



**Minutes of a Meeting of the  
ECONOMIC, FINANCE & COMMUNITY COMMITTEE  
held in the Council Chambers and via Teams, 15 Seymour Street, Blenheim  
on TUESDAY, 25 JUNE 2024 commencing at 11.00 am**

**Present**

Cllrs J D N Croad (Chairperson), S R W Adams (Deputy), S J Arbuckle, B G Dawson, B A Faulis, B J Minehan, J C Rosene, Mayor Nadine Taylor, Ms R Niven (Iwi representative)

**Present via Teams**

Cllrs J A Arbuckle, A R Burgess and D A Dalliessi

**In Attendance**

Messrs G K Blake (Chief Financial Officer) and Ms N Chauval (Committee Secretary)

**Apologies**

Cllrs Croad/Rosene:

That the apology for absence from Cllrs T P Sowman, R J Innes and G A Hope be received and sustained and the apology for non-attendance from Mr D G Heiford (Manager, Economic, Community & Support Services) be noted.

**Carried**

**EFC-0624-419**

**Declaration of Interests**

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No interests with items on the agenda were declared.

ATTENDANCE: Nicola Neilson, Council's Project Lead – Arts, Culture and Heritage, was present for the following item.

**EFC-0624-420**

**Marlborough Living Cultural Treasure Award**

**D050-005-27**

Members noted that the purpose of the report was to approve the request from the Friends of Marlborough Museum that the Marlborough Living Cultural Treasure Award continues under the ownership of Marlborough District Council.

By way of background members were advised that in 2012 the Marlborough Living Cultural Treasure Award was established by the Friends of Marlborough Museum in partnership with Marlborough Museum and Marlborough District Council.

The award is made to recipients who have demonstrated a lifetime of excellence in cultural endeavour and are a source of community inspiration.

Nominations were called for publicly and the selection panel consisted of the Mayor, two community representatives, executive director of Marlborough Museum, and a representative of the Marlborough Heritage Trust.

In 2023, the Marlborough Heritage Trust ceased operating, and the Living Cultural Treasure Award was suspended due to museum staff limitations while negotiations took place between Council and the Marlborough Historical Society. In early 2024, Council was approached by the Friends of the Museum group with a request for Council to accept ownership of the award going forward.

The previous recipients were listed in the agenda and Ms Neilson advised members of the following additions to the recipients list – [2018 Kevin Moseley and 2019 Nan Kahu Chadwick].

Ms Neilson advised that the format would continue but will include the following changes - the award will be presented once per mayoral term, this is in line with Council's civic awards. The selection panel has been amended to recognise the contribution of previous recipients, add more diversity and bring further transparency to the panel.

Members were advised that limited funding is required to manage the award and will be covered by the Arts, Culture and Heritage Strategy funding allocated in the Long-Term Plan 2024-2034

The Mayor noted that the award is a Marlborough Award and is only being overseen by Council, similar to the Civic Awards. In regard to the make-up of the Selection Panel list the Mayor reported that it has been suggested that the Marlborough District Library Chief Librarian be included instead of the Marlborough District Council Chief Executive. It is anticipated that the appointment would bring a broader cultural overview of Marlborough.

The suggested amendment to the selection panel was discussed and members were supportive of the proposal.

**The Mayor /Rosene:**

- 1. That Council accepts the proposal to own and manage the Marlborough Living Cultural Treasure Award.**
- 2. That the Marlborough District Council Chief Librarian be added to the Selection Panel and the Marlborough District Chief Executive be removed from the Selection Panel.**

**Carried**

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

**EFC-0624-421                      Financial Report for the year to 30 April 2024**  
**F275-001-02**

The Financial Report for the Assets and Services and Property and Community Facilities (including parking) Departments for the year to 30 April 2024 was presented to members.

Members were advised that through the combined activities of the two departments there is an actual operating surplus of \$7.8M which is unfavourable to budget by \$11.9M. This was through total revenues of \$116.2M which were unfavourable to budget by \$24.5M. This was through roading subsidy operational costs of \$8.36M and reduced emergency reinstatement works. The capital subsidy on emergency reinstatement renewals and also the general renewals roading programme totalling \$16.93M. Development contributions were unfavourable by \$1.5M and they are offset by favourable government grants of \$1.97M.

It was noted that in the same period we had operating expenditure of \$108.4M and that was favourable to budget by \$12.6M through emergency reinstatement works of \$10.8M, flood damage repairs within rivers of \$3.32M and sealed pavement maintenance favourable to budget by \$1.7M.

Budgets are slightly ahead of last year's total capital expenditure for the same period which was \$41M last year versus \$44.5M this year. The areas of major capital spend are roading and footpaths at \$11.2M, water supply \$10.4M, community facilities \$9.3M, sewerage \$6.5M and flood protection \$3M.

It was noted that in the last week Council has received the three waters valuation into the budget which means that the May figures we present at the next meeting will include significant additional depreciation.

Members were advised that there is a phasing in plan for the funding of the depreciation uplift included in the Long Term Plan. May figures for Assets & Services are showing an unfavourable variance for depreciation of \$11.3M of which \$10.5M is related to the three water assets. The remaining variances noted in the report are due to actual depreciation being run for Council's other activities based on the closing balances of the prior year.

It was reported that the forecast figures in this report and particularly the roading reinstatement capital expenditure need refining and have been adjusted downwards by approximately \$10M so these works will be carried over into the new year and will form part of next year's emergency works programme. The removal of that \$10M of capital expenditure reduces our subsidy revenue in operating by \$9.5M.

The values showing in the operating surplus were forecast in the report to be \$41.4M it is now \$21M and that compares to the budget surplus of \$23M. In terms of capital expenditure Council had forecast capital expenditure of \$93.5M but this is now closer to \$78M.

The May report will be included in the next Assets & Services Committee meeting agenda.

**Cirs Dawson/S Arbuckle:**

**That the financial report for the period ended 30 April 2024 be received.**

**Carried**

**EFC-0624-422**

**Commercial Events Fund Sub-Committee**

**E100-002-006-28**

The Minutes of the Commercial Events Fund Sub-Committee meeting held on 9 May 2024 were attached for ratification by the Committee.

The following amendment to the minutes was noted – *[Prior to the meeting an email was received from] Clr Flight who declared a conflict of interest in the Savour in the Park 2024 event and abstained from decision-making.*

In response to a query on the Terms of Reference for this Committee, Ms Young advised that subsequent to the funding meeting the Sub-Committee have met and discussed the criteria for the Commercial Events Fund. As a result of that meeting there has been a number of changes which Ms Young will present to the Sub-Committee for sign-off and these will be reported back through the next Economic, Finance & Community Committee. It is anticipated that the new criteria will be in place for the next funding round which opens on 12 August.

**Cirs Faulls/Dawson:**

**That the Minutes of the Commercial Events Fund meeting held on 9 May 2024 be ratified.**

**Carried**

**EFC-0624-423**

**Audit & Risk Sub-committee**

**D050-001-A05**

The Minutes of the Audit & Risk Sub-Committee meeting held on 18 April 2024 were attached for ratification by the Committee.

In response to a query on whether a report on the Aratere grounding in Picton Harbour would be provided to the Audit & Risk Committee. The Mayor advised that an investigation into the incident is being undertaken by both Maritime NZ and Transport Accident Investigation Commission. The Harbour Master will undertake a debrief around Council's processes to ensure internal processes stood up and delivered. The debrief will also provide an opportunity to reflect on those to see if there is anything that can be improved. This type of review is undertaken after every incident.

**The Mayor/Clr Dawson:**

**That the Minutes of the Audit & Risk Sub-committee meeting held on 18 April 2024 be ratified.**

**Carried**

**EFC-0624-424**

## **MDC Holdings Limited – 2024-25 Statement of Intent**

**S400-004-010-24**

Council's, Chief Financial Officer, Geoff Blake presented the MDC Holdings Limited (MDCH) 2023/24 Statement of Corporate Intent (SOI) to members. The draft SOI, budget and legislative compliance schedule were included with the agenda for members' information.

Mr Blake advised that the SOI has been approved by the Board of MDC Holdings.

Members were advised that schedule 8 Local Government Act 2002, requires MDCH to deliver to Council a completed SOI by 30 June of each year for the next year (year ending 30 June 2025) and two subsequent years.

Members were advised that the 2024/25 draft SOI is consistent with the 2023/24 SOI. It was noted that although PMNZ has removed the Ferry Terminal Redevelopment project from its budget leaving a number of smaller projects including work at Shakespeare Bay, Westshore/Waitohi and Havelock Marina. In 2025 MAL will require debt funding of its major runway reseal project and is not expected to provide a dividend due to that expenditure.

Mr Blake advised as in previous years the targets for Port Marlborough NZ Limited (PML) have been based on its 2023-24 SCI. The statutory timing for preparing Port Company SCI's is 31 July for the draft and 30 September for the final document, which is some seven months after MDCH is required to submit a draft SOI to Council. If the PML 2024-25 SCI is significantly different MDCH will present an amended SOI to Council.

A number of questions were asked of Mr Blake who provided a response and following the meeting emailed members a more detailed response to those questions (Record No. 24158738)

**Cirs Croad/Dawson:**

**That Council approves the Draft 2024-25 Statement of Intent for MDC Holdings Limited.**

**Carried**

**EFC-0624-425**

## **Debtors Overdue Reports as at 31 May 2024**

Mr Blake presented the Debtors Overdue Reports as at 31 May 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.

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.

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

**Cirs Croad/Fauls:**

**That the information be received.**

**Carried**

**EFC-0624-426**

## **Rates Report as at 31 May 2024**

**F270-36-23**

Mr Blake presented the Rates and Water Billing Debtors reports as at 31 May 2024.

Members were advised that the fourth instalment of 2023-2024 rates was invoiced on 1 May 2024 with a due date of 11 June 2024.

The value of the penalty run on 14 March 2024 was \$90,844 (1,306 or 4.8% of properties levied), with last year for the same period being \$75,876 (1,302 or 4.9% of properties levied).

Since the Q3 penalty run date on 14 March, 136 (10%) penalties have been reversed. The value of the reversals is \$11k (12% of the total penalty amount). The volumes of penalties reversed is almost identical to Q3 last year (141 penalties reversed which equates to 11% of total penalties incurred).

Of the 44 Notices of Demand sent on 21 March 2024 in relation to arrears as of 30 June 2023, 17 remain unpaid at this time (a reduction of 5 since the March update).

The Rates Team are continuing to follow up with ratepayers and working with them to provide suitable repayment options if required.

The Water Billing report for 90 Days balance included a number of credit balances and overdue March 2024 invoices, invoices requesting prompt payment have been sent. A number of Renwick and Havelock water invoices are to be reassessed by the water team due to large water leaks.

The Current balance includes the 4th quarter Southern Valley Irrigation Scheme. These invoices were able to be processed in May as the irrigation scheme was turned off for the winter.

It was noted that the Rates team continue to work with ratepayers to provide mutually agreeable repayment plans to assist ratepayers to clear their arrears and ongoing rates.

**Cirs Croad/Adams:  
That the information be received.**

**Carried**

**EFC-0624-427**

## **Civil Defence Emergency Management Group (CDEM)**

**D050-001-C03**

The Minutes of the Civil Defence Emergency Management Group (CDEM) meeting held on 16 April 2024 were attached for ratification by the Committee.

**Cirs Rosene/Dawson:  
That the Minutes of the Civil Defence Emergency Management Group meeting held on 16 April 2024 be ratified.**

**Carried**

**EFC-0624-428**

## **Information Package**

**-**

**Cirs Croad/Minehan:  
That the Economic, Finance & Community Information Package dated 25 June 2024 be received and noted.**

**Carried**

**EFC-0624-429**

## **Decision to Conduct Business with the Public Excluded**

**-**

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

**- Confirmation of Sub-Committee Public Excluded Minutes**

**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:**

<b>General Subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
<b>Minutes and Committee Reports</b>	<b>As set out in the Minutes and Reports</b>	<b>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.</b>

**Carried**

The meeting closed at 11.52 am.

Record No: 24159581