



**Minutes of a Meeting of the
ECONOMIC, FINANCE & COMMUNITY COMMITTEE
held in the Council Chambers and via Teams, 15 Seymour Street, Blenheim
on TUESDAY, 23 JULY 2024 commencing at 9.00 am**

Present

Cirs J D N Croad (Chairperson), S J Arbuckle, B G Dawson, B A Fauls, M R K Flight, G A Hope, R J Innes, B J Minehan, J C Rosene, T P Sowman, Mayor N Taylor

Present via Teams

Cirs J A Arbuckle and A R Burgess

In Attendance

Messrs G K Blake (Chief Financial Officer), D G Heiford (Manager, Economic, Community & Support Services) and N Chauval (Committee Secretary)

Apologies

Cirs Croad/Flight:

That the apology for absence from Clr S R W Adams (Deputy) and Ms R Niven (Iwi representative) be received and sustained.

Carried

EFC-0724-32 Declaration of Interests -

Clr Rosene declared an interest in Item 1 - Marlborough Events Centre (Public Excluded)

ATTENDANCE: Katrina Lang, Owner/Event Manager Pure Events Marlborough, was present for the following item and Sam Young, Council's Events Regional Events Advisor was present for the following two items.

**EFC-0724-33 Council Community Events Annual Report
2023/2024 E100-002-012**

Members noted the purpose of the report was to present Pure Event Marlborough's Annual Report for 2023/2024 for the delivery of Council's Community Events. A copy of the Annual Council Contracted Events Report was attached to the agenda item for members' information.

Ms Young noted that Council has a three-year contract with Pure Events Marlborough to deliver four specified community events on an annual basis. A condition of the contract requires Pure Events Marlborough to provide an annual report to Council against the expected outcomes.

Members were advised that Pure Events Marlborough has met the contract requirements and, in most cases, exceeded them.

It was reported that the contract commenced 1 July 2023 and runs for three years with a two-year additional renewal term.

To highlight the report a powerpoint presentation was shown (presentation filed in CM Record No. 24180820).

The presentation and Annual Council Contracted Events Report provided information on the Southern Jam Youth Jazz Festival, Christmas Parade, New Years Eve event and CBD Summer Market.

It was noted that the feedback from the community for the events that have been delivered during the 2023/24 period has been overwhelmingly positive.

Ms Lang advised that a new sponsor has been secured for the New Year's Eve event this year, this will enable the children's area/entertainment to be further enhanced.

Cllrs Croad/Rosene:
That the information be received.

Carried

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

EFC-0724-34 Regional Events Update E100-002-011

Members noted that the purpose of the report was to provide an update on the activities of Council's Regional Events Advisor (REA) and Marlborough's events sector.

Ms Young advised that Council has been successful in its application to MBIE's new Regional Events Promotion Fund noting that it is different to their Regional Events Fund. Council has secured nearly \$95k of funding and it will support five of Marlborough's larger regional events which drive visitation through the region. MBIE will be making the announcement on what those events are in due course.

Members were advised that Feast Marlborough's Friday Night Feast is in hibernation for this year due to timing, finances and resources but are intending to bring it back in 2025. In the meantime, they will be focusing on smaller activations and supporting other events in the region that celebrate our food producers and Marlborough produce.

It was reported that this year's Southern Jam performance schedule has been finalised and is being promoted through various channels including social media. Tickets are available for the gala concert held at the ASB Theatre on 10 August.

Tickets for Garden Marlborough are now available and demand is predicted to be on par as last year.

Following the regional events update Ms Young went on to present information on the Commercial Events Fund Criteria Review. A powerpoint presentation was shown (filed in CM Record No. 24180819).

It was noted that following the February Economic, Finance & Community Committee meeting, the Commercial Events Fund sub-committee met on 20 May to review the criteria for this fund to ensure that it continues to be fit for purpose and meets the needs of the events sector.

It was noted that this fund is for commercial events only.

By way of background, members were advised that the fund was established in 2014 with a budget of \$75k pa and has since been increased to \$130k p.a. There are two funding rounds per year one in August and one in February. Within the budget there is a BID Fund and a Discretionary Fund. The BID Fund is where the Regional Events Advisor can pitch for an event to come to Marlborough eg South Island Masters Games, there is no maximum for this BID Fund. The Discretionary Fund is \$10k pa and provides the Committee with the opportunity to fund an event outside the normal funding rounds.

Ms Young noted the process that had been undertaken and reported on the Committee's consideration of the feedback received from Marlborough Event Organisers and the regional comparisons. The key areas that were discussed were the purpose of the commercial events fund, application evaluation/scoring, review of current criteria and recommendations for revised criteria which would be in place for Round 1 of 2024/2025 opening 12 August 2024.

As part of the presentation and discussion it was requested that information be made available on how Council compares to other regions for securing outside funding sources. Ms Young agreed to provide the information, noting that for the Regional Events Fund \$1.5M is available across the top of the South, of which Marlborough has been allocated \$540k.

The revised criteria was discussed and it was reported that the maximum funding period is proposed to be increased from 3 to 5 years. This means that applications accepted for 1 to 3 years are eligible to reapply for a year 4 and 5 if required. It was noted that the application doesn't have to immediately follow the third year.

It was reported that if events are applying for three years of funding then they are being asked to include a business plan that identifies a path to financial sustainability.

In response to a query regarding Council's sponsorship of events and acknowledging that sponsorship, Ms Young advised that as a condition of receiving the funding applicants are to use Council's logo across any promotional material and are required to display pull-up Council banners at the event.

During discussion it was noted that it appeared the purpose of the criteria had a focus on seeding and assisting new commercial events to the region and it was queried whether there was enough flexibility in the criteria to ensure we don't lose existing iconic events. It was noted that the changes in eligibility do provide flexibility to ensure that Council can support those events that previously would have been ineligible. The Commercial Events Fund Sub-Committee will meet to consider this further.

In response to a query regarding the process for signing off on the new Policy it was requested that advice be sought from Legal Counsel to confirm what is appropriate.

Cirs Croad/Innes:
That the information be received.

Carried

ATTENDANCE: Dorien Vermaas, Council's Economic Development Portfolio Manager, and Mark Unwin, Council's Economic Development Programmes Manager were present for the following two items.

EFC-0724-35 Innovate Marlborough Annual Plan 2024-2025

E101-000-004-23

Ms Vermaas noted that the purpose of the report was to approve the Innovate Marlborough Annual Plan 2024 - 2025. The plan was attached to the agenda item for members' information. To highlight the report a powerpoint presentation was shown (presentation filed in CM Record No. 24181227).

It was reported that Council's Economic Development team will be running the Innovate Marlborough activation programme to support and stimulate economic sectors, businesses, investors and startup eco-system in the region.

The Plan is aligned towards achieving the long-term vision and goals of the Marlborough Economic Wellbeing Strategy and is deliverable within existing budgets. There will be a presentation at the next Committee meeting about the impact from last year's activities and investment attracted by the team.

During the presentation it was requested that agriculture be added to the Economic Development Team's workstream.

Cirs Croad/Dawson:
That Council approves the Annual Plan 2024-2025 for the Economic Development Team.

Carried

ATTENDANCE: C/r Dawson withdrew from the meeting at 10.19 am.

EFC-0724-36 Economic Development Update

E100-010-01

Members noted that the purpose of the report was to provide an update on the activities and achievement of Annual KPI's of Council's Economic Development team between 19 March 2024 and 10 July 2024. To highlight the report a powerpoint presentation was shown (presentation filed in CM Record No. 24181229).

Contained within the powerpoint was a Marlborough Show Reel which will be added to the Screen Marlborough section of the Marlboroughnz.com website.

Members were updated on:

- **Winter Series** with Nicholas Petrie with Grow Perform Sustain workshops with three sessions held over 6 months with just under 200 attendees.
- **CEO Series** with Sam Stubbs, 60 people in attendance
- **Future of Work** will provide a presentation at a future meeting
- **Wine Pro** new event and was a resounding success

It was noted that the newly launched CIT-programme for industry groups has been received with great enthusiasm and support by industry groups. Several groups are working on submissions for the CIT-programme which is encouraging and in line with what the ED-team had been aiming for. The current industry groups were detailed in the agenda item.

It response to a request that for future reports information be included on the CIT industry co-funding and outcomes, it was reported that this will be provided in the annual reporting on the CIT-programme. Currently one application has been approved but no funding has been claimed as yet.

It was requested that the qualification criteria be circulated to all Councillors.

Clr Croad/The Mayor:
That the information be received.

Carried

ATTENDANCE: The meeting adjourned at 10.30 am and resumed at 10.45 am

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

EFC-0724-37 MDC Youth Council Plan 2024 C150-002-018-01

Ms Griffiths noted that the purpose of the report was to advise Council of the goals and objectives of the 2024 Youth Council and to receive and accept the 2024 Youth Council plan. The plan was attached to the agenda item for members' information.

Ms Griffiths noted in response to feedback gathered from other youth through surveys and evaluations received following events the Youth Council will look to host more events. They are also engaging in wider Council matters such as providing feedback into the Long Term Plan regarding youth submissions. Contributing to the Walking and Cycling Strategy by way of a survey which received 219 responses.

Ms Griffiths requested that if there is any planning going on it would be appreciated if the Youth Council were approached to get some youth input.

Members were advised that a mural is being planned for later in the year, possibly Marlborough Anniversary Weekend. The Youth Council has come up with the theme 'What does Marlborough mean to you?'. The Youth Council are planning a sports day during the Welcoming Communities week.

It was raised about whether Rai Valley was represented on the Council, it was noted that currently there is no one but connections have been made with the school and communication is happening.

The Mayor/Clr Rosene:
That Council approve and adopt the Youth Council Plan for 2024.

Carried

ATTENDANCE: Clr Innes withdrew from the meeting at 10.58 am.

EFC-0724-38 Small Townships Programme Sub-Committee

D050-001-S03

The Minutes of the Small Townships Programme Sub-Committee meeting held on 25 June 2024 were attached for ratification by the Committee.

Cllrs Fauls/Minehan:

That the Minutes of the Small Townships Programme Sub-Committee meeting held on 25 June 2024 be ratified.

Carried

EFC-0724-39 Financial Report for Council – Period Ended 31 May 2024

F275-001-01

Ms Dever presented the Financial Report for Council for the period ending 31 May 2024.

It was reported that in previous reports depreciation had been based on budgeted levels. For this report depreciation is shown at actual levels. This has resulted in a significant uplift in expenditure, with \$8.5M in three waters depreciation unfunded in the current year to 31 May 2024. This has been adjusted through the non-cash expenditure line.

Members were advised the major variances between actual and budget are lower than anticipated draw down of Better Off Funding with delays in expenditure in a number of approved projects. Some of the undrawn funds have been re-allocated to projects identified as part of the Long-Term Plan. Higher than budgeted grants for the Jobs for Nature and expenditure for the related projects. Unbudgeted Grants received for the College Park Hockey Turf relocation, National Wilding Conifer Control Program and Tourism Infrastructure Fund.

Lower than anticipated roading reinstatement expenditure and subsidy for the impacts of the August 2022 flood event. In the 2023/24 year \$21.6M has been spent on the July 2021 and August 2022 events. Forecast has been updated to align with the allocation between capital and operational expenditure and timing of expenditure in the Long Term Plan. This will reverse part of the impairment booked in the prior year and this is the reason for the reduction of the year to date income and expenditure from the forecast figures.

Higher than anticipated depreciation expenditure in Three Waters and flood protection assets.

Lower than anticipated expenditure on Flood Protection and Control Works flood damage. This is offset by lower than anticipated insurance proceeds.

It was reported that interest expenses are lower than anticipated due to the savings, deferrals and delays in past capital expenditure programmes resulting in less external borrowings.

Comments were provided in the report on variances greater than \$250,000.

Cllrs Croad/Sowman:

That Council receive the Financial Report for the period ending 31 May 2024.

Carried

EFC-0724-40 Treasury Management Report 30 June 2024

F220-002-020-23

Mr Blake, Council's Chief Financial Officer, presented the Treasury Management report to 30 June 2024 to members. It was noted that the attachments contained within the report show details of Council's cash on hand, investments and borrowings for the quarter ended 30 June 2024. Comparative details for the quarter ended 31 March 2024 were also shown in the report.

Members were advised that the gap between what we can borrow money at and what we invest money at is increasing and this is likely to increase as the individual loans mature and Council renews. It was noted that the assumption of 5.5% interest in the Long Term Plan and it is getting closer to that.

It was noted that in the coming year it was expected that Council will require additional borrowing for its and Port Marlborough's budgeted capital projects. Graphs contained in the report showed the policy minimums and maximums based on the forecast loan levels. The total fixed debt is below the minimum limits due to the fixed term loans not forecast to be refixed in the future. This is useful as a guide to what cover we will need to secure at a future date, depending on the exact level and nature of the borrowing.

Cllrs Croad/Flight:
That the information be received.

Carried

EFC-0724-41 Debtors Overdue Reports as at 30 June 2024 **F220-002-020-23**

Mr Blake presented the Debtors Overdue Reports as at 30 June 2024 to members.

Members were advised that the annual resource consent administration fees were charged in July 2023 totalling \$1.3M with 99% having been paid to date. As the Land Use consents fees were charged for the first time in 2023/2024, it is taking a lot longer to recover these. The 2024/2025 fees will be charged in July 2024.

It was reported that the 90 Days balance includes invoices for the annual resource consent administration fees that have not been paid. Invoice copies have been emailed requesting payment.

Members were advised that there is a new section called Work Not Yet Commenced/Completed. These were previously in Negotiating Payment Arrangement. These are usually projects that are on hold and will be paid once the building project is started or near completion.

The Property Leases and Licences Debtors Report as at 31 March 2024 was noted.

Cllrs Croad/Minehan:
That the information be received.

Carried

EFC-0724-42 Rates Report as at 30 June 2024 **F270-36-23**

Mr Blake advised that the purpose of the report was to advise Council of the rates position as at 30 June 2024.

Members were advised that the fourth instalment of 2023/24 rates was invoiced on 1 May 2024 with a due date of 11 June 2024 with the value of the June penalty run was \$84k (1,231 or 4.6% of properties levied) with the same period last year being \$69k (1,153 or 4.3% of properties levied).

For the 2023/24 rating year, 97.7% of rates were collected by 30 June 2024 from the 26,969 properties compared to 98.2% in 2022/23.

The total number of instalment penalties for 2023/24 was 5,426 (excluding arrears penalties) which was an increase of 2 compared to 2022/23.

Clr J Arbuckle noted that a paper had previously been presented on considering an incentive to paying rates in advance and requested that this be revisited for further discussion. Mr Blake agreed to action.

The Water Billing Debtors Report as at 30 June 2024 was attached to the agenda for members' information.

Members were advised that there are some water leaks on landowners properties that are undergoing remission review at the moment.

Clr Hope requested that information be provided in the next report to the Committee on where the water leaks are and it was suggested that information be included on the Remissions Policy.

Cirs Croad/Sowman:
That the information be received.

Carried

EFC-0724-43 Information Package

The Mayor/Clr Rosene:
That the Economic, Finance & Community Information Package dated 23 July 2024 be received and noted.

Carried

EFC-0724-44 Decision to Conduct Business with the Public Excluded

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

- Marlborough Events Centre
- Sister City Sub-Committee

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
Marlborough Events Centre	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.
Sister City Sub-Committee	In order to protect the privacy of natural persons, as provided for under Section 7(2)(a).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Carried

The meeting closed at 11.50 am.

Record No: 24202189