Industry the industry has substantially grown which is very encouraging and suggests a greater activity in the sector.

The sector includes motion picture production and exhibition, professional photographic services, performing arts operation, creative artists, writers and performers and venue operation.



Screen Marlborough Plan 2023/2024

Introduction

The Film Industry in New Zealand is going through a review and change process that started during and after Covid. Important trends that have been affecting the Screen industry worldwide:

- Covid lockdown and international insecurities regarding travel – many large international Studio-contracts were postponed and remained unsigned.
- New technologies are impactful and changing the needs for the industry as well as the business models and skills needed.
- Writers' strike was the longest strike on record and currently the Actors strike is continuing.
- New Zealand Screen Industry review – Government have gone through a thorough review of the Screen Industry and the rebate process. A commitment of a 20% rebate was confirmed in May 2023 and the last in October, the 5% uplift for producers was confirmed as well.

As a result, business for production studios and crews has been 'light' for several years now. Expectations are that 2024 will be a much more positive year for New Zealand Film Studios and the film sector in general.

Screen Marlborough supports the Marlborough Screen sector through:

- Active support to create the Sawmill Creative Society and participation in the monthly board meetings.
- Ensuring Marlborough is 'film friendly' in handling permitting applications for (inter)-national and regional film makers.
- Up to date online presence for Marlborough as an amazing film region and 'open-for-business' approach.
- Supporting the regional film community meetups and get-togethers.
- Supporting regional capability, growing for film making skills and experience
- Representation of the Marlborough Film Office in the wider NZ-Inc. Screen-team.
- Hosting film makers, Scouts and crews in the region.

What is the Marlborough Screen Office?

There are ten Screen Offices in New Zealand, each developing and supporting the Screen in the region as well as collaborating for NZ Inc.

Screen Offices have different structures and business models with some independently managed outside of Council with or without Council funding-support, others are based in Economic Development Agencies with various roles in Screen-teams.

All Screen Offices have signed an MOU. Here is the core information for the MOU requirements:

To be considered an Established Film Office and obtain full RFONZ membership, the applicant office must put forward an application to RFONZ, demonstrating how it meets the below criteria (based on the AFCI bylaws):

- *Provide signed confirmation from your local government that they recognize your office as the designated film office/screen sector representative for that region,*
- *Provide confirmation that your office will provide core film office services promptly and without fee – this includes having the necessary funding, resources or availability to promptly service enquiries, provide information and advice and attend necessary engagements,*
- *Provide confirmation that your office is set up in a manner that avoids conflicts of interest between film office duties and private financial interests, including affiliation with production companies or screen sector projects.*

The Marlborough Screen Office can be considered a 'startup' Screen Office; young, dynamic, learning and growing.

The business model that MDC has chosen for the Marlborough Screen Office is to have it serviced by the Economic Development Team. This has proved to be an excellent decision because:

- It allows the fluctuating service levels to be delivered through a team that's flexible and already in place for servicing a multitude of programmes and collaborations stimulating growth and adaptation for change for the Marlborough Economy.
- It is an effective and economical use of resources – both hours as well as budget are highly effective and achieving great outcomes with limited resources.
- It makes great use of the existing experience and longstanding connections in the Film Industry stakeholders in Aotearoa.

Long term vision and goals

Vision and Goals for the Screen (and Creative) Industries are as described in the Marlborough Economic Wellbeing Strategy – page 43.

- Build a solid grassroots foundation of talent in the region.
- Be known as a film-friendly region.
- Tell the stories of the Marlborough Film Sector – people, places and work.
- Collaborate with other creative and technology teams/sectors.
- Educate, train and inspire Marlborough Rangitahi.
- Work closely with Nelson/Tasman to further promote and support the Top of the South crews and region.

Twenty-one recommendations for actions for the local Screen industry were identified in the 'MEWS'.

Thirteen actions have been finalised and seven more are continuing to be work-in-progress. The sector has been making steady progress in the region compared with 15 months ago.

The vision for the Marlborough Screen Office is to continue the path of support and collaboration and expand its connections and activities into new and yet-to-be explored areas such as:

- Collaboration with the other film offices in the South Island and co-create a South Island offering that enhances our change to attract productions to the South Island:
- Share SI crew-lists and equipment lists.
- Satellite of University programme and micro-credential workshops of Toi Mai (recommendation workforce commission and trial in Hawkes Bay) and further development of capability growing and training.
- Work with NZFC and television producers in joint approach to and with central government.

- Develop a solid relationship with the guilds in NZ (SPADA – Screen Producers and Actors, Writer’s guild).
- Support local films to be produced and tell the stories of the Marlborough Film Makers.
- Support growing the Marlborough and Top of the South Film makers collective.

Measuring success

KPI’s for the Film Office this year:

- Support and double the number of enquiries for film permits to at least ten.
- Support follow-on programmes for three meetups and two film making workshops with Sawmill Studio.
- Actively participate in board meetings and support Sawmill Creative Society with their programmes for young film makers and new film makers.
- Finalise the website and Screen Marlborough pages online including the new image library and Screen Marlborough Showreel.
- Support the delivery of strong Marlborough content for Film and/or television through one Writers’ Retreat
- Promote Marlborough and widen the network by attending monthly meetings with RFONZ-offices and stakeholders, central government and industry bodies.
- Host at least four groups of stakeholders in Film and/or television in New Zealand i.e., studios/producers, directors, Scouts and guilds.

8. Marlborough Research Centre Trust Annual Report 2022-23

(The Chair) (Report prepared by Neil Henry)

E100-009-01

Purpose of Report

1. To present the Annual Report 2022/23 and the Financial Overview and Highlights for 2022/23.
2. Representatives from the Marlborough Research Centre Trust will provide a presentation on the Annual Report year ended 2022/23 and answer any questions.

RECOMMENDATION

That the Marlborough Research Centre Annual Report 2022/23 and Financial Overview and Highlights Report for 2022/23 be received.

Presentation

A presentation will be given by Chairman Bernie Rowe, and John Patterson MRC Associate (20 minutes).

Attachment

Attachment 1 – Marlborough Research Centre Financial Overview and Highlights 2022/23

Attachment 2 – MRC Annual Report 2022/23 will be circulated separately.

Attachment 1

Marlborough Research Centre – Financial Overview and Highlight’s 2022 / 2023

1. The Marlborough Research Centre Trust Annual Report received an unqualified audit opinion for the financial year ended 30 June 2023. The Annual Report has been circulated separately and is available online at www.mrc.org.nz

Financial Overview and Highlights

2. The following provide the key financial highlights for the year.

Description	Notes	2021/2022 Actual	2022/2023 Actual
Operating Surpluses	a	\$342,630	\$375,350
Other Revenue	b	\$917,868	\$682,038
Total Grants	c	\$869,820	\$580,222
Net Surplus	d	\$116,233	\$58,559

- a. Surplus on operations from Budge Street Campus, Grovetown campus, Rowley Vineyard and Accommodation. Improved.
- b. Other revenue includes Council and other grant funding received. Reduced owing to reduced research in relation to NZDFI (Dryland forest).
- c. Grants – managed and provided by MRC. Reduced owing to reduced research in relation to NZDFI (Dryland forest).
- d. Net Surplus. Lower than previous years owing to interest on loans associated with capital development.

3. The following highlights the changes in Trust Equity and Assets Employed:

Description	Note	30 June 2022 Actual	30 June 2023 Actual
Fixed Assets	a	\$8.049 million	\$9.109 million
Loans (Suspensory)	b	\$2.452 million	\$3.487 million
Loans (ANZ)	c	\$900,000	\$1.400 million
Total Trustee’s Equity		\$5.288 million	\$5.346 million

- a. Fixed Assets – Growth in the value of Fixed Assets is due to the developments undertaken to create Te Pokapu Waina O Aotearoa (The New Zealand Wine Centre) on

the Budge Street campus. Refer the separate section in relation to the recent and planned developments.

- b. Suspensory Loans from Kanoa’s Provincial Growth Fund for the development works undertaken. These loans are suspensory provided the Wine Industry continues to invest in excess of \$2 million in research annually for the next two years. This is the equivalent to the current industry levy income applied to research.
- c. The Loan facility of \$2.8 million from the ANZ is guaranteed by Marlborough District Council. \$1,400,000 has been drawn as of 30 June 2023.

Financial Support Provided

4. The following provides a list of grants provided by MRC during the 2022/23 financial year.

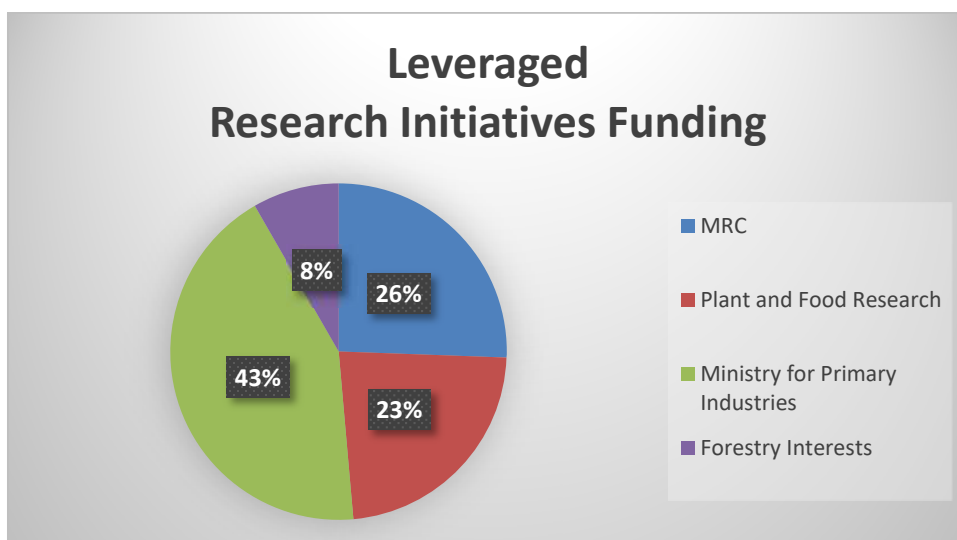
Description	Actual 2022/23	Budget 2022/23
Meteorological Services	\$27,500	\$27,500
UC Davis, University of Bordeaux joint initiative	\$18,000	\$18,000
Seminars and Workshops	\$3,796	\$6,000
Adding Value to Marlborough Waste Streams	\$25,000	\$25,000
Prototype Planter Pots (EFV)	\$65,500	\$65,500
Climate change simulation hardware and pilot project	\$25,000	\$25,000
Cost efficient establishment of low-growing indigenous plants	\$7,000	\$7,000
Biocontrol of Horehound (committed and carried forward to 2023/24)	\$0	\$5,000
NZ Dryland’s Forest (NZDFI) \$25,000 advance for commercialisation recorded in the Balance Sheet.	\$25,000	\$35,000
Flavour volatiles	\$10,000	\$10,000
Vegetation Corridors (committed and carried forward to 2023/24)	\$4,650	\$35,000
Establishing protocols for transferring mature vines	\$20,000	\$20,000
Total	\$231,446	\$279,000
Approved Carryover to 2023/24	\$35,000	
Total	\$266,446	\$279,000

5. Explanation of the programmes is contained in the body of the Annual Report. In addition to the financial contributions MRC has managed the NZ Dryland Forest Initiative which has received \$390,766 in funding support via Government agencies.

Leverage of Funding

6. The contribution by MRC for the 2022/23 financial year amounting to \$231,446 attracted leveraged funding from Central Government and Crown Research Institute. The following

graphical representation shows the contributions made to trials and research expenditure totalling \$905,812.



7. For every \$1 of MRC funding provided \$3.91 was secured towards the research initiatives from third parties.

Economic Benefit from Local Government Investment and Support in MRC

8. There have been three key stages in the Marlborough Research Centre history:
 - a. The establishment of the Grove Road campus in 1984.
 - b. The establishment of the Budget Street campus in 2004.
 - c. The expansion of the Budget Street campus since 2019.
9. Each of these stages have led to a significant increase in research activity and has resulted in flow on economic benefit. The growth in FTE's from 7 in 1984 to 97.75 today is a good input for measuring the economic benefit associated with MRC's campus activity.
10. Attached as appendix A is a paper "MRC - Helping to Grow Marlborough's Economy" which provides some high level assessment of the economic benefit derived from the support provided to MRC over the years. The direct and indirect economic benefit from the expenditure has been assessed at \$159 million.
11. This assessment does not include the actual economic benefit derived from the research undertaken itself. As the wine industry is now a \$2.4 billion export industry it is reasonable to assess that research has had a significant impact in growing the industry and the industry returns over the years.
12. There are some interesting stats in the paper in relation to direct MRC investment in research and in campus assets which has attracted significant Central Government investment. As well

as the attraction of Government funds to establish the Bragato Research Institute and the annual research contributions by key tenants (Plant and Food Research, New Zealand Winegrowers and Bragato Research Institute).

Te Pokapu Waina O Aotearoa (The New Zealand Wine Centre)

13. Marlborough Research Centre has been developing the New Zealand Wine Centre over the last four years along with its partners Plant and Food Research, Bragato Research Centre (New Zealand Winegrowers) and Nelson Marlborough Institute of Technology (now Te Pukenga – New Zealand Institute of Skills and Technology).
14. Marlborough Research Centre secured \$3.8 million of suspensory loans, from the Provincial Growth Fund, as co funding towards the development of the New Zealand Wine Centre. This funding was additional to the Regional Research Institute funding that MRC assisted New Zealand Winegrowers secure for the establishment of the Bragato Research Institute on the Budge Street campus.
15. The campus development was officially opened by the Prime Minister on 29 September 2022 where she announced the creation of an Experimental Future Vineyard to sit alongside the BRI Research Winery which was opened in February 2020.
16. The experimental Future Vineyard development commenced in July 2023 and is expected to be completed in April 2024. The development budget is \$3.2 million.
17. MRC’s capital funding is a combination of reserve funding and loan funding (\$2.8 million) secured with a guarantee provided by Marlborough District Council.

Te Pokapu Waina O Aotearoa – Capital Development

Description	\$
Stage One – Integrated Hub and Offices	\$3.673 million
Stage Two – Shared Entrance, car parking and landscaping	\$1.340 million
Stage Three - Experimental Future Vineyard	\$304,000 (Work in Progress)
Stage Four – Accommodation	\$725,000

Key Performance Indicators

18. The following table provides a report against Outcomes and linkages.

Outcome	Sub Outcome	Linkages
Economy	Productivity	Connectivity between Marlborough Businesses and

Outcome	Sub Outcome	Linkages
	<p>Innovation</p> <p>Entrepreneurship</p> <p>International Outcomes</p> <p>Ability to Transform</p> <p>Ability to Connect</p>	<p>national and international Science markets encouraged.</p> <p>Particular focus on connectivity between Plant and Food Research, New Zealand Winegrowers and Bragato Research Institute.</p> <p>International linkages maintained with Tianjin, International Universities (France, Australia and USA) and organisations.</p> <p>Maintained support with new businesses in region and connection with existing businesses. e.g. Dryland's forest, DNATech.</p> <p>Government agency engagement and connection maintained.</p> <p>Refer Economic Benefit Analysis review (Appendix 1).</p>

19. Report against Level of Service agreed.

Level of Service – Regional Development	Indicator	Required Deliverable
<p>Operate a successful Research Centre campus</p> <p>Carry out initiatives to achieve regional economic benefit</p> <p>Support research initiatives associated with the regions primary sectors</p>	<p>Produce and present MRC Annual Report and report on:</p> <p>Initiatives and programmes undertaken.</p> <p>Research collaborations</p> <p>Network and market connections</p>	<p>The Audited Annual Report and a report on activities carried out by MRC was delivered to Council at the November Committee meeting.</p>

Helping to Grow Marlborough’s Economy

1. The Marlborough Research Centre was established in 1984 to support the need for locally based scientific research to grow the regional economy. It was established with the foresight and financial support of the United Councils of the time.
2. The Research Centre received an annual grant of \$110,000 from Marlborough District Council which was increased to \$250,000 (CPI adjusted) in 2018. The grant received in 2023 was \$286,000.
3. With this support the Marlborough Research Centre has grown the scientific research carried out locally and provides a significant ongoing contribution to the regional economy.
4. The actual economic impact from the direct and indirect expenditure associated with MRC is significant, assessed in present value dollars as \$159 million. The full time equivalent staff numbers is a key component of the economic benefit assessment. These have grown from 7 FTE’s, in 1984, to 97.75 FTE’s today.
5. The return on investment from research undertaken has not been assessed in this analysis as significantly more work would be required to undertake this assessment. It is sufficient to note that over the last 20 years export revenue from the wine industry (which Marlborough represents 80%) is now \$2.4 billion per annum. Research will have played its role in growing the value of the industry and the flow on impacts to the economy. The economic impact from research undertaken is likely to be greater than the direct and indirect benefits assessed in paragraph 4.
6. It is reasonable to state that the economic benefit from MDC’s annual contribution to MRC has had, and is having, a profound and significant economic impact on the regional economy.
7. The support by MDC, which is predominantly funded by the rural and commercial sector, is a key input into the continued growth of the economic benefits from locally based research investment.

Interesting Facts

8. The following table provides a factual summary in regard to the Marlborough Research Centre and its activity over the years.

MRC Grant Funding and Research

Description	Nominal Terms	Real Terms
Since 1984 Local Government (e.g. MDC) has provided grants totalling to MRC	\$5 million	\$8.163 million
Government and Industry Research Funding received by MRC	\$9.143 million	\$11.954 million
Total Operating Funding Received	\$14.143 million	\$20.117 million

Description	Nominal Terms	Real Terms
Research, Innovation and Research Grants Provided	\$14.688 million	\$20.917 million
Research and Innovation \$ for Every \$ of MDC Grant Funding	\$2.94	\$2.56

Note Real Terms are nominal amounts adjusted for inflation to enable a comparison to be made in today's dollars.

MRC Assets and Equity Growth

9. Since the establishment of the Grovetown campus, in 1984, MRC has been able to grow its asset base and equity through support from Central Government capital funding and reinvestment of its property surpluses.
10. A key requirement to securing capital funding from Central Government has been the support of MDC and its ongoing operating grant funding.

Description	Nominal Terms	Real Terms
MRC Fixed Assets 1984	\$185,000	\$714,100
MRC Fixed Assets 2023	\$9.1 million	\$9.1 million
MRC Equity 1984	\$185,000	\$714,100
MRC Equity	\$8.8 million	\$8.8 million
Central Government <u>Capital</u> Grants Secured has enabled asset and equity growth	\$5.6 million	\$7.3 million
Government Capital funding as a ratio to MRC Equity	64%	83%

Capital and Research Investment has enabled Campus Growth

11. Council's annual funding has provided security to MRC to enable it to:
 - Assist key organisations to establish and grow on MRC campus e.g. Plant and Food Research, New Zealand Winegrowers, Hill Laboratories, Bragato Research Institute
 - Provide leveraged research seed funding and secure funding to enable capital growth.

12. The existence of MRC and the support of MDC ensured that the wine industry and Marlborough were one of the four Regional Research Initiatives approved by Central Government. The Bragato Research Institute (established by New Zealand Winegrowers) are contracted by MBIE for \$17.5 million (excluding GST) to transform the New Zealand grape and wine industry through research, innovation and extension¹. This has seen the development on the Budge Street campus of the Research Winery (open February 2020) and growth in the Bragato Research Institute activity.
13. The growth in the campus's since 1984 is significant:

Campus Growth

Description	Amount
Full Time Equivalent Staff (FTE's) 1984	7
FTE's 2023	97.75
Increase in FTE's since 1984	90.75
Estimated Annual Salaries from MRC Campuses	\$7.82 million

Research Expenditure

14. MDC's support of the research community through MRC has led to significant research funding secured and expenditure from MRC's major research tenants, Plant and Food Research (since 2003) and Bragato Research Institute (since 2019).
15. Since the establishment of the Budge Street campus (in 2003) it has been assessed that industry and Government funding into research has totalled approximately \$66.5 million (Adjusted for inflation the real value is \$76 million). Of which Government funding has accounted for approximately 60% of this total.
16. The annual levy and non-levy funding controlled by BRI and Sustainable Wine New Zealand (SWNZ) (who reside on the Budge Street campus) totals \$9.1 million annually. The economic benefit from this research is two-fold firstly from the direct expenditure in the regional economy and secondly from the flow on benefits from the application of the research carried out. It is unknown how much of this funding is expended in Marlborough but it would not be unreasonable to suggest 50% is applied locally.
17. In addition to this funding Plant and Food Research also invest its own Crown Research funding and industry funding into research. PFR have been an anchor tenant on the Budge Street campus since 2003. The extent of research is expected to grow with the establishment of the Experimental Future Vineyard.

¹¹ Refer Ministry of Business Innovation and Employment website on Regional Research Initiatives

Economic Benefit

18. The economic benefit from the activities carried out on the MRC campus's falls into two categories:
- the direct and indirect impacts resulting from expenditure from the campus, and
 - the impact's from the research and development (R&D) undertaken.
19. In order to carry out a full economic benefit assessment a more in-depth analysis would be required than undertaken in this report. However the assessment, of the direct and indirect impacts, carried out is reasonable and shows that the economic benefit from the campus is significant. The actual impacts from the research and development undertaken would require significantly more analysis to assess the impact, however it is likely given the growth in the value of the wine industry that the economic benefit would be even more significant.
20. In 2001 Peter Seed Limited undertook an economic benefit assessment of the impact of MRC. In this assessment Peter assessed:
- That the present value of the direct and indirect impacts of MRC as \$11.8 million, and
 - That the net present value from the impact of research and development undertaken as being between \$27 million and \$144 million. This was based on a range of assumptions on the impacts of research on the local economy. i.e. how does R&D impact on the value of the industry and the flow on impacts. Clearly the growth in the wine industry over the years would support that R&D has had a significant impact on the industry. As the wine industry is now a \$2.4 billion export producing industry the extent of present value benefit from research assessed by Peter at the time may well have been understated.
21. As the second part of determining economic benefit requires more in-depth analysis the assessment undertaken is a comparison of the analysis of the direct and indirect impacts from the expenditure associated with the campus.

Economic Impacts			
Direct and indirect impacts	2001 (3)	2023	Adjusted (1)
	\$ per annum	\$ per annum	
Salaries	273,000	7,820,000 (5)	4,692,000
Expenditure	154,000	1,073,974	1,052,495
Total	427,000	8,893,974	5,744,495
Multiplier	1.7		1.7
Estimated Indirect Benefits	298,900		4,021,146
Total Annual Impact	725,900		9,765,641
Present Value	\$11,824,104		
Present Value of Economic Effects (2)	\$20,573,941 (4)		\$159,071,433

1) Adjusted for tax and savings and other leakages (40%)

2) Risk Free discount rate used as social rate of time preference 4.50%

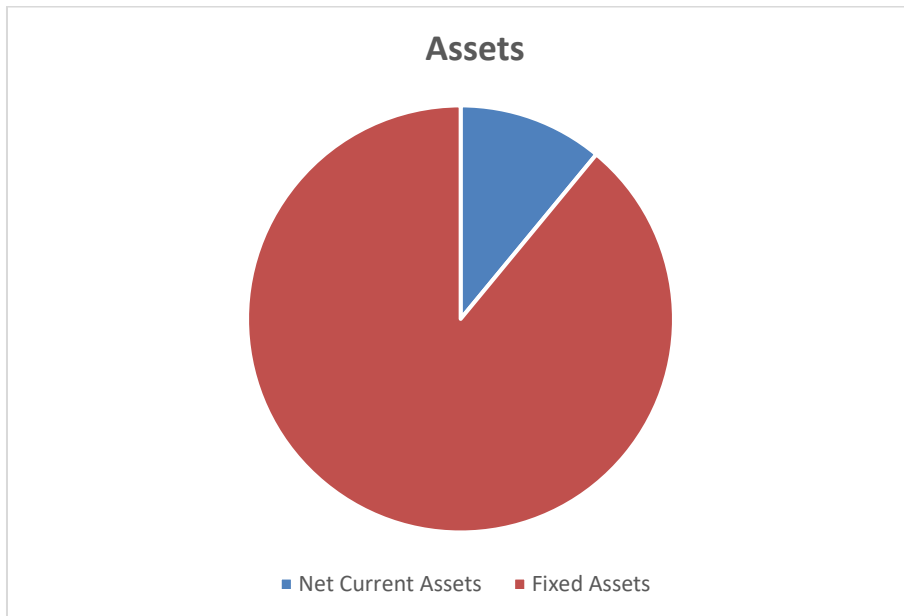
3) *Economic Impact Assessment dated 13 December 2001 by Peter Seed Ltd,*

4) *Adjusted for inflation to provide a real dollars comparison.*

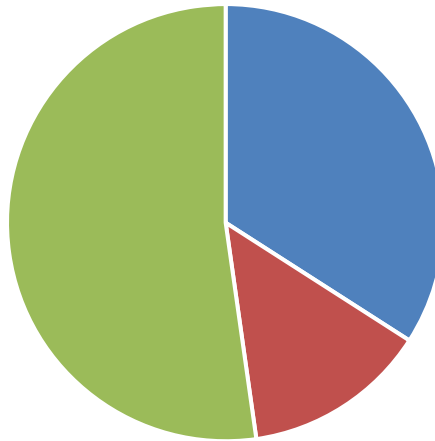
5) *The salaries is assessed using the known FTE's and an average salary of \$80,000 per annum.*

22. What this highlights is that the actual economic impact from the direct and indirect expenditure associated with MRC since 2001 has been significantly greater than assessed in 2001.
23. The assessed economic benefit has increased significantly as a result of the investment into the Budge Street campus in 2003 and the further investment in the campus since 2019. These investments give rise to significant activity and flow on benefits. It is not inconceivable that the economic benefit of the recent capital investment and flow on activity when assessed in twenty years' time will be found to similarly have been significantly understated.
24. It is reasonable to state that the economic benefit from MDC's annual contribution to MRC has had, and is having, a profound and significant economic impact to the Region.

Financial Overview (Graphical Representation of 2022/23 Annual Report)

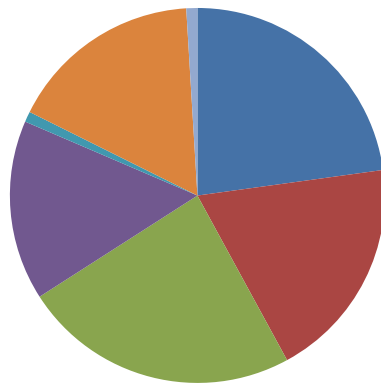


Equity and Loans



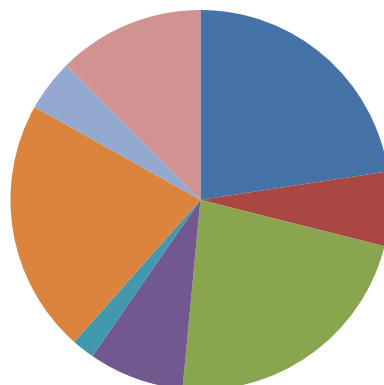
■ PGF Suspensory Loan ■ ANZ Loans ■ Accumulated Fund's

Income



■ Dryland Innovation
 ■ Rowley Vineyard
 ■ Budge Street Campus
 ■ Grovetown Park Campus
 ■ Charles Street
 ■ Operational Support
 ■ Other

Expenditure \$1.7 million



■ Dryland Innovation
 ■ Rowley Vineyard
 ■ Budge Street Campus
 ■ Grovetown Park Campus
 ■ Charles Street
 ■ Operational Support
 ■ Interest Expense
 ■ Other Initiatives

9. Welcoming Communities

(Cllr Dalliessi) (Report prepared by Jodie Griffiths)

C140-002-028-01

Purpose of Report

1. The purpose of the report is to provide Council with an update on the Welcoming Communities programme for Marlborough.

Executive Summary

2. Marlborough was accepted into the Welcoming Communities programme offered by Immigration NZ on 1 July 2022. With work commencing in October following the appointment of the programme coordinator, Heather Barnes.
3. The programme is supported by an Advisory Group. Councillor Dalliessi is the representative on this governance group.
4. The programme to date has completed many of the objectives set by Immigration NZ as well as opportunities presented by the community.
5. Welcoming Week was held for the first year, 2 – 10 September, and was a huge success. 20 events were coordinated to celebrate the week. These events celebrated the diversity in our community and connected newcomers to local programs/services.

RECOMMENDATION

That the information be received

Background/Context

6. In recent years a significant change has taken place in Marlborough's demographics. The ethnic diversity of the community has changed and with it comes opportunities as well as challenges in terms of integration into the wider community. Several reports have been commissioned by Council – Looking Back to Look Forward; which was most recently reviewed in 2019.
7. In 2020 Marlborough became a Refugee Resettlement Community. Three nationalities are settled in Marlborough, Colombian, Rohingya and Venezuelan.
8. Several key Marlborough industries are now heavily reliant on a workforce sourced from outside the region and New Zealand.
9. In 2017 Immigration New Zealand began piloting the Welcoming Communities concept with communities and local authorities. With the intention of strengthening "Communities that make newcomers feel welcome are likely to enjoy better social outcomes, and stronger economic growth. In this environment, everyone is able to participate in the economic, civic, cultural and social life of the community. Building connections between locals and newcomers means everyone feels included and knows they belong". The programme was closed this year with a total of 40 Councils involved. Further information can be found <https://www.immigration.govt.nz/about-us/what-we-do/welcoming-communities>
10. The programme to date has completed the project plan, communication plan, webpage, marketing material and is undertaking a "stocktake" of programs/services/activities that support newcomers which will inform the Welcoming Plan to be created next year. A community survey, Advisory Group workshops and interviews with stakeholders have provided information for the stocktake. Socialising the program internally and externally has also been key in creating connections to facilitate the

Welcome Plan. Welcoming Communities has had a role in organising events in Marlborough such as Unity Week, International Languages Week, and World Refugee Day.

11. Welcoming Week was held for the first year, 2 – 10 September, and was a huge success. 20 events were coordinated to celebrate the week. These events celebrated the diversity in our community and connected newcomers to local programs/services. The promotion and media coverage of Welcoming Week highlighted Marlborough's commitment to supporting diversity and inclusion to the wider community.
12. The formal occasion of signing the Statement of Commitment by Council, Tangata Whenua and the Marlborough Multicultural Centre will be held on 24 November in Chambers.
13. In 2024 Marlborough will submit an accreditation request.

Attachment

Attachment 1 – Welcoming Week Event Booklet

page [38]

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 newcomers to the community 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			
Immigration NZ provide \$50,000 per year for 3 years, for salary only.			
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 newcomers to Marlborough.			
Climate Change Implications			
There are no known climate change implications to this decision.			



**WELCOMING
WEEK**
TE WIKI O MANAAKI

10. Temporary Alcohol Ban – Renwick

(The Mayor) (Report prepared by Mike Porter)

L150-019-15

Purpose of Report

1. To resolve that a Temporary Alcohol Ban on High Street, Renwick and associated side streets of Inkerman, Uxbridge and Alma Streets as depicted in the plan attached as Attachment 1 be in place for the 24 hours from 6.00 am on Saturday 10 February 2024 to 6.00 am on Sunday 11 February 2024 (Marlborough Wine and Food Festival and the associated event at the Woodbourne Tavern).

Executive Summary

2. Council's Marlborough District Council Alcohol Control Bylaw 2018 provides for Council to resolve and publicly notify permanent or temporary alcohol bans in the Marlborough District.
3. The Blenheim Police have requested that a Temporary Alcohol Ban be in place for the Marlborough Wine and Food Festival in February 2024 and the associated event at the Woodbourne Tavern to help manage the events.

RECOMMENDATION

That Council resolve and publicly notify that a Temporary Alcohol Ban will be in place for the 24 hours from 6.00 am on Saturday 10 February 2024 to 6.00 am on Sunday 11 February 2024 for High Street, Renwick and associated side streets of Inkerman, Uxbridge and Alma Streets as depicted in the plan attached.

Background/Context

4. The Blenheim Police have requested that Council place a Temporary Alcohol Ban on High Street, Renwick and associated side streets of Inkerman, Uxbridge and Alma Streets for the Marlborough Wine and Food Festival and the event at the Woodbourne Tavern after the Festival.
5. They have also requested that a Temporary Alcohol Ban over the same area be placed for the Woodbourne Pig Hunt Event in 2024. As this event normally takes place in June, a separate paper will be provided to the Committee closer to that time (once the 2024 event is confirmed).
6. The Blenheim Police have discussed the issue with the Secretary to the District Licensing Committee and other staff a number of times.
7. The Blenheim Police have indicated that an Alcohol Ban over the area depicted in Attachment 1 will greatly assist in managing the event and prevent any escalation of problems as the day progresses. It will also help in managing and dispersing the large number of Festival attendees congregating on the footpaths and streets surrounding the venue.
8. During the event at the Woodbourne Tavern after the 2023 Marlborough Wine and Food Festival, it was observed that persons who had been ejected from the event meeting up with others and congregating on the footpath and generally being uncooperative. The Blenheim Police have advised that the potential for harm is significant.

Alcohol Control Ban Bylaw 2018

9. Council adopted the Marlborough District Council Alcohol Control Bylaw 2018 (Bylaw) on 1 February 2018. *This bylaw states in clause 1 that "Council may specify, by resolution, publicly notified, the public places in which the prohibitions and controls in this bylaw will apply."* The Bylaw further states that *"Council may specify, by resolution, publicly notified, periods during which alcohol*

may not be possessed, consumed or brought into any specified public place or in any vehicle in any specified public place.”.

10. Council currently has two 24/7 Alcohol Ban areas in the Blenheim and Picton CBDs, which have shown to be in the main successful in managing the harm caused by alcohol.

Attachment

Attachment 1 – Plan of area from Blenheim Police

page [41]

Author	Mike Porter, Democratic Services Manager/Secretary to the District Licensing Committee
Authoriser	Dean Heiford, Manager Economic, Community and Support Services Department

Attachment 1



11. Commercial Events Fund Sub-Committee

(Clr Innes)

E100-002-006-28

1. The Minutes of the Commercial Events Fund Sub-Committee meeting held on 25 October 2023 and 2 November 2023 are **attached** for ratification by the Committee.
-

RECOMMENDATION

That the Minutes of the Commercial Events Fund meeting held on 25 October 2023 and 2 November 2023 be ratified.

**Report & Minutes of Meetings of
COMMERCIAL EVENTS FUND SUB-COMMITTEE
Wednesday 25 October 2023 commencing at 1pm
Marlborough District Council (Picton Room), 15 Seymour Street, Blenheim**

Present in person:

Cllrs J A Arbuckle (Chair), B Dawson and B Faulls

Apologies:

Cllr R Innes, Tracey Green (Acting General Manager, Destination Marlborough)

In Attendance:

MDC Regional Events Advisor (REA), Samantha Young

1. Decision to Conduct Business with the Public Excluded

Cllrs J Arbuckle/B Faulls:

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

- SIMG Funding

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
SIMG Funding	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.

The meeting closed at 1:30pm.

Record No: 23240490

**Report & Minutes of Meetings of
COMMERCIAL EVENTS FUND SUB-COMMITTEE
ROUND 1 - 2023/2024**

**Thursday 2 November 2023 commencing at 8am
Marlborough District Council (Picton Room), 15 Seymour Street, Blenheim**

Attendees:

Present in person:

Clr R Innes (Chair), Clr B Faulks, Clr B Dawson, Clr M Flight, Tracey Green (Acting General Manager, Destination Marlborough)

Present via Zoom:

Clr J A Arbuckle

Apologies:

Nil

In Attendance:

MDC Regional Events Advisor (REA), Samantha Young

Background:

Council allocates \$130,000 per annum for funding Commercial Events. The funds are allocated under specific criteria to event organisers that run commercial events held within the MDC boundaries. For 2023/2024 only, \$100,000 is available for allocation.

Meeting Report & Minutes:

All applications and associated paperwork were sent via ShareFile to the sub-committee in advance of the meeting.

Council's REA provided an overview of each application to the sub-committee before funding discussions commenced.

It was agreed by Mayor Taylor prior to the meeting that Clr R Innes would Chair the meeting as Clr J Arbuckle was joining by Zoom and would be stepping down from the sub-committee after this funding round.

General Discussions:

Clr R Innes opened the meeting and welcomed attendees.

REA provided a brief introduction to the Commercial Events Fund explaining the background, purpose, criteria and overview of the Fund's budget.

Application Discussions:

Brookby Beats 2024:

REA noted the following:

- Event will be held the day before the Marlborough Wine & Food Festival in February 2024. Organisers hope to attract out of town visitors to stay for an additional day. Wine Marlborough are supportive of the event with both parties looking to cross-promote their activities
- Funding requested is 60% of total event costs
- Organisers realise funding request is high given the predicted number of attendees but are seeking seed-funding to help establish the event. Their three year plan is to grow the event to welcome 2,000 to 3,000 pax
- ROI is low - if sub-committee support the event it should be with a long-term vision on the understanding it is helping to establish the event

Sub-committee's key discussion points:

- Good concept providing an additional attraction for out of town visitors in the region for the Marlborough Wine & Food Festival
- Organiser's predicted number of nights' stay is high, it is more likely to be one additional night
- If concept works organisers should consider changing the date so people travel to the region specifically for the event at another time of the year
- Not happy to support to the full amount requested given the predicted ROI but supportive of offering some seed-funding to help establish the event

Cir B Faulls / Cir M Flight:

That \$10,000 funding for Brookby Beats (2024) is approved.

Carried

Havelock Mussel & Seafood Festival 2024 & 2025:

REA noted the following:

- Application is for multi-year funding
- 2024 event will be the 20th celebration
- Event received funding for 2023 - organisers have provided the required post-event accountability report and supporting documentation
- Applicant has applied for funding for both 2024 and 2025 - \$15,000 of the funding for 2025 will only be required if the feasibility study scheduled to be carried out in 2024 confirms the restaurant proposition would be viable
- Economic Impact Report shows strong ROI
- Budget provided with the original application shows a \$6,000 loss. Applicant confirmed this is incorrect and provided a revised budget - REA forwarded this to the sub-committee prior to the meeting
- Event applies to Council for event underwrite each year in case of bad weather
- \$1,000 of funding requested for the 2024 event is for a feasibility study - the applicant has confirmed this would be run in-house
- 65% of sponsorship has been secured to date - more than usual at this time
- Organisers confirmed they retained \$10,000 profit from the 2023 event before making \$15,000 donations in community grants - this is a requirement of previous Commercial Events Fund sub-committees to ensure the next year's event has seed funding

Sub-committee's key discussion points:

- Event has more of a commercial focus since the new Events Manager has been employed
- Cruise initiative is good but costs should be built into the ticket price, Council should not fund this element
- Event has received funding in the past and should now be on their way to being self-sufficient
- Feasibility study for a restaurant on-site in 2025 is a good idea but should be carried out by organisers without additional costs
- Good to see event is looking to find ways to grow but should be considering how they can make the festival bigger e.g. over two days
- Important event for the region and should be supported but at a lower level than requested
- No funding for 2025 approved at this time - organisers should be encouraged to resubmit an application for this event following a meeting with Council's REA and the General Manager of Destination Marlborough to discuss potential growth opportunities

Cir B Dawson / Cir B Faulls:

That \$7,000 funding for Havelock Mussel & Seafood Festival 2024 is approved as follows:

- **\$5,000 towards entertainment costs**
- **\$2,000 towards costs for VIP area**

Carried

Marlborough Wine & Food Festival 2024:

REA noted the following:

- 2024 will be the 37th Festival
- First time this event has ever applied to Council for funding
- One of Marlborough's premier events
- As expected, the Economic Impact Report shows an excellent ROI
- Funding is requested to increase their promotion and communications to markets outside of Marlborough following the impacts of Covid as well as the change in event location to Renwick Domain
- If funding is declined organisers will not be able to market the event outside the region to the level they feel is necessary to increase their attendee numbers

Sub-committee's key discussion points:

- All agreed the importance of this event and how it promotes Marlborough beyond the event itself
- Would like to see organisers work with Destination Marlborough to find ways to better support local tour operators e.g. creation of weekend 'packages'
- Agree to fund the 2024 event but organisers should be informed any future funding would need to show growth to be considered

Clr J A Arbuckle / Clr M Flight:

That \$20,000 funding for Marlborough Wine & Food Festival 2024 is approved.

Carried

Wander Women Adventure Race Marlborough 2024:

REA noted the following:

- One-off for Marlborough as event travels around the country
- First time event will be held in the South Island
- Organisers have confirmed event will go ahead if funding is declined but it will be to a lesser quality
- Cash sponsorship is still to be secured
- No DOC issues as event is held on private land
- Economic Impact Report shows a low ROI
- Event provides an opportunity to showcase Marlborough and promote the region as ideal for adventure activities and events

Sub-committee's key discussion points:

- Funding event could help build relationship for Marlborough to host it again in the future or for other Soaked in Adventure events to be held in the region
- Event should be supported but not to level requested

Clr M Flight / Clr B Dawson:

That \$6,000 funding for Wander Women Adventure Race Marlborough 2024 is approved as follows:

- **\$1,600 for race maps**
- **\$1,200 for race bibs**
- **\$1,200 for toilet hire**
- **\$1,000 for venue hire**
- **\$1,000 for band**

Carried

Saint Clair Vineyard Half Marathon 2024:

REA noted the following:

- Sub-committee approved funding for the 2022, 2023 and 2024 events in Round 1 of 2021/2022 Commercial Events Fund as follows:
 - o 2022: \$15,000
 - o 2023: \$10,000
 - o 2024: \$5,000
- Funding for 2023 and 2024 was approved in principal, subject to post-event accountability reports for the previous year's event. Copies of the 2023 accountability report was provided to the sub-committee prior to the meeting
- Accountability report showed encouraging outcomes for the event with 1,700 participants taking part - an increase of 400 from the 2022 event. The report also showed 71% of participants came from outside of Marlborough providing great economic benefits for the region
- Great to see event doing well after it went into liquidation at the start of the Covid-19 pandemic

Sub-committee's key discussion points:

- All supportive of confirming funding

Clr B Faulls / Clr M Flight:

That \$5,000 funding for Saint Clair Vineyard Half Marathon 2024 is approved as part of the three-year agreement confirmed in Round 1 of 2021/2022 Commercial Events Fund.

Carried

Summary:

\$48,000 of funding was approved as shown below:

Organisation	Event	\$ Requested	Decision
Two Rivers of Marlborough Ltd	Brookby Beats 2024	\$21,195.60	Approved - \$10,000
Havelock Mussel Festival Inc	Havelock Mussel & Seafood Festival 2024	\$16,000	Approved - \$7,000
Havelock Mussel Festival Inc	Havelock Mussel & Seafood Festival 2025	\$22,500	Declined
Wine Marlborough Ltd	Marlborough Wine & Food Festival 2024	\$20,000	Approved - \$20,000
Soaked in Adventure	Wander Women Adventure Race Marlborough 2024	\$15,000	Approved - \$6,000
Tailwind Events	Saint Clair Vineyard Half Marathon 2024	\$5,000	\$5,000 Confirmed (approved in principal in Round 1 of 2021/2022)

Clr R Innes thanked the sub-committee.

Clr R Innes:
That the information be received.

The meeting closed at 9am.

12. Housing for Seniors Sub-Committee

(The Chair)

D050-001-H01, C600-004-002-01

1. The Housing for Seniors Sub-Committee meeting held on 2 November 2023 are attached for ratification by the Committee.
-

RECOMMENDATION

That the Minutes of the Housing for Seniors Sub-Committee meeting held on 2 November 2023 be ratified.

**Minutes of a meeting of the
HOUSING FOR SENIORS SUB-COMMITTEE
held in the Council Chambers, 15 Seymour Street, Blenheim
on THURSDAY, 2 NOVEMBER 2023 commencing at 1.00 pm**

Present:

Cirs J D N Croad (Chairperson), D A Dalliesi, R J Innes and Brian Ross (Community Representative)

In Attendance

Mr J Lyall (Manager, Property and Community Facilities), Ms W Harcus and Ms M Clark (Property Managers, APL Property Blenheim Ltd) and Ms N Chauval (Committee Secretary)

Also in Attendance

Ms M Watson (Projects & Contracts Manager)

Apologies

Cirs Croad/Dalliesi:

That the apology for absence from Clr M R K Flight and Mr L van Velthooven (Property Manager, APL Property Blenheim Ltd) be received and sustained.

Carried

Clr Croad advised members that Clr Jamie Arbuckle has resigned from the Housing for Seniors Sub-Committee and Clr Brian Dawson has been appointed to the Committee, effective from 2 November 2023.

1. Introduction of Additional Item

Clr Croad/Innes:

That the following additional item be considered (under Standing Order 9.12) for reason of the urgent nature of the business and insufficient time being able to include the item on the original Agenda:

In Public Excluded Meeting:

Tenancy Termination

Carried

2. Housing for Seniors Sub-Committee – Minutes

Mr B Ross/Clr Innes:

That the Minutes of the Housing for Seniors Sub-Committee meeting held on 7 September 2023 be confirmed as a true and correct record.

Carried

3. Operations Report November 2023

Members noted that the purpose of the report was to update members on the senior housing operations for the first quarter, July – September 2023.

Wendy Harcus advised that the tenant waitlist has decreased by 2 and is now 52 for those aged 65 years and above. 141 maintenance work orders were issued for the period.

The rent increase took effect on 15 October 2023 and has gone smoothly. There are some automatic payments that haven't been updated and these are currently being followed up.

There has been a number of vacancies this period and filling them has been a little bit tricky, particularly in regard to Andrew Place as tenants are hesitant to move in with the possibility of having to move out in the near future.

Members discussed how to alleviate the uncertainty for tenants but agreed that it will really hinge on the outcome of the Government funding application for the redevelopment of Andrew Place.

It was reported there is a clause in the Andrew Place Tenancy Contract noting that tenants could be relocated. There have also been articles in the local papers on possible Andrew Place development which has increased current tenants and prospective tenant's anxiety.

A copy of the Tenancy Contract to be circulated to members.

Ms Marcus noted that Andrew Place units are currently not being refurbished to the extent that they would usually be following a tenant vacating and prior to new a tenant moving in.

Mr Lyall noted there will be an indication by the end of November on whether Council's application has been successful or not. If successful there will be at least a 12 month lead in time before units would be required to be vacant.

Members noted that units are to be filled as much as possible and if there are issues to bring these back to the Committee. It was also noted that for the tenants of Andrew Place there is no guarantee that if they are required to move out they have priority in the new development.

Clr Dalliessi also requested a copy of any correspondence that has been circulated to tenants.

Cirs Innes/Dalliessi:
That the information be received.

Carried

4. Minor Projects Report

Mandy Clark noted that the purpose of the report was to provide an update to the Committee on the current progress of minor capital projects relating to Council's Senior Housing portfolio.

Members were advised that Max George joiners continue with the kitchen refurbishments at Harling Court with an expected completion date of mid December 2023. No complaints have been received and the project has not had to use any contingencies so there are no cost overruns.

Two kitchen units will be flat packed and when the final two units are available they will be installed before they are re-tenanted. Once that is completed all units at Harling Court will have been refurbished.

Findlater Construction Ltd are making good progress with the contract for the George Street / Vevian Place watermain replacement. This project has an expected completion date of late November 2023. Ms Clark noted that they have been very good to deal with. There has been good communication with Council and the tenants with no complaints and a number of compliments received.

Ms Clark advised members that pressure reducing valves have been installed between the new and existing unit pipework. This is to prevent any issues due to the installation of the new mains and the subsequent water pressure.

Toby boxes have been moved out so water can be turned off individually.

Findlater Construction have extended their programme by seven days due to weather. They will be preparing trenches for asphaltting and once that's done they will wait 2-3 weeks before they re-line mark. The project should be completed by the end of December.

Tenants have been sent information updating them on where the works are at.

Mr Lyall advised members that the villa at 83 George Street has been relocated and the site is now vacant. Prior to completion of the contract landscaping and options for carparking will need to be considered. A report will be provided to the Committee.

Clr Croad/Mr B Ross:

That the information be received.

Carried

5. Project Report – George Steet Senior Housing

Members noted that the purpose of the report was to provide an update to the Committee on the current progress of the George Street, Blenheim, Senior Housing development.

Ms Clark advised that as of this morning Stage 2's concrete floor is poured, wall framing and trusses, which are on site, will be going up in the next couple of weeks. A programme has been received from T&D and they are looking at the end of May 2024 to be complete. This date includes having landscaping, carparking and ground work finished.

Members were advised that the lift will be installed and operational by the end of March 2024.

It was noted that early procurement of other materials such as heat pumps, letterboxes has happened with materials stored off site ready for installation. This has meant no material delays.

Ms Clark noted there had been some issues during stage one which have subsequently been sorted and it is anticipated that Stage 2 will run smoother and faster.

Mr Lyall noted that Mandy Clark prepares a PCG report counter to this meeting and this will continue to be provide to committee members.

If members would like a site visit please contact Mandy Clark to arrange.

It was raised about members undertaking a site visit of the Housing for Seniors portfolio. This to be followed up as the portfolio is large and members would need to decide how much they wanted to view.

Cirs Croad/Innes:

That the information be received.

Carried

6. Financial Report

Members noted that the purpose of the report was to provide financial information for the Senior Housing portfolio for the first quarter ending 30 September 2023.

It was reported that total revenue is 7% ahead of budget but this is due to timing. The year end projection is forecast at 3% above budget (subject to maintaining low vacancy rates).

Expenditure is tracking close to budget after the first quarter (<1%).

Mr Lyall noted that consultancy and professional fees are above budget and this is primarily due to incurring costs to do with the Andrew Place RFP application to Central Government. If the RFP application is successful then these costs will be allocated to that project.

Members were advised that a deficit of \$68,381 is budgeted for year-end but break-even is forecast (at this early stage).

Cirs Dalliessi/Croad:

That the report be received.

Carried

7. Tenant Liaison Report

Mr Ross noted that he has received no concerns or complaints from either Moira Conroy or APL. It was noted the increase in communication and Senior Matters Newsletter has had a positive effect in keeping tenants informed.

Member discussed the best ways of communicating the result of Council's RFP application.

Cllrs Croad/Innes:
That the information be received.

Carried

8. General Business

- 8.1 Age Concern – Bobby Houlahan has returned from maternity leave and will look to start tenant visits again. Wendy Marcus has provided a contact list of tenants.
- 8.2 Alterations to Concept Plans – Cllr Dalliesi raised whether consideration could be given to modifications to the current senior housing concepts. It was suggested this be considered once the outcome of the RFP application is known.

9. Decision to Conduct Business with the Public Excluded -

Cllrs Croad/Dalliesi:
That the public be excluded from the following parts of the proceedings of this meeting, namely:

- Tenancy Termination

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
Tenancy Termination	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.

The meeting closed at 2.07 pm

File Reference: C600-004-002-01, D050-001-H01

Actions

	Details	Person Responsible	Required by
1.	Circulate a copy of the Tenancy Contract for Andrew Place to members.	Wendy Marcus	As soon as practical
2.	Circulate a copy of any correspondence that has been circulated to tenants to Cllr Dalliesi.	Wendy Marcus	As soon as practical
3.	Report on landscaping and carparking options for 83 George Street.	Jamie Lyall	For agenda in 2024

13. Small Townships Programme Sub-Committee

(Clr Faults)

D050-001-S03

1. The Minutes of the Small Townships Programme Sub-Committee meeting held 19 October 2023 are **attached** for ratification by the Committee.

RECOMMENDATION

That the Minutes of the Small Townships Programme Sub-Committee meeting held on 19 October 2023 be ratified.

**Minutes of a meeting of the SMALL TOWNSHIPS PROGRAMME SUB-COMMITTEE
held in the Council Chambers, Seymour Street, Blenheim on 19 OCTOBER 2023
commencing at 2.00 pm**

Present

Cirs B A Fauls (Chairperson), S R W Adams, S J Arbuckle and B J Minehan

In Attendance

Jamie Lyall (Property and Community Facilities), Heather Graham (Small Townships Programme Project Manager), Linda Craighead (Parks & Open Spaces Planner) and Nicole Chauval (Committee Secretary)

Apologies

Cirs Fauls/Minehan

That the apology for absence from Cirs Hope and Jane Tito (Manager, Parks and Open Spaces) and Charlotte Campbell-Lamerton (Marlborough Roads Multimodal Advisor) and Haidee Soares (Marlborough Roads Network Manager) be noted.

Carried

NB: The order of the agenda was altered at this point and the following Items 3 and 4 were heard ahead of Item 1.

3. New Projects – Horahora Kākahu Lookout

E105-002-04

Ms Graham noted that the purpose of the report was to gain funding approval for the development of the Port Underwood summit area as a recreational viewing area of the Horahora Kākahu Island and the surrounding area.

It was noted that the development of a scenic lookout point would include offroad parking suitable for a bus or cars.

Ms Graham noted that the idea to develop the site was identified by the Port Underwood community in 2019 through a Small Township Community Project Fund application. This application was declined as it did not meet the funding criteria. It was also identified by Te Rūnanga a Rangitāne o Wairau through the 2022 Annual Plan process.

The area of land is a combination of road reserve and private land which is owned by New Zealand Forest Industries Limited and under the day-to-day management of M&R Forestland Management Ltd. The land owner has confirmed their support for the project and has given permission to undertake the work.

Ms Graham advised that initial engagement with Te Rūnanga o Rangitāne o Wairau, Ngāto Rārua, Tgāti Toa Rangitira and Te Ātiawa has been undertaken but noted that given the cultural significance of the project, it is recommended that the involvement of the Council's incoming Kaihaūtu and the Council's Arts, Heritage and Culture Manager be sought as the project progresses.

Initial consultation has also been had with Steve Murrin from Marlborough Roads. Mr Murrin was accepting in principle of the project but advised that the design needed to take into consideration the current use and further consultation was required with Marlborough Roads' - Senior Transport Planner.

In response to a question on whether a MOU would be drawn up it was noted that it would be formalised but rather than an MOU it would be by a Licence to Occupy. It was noted there would also be conversations with the other parties around financial support/donations towards the project.

The project has been assessed and is in keeping with the STP criteria. The total estimated cost of the project is \$100,000. Ms Graham will work through the figures as the project is progressed and members will be kept updated.

At the conclusion of the discussion Clr Fauls proposed an amendment to the recommendation to include the wording 'up to'. Members were happy with the proposed amendment and were supportive of the project.

Cirs Fauls/Minehan:

That Small Townships offer financial support for the development of the Port Underwood summit area as a recreational viewing area of the Horahora Kākahu Island and the surrounding area up to a total of \$100,000 from the Small Townships Programme - Carryovers Reserves.

Carried

4. New Projects – Ward Domain – Sheep Shearing Stands E105-002-04

Ms Graham noted that the purpose of the report was to seek funding approval from the Small Township Programme (STP) for further development of the Ward Domain sheep shearing facilities.

It was reported that a request for funding of \$9,187 to provide a set of sheep shearing pens was received from the Flaxbourne Settlers Association (FSA) as part of the 2023-24 Annual Plan process. An assessment of the project has been carried out using the STP criteria matrix.

Members were advised that the Ward township does have an STP budget of \$113,000 remaining from the initial allocation of \$300,000. There is a large amount of work currently being done eg; Heritage Centre which will require budget for landscaping works to connect the Hall and the Centre, it was envisaged that the remaining funds could be required for this work.

Ms Graham advised that the community also has a number of ideas that they would like support with. They have been advised that they do need to approach projects with a mindset of co-funding and everybody contributing to which the community appeared to be supportive of that approach.

Members were advised that the current chair of their committee has stood down and Jo Campbell has taken over as interim chairperson until the community has time to canvas for someone willing to take on the role.

At the conclusion of the discussion it was proposed that an amendment be made to include the wording 'up to'. Members were very supportive of the project and providing the funding but would like to see the community also seek out other funding options.

Cirs Fauls/Adams:

That funding of up to \$10,000 + GST for the Ward Domain sheep shearing pens project be approved from Ward Township's STP budget.

Carried

1. Small Townships Programme Sub-Committee Minutes

Cirs Faull/S Arbuckle:

That the Minutes of the Small Townships Programme Sub-Committee meeting held on 26 June 2023 be confirmed as a true and correct record.

Carried

	Description	Comments
1.	Circulate link to Remote Users Scheme programme to Clr Adams.	Completed
2.	Contact Andy High (NZTA) for an update on the Havelock pedestrian crossing.	HGr Completed Refer to progress report Havelock

	Description	Comments
3.	Refer to Assets & Services to investigate the options for works proposed in Flaxbourne Settles Association submission to the Annual Plan.	Underway Refer to progress report Ward
4.	Homewood Hall - issues with retaining wall. Contact DOC to ascertain whether they are undertaking works.	Update forwarded to Cllr Faulls Parks and Open Spaces managing this
5.	Circulate information on amount of this year's carryover.	Refer to financial report
6.	Earlier Townships Plans to be reviewed and updated as appropriate.	Refer to progress report Township Plans

2. Progress Report

E105-002-04

Ms Graham provided members with the following update on the Small Township Programme and associated work.

Chorus Cabinet Art

1. Applications for the Chorus Cabinet Art programme closed in August with 43 applications received.
2. A criteria and process were developed to support the allocation process.
3. The allocation group which is made up of Cllrs Barbara Faulls, Johnathan Rosene and staff members Nicci Neilson and Heather Graham and community representative Anne Barrer met on 11 September with the following mural designs chosen.
 - Neh Neh NeNeh Neh..... Gynelle Blake
 - Setting sun.....Sam Proffit
 - Precious pollinators Melissa Price
 - Tūi with native flower Mary Ashwell
 - Steadfast..... Douglas Goodhall
 - Retro camera Vasundhara Singh
 - Town people on the bus Andrea Navarro
 - Safe haven..... Caroline della Porta

4. The agenda and minutes from the allocation group meeting were circulated separately.



Figure 1 - Chorus Cabinet - Successful Designs

Further Update

- Cllr Faulis raised whether, with the help of Nicci Neilson and the Art Gallery, there would be a possibility of having a popup exhibition of the different artwork that was submitted. Ms Graham will undertake a discussion with Nicci Neilson and provide feedback at the next meeting.

Township Plan

5. Further work around the order of information included in the Township Plans was undertaken with draft plans and a summary of plan outcomes for Rārangī and Grovetown now available on the Council website.
6. The Small Townships Manager is continuing to work with iwi to support the inclusion of a cultural narrative in Township Plans.

Further Update

- Seddon and Okiwi Bay plans are anticipated to be available Jan/Feb 2024.

Information Boards

7. Engagement over the last year has highlighted a common project request from several townships being the inclusion of information boards in their communities.

With the need for both content creation and design work, information boards can be deceptively time-consuming.

The importance of a consistent approach also needs to be balanced with flexibility for different topics and townships.

It has been determined that Council's design team does not have the capacity to undertake the level of ongoing work required. Therefore, Small Townships has engaged Kina Communication and Hot House Creative to undertake this work. Fabrication and installation options are also being investigated.

The Marlborough Museum team has confirmed they are able to support with historical content and fact-checking. A workable method of engagement with iwi is being developed to ensure, where appropriate, the inclusion of pūrākau (stories) and cultural narratives is achieved.

Project Updates

8. Canvastown

a) **Car Park**

The design has been finalized and is out for tender.

Pavers remaining from recent streetscape work in the Blenheim CBD will be put to good use as part of the streetscape work outside the Trout Hotel.

b) **Gateway Signage**

Imagery has been confirmed with work around the chosen tagline continuing.

Further Update

- It was noted that the community are getting a bigger fire appliance and the bar outside the toilet facilities hinders the vehicles' ability to turn. Ms Graham advised that this has been discussed with Parks and Open Spaces and has been added to the project plan. The tender for the work closes tomorrow and will be considered next week and allocated.

9. Grovetown

a) **Footpath and Placemaking – Vickerman and Fell Streets**

Kūmānū Environmental and Marlborough Management Services (MMS) have been engaged to undertake the design and planning of the area with Small Townships managing the consultation and engagement with stakeholders.

b) **State Highway Safety Concerns**

The township plan process identified road safety in the SH1 / Fell Street area as a key concern for the community. It has been suggested that the community could identify these concerns to Council's Regional Transport Committee. The Small Townships Project Manager is following this up with key community contact people.

c) **School – Memorandum of Understanding**

A Memorandum of Understanding is being developed and will be sent to the Grovetown School for their consideration.

10. Havelock

Waka Kotahi has now undertaken a review of the consultation documentation and site assessment for the bus shelters requested by the Havelock Community Association. This has offered two sites that are feasible. Consultation with the landowner's is now being actioned by Marlborough Roads.

The Havelock Community Association has been updated on progress.

Further Update

- Quotes have been received for the slim-line bus shelters; a building consent will be required.
- Kersa Sowman is the new chair of the Havelock Community Assn.
- The local Lions Club are keen to contribute to the bus stops.

11. Okiwi Bay

a) Planning Engagement

The Small Townships Manager and Cirs Fauls, S Arbuckle, Innes and Minehan have attended Okiwi Bay Residents Association (OBRA) meetings over recent months to introduce the Small Townships Programme, discuss the consultation process and undertake a township tour to get a good understanding of the community and the area.

A community drop-in consultation event was undertaken on Wednesday 4 October and a community survey has been circulated by OBRA.

The Small Townships manager will collate the information gained ready for the next sub-committee meeting in early 2024.

Further Update

- Members noted the condition of the land surrounding the toilets and raised whether there was anything in the contract determining what state the land should be left in. Linda Craighead to follow-up.
- Online consultation is underway with 12 submissions received, a further six were brought back from the drop-in day.
- Suggested sending a link to the survey to OBRA for them to circulate to their members.

b) Proposed Priority Project - Ruataniwha Stream Bridge

Community consultation undertaken to date by both OBRA and Small Townships shows strong support for the reinstatement of a bridge over Ruataniwha Stream. The Okiwi Bay Residents Association requests that the project be considered for funding by the Small Townships Programme. An initial assessment of the project has been undertaken however, costs are not yet available for the sub-committees consideration.

- i. Okiwi Bay residents have previously enjoyed the use of a bridge across the Ruataniwha Stream which offered access to Sandy Bay beach to the east which is the local swimming area and access to an informal walking track that heads upstream along the far bank. The bridge was washed out in the February 2022 weather event. Since this time access to the area is only possible when the stream and tides are low.
- ii. The original bridge was located on private land approximately 25 metres from the foreshore and crossed the Ruataniwha Stream which enters the township from the south and runs behind properties on Croisilles – French Pass Road and Okiwi Crescent. It is proposed that the bridge, which was a community asset, be reinstated in the same location as the original. OBRA has obtained written approval from the landowner for the use of land for the installation of the bridge.
- iii. Resource consent for any replacement will be required with the main consent issue noted that a bridge does not cause increased flood risk upstream. An assessment of the site was actioned in July 2022 and undertaken by Davidson Group. OBRA has now been supplied with the Davidson Group report which along with comments provided by Council Rivers department, offers a preliminary assessment that will guide the planning and design process.
- iv. OBRA are at this point leading the engagement of engineer's services to undertake the design work.
- v. The costs of a new bridge are difficult to estimate until an engineered design is confirmed, however, Davidson's report highlighted potential costs of up to \$150,000.

- vi. The Small Townships Project Manager will continue to stay in touch with OBRA and provide the sub-committee with further updates.

Further Update

- Members raised concerns about the cost of the bridge.
- Further consideration is required on the type of bridge that would be best suited for the area and is able to withstand any future significant events.
- Suggested going back to the community requesting that they provide two more formalised quotes for the project.
- Members did note that the community do provide a lot of the labour when the project scope allows.
- It is the community's top priority. It is the community's intention that the asset continues to be a community asset.
- It was proposed that discussions are held with the appropriate people to progress the project.

12. Rārangi

a) Township Plan

Feedback on the draft Township Plan showed that the community is generally happy with the document. However, it was felt that strong community feedback for cycling and walking projects was not adequately reflected in the plan. This feedback has been acknowledged and will be reflected in the final document.

Projects

I. Community Hall – outdoor recreation area

Kūmānū Environmental has been engaged to undertake design and planning of the area with Small Townships managing the consultation and engagement with stakeholders.

An initial community consultation meeting was held to gather ideas and expectations for the outcomes of this project.

It has been acknowledged to Kūmānū that we have paving remaining from other projects that are available for use as part of the project.

II. Signage

Information has been received from the Department of Conservation on species of note for both Hinepango and Rārangi beachfront areas. This will be used in conjunction with local stories and iwi pūrākau on information displays in the area.

The priority has been the reinstatement of signage for the Millennium Rock sign that was removed during the upgrade to Blue Gum Corner in 2021. The design of which is now finalised and awaiting fabrication.



Figure 2 - New Millennium Rock - Signage

III. Welcome Sign

As we have a pre-existing process and sign design approval from Waka Kotahi, this project has been quick to progress. Authorization from Marlborough Roads to install the sign has been approved and images taken. The total costs for this project is \$7,100.



Figure 3 - Rārangi - Welcome Sign

IV. Hinepango wetland

The Wetlands Restoration Group is meeting with the Council's Environmental Science team and the Department of Conservation to undertake a review of progress to date and plan the next steps. They will access the funding approved by Small Townships in the near future.

13. Renwick

History Trail

A meeting with Renwick Museum representatives was undertaken to discuss the overall project origins and outcomes along with themes of content including significant people, events, and the characteristics of the community of the time.

An agreed approach was to look to create a central hub location for the heritage trail which will be supported by smaller signage at nominated sites.

An initial site visit has been undertaken, with Small Townships now to confirm site design for approval by Marlborough Roads.

14. Seddon

Following on from the Seddon community consultation, feedback has been collated and a review of the Smart + Connected Steering Group establishment consultation document is being undertaken and will be circulated to the sub-committee soon.

It has been noted that there are a number of community aspirations for the "Tui Garden" area which is located on the main highway directly adjacent to The Station Café. This land is privately owned and has been developed as a community space by the owners. An initial discussion with the Landowner as to the potential viability of a lease agreement with Council has been undertaken. This would offer the ability for Council investment and ongoing maintenance of the area that is used by locals and visitors.

15. Spring Creek

a) Wairau River – Ferry Bridge Picnic Area

Further work has been undertaken on plans for the Ferry Bridge picnic area and car park in response to iwi feedback. Plans have been presented to iwi with no further comments received.

Key features of the new plan

- Toilet facilities have been removed.
- Two paths to rivers edge
- Additional picnic table
- Carpark with surface water catchment system at road edge
- Entry point to carpark at the southern end of carpark
- Carpark moved further south from the bridge

An updated quote of \$191,000 has been accepted which includes a contingency of \$15,000. It is confirmed that this work can be undertaken prior to Christmas.



Figure 4 - Ferry Bridge Picnic Area - Amended Plan

Further Update

- A toilet facility on the town side of the bridge which would be close to the Whale Trial. Rivers Section has works planned for the stopbank in this area and so the toilet project cannot progress until this has been completed.
- A portaloo is being considered for use during for the summer months.

b) **Ferry Road Footpath**

This project has commenced with a site visit with Marlborough Roads and MMS Engineering. An amended approach as shown below will offer a pedestrian crossing at the western end of Ferry Road along with a footpath on the northern side of Ferry Road which connects to the existing path and pedestrian crossing. Marlborough Roads has indicated that they have budget available and will confirm the level of their contribution when the project plan and costs are completed.



Figure 5 - Spring Creek - Footpath Plan

c) **Community Update Meeting**

Small Townships Manager and Cllr Faulls met with Tim Newsham – Spring Creek Community Representative to discuss Small Townships Projects including

- Ferry bridge
- Gateway project
- Traffic issues - Ferry Road
- Footpath – Ferry Road

An invitation to attend the Community Association's next AGM was presented and accepted. We await further details and will advise the time and date closer to the time.

16. **Wairau Valley**

a) **Hall Repairs (not funded by Small Townships Budgets)**

Work to replace the membrane roof on the community hall has now been completed, with work to replace the ceiling of the entranceway of the hall now able to be scheduled.

b) **Loop track**

The Rivers Department has actioned the removal of sandbags and the installation of stepping stones. Total cost - \$2,093 plus GST.

Parks and Open Spaces has followed up with the contractor and much of the regular maintenance has also been actioned. Feedback from the community is that "It is awesome".



Figure 7 - Wairau River - Installed stepping stones



Figure 6 - Wairau River - entrance and exit

c) Picnic tables

Installation of the picnic table and bench seat is scheduled to be undertaken in the next week. The community is looking forward to enjoying the view from the picnic table and bench seat.



Figure 8 Picnic table Site View

17. Ward

a) Gateway Signage

Project complete including maintenance and additional planting at the northern gateway (rural image) sign garden area.



Figure 10 - Ward Gateway Sign - Coastal



Figure 9 - Ward Gateway Sign - Rural

b) Township Plan Next Steps

There are a number of groups seeking to progress their aspirations for the community including Pony Club, School, A&P Show Association, Flaxbourne Settlers Association (FSA), and Heritage Centre.

The Chairperson of the FSA has recently resigned from his position due to health reasons. Both staff and Councillors passed on thanks and well wishes. The association seems to be undergoing some challenges with limited meetings and limited numbers of those holding positions.

A site visit with councillors and staff is planned to enable the community members to discuss their aspirations, particularly those presented as part of the 23 / 24 Annual Plan submission process.

The community project ideas that Small Townships is aware of are:

- New planting along the Seddon Street path
- Path along Ward Street and Duncan Street
- Domain - Tennis court area redevelopment
- Domain - Shearing pens (on stage - main shed)
- Domain - Reseal main entrance
- Domain - Development of second entrance
- Domain - Pony Club all weather arena
- Extension to the rear of the main shed
- Path from school to Domain via private land/paddock
- Painting of Domain buildings
- Community Hall - Outdoor area
- Community Hall - Data projector and projector screen

In addition to the support offered by Small Townships and Parks and Open Spaces, the Council has over recent years undertaken significant investment projects including earthquake strengthening of the community hall and Domain pavilion, funding guarantee Flaxbourne Heritage Centre, and new shed facilities at Domain.

It is suggested that the majority of Small Township's remaining funds be held over in anticipation of the work likely required in the outdoor space between the Hall and Heritage Centre.

Support for the Shearing Shed project is discussed in Agenda Item - New Projects.

Community Projects Fund - current projects

18. Duncan Bay Jetty Repairs

Duncan Bay Jetty has now been completed in accordance with their application. There were no unforeseen issues. The community expressed their appreciation for the Council support.

Complete – \$17,700



Figure 11 - Completed Repairs - Duncan Bay Jetty

19. Tirimoana – Path

An alternative quote was requested from Rick Edmonds who supplied a cost estimate of \$9,950 plus GST.

Further discussion with Tirimoana Anakiwa Ratepayers Association was undertaken to work through residents' concerns around the mowing of the area if the path was installed.

Small Townships undertook discussion with Te Ātiawa as kaitiaki of the Tirimoana Reserve. Te Ātiawa were supportive of the path and interest in the inclusion of cultural design elements as part of the playground project proposed by Parks and Open Spaces and the sharing of pūrākau (stories) of the area through signage.

Work has been scheduled for October.

Further Update

- An update will be provided in February on final costings.

Clr Minehan/S Arbuckle:

That the information be received.

Carried

ATTENDANCE: Clr S Arbuckle withdrew from the meeting at 3.34 pm during the following item.

3. Financial Report

E105-002-04

The financial report for the Small Townships Programme for the period ended 30 September 2023 was presented to members.

Members were advised that the budget for projects as described in the Small Townships Programme – New Projects report has been included in the financial statement as follows.

Area	Descriptor	Amount	
Ward	Shearing Shed improvements	\$9,187	STP Current township budget
Port Underwood	Horahora kākahu Car park/viewing area	\$100,000	STP Carryover Reserves

The Community Projects Fund

Projects for the 23/24 year total \$44,900 is currently allocated to community projects, with \$30,100 available for allocation in the 2023/24 financial year. The total budget for 23/24 period including carryovers of \$18,506 from the 22/23 financial year is \$48,606.

Township project expenditure June – September includes:

- Canvastown – Township planting and carpark/streetscape professional fees
- Havelock – Final section of Motuweka path – **project now completed**
- Wairau Valley – River’s work
- Ward – Township photos

Budget forecast (actuals)

It is expected that projects planned for Canvastown, Grovetown, Rārangī, Renwick, Spring Creek, Seddon and Okiwi Bay will progress to completion over this financial year with updated costs and timeframes acknowledged to the sub-committee.

STP continues to operate with a healthy carryover budget.

Overheads for the 23/24 period including interest, depreciation, and departmental costs are \$379,751 or 50% of the STP annual budget allocation.

\$168K for footpaths and an extra \$90K for Canvastown carpark have been deducted and reflected in the carryovers. \$100k for Horahora kākahu will also be funded from the carryover budget.

Clr Faulls noted there are a significant number of Sounds projects happening and suggested inviting Heather Graham to the next Sounds Advisory Committee meeting.

Clr Adams inquired about what happens with unspent project budgets and queried whether that allocation could be revisited. It was noted that the Committee could undertake this, further discussion at the next STP will be undertaken.

Clrs Faulls/Minehan

That the report be received.

Carried

4. General Business

6.1 Meeting Dates for 2024

Currently meetings held in February, June and October. It was suggested that an April meeting be scheduled if required to focus on projects and finances. Dates to be confirmed at the February meeting.

Postscript: The following meeting dates have been confirmed for 2024 and invites have been sent.

21 February 2024	Council Chambers
19 June 2024	Committee Room
23 October 2024	Committee Room

6.2 Port Underwood Lookout

Heather Graham to provide an update to Clr Burgess.

6.2 Tiromoana Newsletter

Clr Faulls noted the contents of the newsletter for members’ information.

Action

	Description	Person Responsible	Date Required
1.	Discuss the possibility of a Chorus Cabinet popup exhibition with Nicci Neilson and the Art Gallery.	Heather Graham	As soon as practical
2.	Check the Okiwi Bay toilet contract for completion spec's.	Linda Craighead.	As soon as practical.
3.	Link to the online survey to be sent to Okiwi Bay Residents Assn	Heather Graham	As soon as practical
4.	Meet with appropriate people to progress the Okiwi Bridge project.	Heather Graham	As soon as practical
5.	Discuss Horahora Kākahu project with Clr Burgess	Heather Graham	As soon as practical
6.	Heather Graham to attend the upcoming Sounds Advisory Committee meeting.	Heather Graham	20 Nov 2023
7.	Circulate 2024 meeting dates	Nicole Chauval	As soon as practical

The meeting closed at 3.41 pm

14. Sister City Sub-Committee

(Clr Rosene)

D050-001-S02

1. The Minutes of the Sister City Sub-Committee meeting held 11 August 2023 are **attached** for ratification by the Committee.
-

RECOMMENDATION

That the Minutes of the Sister City Sub-Committee meeting held on 11 August 2023 be ratified.

**Minutes of a Meeting of the
SISTER CITY SUB-COMMITTEE**
held in the Council Chambers and via Teams, 15 Seymour Street, Blenheim
on FRIDAY 11 AUGUST 2023 commencing at 10.10 am

Present

Clrs Jonathan Rosene (Chairperson) and Sally Arbuckle.

Present via Teams

Clr Deborah Dalliessi.

In Attendance

Mike Porter and Cathie Bell.

1. Global Cities New Zealand Conference 2023 E100-003-11

Cathie Bell gave the Sub-Committee a briefing on the upcoming Conference.

2. Exchanges with Tendo and Otari E100-003-04

Mike Porter advised that both Sister Cities are looking at sending exchange groups in March 2024. The Sub-Committee agreed to host them.

3. QCC Trip to Japan – September 2023 E100-003-08

Mike Porter advised that he had been approached by David Collins (Queen Charlotte College) regarding financial assistance for their upcoming trip to Japan. It was suggested to David that if the trip involved a visit to one of Marlborough's Sister Cities, then some financial assistance may be considered. David has since advised that arrangements have been made to include Otari (originally Picton's Sister City) in the Group's itinerary.

Members discussed the approach and whilst being keen to financially assist the Group, they required further details of the trip and what the extra costs for the detour to Otari. Mike was to contact David for this information and if appropriate the Sub-Committee would make a decision by email and postscript it to these Minutes.

POSTSCRIPT (the following comment and recommendation were contained in email correspondence between the Sister City Sub-Committee and Mike Porter):

Clr Dalliessi posed a number of points in agreeing to this process. Clr Dalliessi supported the funding based on:

- Confirmation of the amount the Sister City Sub-Committee are considering (\$2095 for the sister city visit component; being transport \$615 and accommodation \$1480, plus incidentals).
- Terms of Reference of the Sister City Sub-Committee be amended so that travel is limited to Sister Cities and the criteria for the number of exchange students per year and the fixed sum per student being agreed.
- Funding only for Sister City exchanges, not for other International Travel.
- Provision of relevant background documents.

Clrs Rosene/S Arbuckle:

That funding of \$2,500.00 be granted to the Queen Charlotte College's 2023 Trip to Japan, to cover the extra costs (transport, accommodation, and incidental expenses) in including Marlborough's Sister City Otari in their itinerary.

Carried

The meeting closed at 11.13 am.

15. CBD and Parking Sub-Committee

(Clr Dawson)

D050-001-P01

1. The Minutes of the CBD and Parking Sub-Committee meeting held on 6 October 2023 are **attached** for ratification by the Committee.
-

RECOMMENDATION

That the Minutes of the CBD and Parking Sub-Committee meeting held on 6 October 2023 be ratified.



**Minutes of a Meeting of the
CBD and PARKING SUB-COMMITTEE
held in the Kenepuru Room, 15 Seymour Street, Blenheim
on FRIDAY, 6 OCTOBER 2023 commencing at 2.00 pm**

Present

Cirs B G Dawson (Chairperson), J D N Croad and J C Rosene.

In Attendance

Cirs D A Dalliessi (to 2.58 pm) and G A Hope (to 3.22 pm), Mr A J Lyall (Property & Community Facilities Manager), Mr N P Henry (Manager, Strategic Planning & Economic Development) and Mr M J Porter (Democratic Services Manager). Also in attendance were Ms L Rayner and Ms M Palmer (Blenheim Business Association).

Apologies

Cirs Dawson/Croad:

That the apologies for absence from The Mayor N P Taylor and Clr J A Arbuckle be received and sustained and that the apology for non-attendance from Ms M N F Watson (Project and Contracts Manager) be noted.

Carried

1. Declaration of Interests -

No interests were declared.

2. Previous Minutes

D050-001-P01

Cirs Dawson/Croad:

That the minutes of the CBD and Parking Sub-Committee held on 31 March 2023 be received.

Carried

3. Blenheim Business Association

C230-001-B04

Lynette Rayner and Maia Palmer from the Blenheim Business Association were in attendance to inform the Sub-Committee of the role the Blenheim Business Association (BBA) play within the Blenheim retail and business community. A presentation was also shown (filed in CM: Record No. 23242801). Updates on the BBA Strategic Plan (Attachment 3.1), the Marlborough Mile and the results of the annual CBD survey (Attachment 3.2) were included in the report. Lynette also explained the BBA role.

It was noted that Clr Deborah Dalliessi is on the BBA in an ex-officio capacity.

Cirs Dawson/Croad:

That the information be received.

Carried

4. Blenheim CBD Properties

C600-001-00

Staff reported that the purpose of the report was to update the Sub-Committee on Blenheim CBD properties.

Mr Lyall reported that on 21 September 2023 Council agreed to demolish 6 Russell Terrace, Blenheim (the old Marlborough Club) and the former Millennium Art Gallery (corner Alfred and Seymour Streets). Council has listed the former Library on the corner of Arthur and Seymour Streets for sale with Marlborough Commercial (Attachment 4.1). Harcourts Real Estate approached the owner of the (former City Hotel) site adjacent to the new Library seeking a listing, without success. The disposal of the Clubs of Marlborough progress has been very slow to date. The Noel Leeming lease is at Final Expiry in October 2024. Council is exploring options for finding a suitable tenant.

Members discussed the possibility of offering other sites to the owner of the former City Hotel site in return for that site.

Cirs Dawson/Croad:
That the information be received.

Carried

5. Blenheim CBD Revitalisation Update

U045-02

Members noted that the purpose of the report was to advise the Sub-Committee on the recent engagement of Kūmānu Environmental to prepare a concept proposal for a streetscape upgrade to Market Street, Blenheim.

Mr Lyall reported that the Blenheim Town Centre Report is a strategic document that provides planning guidance for a number of CBD enhancement projects. Several projects have been delivered in the CBD already, including the upgrade to High and Wynen Streets, completed in September 2023. Landscape Architects, Kūmānu Environmental, have been engaged to prepare a concept proposal to upgrade the Market Street streetscape. Security improvements through landscape design will be a key element of the proposal. Significant planning and programming of the Market Street upgrade will be necessary to ensure that retailers are fully aware of the timeframes and the construction impacts on their businesses. The BBA (Blenheim Business Association) will be one of the communication tools used to keep businesses informed. All inground infrastructure such as 3-waters will be assessed by staff to establish whether replacement is necessary/warranted so as to avoid future excavations and disruptions to Blenheim's CBD. The timeframe for carrying out these works is May-October 2025.

Mr Henry noted that a new health check will be undertaken over the summer period and that this should indicate the numbers of buildings still to undergo earthquake strengthening etc.

Cirs Dawson/Croad:
That the information be received.

Carried

6. Blenheim Parking Changes

R800-002-01

Members noted that the purpose of the report was to seek approval to apply time-related parking changes to two Central Business District (CBD) parking locations; Park Terrace and High Street, Blenheim.

Mr Lyall reported that Marlborough Lines recently purchased the Main Street/Park Terrace site and are in the process of converting the 16 formerly free car parks to nine EV fast charging stations. Council owns the unrestricted car park to the north and it is proposed that the former P60 car parking is relocated to this site.

Mr Lyall further reported that Council has received a request from a member of the public to convert two Zone 1 car parks at 29 High Street, Blenheim to P15. It is suggested that the time restricted car parks will be more suited to the retail activities in the area.

Lynette Rayner advised that the BBA would like to develop better wayfinding.

Cllrs Dawson/Croad:

That the Sub-Committee approve the following parking changes:

1. To convert the currently unrestricted and unmarked car park located off Park Terrace to twelve P60 car parks.
2. To convert two on-street, Zone 1 car parks in High Street, Blenheim to P15.

Carried

7. Proposed Parking Bylaw Amendments

R800-002-01

Staff reported that the purpose of the report was to update the Sub-Committee on two proposed amendments to Council's 2017 Parking Bylaw.

Mr Lyall reported that the current Marlborough District Council Parking Bylaw was updated and implemented in 2017. Recently, two key amendments have been identified that will be presented to Council for approval as they need to follow a full bylaw amendment process being change, options, consideration and consultation.

Waka Kotahi NZ Transport Agency have advised that they wish to delegate enforcement authority to all Local Councils on State Highways. Currently there is no enforcement provision or delegation to enforce stationary vehicle offences in these areas by Council. There are a number of State Highways that pass through urban areas in Marlborough. Council would be responsible for the management and implementation of this process and would retain revenue resulting from any enforcement and associated infringements.

Council has recently entered into an agreement with a commercial operator (Hikotron) to supply four Electrical Vehicle (EV) charging stations in the Wynen Street carpark in Blenheim. Currently the 2017 Parking Bylaw is silent on EV charging parameters, which means that any incorrect operational use of these car park spaces cannot be enforced.

Members agreed that an amendment to the 2017 Parking Bylaw should be undertaken.

Cllrs Dawson/Croad:

That Council approve the commencement of an amendment to Council's 2017 Parking Bylaw to extend the delegation to manage stationary vehicle offences on State Highways and to manage the enforcement of parking requirements for EV carparks (which includes defining the site location, the vehicle type and the terms of use).

Carried

8. Blenheim Parking Study

R800-002-01

Staff reported that the purpose of the report was to inform Council of the results of the 2023 parking study undertaken in Blenheim's CBD.

Mr Lyall reported that there were a number of options that could be considered to change parking practices within Blenheim's CBD:

- Option 1 – Change Wynen Street to 4 hour parking - Should result in all day parkers relocating.
- Option 2 – Change half of Wynen Street to 4 hour parking - Should result in all day parkers relocating.
- Option 3 – Make Railway Station free of charge – Should result in the majority of all day parkers relocating to Railway Station.
- Option 4 – Review parking fees as part of LTP and create different rates for all day parking at the lower occupancy carparks. E.g. The tariff at Railway Station and Scott Street lower than elsewhere.
- Option 5 – Change High Street to 2 hours – Should result in a higher turnover rate but would need to be done in conjunction with freeing up Wynen Street.

Members discussed the options in full.

Cllrs Dawson/Croad:

1. **That Council approve the change to the maximum parking time of the High Street carpark to a maximum of two (2) hour parking (Option 5).**

2. **That Council review parking fees as part of Long Term Plan and consider different rates for all day parking at the lower occupancy car parks (Option 4).**
3. **That the above recommendations be communicated through the Blenheim Business Association.**

Carried

The meeting closed at 3.40 pm.

16. Long Term Plan Working Group

(The Chair)

D050-001-L21

1. The Minutes of the Long Term Plan Working Group meeting held on 8 September 2023 and 17 October 2023 are **attached** for ratification by the Committee.
-

RECOMMENDATION

That the Minutes of the Long Term Plan Working Group meeting held on 8 September 2023 and 17 October 2023 be ratified.

**Report of the LONG TERM PLAN WORKING GROUP
held in the Council Chambers, 15 Seymour Street, Blenheim
on FRIDAY, 8 SEPTEMBER 2023 commencing at 9.50 am**

Present

Cllrs J A Arbuckle (Chairperson), Cllrs S R W Adams, J D N Croad, B G Dawson, B A Faulks (to 11.09 am), R J Innes (to 11.09 am), and Mayor N P Taylor

Also Present

Cllr T P Sowman (to 10.37 am)

Also Present via Teams

Cllrs S J Arbuckle and A R Burgess

In Attendance

Mark Wheeler (Chief Executive), Martin Fletcher (Chief Financial Officer), Dean Heiford (Manager Economic, Community and Support Services), Gina Ferguson (Consents & Compliance Group Manager), Chris Lake (Financial Services Manager), Tessa Dever (Financial Accountant), Robert Foitzik (General Counsel) (via Teams), Rainbow Zhao (Systems Accountant) (via Teams), and Mike Porter (Democratic Services Manager)

Apologies

Cllrs J Arbuckle/Dawson:

That the apology for absence from Cllr G A Hope be received and sustained and the apologies for non-attendance from Cllrs M R K Flight, B J Minehan and J C Rosene be noted.

Carried

1. Proposed LTP Working Group Items and Timings

D050-001-L24

Mr Fletcher, Council's Chief Financial Officer noted that the purpose of the report was to document proposed LTP Working Group Items and their timing.

Members noted the documentation attached to the agenda report – a summary of timings being:

- Items 1 - 8 and 13: have already been discussed;
- Items 9 - 12: to be discussed at this meeting;
- Items 14, 16 and 17: to be discussed at a meeting to be held on 21 September 2023;
- Items 18 - 24: to be discussed at a meeting to be held on 17 October 2023;
- Items 25 - 29: to be discussed at a meeting to be held on 2 November 2023;
- Items 30 - 33: to be discussed at a meeting to be held on 28 November 2023; and
- Items 34 - 37: to be discussed at a future meeting.

Members discussed the timetabling of these items. Decisions made were:

- Item 12:
Cllr Dawson/The Mayor:
That no further action be taken on Item 12.

Carried

- Item 3: Remove.
- Item 5: There was much discussion on this item. It was agreed that this discussion would be deferred to the next report on the agenda (Contracting Out).
- Item 16: Move this item out to the 17 October 2023 meeting.
- Item 19: typo noted – should be "20" below - Move this item out to the 2 November 2023 meeting.

- Item 20: typo noted – should be “See item 19 as well”.
- Item 27: Remove.

Cllrs J Arbuckle/Innes:

That the LTP Working Group agree to the proposed items for further development and their timings for consideration, subject to changes made above.

Carried

2. Contracting Out

F230-L24-09-05

The purpose of the report was to examine whether Council should continue with its current level of contracting out. The discussion under Item 5 during the previous report was noted.

Members noted that Council currently contracts out much of its physical works delivery and ongoing maintenance operations. Ongoing contracting out is less prevalent in other areas with contractors being brought in for specific assignments. The Activities with the highest level of contracting out occurs in Roads (a legal requirement as per section 25 of the Land Transport Management Act 2003), Rivers, Solid Waste, Stormwater and Parks and Open Spaces.

Staff reported that to undertake a review of whether to bring maintenance activities in-house would be a significant undertaking, requiring the engagement of an independent consultant at a significant cost. The exercise could not take place overnight and implementation, if Council decides to proceed, could take over a year.

Members continued their discussion on contracting out or bringing back in-house some or all activities.

It was agreed that staff prepare a report for the Long Term Plan Working Group on when contracts come up for renewal and their dollar value.

Cllrs J Arbuckle/Adams:

That the information be received and that a further paper on “Contracting Out” be prepared for a future meeting of the Long Term Plan Working Group.

Carried

3. Rates Cap

D050-001-L24

Members noted that the purpose of the report was to recommend Council’s proposed Rates Cap for the 2024-34 Long Term Plan (LTP).

It was reported that the Rates Cap is the way the Council signals to ratepayers the likely maximum increase in their rates over the coming 10 years of the Long term plan. If this is exceeded an explanation is required. The current Rates Cap is the Local Government Cost Index (LGCI) movement + 3% and it was proposed that it be retained.

Members noted that consistency was very important.

The Mayor/Cllr Croad:

That the Working Group agree to recommending that the current LGCI+3% rates cap be retained.

Carried

4. Debt Cap

D050-001-L24

Members noted that the purpose of the report was to review Council’s Debt Cap.

It was reported that Council is required by s101A(3)(b)(i) Local Government Act to set a debt cap as part of its Long Term Plan (LTP). In previous LTPs a fixed dollar amount has been set and typically it equated to the maximum amount of debt forecast in the LTP. The debt cap has then been reset every three years with each new LTP.

Members noted the detailed explanations and examples in the report.

Clr Dawson/The Mayor:
That Council:

1. **Adopt a debt cap of "net interest will be less than 15% of total rates".**
2. **Note that in 2023/24 15% of total rates, using a 5% interest rate assumption, equates to a debt cap of \$261.5m.**
3. **Note that the proposed debt cap will automatically adjust following the transfer of 3 Waters rates and debt.**

Carried

5. Financial Impact of 3 Waters including Stranded Overheads L150-019-T01-01

Members noted that the purpose of the report was to discuss the financial impact of 3 Waters including stranded overheads.

Mr Fletcher reported that based on current legislative settings Council's 3 Waters Activities Assets, Liabilities, Revenue and Expenditure will transfer to the newly established Entity H, along with Nelson City Council and Tasman District Council. It is expected that the transfer will take place on 1 July 2025, one year later than originally planned under the previous four entity proposal.

To identify in broad terms the financial impacts of the change, five attachments have been prepared based on the financial statements prepared as part of 2023-24 Annual Plan:

- Attachment 1: Forecast Statement of Comprehensive Revenue and Expense – With 3 Waters
- Attachment 2: Forecast Statement of Comprehensive Revenue and Expense – Without 3 Waters
- Attachment 3: Forecast Statement of Financial Position - With 3 Waters
- Attachment 4: Forecast Statement of Financial Position - Without 3 Waters
- Attachment 5: COVID Rates Relief Reserve

Mr Fletcher explained in broad terms "stranded Overheads" describe the overheads allocated to the 3 Waters Activities. The main drivers for the allocation basis are the Average Expenditure (opex and capex) over the next 10 years and the number of staff. As expenditure for the 3 Waters Activities is large, so are their respective overhead allocations. While Council will no longer be able to allocate these overheads, there is the potential to recover the cost of services provide to the new entity. To date the nature and scope of the services has yet to be determined, but could be extensive.

Members discussed each attachment following Mr Fletcher's verbal explanation. Mr Fletcher advised that he would do further work on this issue and come back with other ideas.

Mr Fletcher advised that he would be happy to meet one-on-one with any Councillor who wished to discuss this issue further.

Cirs J Arbuckle/Croad:
That the LTP Working Group receive the information.

Carried

There being no further business the meeting was declared closed at 11.13 am.

Record No: 23215717



**Report of the LONG TERM PLAN WORKING GROUP
held in the Council Chambers, 15 Seymour Street, Blenheim
on TUESDAY, 17 OCTOBER 2023 commencing at 1.29 pm**

Present

The Mayor N P Taylor (in the Chair), Ctrs S R W Adams, B A Faulks, G A Hope, R J Innes and J D N Croad

Also Present

Ctrs S J Arbuckle, B J Minehan, T P Sowman and D A Dalliesi

In Attendance

Mark Wheeler (Chief Executive), Martin Fletcher (Chief Financial Officer), Dean Heiford (Manager Economic, Community & Support Services), Gina Ferguson (Consents & Compliance Manager), Richard Coningham (Assets & Services Manager), Jamie Lyall (Property & Community Facilities Manager), Chris Lake (Financial Services Manager), Tessa Dever (Financial Accountant), Rainbow Zhao (Systems Accountant), and Nicole Chauval (Committee Secretary)

Apologies

An apology for absence from Ctr J C Rosene was received.

Carried

1. LTP Working Group - Minutes

Ctr Croad/Faulks:

That the Minutes of the Long Term Plan Working Group meeting held on 8 September 2023 be confirmed as a true and correct record.

Carried

NB: The order of the agenda was altered at this point and the following Item 7 was heard ahead of Item 2.

7. Community Funding

Ms Griffiths reported that the purpose of the report was to review the existing structure and levels of community funding allocated as annual and contestable grants.

The agenda item provided members with information on how the community grants were structured and allocated and included details on the eligibility criteria. It was noted that the community funding is a mechanism which enables Council to fulfil its commitment to all four wellbeing pillars (social, economic environmental and cultural) and contributes to a positive and cohesive community.

The following community funding is available:

- i. Annual Operating grants are approved and level of funding set through either the Long Term Plan or Annual Plan process.
- ii. Community Grants are allocated once per year via the Grants Sub-Committee whose membership includes Councillors and community representatives.
- iii. Waiver of fees is allocated and administered by Council staff as per the policies set by Council
- iv. Creative Community Scheme funding and Rural Travel Funding is received from Creative NZ and Sport NZ to be administered by Council for the community.

Historically operating grants have been approved at various times/stages with no formal process or criteria followed. Ms Griffiths also noted there is currently no term for review of annual operating grants and that having a review period would provide an opportunity to ensure that the funding still matched community needs and purpose as organisations do change over time.

There are also other organisations that are as worthy or maybe more eligible for operating grants and by having a regular review cycle it would provide Council with an opportunity to assess all organisations on a regular basis.

It was raised how Council could help with future discussions with organisations. Ms Griffiths noted that by Council making the decision to have a formal review cycle it would enable staff to have conversations with organisations to ensure that the grant that is being provided matches what is being delivered. At the moment agreements are historical and some don't match what groups currently provide which makes any changes difficult.

In considering a review Council also does not want to suddenly withdraw funding which could severely impact organisations. Consideration does need to be given to easing back on funding over a period of time so organisations can work through the limitation of funding. Getting the balance right in terms of a review is important.

Cllr Dalliessi suggested that in January a notice is sent to all groups that receive the Annual Operating grant advising that a review is being planned. It was noted that no criteria has been established for why any of the organisations receive the Annual Operating Grant, they are simply a collection of Council decisions made over time. The key thing is to establish the criteria then look across the whole list and form a view as to whether or not the organisations receives the operating grant until the next review.

Cllr Innes queried whether the amount of funds a group has is taken into consideration when providing operating grants and how that would be managed through the review process. Ms Griffiths advised that there could be a criteria that organisations accounts are supplied for review but did note that Council does get financial information as part of accountability reports each year for community grants.

Members were advised that by undertaking a total review now Council will be able to understand why the money was there and if it is no longer relevant look to allocate it differently.

It was requested that as part of the review that information on land or buildings that are charged minimal rents are included, this will then identify the total value of the package that Council is providing rather than just the cash component.

It was noted that in regard to the Community Grants there is a very robust process on how the Grants Committee assess the applications and compare very different projects with one another.

Ms Griffiths raised whether the Grants Committee could have some way to filter applications through to the Annual Operating Grant if they have met the new criteria and that they have demonstrated the need for ongoing support rather than returning regularly to the Community Grants. It would then give Community Grants more scope to support new one off or more unique projects.

It was raised whether consideration could be given to funding being granted over a number of years to complete a particular project. It was noted that this could be considered but there also needed to be an understanding that if funding was granted then this would affect the total amount of funds available for the following year.

Members noted that as part of receiving a grant it was suggested that recipients needed to promote the activity that is being funded e.g. via Facebook, newspaper story. It was reported that groups that receive funding are required to list themselves on the Marlborough Community Directory and Ms Griffiths noted that they look at ways to encourage groups to raise their profile and promote project.

It was also suggested that how groups are accountable can form part of the review.

Members noted that they were supportive of keeping the Community Grant Funding level in total as it is.

Waiver of fees is allocated and administered by Council staff as per the policies set by Council. Mr Heiford responded to a number of queries regarding the waiver of fees and at the conclusion members agreed to deal with the fee waiver budget as part of the review.

As a result of the discussions The Mayor moved and Cllr Croad seconded the following amended motion.

The Mayor/Cllr Croad:

The Council:

1. Continue with the current level of Community Grant funding.
2. Request the development of criteria for the approval, use and review of Annual Operating Grants.
3. Review the Community Grants criteria in relation to Annual Operating Grants and consider opportunities for realignment.
4. Establish a review cycle for existing Annual Operating Grants in line with the three yearly LTP cycle.

Carried

2. Proposed LTP Working Group Items and Timings D050-001-L24

Martin Fletcher advised that the purpose of the report was to document proposed LTP Working Group items, their timing and progress to date. The schedule will be updated as items are completed and included as a regular agenda item.

Members went through the document and updates were noted. (Refer to Attachment 1)

In response to a query regarding the amount identified in CBD Budgets for Picton CBD, attached as Attachment 2 in the agenda, Mr Fletcher advised that if the amount budgeted is not spent then it will be considered for a carry forward. It was noted that it has been carried forward one year already.

The Mayor/Cllr Dawson

That the LTP Working Group note the updates and progress made to date on the items contained in Attachment 1.

Carried

ATTENDANCE: Cllr Dawson withdrew from the meeting at 2.45 pm during the following item.

3. Contracting Out F230-L24-09-05

Martin Fletcher noted that the purpose of the report was to consider the investigation of Council's level of contracting out. A list of operating contracts in Council's procurement system was attached to the agenda for the members' information.

It was noted that the total number of contracts, Capex and Opex, is almost 600.

Mr Fletcher reported that the contracts had been categorised into areas - 'S' for specialists and would not be economical for them to be brought in house; 'T' for contracts that are small in budget value. The final category was 'O' for operations contract and could be considered review.

The areas under 'O' and available for possible review were Rivers, Community Facilities/Parks and Open Spaces and Property Management.

Mr Fletcher discussed the areas that could be considered for review noting that nothing is predetermined as it would depend on what the investigations yield. Members were in agreement but noted that there is the community engagement process which will also identify what the community consider important.

Mr Fletcher advised that a possible process would be to identify the priorities to be reviewed and then to determine whether a desk top study would be the starting point before a full review. The results of the desktop review would be brought back to the LTP Working Group for a determination on whether to progress it further.

Members also supported undertaking the review in steps so as to not overload staff and to keep costs down.

During discussion the following points were noted:

1. The length of time contracts have to run, determines when reviewed.
2. Queried whether 2024 contracts be rolled over for a year with potential for consolidation.
3. Some contracts are already out for tender and tender processes should continue.

It was then raised whether the next two areas be considered for review being property management and community facilities/parks, reserves and gardens for a desk top review.

There was support from members that the review start as a desk top exercise but at this stage not to include Rivers as there are major contracts up for renewal or in the process of retendering.

The Mayor raised a query on whether there was sufficient resource to undertake a desktop review. Mr Wheeler reported that over the next few months staff could undertake the first stage and then if further budget was needed it would be possible to put that to the budget meeting. Initially could just do the preparatory work on that and that Jane Tito, Council's Manager, Parks & Open Spaces is preparing a Levels of Service paper which will identify exactly how much is spent on those contracts.

The Mayor noted that it doesn't necessarily need to be available for the budget meeting in February, the budget could be taken from Reserves in a mid-year paper if that was what was decided. It was noted that the Reserve funds are dwindling and that should be taken into consideration.

Cllr Adams noted that the desk top review also needed to consider whether it is appropriate to further review as spending \$100k to save \$50k is not the point of the exercise.

At the conclusion of the discussion Cllr Croad noted the initial recommendation in the agenda and proposed that point 2 be removed and moved the following amended motion seconded by Cllr Dalliessi.

Cllrs Croad/Dalliessi

That Council:

1. **Note the information contained in Attachment 1 of the current operational contracts;**
2. **Recommend that the Property Management and Parks and Reserves contracts be investigated in regard to bringing in house via an initial desktop investigation and report back to the LTP Working Group.**

Carried

4. 2024-34 Long Term Plan Interest Rate on Council Borrowings Assumption

D050-001-L24

Members noted that the purpose of the report was to review Council's current interest rate assumption and identify the anticipated impacts of any change on rates and Council's financial position.

Ms Lake noted that the interest rate assumption is a key component to Council's budget and rate setting process and is reviewed annually.

Members were advised that as at 30 June 2023 Council had \$141M of debt (internal and external). By June 2025 the 2023/24 annual plan forecasts the value to be \$240M. Debt, along with depreciation and

development contributions are used to fund large capex projects. By charging loan costs to the Activity means that those ratepayers benefiting from the capital expenditure pay. The majority of these loans are for a 20-year term.

It was reported that the current internal interest rate of 5.0% was recommended by the Long Term Plan Working Group on 5 October 2022 and subsequently agreed by Council.

The Weighted Average for debt at 30 September 2023 is 3.72%. As at 30 June 2025 it is estimated that debt will be \$164M with a weighted average of 4.70%. The cost of debt from LGFA on 11 October was 6.0% for a loan to 5 May 2028. The latest Monetary Policy Statement on 4 October 2023 noted that the theme is that interest rates will be 'higher for longer'.

Three possible options were discussed - Option 1 – 5% Status quo; Option 2 – decrease interest rate to 4.5% or option 3 increase interest rate to 5.5%. It was noted that option 3 is the recommended option.

A paper identifying the impact of options 1 and 3 on the Benchmark properties was circulated at the meeting. (Filed in CM record no. 23236335)

In the regard to the Emergency Events Reserve members noted that the budget process is just commencing at the time of this paper and therefore it would be more appropriate to look at the funding of the Emergency Events Reserve at the February Budget Meeting. At that stage the effect of the election on three waters, and a clearer picture of the value of insurance funds to replenish this Reserve should be known.

Members asked a number of questions at the meeting including whether weighting has been completed further out from 2025. Mr Fletcher noted that it hasn't but noted that the 5.5% will be used right through the 10 years of the LTP. It will then be reviewed at the next Annual Plan and at that time Council will reforecast it for the next 10 years.

Cllrs Croad/Fauls:

That the LTP Working Group recommend to Council that it:

1. **Agree to increase the internal interest rate assumption to 5.5% for the 2024-34 Long Term Plan.**
2. **Agree to receive a paper on the funding of the Emergency Events Reserve at the Council February 2024 meeting.**
3. **Note the impact of the recommended option on the benchmark properties.**

Carried

ATTENDANCE: Cllr Hope withdrew from the meeting at 3.14 pm at conclusion of the above item.

ATTENDANCE: Cllrs Innes and S Arbuckle withdrew from the meeting at 3.24 pm during the following item.

5. Review the Continued Appropriateness of the Current Geographic Rating Areas and Boundaries F230-L24-06

Ms Lake advised that the purpose of the report was to review whether or not it is appropriate to continue using Council's current six Geographic Rating Areas and boundaries.

It was noted that if Council was to change current rating areas it would require a clearly articulated rationale for the change and engage in consultation with affected ratepayers giving them reasonable opportunity to make written submissions. Members were advised that any consultation at this time is likely to provide confusion with the consultation for the Marlborough Sounds Future Access Study (MSFAS).

Ms Lake noted that it is recommended that no changes are made for this LTP Plan of the current six Geographic Rating Areas and their boundaries, other than those that occur automatically such as when a subdivision occurs, and to Picton when water and sewerage services are extended.

Members were advised that there was a major review of Rating areas in the 2012/22 LTP with the completion of this in the 2018-2028 LTP.

Clarification on geographic rating areas identified in the Sounds was provided by Mr Fletcher. Members requested that a larger Geographic Rating Areas map be circulated.

It was queried that if out of the MFSAS there are areas in the Sounds that lose road access would that mean it would be three years before it is reviewed. Mr Fletcher advised that his understanding is that all bays that have access currently will have access going forward. It may not necessarily be the same level of service but each of the bays that have access will still get access. Other considerations would be if the Government doesn't provide funding for the repairs then Council would have to make some hard decisions in regard to roading. It would be three years before a review would be undertaken unless Council decided to undertake a special consultative procedure.

Clr Adams/The Mayor:

That the LTP Working Group recommend to Council that it agree to continue with the current six Geographic Rating Areas and boundaries.

Carried

ATTENDANCE: Clr Faulis declared an interest in the following item and did not take part in the discussion nor vote on the issue.

6. CPI Adjusted Grants

Martin Fletcher advised the purpose of the report was to review the continued appropriateness of CPI adjusting grants.

It was noted that the practice of CPI adjusting annual grants was introduced to reduce the number of submissions to Annual Plan hearings for additional funding. Over time Council has approved annual CPI adjusted grants to six organisations. These were listed in the agenda item. The approvals were generally given in times of low inflation. However, in these times of high inflation, an automatic CPI adjustment reduces Council's flexibility for setting rates as it has to absorb automatic cost increases.

Mr Fletcher raised whether during inflationary times Council has to CPI adjust anything and suggested an option could be that Council put a freeze on any CPI adjustment for a period of three years.

It was noted that the original approvals assumed an ongoing need for the services provided and that these organisations' costs would increase at the same rate as CPI. Members raised whether the organisations receiving CPI adjustments could absorb a CPI increase within their current financial position.

Mr Fletcher noted that a suggested test is whether the organisation's Working Capital at the end of their previous financial year is greater than \$10,000 or 10% of the organisation's budget, whichever is the greater. A cap could also be considered of a fixed amount e.g. \$50,000 or \$100,000.

In discussing the proposal members noted that it is not believed that Council will see any organisation up ended because of any CPI adjustment. It was noted that there are other groups that have applied for a CPI adjustment and been turned down. Members noted there is currently no policy on CPI Allocation and requested that one be developed.

Clrs Croad/Adams:

- 1. That Council freezes CPI adjustments for a period of three years.**
- 2. That Council develops a policy on CPI allocation.**

Carried

There being no further business the meeting was declared closed at 3.42 pm.

Meeting Schedule

	Meeting	Date	Time	Venue
1.	LTP Working Group	28 November	1.00 pm – 3.00 pm	Council Chambers

Record No: 23237771

Attachment 1

Items for Review	Progress to Date/Responsibility	Department	When	Comment
1 Funding of depreciation of Community Facilities to fund their replacement.	This item has already been considered, with the decision being that while funding depreciation may be the better option in the long term, that in the interim replacements would be funded by a mix of debt and "Land Sub" funding, depending on the level of growth that's driving the need for a particular project.	Finance	0	No further action
2 Council's policy on providing rates relief for heritage buildings in private ownership – carryover from previous LTP Working Group.	This item has already been considered, with WG minute being, "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."	Finance	0	No Further action until the completion of the Heritage Strategy
3 How the maintenance of the Picton Foreshore will be undertaken – requested by Councillor Taylor.	Possibly this item has been completed. The following is a media extract based on the minutes of Council's 13 June 2022 meeting, "A \$100,000 proposal to lift Picton Foreshore and Shelly Beach maintenance to premier park status was supported by Councillors but the expenditure withdrawn until landscape design is completed and costed. The landscape work will be carried out by Council's Gardening Team, which designs and maintains Council's premier parks at Seymour Square and Pollard Park."	P&OS	0	No further action
4 Explaining Council's Rating System.	Finance – On this Agenda - Martin	Finance	0	No further action
5 In-house resourcing or outsourced contracts	Raised by Chair. This item was considered for a number of Council Activities as part of the recent S17A review. The challenge with outsourcing in a relatively small district like Marlborough for many of Council's regulatory activities is maintaining sufficient independence.		0	No further action
6 Endeavour Park future Developments	Raised by Chair following Annual Plan hearings. While this item could be considered as part of the LTP, it is best to allocate to the Assets and Services Committee, under the leadership of Jamie Lyall.	P&OS	0	No further action by LTPWG
7 Halls Study on the maintenance requirements, improvements, rationalisation and funding	Annual Plan hearing decision. While this item could be considered as part of the LTP, it is best to allocate to the Assets and Services Committee, under the leadership of Jamie Lyall.	P&OS	0	No further action by LTPWG
8 The definition of properties paying the Kenepuru and French Pass Road rates.	It is proposed to remit the balance of the Kenepuru Road Rate – Approved by Council on 12 June 2023.	Finance	0	No further action
13 The process for Levels of Service Reviews.	Finance – Martin	Finance	0	Process in place. First review has already taken place - Roading
9 Related to the above is understanding more fully the financial impacts of losing the Three Waters if current policy settings remain including Stranded Overheads.	Finance - Martin	Finance	1	
10 Council's Debt Cap – Is it better to have a fixed amount as has been the case to date or would a percentage of a revenue base be more appropriate?	Finance – Martin	Finance	1	

Items for Review	Progress to Date/Responsibility	Department	When	Comment	
11	Council's Rates Cap – Currently LGCI + 3%. In the 2021-31 LTP the percentage was increased to allow for the impact of increased Government requirements	Finance – Martin	Finance	1	
12	The possibility of establishing a Central Government Rate – as has been done in Hamilton CC. This will need to be linked to the wording of the Rates Cap.	Finance	Finance	1	Hamilton City Council advised as follows, "The Govt Rates calc that we used back in 2018 – was made up of 2 parts. One was for additional compliance costs in the Waters activity and the other part was for the cost of our District Plan. The business calculated out what these cost were, and then we just used our rule of thumb to determine what the additional rate would be to cover it. In Hamilton's rating system, their General Rates only have differentials for Commercial (34.25%), Residential (57.2%), BID Commercial and Other. The same differentials apply for the Government Rate. Because of the complex Activity weighting and rating area system used in Marlborough, adding another layer of complexity is not considered justified. Plus the cost of additional Government requirements is already in the Rates Cap and obtaining audit clearance will be challenging. As a result, it is proposed that no further work be undertaken on this item.
14	Review the assumptions upon which the LTP will be prepared, eg the assumed financial Assistance Rate from Waka Kotahi.	Finance – Martin	Finance	2	One of the Key assumptions, i.e. the transfer of 3 Waters and repayment of associated debt won't be know until after the election - deferred
16	Review of rates weightings for the funding of Tourism Activities, along with reviewing the total funding for DM.	Dean/Neil	Finance and Econ Dev	3	With the changes at DM and the reviews being undertaken for the future delivery of this service, it is recommended that no further action be taken on this item.
17	Review the funding and breadth of activity for animal control, including the 80:20 apportionment between Dog Fees and Rates for Dog Control Funding	Raised by Clr Arbuckle following a meeting of the Animal Control Sub-Committee on 20 April 2023	Finance & Reg	2	This item will now be presented to the 2 November 2023 meeting.
18	Council's interest rate assumption	This has already been considered for 2023-24 with and increase to 5% but needs to be reconsidered for the LTP. - Chris	Finance	3	On this Agenda
19	The definition of properties in General Rural Geographic Rating Area and whether or not they should be classified Sounds Administration Geographic Rating Area.	This item is a more focused review than the general review contained in "20" below. – Chris/Linda	Finance	4	

Items for Review	Progress to Date/Responsibility	Department	When	Comment	
20	Review the appropriateness of the Geographic Rating Areas. See item 19 as well	Finance	3	On this Agenda	
21	Capital Budgets - CBD	Raised by Chair	A&S	3	The Chairman is an apology for the meeting. It is suggested that this item be deferred until he is present. In the interim please see the Capital Budgets for both the Blenheim and Picton CBDs as Attachment 2
22	Review the application of Annual CPI adjustments to Grants	Annual Plan hearing decision	Finance and Community	3	On Agenda
23	Community Grants - review what organisations get ongoing support and what is contestable?	Raised by Cllr Croad and as part of Annual Plan deliberations	Finance and Community	3	On Agenda
24	Investigate the possible streamlining of Activity Groups and Activities.	Finance – Tessa	Finance	3	Focus has been on the preparation of the Annual Report - Defer
25	Council's Revenue and Financing Policy including Land Value versus Capital Value Rating.	Council has already decided that it will retain Land Value Rating, except for those activities that are already capital value rated, e.g Wairau River Rate	Finance	4	
26	Council's Financial and Infrastructure Strategies.	Financial Strategy - Finance	Finance	4	
27	Council's policy on Waste Charges versus Rating – requested by Councillor, (now Mayor) Taylor.	Finance and Solid Waste	Finance + A&S	0	Agreed at 29 June meeting that this item should be removed
28	Prepare an Iwi Engagement Strategy;	Kaihautū – Hara Adams	TBA	4	Actual delivery will depend on our ability to recruit a new Kaihautū
29	Be briefed on the Rating implication of the 2023 Triennial Revaluation.	Finance – Martin/Rainbow	Finance	4	The impact of the 2023 Revaluation was presented at the 2 October Councillor briefing. Do Councillors any further briefing on this topic?
30	Review whether Council should have a continuing role in Energy Efficiency/Clean Heating loans, bearing in mind the issues surrounding compliance and that there are new private sector providers.	Finance – Chris/Linda	Finance	5	Government has recently announced that it will provide exemptions for voluntary targeted rate scheme loans (these low-cost loans are usually for sustainable home improvements like insulation) administered by local and regional councils. The Minister expects regulations to give effect to this exemption to be made by the end of the year. Initial indications are that the other major political party also supports this initiative.
31	Council's Financial and Infrastructure Strategies.	The Infrastructure Strategy - Assets and Services and the Assets and Services Committee, noting that the two Strategies need to align as the Infrastructure Strategy can't be delivered without funding. Currently legislation doesn't require an Infrastructure Strategy to be prepared for 3 Waters assets, but with the delay in starting this situation is likely to change. As a result Assets and Services need a contingency plan is needed should there be a change in Government.	A&S	5	
32	Wairau River Rating Review.	Finance – John Patterson/Andy	A&S + Finance	5	
33	Marlborough Heritage Strategy and its funding	Dean Heiford	Community	5	
34	Council's engagement with the Community as part of preparing the 2024-34 LTP including pre-engagement and consultation. Related to this is a possible review of Community Outcomes.	Communications	Comms	6	Following discussion at the LTPWG meeting it was decided not to pursue pre-consultation, because of the time and level of resource required as already experienced with Sounds Roading and expectations that it creates when we are already facing a very significant rates increase in 2023-24. The next major Comms focus will be the Consultation Document.
35	Council's Debt and Treasury Management Policies.	Previously this has been addressed by the Audit and Risk Sub-Committee following advice from Finance and Bancorp. NB, the funding of IREX debt will need its own policy to match the pricing reset dates	Finance	6	

Items for Review		Progress to Date/Responsibility	Department	When	Comment
		contained in the agreement with Kiwi Rail – Bancorp/Adrian/Martin.			
36	How Council wants to further advance senior/social housing?	While this item could be considered as part of the LTP, it is best to allocate to the Senior Housing Sub-Committee, serviced by Jamie Lyall.	Senior Housing	6	
37	Review of storm damaged roads levels of service funding options for Kenepuru, Awatere Valley Road, Northbank and Waihopai.	Extensive studies already underway to identify options, costs, willingness to pay etc which will ultimately lead to increased debt and rates.	CEO	6	This is a separate workstream

17. Financial Report for Council – Period Ended 30 September 2023

(The Chair) (Report prepared by Tessa Dever and Piumi Wijayasena)

F275-001-01

Purpose of Report

- To present the Financial Report for Council for the period ending 30 September 2023.

Executive Summary

- The Financial Report for Council from 1 July 2023 to 30 September 2023 is presented below. Additional information is given on variances at an activity level later in this report.

The forecast values included in this report are mainly system generated and require manual intervention to improve their accuracy.

Revenue and Operational Expenditure

(in millions)	1 July to 30 Sept 2023			Whole year		
	Actual	Budget		Forecast	Budget	
Surplus/(Deficit)	(\$1.7)	(\$4.8)	✓ \$3.1	(\$5.5)	(\$8.4)	✓ (\$2.9)
Income	\$39.5	\$42.0	✗ (\$2.5)	\$164.0	\$166.7	✗ (2.7)
Expenditure	\$41.2	\$46.8	✓ (5.6)	\$169.6	\$175.1	✓ (\$5.5)

Major variances between actual and budget:

- Lower than anticipated roading reinstatement expenditure and subsidy for the impacts of the August 2022 flood event. In the 2023/24 year \$4.2M has been spent on the July 2021 and August 2022 events.
- Grants received for the College Park Hockey Turf relocation.
- Grants received for the National Wilding Conifer Control Programme.
- Lower than anticipated expenditure on Flood Protection and Control Works Flood damage.
- Interest expenses are lower than anticipated due to the savings, deferrals and delays in past capital expenditure programmes resulting in less external borrowings.

Capital Expenditure

(in millions)	1 July to 30 Sept 2023			Whole year		
	Actual	Budget		Forecast	Funded	
Capex	\$8.8	\$31.3	✗ (\$22.5)	\$100.1*	\$106.0	✓ \$5.9

*Capital expenditure forecast of \$100.1M is system generated and require manual intervention to improve accuracy. Much of the required information to do this will be obtained from the 2024-34 Long Term Plan process, which is currently underway.

Forecast data will continue to be updated as we progress through the year and as new information comes to hand.

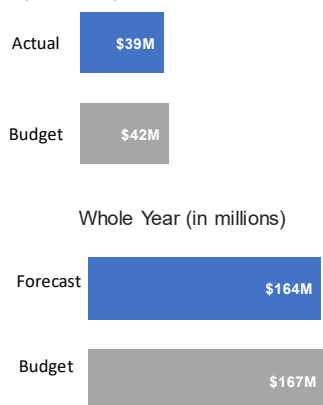
Capital expenditure progress is impacted by many reasons including finalising community consultation, obtaining land access, obtaining resource consents, the availability of external professional expertise and receiving an acceptable contract price and contractor availability. To achieve this a capex programme of \$122.6M has been planned including \$16.6M of carryovers from previous financial years. This ensures that multiple projects can continue to progress

RECOMMENDATION

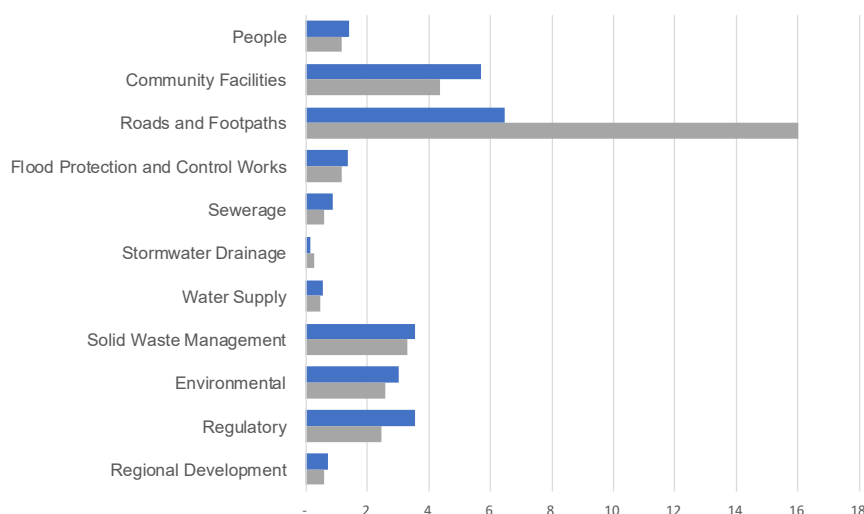
That Council receive the Financial Report for the period ending 30 September 2023.

Income (\$000's)	1 July 2023 to 30 September 2023				Notes	Whole Year			
	Actual	Budget	Variance			Forecast	Budget	Variance	
Rates	21,752	21,794	(42)	-0%		87,135	87,177	(42)	-0%
Less remissions	(562)	(444)	(118)	26%		(615)	(501)	(114)	23%
Rates	21,191	21,350	(160)	-1%		86,520	86,676	(156)	0%
Rates penalty income	189	79	110	139%		425	315	110	35%
Total Rates	21,379	21,429	(50)	-0%		86,945	86,991	(47)	-0%
Other Income									
Dividends	2,514	2,944	(430)	-15%	3a	3,486	3,916	(430)	-11%
Interest Revenue (external)	734	1,794	(1,061)	-59%	3b	6,117	7,178	(1,061)	-15%
Petroleum Tax	91	104	(13)	-12%		402	415	(13)	-3%
Gain on Sale of Fixed Assets	0	-	0	-		0	-	0	-
Marlborough Regional Forestry	-	-	-	-		-	-	-	-
Property and Other Revenue	1,135	1,203	(68)	-6%		3,953	4,021	(68)	-2%
Total Other Income	4,474	6,045	(1,572)	-26%		13,958	15,529	(1,572)	-10%
Activity Income									
People									
Democratic Process	0	69	(68)	-99%		206	275	(68)	-25%
Culture and Heritage	11	40	(28)	-72%		130	158	(28)	-18%
Housing for Seniors	488	463	24	5%		1,878	1,854	24	1%
Community Support	323	279	44	16%		812	767	44	6%
Library Services	268	243	25	10%		585	560	25	4%
Emergency Management	311	89	223	251%	3c	578	355	223	63%
Community Facilities	5,704	4,354	1,350	31%	3d	7,947	6,828	1,120	16%
Roads and Footpaths	6,445	16,013	(9,567)	-60%	3e	54,483	64,050	(9,567)	-15%
Flood Protection and Control Works	1,366	1,173	193	16%	3f	6,807	6,614	193	3%
Sewerage	876	595	281	47%	3g	5,972	5,691	281	5%
Stormwater Drainage	146	292	(146)	-50%	3h	1,022	1,169	(146)	-13%
Water Supply	560	465	95	20%		1,676	1,581	95	6%
Solid Waste Management	3,566	3,298	268	8%	3i	14,284	14,016	268	2%
Environmental									
Environmental Policy	29	179	(150)	-84%	3j	568	718	(150)	-21%
Environmental Science and Monitoring	1,459	913	547	60%	3k	4,197	3,650	547	15%
Environmental Protection	1,238	1,013	225	22%	3l	1,351	1,127	225	20%
Resource Consents	285	493	(208)	-42%	3m	1,762	1,971	(208)	-11%
Regulatory									
Building Control	883	961	(79)	-8%		3,767	3,846	(79)	-2%
Environmental Health	129	109	19	18%		457	438	19	4%
Biosecurity	1,256	187	1,070	573%	3n	1,816	747	1,070	143%
Animal Control	609	544	64	12%		751	686	64	9%
Harbours	665	663	3	0%		763	760	3	0%
Regional Development	702	611	91	15%		2,533	2,442	91	4%
Total Activity Income	27,319	33,046	(5,726)	-17%		114,346	120,302	(5,956)	-5%
Total MDC Income	53,172	60,520	(7,348)	-12%		215,249	222,823	(7,574)	-3%
Total revenue which is non-cash or tied to a reserve or to fund capex	(13,696)	(18,555)	4,859	-26%		(51,224)	(56,082)	4,859	-9%
Total MDC Operating Income	39,476	41,965	(2,489)	-6%		164,025	166,741	(2,716)	-2%

1 July 2023 to 30 September 2023
(in millions)



Actual vs Budget by Activity Group (in millions)



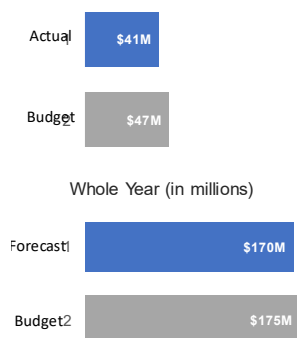
3. Comments are provided below on variances greater than \$100,000:

- a. Dividends is behind the budget due to reduced dividend projections from Port Marlborough.
- b. External Interest Revenue is behind budget due to MDCH debt being lower than forecast due to continued delays in the iReX project impacting draw downs.
- c. Emergency Management is ahead of budget due to the receipt of subsidies from Waka Kotahi for flood response and welfare costs.
- d. Community Facilities is ahead of budget due to:
 - i. Higher than anticipated Grants received for College Park surrender and Hockey Turf Relocation.
 - ii. Higher than anticipated Reserve Fund contributions.
- e. Roads and Footpaths income is below budget due to Waka Kotahi subsidy for the capital expenditure programme which has faced delays while the focus has been on completing emergency reinstatement works following the July 2021 and August 2022 flood events.
- f. This is offset by higher than anticipated development contributions received from Rose Manor subdivisions.
- g. Flood Protection and Control work is ahead of budget due to:
 - i. Higher than anticipated receipts for gravel extraction.
 - ii. Timing of property rental income for the river leases which was received in the beginning of the financial year.
- h. Sewerage is ahead of budget due to the development contributions received from Rose Manor subdivisions as they have reached the stage required to contribute.
- i. Stormwater is behind budget due to lower than anticipated development contributions from subdivisions. The development contributions budget has been reviewed as part of the 2024-34 Long Term Plan as trends from developers are to install retention ponds which reduce the flow capacity needed and therefore the demand on Council infrastructure.
- j. Solid Waste Management is ahead of budget due to higher than anticipated dump fees at the regional landfill. This increase is due to increased usage and fee increase to recover waste levy increase imposed by the central government.
- k. Environment Policy is behind budget due to the timing of Better off funding for the rezoning variations to the proposed Marlborough Environment Plan (PMEP), giving effect to the National Policy Statement for Freshwater Management and giving effect to Te Mana o te Wai. This is offset by lower than anticipated expenditure in 4i below.

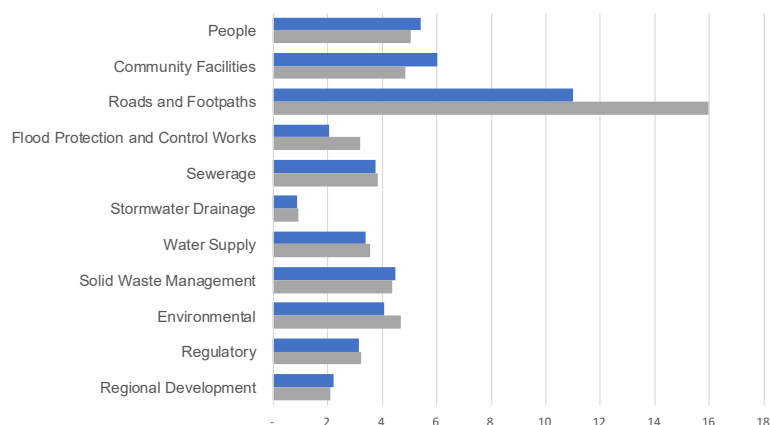
- l. Environment Science and Monitoring is ahead of budget due to the timing of grants received from the Ministry for the Environment for the Essential Freshwater reforms. \$0.5M was received in 2022/23 for expenditure to incur in this 2023/24 with accounting entries completed to bring the \$0.5M revenue into the current year.
- m. Environmental Protection is ahead of budget due to higher than anticipated monitoring charges. It is expected that there could be a number of write-offs as consent holder information is updated, including surrenders for inactive consents, due to the last minute addition of monitoring administrative charges.
- n. Resource Consents is below budget due to the lower than anticipated Coastal Applications.
- o. Biosecurity is ahead of budget due to the additional unbudgeted grant received for National Wilding Conifer Control Programme.

Expenditure	1 July 2023 to 30 September 2023				Notes	Whole Year			
	Actual	Budget	Variance			Forecast	Budget	Variance	
Activity Expenditure									
People									
Democratic Process	984	1,145	(161)	-14%	4a	4,414	4,575	(161)	-4%
Culture and Heritage	885	899	(14)	-2%		1,859	1,873	(14)	-1%
Housing for Seniors	588	606	(18)	-3%		1,905	1,922	(18)	-1%
Community Support	767	815	(48)	-6%		3,386	3,434	(48)	-1%
Library Services	1,556	1,324	232	18%	4b	5,026	4,793	232	5%
Emergency Management	626	258	368	143%	4c	1,356	988	368	37%
Community Facilities	6,012	4,832	1,180	24%	4d	18,119	16,940	1,180	7%
Roads and Footpaths	10,992	15,958	(4,966)	-31%	4e	58,019	62,984	(4,966)	-8%
Flood Protection and Control Works	2,065	3,198	(1,133)	-35%	4f	10,296	11,380	(1,084)	-10%
Sewerage	3,739	3,816	(76)	-2%		13,625	13,666	(41)	-0%
Stormwater Drainage	899	926	(26)	-3%		3,143	3,141	3	0%
Water Supply	3,378	3,540	(163)	-5%	4g	12,153	12,285	(133)	-1%
Solid Waste Management	4,471	4,354	117	3%	4h	18,201	18,084	117	1%
Environmental									
Environmental Policy	437	779	(342)	-44%	4i	2,769	3,111	(342)	-11%
Environmental Science and Monitoring	2,380	2,322	58	3%		10,382	10,323	58	1%
Environmental Protection	505	644	(139)	-22%	4j	2,443	2,582	(139)	-5%
Resource Consents	740	920	(181)	-20%	4k	3,771	3,951	(181)	-5%
Regulatory									
Building Control	1,207	1,296	(89)	-7%		5,191	5,280	(89)	-2%
Environmental Health	256	284	(27)	-10%		852	880	(27)	-3%
Biosecurity	688	729	(41)	-6%		2,655	2,697	(41)	-2%
Animal Control	218	226	(8)	-3%		888	896	(8)	-1%
Harbours	769	695	73	11%		2,281	2,208	73	3%
Regional Development	2,195	2,100	96	5%		7,218	7,122	96	1%
Total Activity Expenditure	46,356	51,665	(5,309)	-10%		189,951	195,116	(5,165)	-3%
Less Internal Interest	(1,609)	(1,857)	248	-13%	4l	(7,180)	(7,428)	248	-3%
	44,748	49,808	(5,060)	-10%		182,771	187,688	(4,916)	-3%
Other expenditure									
Interest expense (external)	1,823	2,927	(1,104)	-38%	4l	10,605	11,709	(1,104)	-9%
Property and other expenditure	1,780	1,564	216	14%	4m	3,948	3,806	142	4%
Total other expenditure	3,602	4,491	(889)	-20%		14,553	15,516	(963)	-6%
Total MDC expenditure	48,350	54,299	(5,949)	-11%		197,324	203,203	(5,879)	-3%
Total expenditure which is non-cash or reserve funded	(7,140)	(7,488)	348	-5%		(27,753)	(28,101)	348	-1%
Total MDC operating expenditure	41,210	46,811	(5,601)	-12%		169,571	175,102	(5,532)	-3%
Operating SURPLUS	(1,734)	(4,846)	3,112	-64%		(5,546)	(8,362)	2,816	-34%

1 July 2023 to 30 September 2023
(in millions)



Actual vs Budget by Activity Group (in millions)

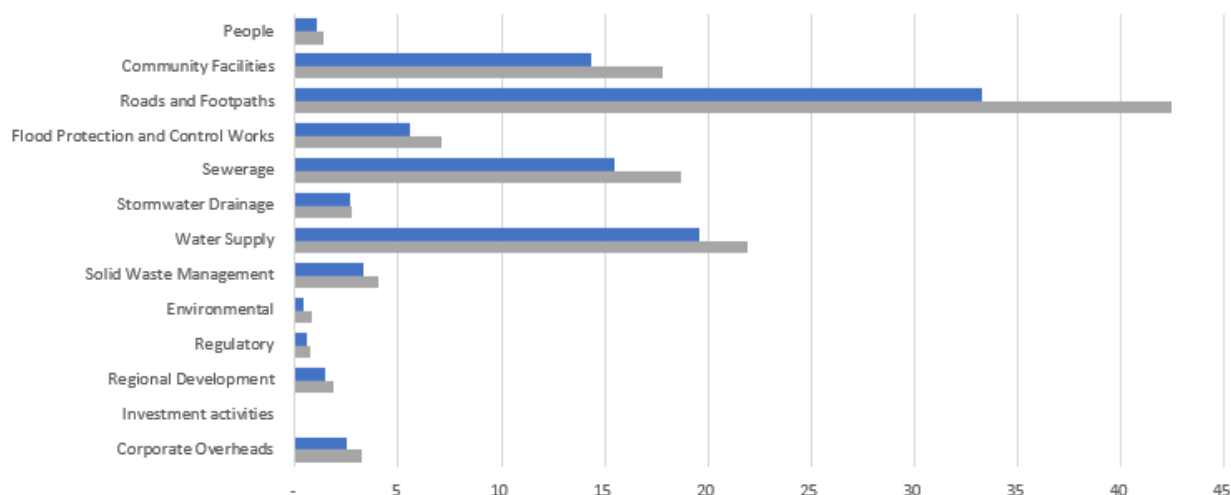


4. Comments are provided below on variances greater than \$100,000:

- a. Democratic Process is behind the budget due to delays in Better off funded projects with the vacancy in the Kaihautu position.
- b. Library Services is ahead of budget due to the insurance cost associated with the old and new Libraries being charged to the activity. Accounting entries will be completed to rectify this.
- c. Emergency Management is ahead of budget due to costs associated with the response and welfare from the August 2022 flood.
This is offset by income received in 3c.
- d. Community Facilities is ahead of budget due to:
 - i. Project costs associated with the hockey turf relocation project.
 - ii. Higher than anticipated repair and maintenance costs.
- e. Roads and Footpaths is below budget due to roading reinstatement expenditure relating to the impacts of the August 2022 flood event. In the 2023/24 year \$4.2M has been spent on the July 2021 and August 2022 events.
- f. Flood Protection is below the budget due to lower than anticipated flood damage repair costs.
- g. Water Supply is below budget due to lower than anticipated interest caused by lower than budgeted capital programs in previous years.
- h. Solid Waste Management is ahead of budget due to higher than anticipated contract costs on urban refuse collection.
 - i. This is partially offset by waste recycling project costs yet to be spent.
- j. Environmental Policy is below budget due to lower than anticipated costs for Better off funding projects. These include rezoning variations to the proposed Marlborough Environment Plan (PMEP), giving effect to the National Policy Statement for Freshwater Management and giving effect to Te Mana o te Wai. This is offset by lower than anticipated revenue in 3j above.
- k. Environmental Protection is below budget due to lower than anticipated legal charges.
- l. Resource Consents is below budget due to the lower than anticipated legal costs and staff vacancies.
- m. External and Internal Interest expenses are lower than anticipated due to the savings, deferrals and delays in past capital expenditure programmes resulting in less external borrowings.
- n. Property and Other Expenditure is ahead of budget due to timing of employee insurance payments. Accounting entries will be completed to rectify this.

Net capital expenditure	1 July 2023 to 30 September 2023				Notes	Whole Year			
	Actual	Budget	Variance			Forecast	Budget	Variance	
People									
Culture and Heritage	-	28	(28)	-100%		84	113	(28)	-25%
Housing for Seniors	591	854	(264)	-31%		3,154	3,418	(264)	-8%
Community Support	-	-	-	-		23	23	-	-
Library Services	314	300	14	5%		(2,196)	(2,210)	14	-1%
Emergency Management	0	2	(2)	-86%		7	9	(2)	-22%
Community Facilities	1,304	4,758	(3,454)	-73%		14,344	17,798	(3,454)	-19%
Roads and Footpaths	1,420	10,610	(9,190)	-87%		33,249	42,439	(9,190)	-22%
Flood Protection and Control Works	221	1,770	(1,549)	-88%		5,530	7,079	(1,549)	-22%
Sewerage	1,440	4,671	(3,232)	-69%		15,453	18,685	(3,232)	-17%
Stormwater Drainage	113	181	(68)	-37%		2,655	2,723	(68)	-2%
Water Supply	3,028	5,355	(2,327)	-43%		19,561	21,889	(2,327)	-11%
Solid Waste Management	226	1,018	(792)	-78%		3,281	4,072	(792)	-19%
Environmental									
Environmental Science and Monitoring	(96)	234	(330)	-141%		452	782	(330)	-42%
Regulatory									
Environmental Health	-	1	(1)	-100%		3	3	(1)	-25%
Harbours	49	186	(138)	-74%		608	746	(138)	-18%
Regional Development	13	472	(459)	-97%		1,429	1,888	(459)	-24%
Investment activities	-	-	-	-		-	-	-	-
Corporate Overheads	268	917	(649)	-71%		2,491	3,201	(709)	-22%
Total Net Capital Expenditure	8,890	31,359	(22,469)	-72%		100,128	122,657	(22,529)	-18%

Forecast vs Budget by Activity Group (in millions)



5. Council has set a budget of \$105.6M for capital expenditure in the 2023-24 Annual Plan. This includes \$20.0M for capitalised roading emergency works. To achieve this a capex program of \$122.6M has been planned including \$16.6M of carryovers from previous financial years. This ensures that multiple projects can continue to progress. The current forecast is \$100.1M.

As of time of writing Council has a total value of contracts for new assets in progress of \$88.3M. There is \$22.3M of contracted works still outstanding.

Total capital expenditure from 1 July to 30 Sept 2023 is \$8.8M which is \$1.3M less than the same period last year (\$10.2M).

It is still too early in the financial year to predict many of the likely deferrals and carryovers to 2024-2025 and 2026. Much of the required information to do this will be obtained from the 2024-34 Long Term Plan process, which is currently underway.

Forecast data will continue to be updated as we progress through the year and as new information comes to hand.

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

	Financial Year to 30 September 2023	Financial Year to 30 September 2022	Difference
Cash received from:			
Rates	14,689	13,608	(1,081)
User charges	6,065	3,727	(2,338)
Property Rentals	2,146	1,717	(430)
Subsidies and Grants	11,854	18,989	7,134
Interest and dividends	3,247	2,822	(425)
Sale of assets	79	-	(79)
Development Contributions	2,754	642	(2,112)
Other revenue	525	1,451	926
Operating cash received	41,359	42,954	1,595
Cash spent on:			
Net GST	11,061	9,716	(1,345)
Payments for operating costs	(47,845)	(45,992)	1,853
Payments for capital expenditure	(8,969)	(10,167)	(1,198)
Operating cash spent	(45,753)	(46,443)	(690)
Cash borrowed from/(repaid to):			
LGFA for Council	9,813	10,083	270
Other	(6,000)	340	6,340
Cash from/(to) borrowing	3,813	10,422	6,610
Invested in subsidiaries or investment property	(306)	(287)	19
Cash and investments:			
net increase/(decrease)	(888)	6,647	7,534
at the beginning of the year	18,350	18,846	496
at the end of September	17,463	25,493	8,030

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:

- a. The delay between invoices being raised/received and paid.
- b. Various accruals, provisions, and prepayments.
- c. Non-cash items such as vested assets and depreciation.

Authors	Tessa Dever, Financial Reporting and Funding Manager and Piumi Wijayasena, Assistant Financial Accountant
Authoriser	Geoff Blake, Chief Financial Officer

18. Debtors Overdue Reports as at 31 October 2023

(The Chair) (Report prepared by Sonja Greenhill)

Purpose of Report

1. The purpose of this report is to advise Council on the overdue debtor position as at 31 October 2023.
-

RECOMMENDATION

That the information be received.

Debtors' Overdue Reports

2. The debtors' overdue summary report is attached for the Councillors' information.

This report details the level of debt relating to the following revenue streams:

- Building Consents
- Resource Consents
- Resource Consent Monitoring
- Development Contributions
- Licences
- Tradewaste
- Water and Sewerage Connections
- Other Sundry Invoices

The Debtors Report as at 31 October 2023 is **attached** for Councillors' information.

The annual resource consent administration fees were charged in July 2023 totalling approx. \$1.3M, the balance owing as at the end of October is \$171,252. 88% have been paid.

The 90 Days balance includes several Development Contribution invoices that will be paid once the building project is near completion. It also includes invoices for the annual resource consent administration fees that have not been paid. Invoice copies have been emailed requesting payment.

The Property Leases and Licences Debtors Report as at 31 October 2023 is also **attached** for Councillors' information. Current and Total balances fluctuate monthly depending on individual leases and invoicing periods, e.g., monthly, quarterly, six monthly or annual.

Author	Sonja Greenhill, Credit Controller
Authoriser	Martin Fletcher, Chief Financial Officer

Debtors Report as at 31 October 2023

Aged Analysis Report	Current Month	Comparison for Previous 5 Months				
	October	September	August	July	June	May
Current	3,402,472.37	5,814,536.03	2,268,100.08	7,816,396.23	2,569,785.40	2,459,633.32
30 - 90 Days	3,388,582.59	1,304,289.50	5,622,594.92	1,650,478.98	245,480.30	881,126.31
90 Days	1,172,096.26	670,022.29	499,365.97	399,366.35	411,127.76	502,336.10
Outstanding Debtors Closing Balance	7,963,151.22	7,788,847.82	8,390,060.97	9,866,241.56	3,226,393.46	3,843,095.73

Debtors Action Report - Debtors over 90 days with Balance >\$250	October	September	August	July	June	May
With Debt Collection Agency	10,839.04	10,839.04	10,839.04	10,839.04	10,411.04	10,411.04
Paying by Arrangement	40,441.22	44,167.20	35,338.27	31,368.23	43,493.98	42,554.99
Negotiating Payment Arrangement	518,941.99	312,718.20	209,106.54	141,379.86	142,687.17	181,565.80
Debts in Dispute	178,952.81	178,952.81	178,952.81	178,952.81	190,596.12	150,245.06
Payments since month end taken off above amounts	357,945.92	119,560.80	62,654.63	34,967.96	20,610.64	114,807.58
Sub-Total	1,107,120.98	666,238.05	496,891.29	397,507.90	407,798.95	499,584.47
Various Debtors with Balances <\$250	64,975.28	3,784.24	2,474.68	1,858.45	3,328.81	2,751.63
Over 90 days Outstanding Total	1,172,096.26	670,022.29	499,365.97	399,366.35	411,127.76	502,336.10

Property Leases and Licences Debtors Report as at 31 October 2023

Aged Analysis Report	Current Month	Comparison for Previous 5 Months				
	October	September	August	July	June	May
Current	65,942.87	274,135.98	69,297.04	71,337.01	19,298.31	71,211.25
30 Days	5,750.08	13,323.88	14,423.70	7,443.93	7,009.29	2,633.97
60 Days	7,090.83	6,350.34	7,787.59	5,352.17	1,465.87	2,604.28
90 Days	9,774.25	4,462.41	8,727.55	3,937.96	2,078.75	(1,778.96)
Outstanding Debtors Closing Balance	88,558.03	298,272.61	100,235.88	88,071.07	29,852.22	74,670.54

19. Rates Report as at 31 October 2023

(The Chair) (Report prepared by Linda Fletcher-Firks)

F270-36-21

Purpose of Report

1. The purpose of this report is to advise Council of the rates position as at 31 October 2023.

RECOMMENDATION

That the information be received.

Rate Levies Status and Rate Arrears Aged Balance Reports

2. Rates collected to 31 October 2023 were 29.03% which is comparable to last year's collection rate for the same period of 29.09%.
3. The prepaid rates to 31 October 2023 are \$6,424,453. This is due to regular weekly; fortnightly or monthly payments being made for Q2 invoices which were sent on 1 November 2023.
4. 2021 & 2022 Weather Events.

Council agreed to extend the rates relief to red (100% relief) and yellow (50% relief) stickered properties. The below table provides details of the previous rating year rates relief and approved applications to date in the current rating year: -

Rating Year: 2022/23	Properties	Value
Yellow	22	17,384
Red	18	19,663
	36	37,048
Rating Year: 2023/24	Properties	Value
Yellow	4	2,388
Red	5	6,085
	9	8,473

Water Billing Debtors Report

Attached for information is the Water Billing Debtors Report as at 31 October 2023.

The 90 Days balance includes a number of credit balances and overdue June 2023 invoices. Copies of invoices were emailed requesting prompt payment. There are also a number of Renwick and Havelock water invoices that need to be reassessed by the water team due to large water leaks.

Overdue water letters have been sent this month for all the unpaid September 2023 water accounts that have not been paid.

Author	Linda Fletcher-Firks, Team Leader Rating
Authoriser	Martin Fletcher, Chief Financial Officer

Rate Arrears Aged Balance Report as at 31 October 2023

Year	Total Arrears (01/07/2023)	Rate Arrears Received Year to Date	Total Arrears 30/10/2023	Postponed Rates included in Total Arrears	Actual Arrears (after deducting postponed rates)
2022-23	1,090,266	532,401	557,864	40,229	517,636
2021-22	168,042	30,425	137,617	30,010	107,606
2020-21	41,972	3,080	38,893	27,234	11,659
2019-20	25,960	-	25,960	15,472	10,488
2018-19	22,526	721	21,805	15,726	6,079
2017-18 & Prior	56,713	7,144	49,569	52,315	(2,746)
Total	1,405,478	573,771	831,707	180,985	650,722

Rates postponement is offered to ratepayers aged over 65 under Council's Remission and Postponement Policy

Rates Levies Status Report as at 31 October 2023

Financial Division	Balance B/Forward (01/07/2023)	Annual Rate Levy YTD - Q1	Arrears Penalty	Instalment Penalty	Adjustments	Cash Received for Year to Date	Balance 31/10/2023
Blenheim	(200,591)	12,263,801	32,940	31,979	(191,203)	(14,766,775)	(2,829,849)
Blenheim Vicinity	26,730	4,710,563	15,953	11,151	(101,981)	(5,583,993)	(921,579)
General Rural	23,963	3,948,714	18,024	16,873	(58,908)	(4,654,297)	(705,631)
Picton	82,162	2,680,756	17,118	11,189	(105,902)	(3,190,413)	(505,090)
Picton Vicinity	22,128	278,549	2,981	1,522	(35,402)	(321,980)	(52,201)
Sounds Admin Rural	12,683	339,751	3,094	2,535	(7,488)	(442,846)	(92,271)
Utilities Network	(747)	11,286	-	-	-	(39,381)	(28,842)
Current Year Totals	(33,671)	24,233,419	90,110	75,249	(500,884)	(28,999,685)	(5,135,462)

Water Billing Debtors Report as at 31 October 2023

	Current Month	Comparison for Previous 5 Months				
	October	September	August	July	June	May
Aged Analysis Report						
Current	4,330.90	577,202.57	853.08	(7,972.98)	848,378.21	127.70
30 - 90 Days	94,919.60	(11,982.61)	102,631.60	159,162.43	9,824.36	117,307.57
90 Days	23,930.39	92,387.53	1,599.82	13,568.71	59,307.54	(31,472.17)
Outstanding Debtors Closing Balance	123,180.89	657,607.49	105,084.50	164,758.16	917,510.11	85,963.10

Debtors Action Report - Debtors over 90 days Balance >\$250						
	October	September	August	July	June	May
Paying by Arrangement	3,187.48	1,012.89	1,484.89	2,444.89	19,100.96	3,704.73
Negotiating Payment Arrangement	53,035.88	29,138.24	29,810.08	33,042.52	33,135.36	16,481.66
Awaiting Possible Water Remission (New)	19,438.53	7,404.17	10,071.26	19,974.02	39,054.89	3,120.66
Payments since month end taken off above amounts	13,324.47	3,810.93	3,000.95	971.39	12,642.29	3,133.75
Sub-Total	88,986.36	41,366.23	44,367.18	56,432.82	103,933.50	26,440.80
Various Debtors with Balances <\$250 or Credit Balances	(65,055.97)	51,021.30	(42,767.36)	(42,864.11)	(44,625.96)	(57,912.97)
90 days Outstanding Total	23,930.39	92,387.53	1,599.82	13,568.71	59,307.54	(31,472.17)

20. Information Package

RECOMMENDATION

That the Economic, Finance & Community Information Package dated 28 November 2023 be received and noted.

21. Decision to Conduct Business with the Public Excluded

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

- **Sub-Committee Minutes (Public Excluded Sections)**

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

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Sub-Committee Minutes	As set out in the Minutes and Reports	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.