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**MARLBOROUGH  
DISTRICT COUNCIL**

28 August 2024

Record No: 24205610  
File Ref: D050-001-C01  
Ask For: Nicole Chauval

## **Notice of Committee Meeting – Tuesday, 3 September 2024**

A meeting of the Economic, Finance & Community Committee will be held in the Council Chambers, 15 Seymour Street, Blenheim on **Tuesday, 3 September 2024 commencing at 9.00 am.**

### **BUSINESS**

As per Agenda attached.

JOHN BOSWELL  
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 the Friday 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, 3 SEPTEMBER 2024, commencing at 9.00 am

<b>Committee</b>	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 Ms R Niven (Iwi representative)
<b>Department Heads</b>	Mr G K Blake (Chief Financial Officer) and Mr D G Heiford (Manager Economic, Community & Support Services)
<b>Staff</b>	N Chauval (Committee Secretary)

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## **1. Apologies**

No apologies received.

## **2. Declaration of Interests**

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

### 3. Submission to Vocational Education and Training Reforms 2024

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(The Mayor) (Report prepared by Neil Henry)

E100-000-01

#### Purpose of Report

1. To consider and approve a submission to Government's Vocational Education and Training Reforms consultation 2024.
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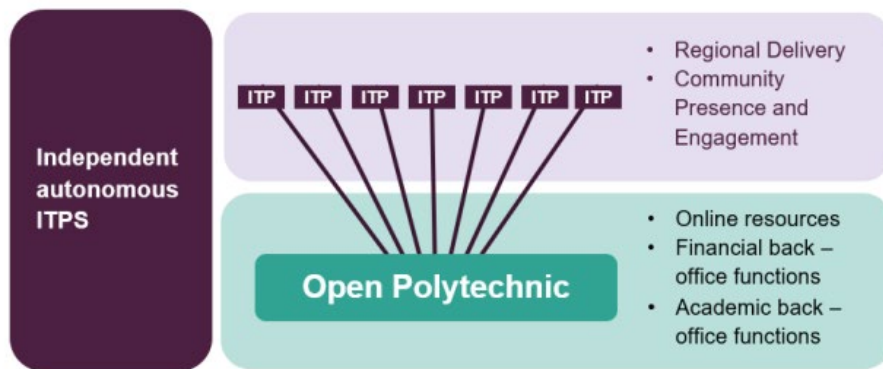
#### RECOMMENDATION

**That Council delegates the approval of the final submission to Vocational Education and Training Reforms consultation 2024 to the Mayor and the Chair Economic, Finance & Community Committee for submission by 12 September 2024.**

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#### Background

2. The previous Government's Reform of Vocational Education merged Institute of Technology and Polytechnic (ITP's) into a single national provider. Te Pūkenga was also given responsibility for working with employers to deliver most work-based vocational education, through a Work-based Learning division made up of most of the former Industry Training Organisations. As part of the reforms, six Workforce Development Councils (WDCs) were established for different areas of vocational education. Workforce Development Councils are responsible for working with their industries to develop vocational education qualifications and standards, moderating assessment, and providing leadership on meeting future workforce skill needs.
3. The Government has committed to disestablishing Te Pūkenga and replacing it with a system that restores regional decision-making and connections between ITPs and their communities.
4. The Government is seeking feedback on proposed reforms for three parts of the vocational education system through this consultation:
  - a) A redesigned Institute of Technology and Polytechnic (ITP) network that retains access to ITP provision in regions, through a combination of stand-alone and a federation of ITPs.
  - b) Options for an industry-led system for standards-setting and industry training.
  - c) Changes to vocational education funding from 2026 to better support the reformed system.
5. The reforms propose that some ITP's will be standalone institutions (as they were prior to the establishment of Te Pūkenga) and some will be placed in a 'Federation' model anchored by Open Polytechnic. They have not specified which institutions will be standalone and which will be in the federation model.



## Assessment/Analysis

6. Council has worked with Top of the South Councils, Iwi, Chambers of Commerce and Nelson Regional Development Agency to seek a unified position on reestablishing NMIT as a standalone institution rather than it being placed in the Federation model. This is because it is seen as being in the best interests of Marlborough (and Top of the South) for a number of reasons, including:
  - a) NMIT's specialism in training relating to our key industries
  - b) Industry representation in a standalone entity will be greater than in a federation model
  - c) The ability to attract domestic and overseas students to train in our specialist industries and possibly gain employment here
  - d) The ability to retain students in a region that lacks a university
7. There is broad agreement across the Top of the South that the best option for our wider region is for NMIT to be a standalone ITP. Consequently, there will be a number of submissions from these organisations to support this position, and work is underway to enable industry to consider adding their support.
8. There remains several matters that need further clarification, including:
  - a) Confirming the financial viability of NMIT to be a standalone institution. Preliminary work indicates that viability is possible
  - b) The return of capital funding to the region that was ringfenced by Te Pūkenga upon its establishment
9. The consultation closes on 12 September and it is not expected that any further consultation will take place. It will not be possible to fully resolve the matters of clarification by that date.
10. A consultation poses a number of questions rather than enabling an open response. The draft submission is attached for consideration. (Refer Attachment 1)
11. The close of the consultation is before the Council meeting on 19 September so the usual process of ratification of committee decisions falls outside this timeframe. Therefore it is proposed that Council delegates approval of the submission to the Mayor.

## Option One (Recommended Option)

That Council delegates the approval of the final submission to Vocational Education and Training Reforms consultation 2024 to the Mayor for submission by 12 September.

### Advantages

12. Council provides input on its preferred outcome for the reform prior to the final decision being made

*Disadvantages*

13. None

**Option Two**

No submission is made

*Advantages*

14. None

*Disadvantages*

15. Council's preferred outcome is not known prior to the final decision being made by Government

**Next steps**

16. If approved, the Mayor will agree the final submission and staff will ensure it is lodged.

**Attachment**

**Attachment 1** – Proposed submission to Vocational Education and Training Reforms 2024

page [6]

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

<b>Summary of decision-making considerations</b>			
<b>Fit with purpose of local government</b>			
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.			
<b>Fit with Council policies and strategies</b>			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	<input type="checkbox"/>	<input type="checkbox"/>	✗
Financial Strategy	<input type="checkbox"/>	<input type="checkbox"/>	✗
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	✗
Social well-being	<input type="checkbox"/>	<input type="checkbox"/>	✗
Economic development	✓	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	✗
Arts & Culture	<input type="checkbox"/>	<input type="checkbox"/>	✗
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	✗
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	✗
Parks and reserves	<input type="checkbox"/>	<input type="checkbox"/>	✗
This proposal contributes to the economic development activity relating to supporting vocational education in the region.			
<b>Nature of the decision to be made</b>			
The options do not involve a significant decision in relation to land or a body of water.			
<b>Financial considerations</b>			
None			
<b>Significance</b>			
The decision is considered of low significance under Council's Significance and Engagement Policy			
<b>Engagement</b>			
Engagement has occurred with Top of the South Councils, Iwi, Chambers of Commerce and Nelson Regional Development Agency			
<b>Risks: Legal / Health &amp; Safety etc</b>			
None			
<b>Climate Change Implications</b>			
There are no known climate change implications to this decision.			

## Attachment 1

Wellington National Office, 1 The Terrace, Levels 5 to 14, Wellington 6011  
PO Box 1666, Wellington 6140, DX SR51201 Phone: +64 4 463 8000

[education.govt.nz](http://education.govt.nz)



## Your information

1. Are you submitting as an individual or on behalf of an organisation/company?

Organisation/Company

### If as an individual, then:

2. What is your name?
3. Which region do you work/study in?

Choose an item.

4. What is your ethnicity?

Choose an item.

5. Do you consider your community to be urban or rural?

Choose an item.

6. What best describes your relationship to the vocational education system?

Choose an item.

### If you are submitting as a company/organisation, then:

7. What is the name of your organisation/company?

Marlborough District Council

8. Which region do you primarily operate in?

Malborough

9. Do you consider your community to be urban or rural?

Rural

10. Which of the following best describes your organisation?

Local government or regional organisation

11. Would you consider yourself to be a part of Māori industry/a Māori education provider?

No



12. If you are an employer, how many staff are in your company/organisation?

101+

13. Which industry grouping best represents your company/organisation?

Community, health, education. and social services

### **Proposal 1: Creating a healthy ITP network that responds to regional needs**

14. Do you agree with the consultation document's statements on the importance of ITPs?

Strongly agree

Why / Why not?

Institutions such as NMIT are critical to enabling people, particularly in NZ's more isolated regions, to be able to upskill. They also play a key role in improving productivity, critical to a region such as Te Taihū that has low productivity. ITPs are able to partner locally with industry in developing skills training that is appropriate to the local industries and specialities. Marlborough is a region without a university and traditionally loses many young people to other regions for work and study. However, we also have dominance in wine (80% of NZ's wine estate and exports), aquaculture (50% of NZ's seafood is farmed in the Marlborough Sounds) and aviation engineering (the only available aviation engineering training in NZ outside Air New Zealand). A locally available ITP to support these industries is critical to Marlborough and to New Zealand due to this dominance. It will also support forestry, pastoral farming, tourism, engineering and other important local industries.

15. What do you consider to be the main benefits and risks of reconfiguring the ITP sector?

Te Pūkenga has not worked, as evidenced by the high costs of centralisation, the decline in student achievement, the poor staff morale and the loss of multiple executives. It has also undermined the close relationship between industry and local ITPs and removed the opportunity to attract international students to regions such as Nelson by not allowing us to market our competitive advantages.

The sector needs a fresh start and for an ITP such as NMIT that had a strong track record of success for more than 100 years, the best option is to restore it to being a standalone institution, albeit to continue and foster the strong working relationship it has built up over many years with Te Taihū iwi (8 individual iwi), work-based learning institutions such as Primary ITO, BCITO, Competenz, Careerforce and ETCO. There will be risks in ensuring the re-established institution is financially sustainable but with the right governance, funding model and sector framework, NMIT can flourish. There are greater financial risks with the status quo or the federation model for NMIT. Time is also important in that Te Pūkenga has badly affected senior staff retention at NMIT and the longer the uncertainty, the more difficult it will be to reset and get NMIT on to a positive footing.

Marlborough's key industries have had limited input into the provision of tertiary and work based training under the current model, and a standalone NMIT will enable those links to be strengthened. The WDC's hold this obligation, to represent industries voice but this could be done a lot better and be strengthened with NMIT.

16. Do you support creating a federation model for some ITPs?

Choose an item.

Marlborough District Council does not believe the federation model will work for NMIT but is reluctant to comment on what best suits other regions. The smallest and largest polytechnics that have most commonly got into financial difficulty whilst the moderately sized institutions, particularly those such

as NMIT that have got close to industry and have not had a competing university, have been the most consistent financial performers.

We believe the federation model would be the worst of outcomes for NMIT. We would still have the key governance and financial decisions being made outside the region. It would be clumsy partnering with industry and we would not have the full autonomy to pursue international education opportunities. We also worry, with the Open Polytechnic's emphasis on online learning, that we would lose the benefits of face-to-face learning that is particularly important for many of the skills programmes at NMIT in areas such as Marlborough's key industries as outlined above.

17. What are the minimum programmes and roles that need to be delivered by the new ITP sector for your region?

NMIT has a very diverse programme of more than 100 programmes covering key sectors such as fishing and aquaculture, nursing, commerce, tourism, viticulture, aviation engineering, trades, social work, arts, counselling and many others. Very few of these programmes have insufficient students to be viable. It is particularly important that the region retains the programmes that support our key regional industries. There is a significant opportunity for specialisation in wine, aquaculture and aviation engineering that can train the national workforce in these important industries, as well as attracting international students. Work based learning (WBL) is also critical to Marlborough businesses due to the distance from in person training and the makeup of our business community being 95% SMEs – the nearest main centre outside Marlborough is Nelson, which is a three hour round trip from Blenheim. WBL provision should be connected to NMIT directly and on campus facilities provided.

18. What are the critical factors needed (including functions and governance arrangements) to best support a federation model?

We have noted that we do not think the federation model is suitable or advantageous to the region. We believe the existing NMIT, with campuses in Marlborough, Nelson and Richmond, is the right model for the region given our geographic isolation, unique industries and strong track record of financial sustainability and student achievement. It is important that any future model for our region fosters a strong relationship between work-based and campus-based learning and that the funding system and education settings facilitate an ease of movement between modes of learning. These partnerships existed well before the establishment of Te Pūkenga and received strong support from local industry, businesses, and workplaces. Unified funding was in place and should be retained for Te Taihū delivery services whether NMIT, WBL or PTE based.

## 4. Future of Work Conference

(The Mayor) (Report prepared by Jodie Griffiths)

C150-002-018-01

### Purpose of Report

1. To inform the Council about the progress and achievements of the Future of Work Conference, detailing its growth, the scale of the 2024 event, and feedback from participants to guide the future of this Marlborough owned event.

### Executive Summary

2. *Conference Evolution:*  
Since its inception, the Future of Work Conference has grown significantly in scale and scope. Originally a pilot event, it has expanded to include a larger number of participants, more interactive features, and a broader representation of industries.
3. *2024 Conference Highlights:*  
*Attendance:* The 2024 conference saw a record attendance of 2,100 students from across Marlborough, indicating a strong interest and engagement in career opportunities.  
*Interactive Stations:* The conference featured a comprehensive interactive area with stations representing a wide array of industries and career paths. This setup allowed students to explore various fields and connect with potential employers.
4. *Tertiary Providers:*  
The inclusion of tertiary education providers highlighted pathways from education to employment, providing students with a clear understanding of how further qualifications can link to local job opportunities.
5. *Evaluation Review:*  
Feedback from students and industry participants reinforces the conference's impact. This will include examining the future conference format, given the funding challenges to deliver an event of this scale.

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## RECOMMENDATIONS

1. That the information be received.
2. That Council staff and Future of Work Conference providers review the future delivery of the event.
3. That a proposal be brought back to Committee for the future delivery of the Future of Work Conference.

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## Background/Context

6. *Initial Economy concerns*  
*Labour Shortages 2018 + 2019:* The Smart + Connected Labour & Skills group identified significant labour shortages in various sectors. These shortages were expected to persist, necessitating efforts to engage young people in local employment opportunities.
7. *Youth Engagement*  
Youth Council championed the importance of involving youth in discussions about their future career prospects and addressing any gaps in understanding about local job opportunities.
8. *Youth Migration Trend*  
*Observation:* Marlborough's Youth Council reported that many young people were leaving the region post-secondary education due to perceived limited local opportunities. Young people had expressed a

lack of confidence in finding fulfilling career paths in Marlborough, prompting the need for targeted interventions.

9. *Collaborative Response*

*Partnership:* The Council and the Graeme Dingle Foundation collaborated to address these issues by creating the Future of Work Conference. This initiative aimed to change perceptions about local job opportunities and connect students with potential employers and career paths.

10. *Pilot Conference (12 June 2019)*

*Scope:* The inaugural conference was held at the Marlborough Events Centre, involving 140 year 12 and 13 students.

*Format:* The event featured workshops and interactive business stations to provide students with insights into the future job market and the skills required.

11. *COVID-19 Impact*

*2020 Cancellation:* The planned 2020 conference, with 80% of preparations completed, had to be cancelled due to the COVID-19 pandemic and associated restrictions.

*Adjustments:* The cancellation highlighted the need for flexible planning and contingency measures for future events.

12. *Second Conference (8 June 2021)*

*Scale:* The 2021 conference was expanded significantly to accommodate 350 students, utilizing multiple venues including ASB Theatre, Clubs of Marlborough Main Hall, and the Marlborough Events Centre.

*Format:* The event featured:

- Keynote speakers addressed the attendees on career development and opportunities.
- Six workshops covered employment skills and attributes.
- Interactive stations where local businesses participated, representing diverse industries.

*Employers' Evening:* An additional evening event aimed at inspiring local business people to employ and mentor young talent.

*Funding:* The total cost of \$35,000 was covered by Marlborough District Council, Rata Foundation, Employment Support Marlborough Trust, Ministry of Education, Ministry of Social Development, and local business donations.

13. *Subsequent Conferences (2022-2023)*

*Format Enhancements:* The conference continued to grow, with an extended session with the inclusion of whanau and family to enhance wider involvement.

*Diversity and Scope:* The event featured a broader range of career options and expanded its focus on tertiary education providers, linking educational qualifications to local job opportunities.

Numbers of attendances continued to grow, as did the cost of planning the event and hosting the conference - Video link 2023 - [www.bit.ly/FOW2023VIDEO](http://www.bit.ly/FOW2023VIDEO)

## Next steps

14. A detailed analysis of the 2024 conference's feedback has taken place (evaluations attached), including:

*Student Feedback:* Insights into students' perceptions of the conference's value, the effectiveness of the interactive stations, and their career planning is evident.

*Industry Feedback:* Evaluation of industry participants' experiences, including the quality of student interactions and the event's overall impact on local workforce development is extremely positive.

15. This information will be used to refine future iterations of the Future of Work Conference, ensuring it continues to meet the needs of both students and employers in Marlborough while being financially sustainable.

## **Presentation**

A presentation by Jodie Griffiths and others (15 minutes).

## **Attachments**

**Attachment 1** – Future of Work - Evaluation and Recognition page [12]

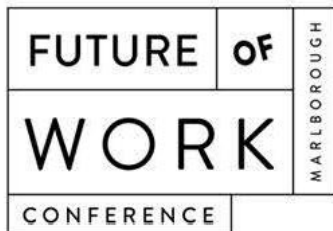
**Attachment 2** – Future of Work - Student Evaluation page [15]

**Attachment 3** – Future of Work - Student Evaluation page [18]

**Attachment 4** – Feedback from Industry “Interactive Workstation” Hosts page [20]

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

## Evaluation and Recognition



*Sustained high evaluation from students, whanau, schools and business reporting success and impact*

In 2024:

- Every Year 7-13 in Marlborough invited to take part
- Almost 2,000 ākonga (and their whanau) benefitted
- 80+ businesses and organisations involved

- 78% of students said it helped them with ideas for their personal career pathways
- 71% said it made them feel more confident about their career pathway
- 95% of ākonga said they would recommend it to others!



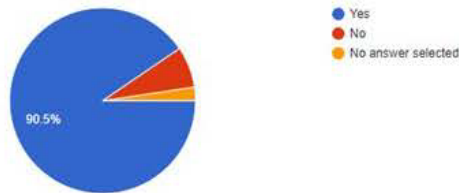
Akonga Feedback

- ★ You got to interact in the different careers which really gave you a taste of what it's like"
- ★ "I got to learn about a heap of new job opportunities"
- ★ "I became interested and curious about some new stuff"
- ★ "I learnt what the requirements are for the path I'm interested in"
- ★ "I really enjoyed learning new things about jobs I didn't know about and more info on jobs I wanted"
- ★ [My top takeaway was] how it's not impossible to succeed"
- ★ "Very inspiring"

- ★ "It doesn't matter where you are from, you can still achieve great things"
- ★ "I found a job I could be interested in"
- ★ "[I learned] to not be afraid to stray from my friends in order to focus on my own passions"
- ★ "There are more options in Marlborough than expected"
- ★ "I could talk to people in the careers I'm interested in which helped improve my understanding"
- ★ "It made me feel more sure about my future"

### Business Feedback

Do you feel Future of Work has helped you with a better understanding of, and connection with, young people in our region?



Would you recommend coming to Future of Work to other businesses/organisations?



"Thank you very much for inviting us, we had a great time and were so impressed with all the young people that came through, the manners were outstanding. You guys do an awesome job"

### College Feedback

- "We have a Year 10 who was disengaging from school. At Future of Work they discovered an idea of what they wanted to do after college and now have vision and purpose – which has caused them to re-engage with college as a pathway to that career. Brilliant outcome!"
- "Post conference, students (and whānau) are having great career conversations and working out what steps they need to take to move forward. There has been a rush on requested career appointments :)"

### Whānau Feedback

- "As a parent sometimes getting it secondhand, it can be a little bit muddled, so it's really nice to listen to the answers that [my child] is getting and understand what [they've] been told – that's a big benefit".
- "It's great just knowing what's available...the options with the universities etc...I didn't know that half these jobs existed when I was at school. I just went and did what I was doing for an after-school job, and I'm still doing it 30 years later"
- "My son (Year 12) discovered a career pathway he'd never considered before (by talking with a business on a workstation) and connected there and then with the universities offering the course for that career. Thank you for inspiring him with something he'd never heard of before!"
- "Our son (year eight) came home from this absolutely buzzing! He is super-bright and now has his trajectory worked out for where he's going to go to University and what he's going to study. He is spending some of his precious screen time looking into scholarships! I don't know what happened at that event yesterday, but it has had a big impact. Well done. Ka pai!"

### University Feedback



Prajesh Chhanabhai • 2nd

Change Maker | CROSSROADS Coach | Experienced Student Success and E...

1h ...

It's such a powerful day.

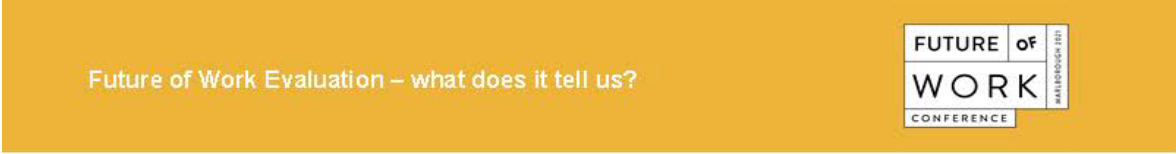


External recognition of success



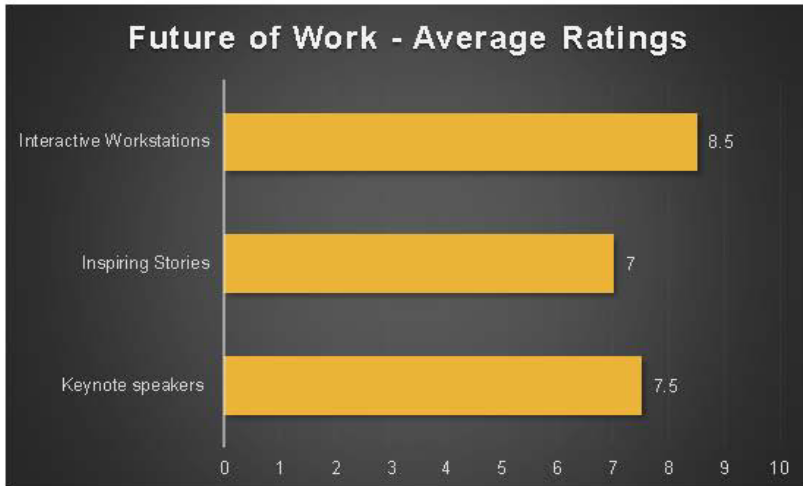


Attachment 2



Future of Work – Student Evaluation

All aspects of the conference were rated highly by attendees:



Students reported the conference made a difference to them in terms of their thinking, their confidence and their ideas about their personal career pathway:

- ★ **Over 70%** said it changed their thinking about employment opportunities;
- ★ **Over 75%** said it helped with ideas for their personal career pathway;
- ★ **Over 70%** said they left the conference feeling more confident about their career pathway.

Students were clear in the value they saw in the conference:



## Student Voice – Evaluation Comments

Many students reported they enjoyed the breadth of people they got to hear from and interact with:

- ★ *"The highlight of this conference has just been seeing the different jobs available...I've never known that there were these jobs available here"*
- ★ *"Seeing different kind of careers and get to meet successful people from different companies",*
- ★ *"There's been so much cool stuff. I think just hearing the stories as well from a wide range of speakers, it wasn't just directed down one career option – and then just having a look at all of the different stalls in there, and all the different areas and what subjects you take and seeing how that fits in to what you're thinking of"*

"The speakers were super inspiring and I could relate myself to them when they were younger. I can definitely see myself doing something that I have learned today and hopefully one day being a speaker and motivating others like I was today"

(Year 11 student)

A number of students reported they found the speakers not only inspiring but also reassuring:

- ★ *"Inspiring stories of some successful people"*
- ★ *"Hearing stories of people loving their job"*
- ★ *"The best thing I get more advice that push me out of my comfort zone"*
- ★ *"The speech from [Arpo Deer] was amazing"*
- ★ *"The Hortus speech [was] really good and made me a little less worried about my future"*

Many students commented about how much they enjoyed and got out of the Interactive Workstations:

- ★ *"The best thing about this event was the interactive workshops because you could ask questions and do challenges"*
- ★ *"The people at the stations actively getting you involved (especially when you find it hard to interact on your own)"*
- ★ *"Being able to speak to people that actually have experience in the line of work".*

The most commonly reported 'take-away' ideas were:

- ★ around the importance of values and aligning with a company that shares your values. e.g. *"Values matter", "To go into a business knowing your values"*
- ★ Having their eyes opened to opportunities. e.g. *"There are lots of possibilities that aren't well known", "There's way more things out there than what you think!"*

Several Year 13s who had attended last year said they liked the opportunity to come again this year (and that it should continue to be an annual event), e.g.:

- ★ *"I think every year the Future of Work conference is different and they can take out different things every year so if you've been before just definitely consider coming again cos you can learn a lot more each time"*

"There are more options than I thought, especially in Marlborough. I am interested in things I never considered before!"

(Year 13 student)

**Overall, the feedback was incredibly positive and highlighted how much the students had enjoyed and learned from the day.**

### Future of Work – Industry “Interactive Workstation” Hosts

All aspects of the conference were rated highly by attendees:

**100%** 100% of Workstation Hosts expressed satisfaction at their involvement at the conference.



Recommended

**All exhibitors said they would recommend Future of Work to other businesses.**

**94%**

94% of those responding to the question said they were “likely” or “very likely” to consider employing young people after this event. In fact one industry station noted they “had two enthusiastic students already express interest”!

### What was the best thing about this event?

The vast majority of respondents reflected on the value of the opportunity to connect and engage with young people:

- ★ “The interaction and enthusiasm from the young people”
- ★ “The number of people attending and the level of engagement from them”
- ★ “Being able to showcase us as an employer and the career paths we can offer and to promote the industry as a whole”
- ★ Youth want to know about employment opportunities”
- ★ “Young people are genuinely interested in the world around them”
- ★ “This is such a key thing for our young people – you can’t be what you can’t see. And this is just a wonderful opportunity for them to see and experience everything that we have to offer in Marlborough”



### Many highlighted how much they had enjoyed and got out of being involved

- ★ “I would love to be a part of this really rewarding experience again if that is possible! Keep us in mind for next year”
- ★ “All of the kids were eager to participate so it was fun...great organising”
- ★ “It was the best event I have ever been to!”

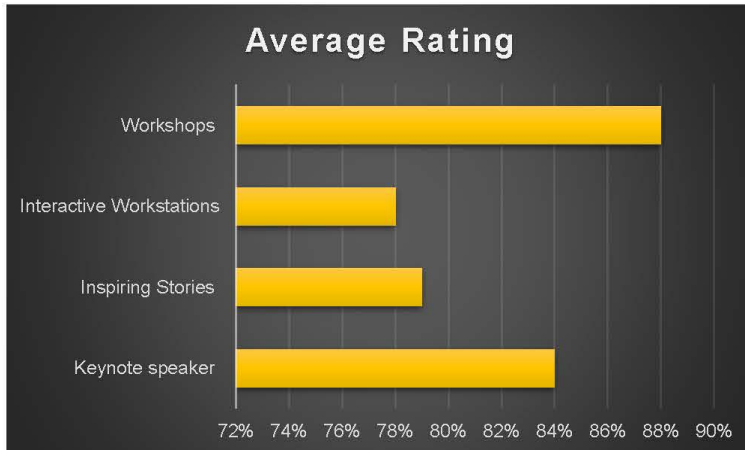


Future of Work Evaluation – what does it tell us?



Future of Work – Student Evaluation

All aspects of the conference were rated highly by attendees:



Students reported the conference made a difference to them in terms of their thinking, their confidence and their ideas about their personal career pathway:

- ★ **74%** said it helped with ideas for their personal career pathway.
- ★ **Over 68%** said they left the conference feeling more confident about their career pathway.

Students were clear in the value they saw in the conference:

**94%**  
recommend Future of Work to others



## Student Voice – Evaluation Comments

Many students reported that they enjoyed the wide range of people they got to hear from and interact with.

- ★ *"Lots of different things for everyone"*
- ★ *"Diverse stories"*
- ★ *"I like how we got to speak and listen to lots of different people"*
- ★ *"Something for everyone"*
- ★ *"The ability to access a wide range of workplaces and roles in the workplace"*



A number of students reported they found the speakers inspiring, reassuring and relatable.

- ★ *"The talks were really relevant to our age group"*
- ★ *"Jazz's speech was both eye-opening and informative"*
- ★ *"It was very relatable and relevant to what's happening today"*
- ★ *"Great advice and inspiration"*
- ★ *"They knew how to keep the audience engaged – adding personality and jokes"*
- ★ *"These speakers were so inspirational, and I am glad to have come and see them. They were inspiring and interactive"*

Enjoyment of the interactive workstations was a recurring theme.

- ★ *"I thought it was really engaging and easy to see all the things available"*
- ★ *"It gave us opportunities to talk to experts"*
- ★ *"The interact-ability helped me understand my career better. I learned how I can plan out my career better"*
- ★ *"All the interactive workstations – very engaging"*

Ākonga also reported that they enjoyed the opportunity to learn new things, and better their understanding of opportunities that are out there.

- ★ *"There's more opportunities than I thought"*
- ★ *"Taught us a lot"*
- ★ *"It provides opportunities for people to find what they want to do and motivate them and provide resources to get there"*
- ★ *"Very informative - held my attention the whole time"*
- ★ *"Taught valuable lessons – make you feel in on advice like it's a secret!"*
- ★ *"They taught actual life skills that we need to know!"*
- ★ *"Being able to ask questions and talk to different universities and industries etc. I liked being able to learn and have time dedicated to something so important – my future"*

**Overall, the feedback was incredibly positive and highlighted how much the students had enjoyed and learned from the day.**

*"They helped us feel less stressed about our future!"*

*(Year 13 student)*



### Feedback from Industry “Interactive Workstation” Hosts

All aspects of the conference were rated highly by attendees:

100%

100% of Workstation Hosts expressed satisfaction at their involvement at the conference.



**All exhibitors said they would recommend Future of Work to other businesses.**

- “We have hired a young man after meeting him at Future of Work!”
- Loved the enthusiasm, engagement, number & age range of students through

### College Feedback



Rated 10 / 10 for overall success

- “We have a Year 10 who was disengaging from school. At Future of Work they discovered an idea of what they wanted to do after college and now have vision and purpose – which has caused them to re-engage with college as a pathway to that career. Brilliant outcome!”
- “Post conference, students (and whānau) are having great career conversations and working out what steps they need to take to move forward. There has been a rush on requested career appointments :)”

### Whānau Voice

- “My son (Year 12) discovered a career pathway he'd never considered before (by talking with a business on a workstation) and connected there and then with the universities offering the course for that career. Thank you for inspiring him with something he'd never heard of before!”
- “Our son (year eight) came home from this absolutely buzzing! He is super-bright and now has his trajectory worked out for where he's going to go to University and what he's going to study. He is spending some of his precious screen time looking into scholarships! I don't know what happened at that event yesterday, but it has had a big impact. Well done. Ka pai!”



## 5. Marlborough Research Centre Research Allocations 2024/25

---

(The Chair) (Report prepared by Neil Henry)

E100-011-01

### Purpose of Report

1. To inform the Committee of the research allocations by the Marlborough Research Centre Trust for 2024/25 financial year.

### Executive Summary

2. Marlborough Research Centre (MRC) receives an annual grant from Council to fund primary industry related research activities.
  3. MRC are required to provide Council with a report on its annual research allocations. The report is attached as Attachment 1.
- 

### RECOMMENDATION

**That the report be received.**

---

### Background/Context

4. Council provides an annual grant to Marlborough Research Centre for primary industry related research related activities. Council considered changes to MRC funding at the Council budget meeting on 26 February 2024. The following decisions were made:

***(Minute Cncl-0224-290)***

*That Council agrees to reduce the Marlborough Research Centre grant for research projects by \$5,654 per annum to a total of \$300,000; noting that Council agrees that the Marlborough Research Centre needs to pursue projects in primary research other than viticulture.*

*That Council agrees to continue the current level of ground rent and discounted lease funding of \$135,000 for 2024/25 onwards (2023/24 - \$21,600 ground rent subsidy, \$66,825 discounted vineyard lease).*

5. At the meeting of the Planning, Finance and Community Committee on 9 February 2017, the following reporting indicators for Marlborough Research Centre was agreed:

**Minute A.16/17.261**

**5.1 That the proposed Performance Indicators for MRC as agreed as follows:**

**5.2 July each year:**

- i) **Report to Council confirming annual research allocations approved by MRC Board and Trust**

**5.3 August each year:**

- i) **Report to Council staff on any LTP performance indicators relating to the preceding financial year for inclusion in the Annual Report**

#### **5.4 November each year:**

##### **i) Present audited annual report on MRC activities in research programme outcomes, MRC operations and new regional growth initiatives**

6. This report relates to the July reporting requirement. Note that the Research Allocations were not available in time for the July meeting, hence the report to this committee meeting.

#### **Research allocations 2024/25**

7. The research allocation for 2024/25 is detailed in the attached report (Attachment 1). The allocations support a range of activities.

#### **Next steps**

8. A report on the 2023/24 research allocation outcomes and the MRC Annual Report will be provided in November.

#### **Presentation**

A short presentation will be provided by John Patterson, Chief Executive of Marlborough Research Centre. (15 minutes).

#### **Attachment**

**Attachment 1** – Marlborough Research Centre (MRC) annual research allocation 2024-2025      page [23]



## Attachment 1



PO Box 845, Blenheim 7240  
85 Budge Street, Blenheim 7201  
New Zealand

e: [enquiries@mrc.org.nz](mailto:enquiries@mrc.org.nz)  
p: +64 3 577 2370  
w: [www.mrc.org.nz](http://www.mrc.org.nz)

1 August 2024

Neil Henry  
Manager, Strategic Planning and Economic Development  
Marlborough District Council

## Marlborough Research Centre Allocation of Funding 2024/25

1. The Advisory Committee met on 29 May 2024 and recommended the following grants to the Trust for approval. The Trust met on 18 June 2024 and approved the grant allocations for 2024/25 as follows:

Description	MRC Grant Funding	Other Party Funding (excluding in kind)	Comment
Metrological Service	\$30,000	\$8,500	This is an essential ongoing commitment which provides information to support industry, Council and research providers.
Investing in Soil Carbon (Te Whenua Tupu - Living Lab)	\$115,000	\$134,000	This is a fundamental research initiative and will provide benefit to the horticulture industry.  Engagement with MPI is ongoing for multi-year funding to support this broader initiative.
Optimal Winery wastewater application rates in free-draining soils	\$119,400	\$58,800	This initiative is of interest to Council and industry and is subject to co-funding application with AGMARDT.
Charles Sturt University PHD Scholarship	\$15,000	\$56,800	Year two of a three-year agreement.

New Zealand Wine Centre Internship	\$13,000		This is a continuation of the successful internship programme developed in 2022_23.
Herbicide trials for barberry control in grazed pastoral hill country	\$7,000	\$7,000	A three-year programme to be co-funded by MPI and Beef & Lamb.
New Zealand Dryland Forests	\$20,000	\$20,000	Wood quality analysis to support improved seed propagation. Co-funding to be secured by University of Canterbury.
<b>Total</b>	<b>\$319,400</b>	<b>\$285,100</b>	

2. The contributions from third parties does not include in-kind support provided by parties to support the initiatives undertaken. This can often be significant and a fundamental part of the success of the initiative undertaken. E.g. industry provision of land, materials and time to support the programmes being carried out.
3. Further information in relation to the projects is provided in the appendix.
4. Some initiatives are subject to the outcome of funding applications and accordingly over the coming months the actual make-up of the grants provided may vary. Accordingly, an updated grant approval will be provided when the Trust reports on the 2023/24 financial results in November 2024.

## Te Whenua Tupu – Living Lab

5. The Marlborough Research Centre has invested significant funding into the creation of the Living Lab which was opened on Friday 26 July 2024 by the Honourable Mark Patterson.
6. In considering the grant allocations this year the Research Advisory Committee and the Trust provided recognition to research initiatives which utilised this facility.
7. In addition, the Trust is engaged with the Ministry for Primary Industries on a multi-year programme which supports the development of the facility and the research carried out.
8. A focus on the broader horticulture industry benefits with carbon management being a key driver. Managing carbon is a focus on the overall ecosystem where a combination of sustainability and productivity are key drivers. Provision of sustainability, resilience and productivity outcomes are the over-arching goals from programmes to be adopted.

## Review

9. John Patterson commenced as Chief Executive of Marlborough Research Centre on 1 July 2024. John intends to review the Research Advisory function and the grant process over the coming year. Following the review there may well be refinements in relation to the role of the Committee and the application and decision-making process. Council will be informed of the review outcomes and changes proposed.

Should there be any questions in relation to the information contained in this report please do not hesitate to contact me.



John Patterson  
Chief Executive  
Marlborough Research Centre  
021 734 517  
john@mrc.org.nz

### 1. Meteorological Services

Marlborough Meteorological Services has been a key project funded by the Marlborough Research Centre for many years. This project plays an integral part in ensuring that the wider Marlborough community has regular access to weather data from the Blenheim weather station. This project ensures that anyone, regardless of their location, is readily able to access very comprehensive weather data summaries for Blenheim and Dashwood Awatere. The information is used by industry, Council and Government agencies, educators and researchers.

### 2. Investing in Soil Carbon (EFV)

Faced with limited land, water and people resources and, in face of a warming and more variable climate, NZ has an ambitious goal of doubling export value by 2034. Much of this growth is expected to come from established high-value primary industries such as horticulture and viticulture/wine. Perennial horticulture systems are currently being optimised to maximise carbon assimilation into fruit to increase yield and profitability while minimising additional inputs. To maximise productivity over the full lifecycle of the vineyard or orchard, novel growing systems need to also maintain a stable provision of ecosystem services with minimal external inputs. As we learn how to improve light inception and carbon assimilation into the plant, we also need to develop an understanding of how additional carbon is partitioned within the plant, into the rhizosphere and ultimately into the soil. From that understanding we can develop vine/tree, cover-crop and soil management practices that are able to direct more or less carbon into yield or external to the grapevine and into the ecosystem depending on goals of the producer. Viticulture is the optimal case-study system because the vineyard ecosystem is fundamental to the quality and originality of the wines produced; the producer's brand value is also anchored in, and benefits from, unique provenance and strong sustainability credentials.

Developed by the MRC and operated by PFR, the EFV will be a world-leading facility for the study of above and below ground perennial horticultural ecosystems. This research will support productivity and reputational aspirations of the New Zealand horticulture and primary sectors by developing new growing practices with improved environmental outcomes. The facility will also attract talent, create a hub for collaborative study and provide a venue for Agri-tech innovators to test and demonstrate new products.

The facility will allow researchers to grow commercial sized plants with deep roots while controlling aspects such as soil type and temperature, soil/understorey management and inputs such as water and fertiliser. Leading edge plant imaging, sensing and modelling techniques will be employed to align physical and digital twins of the production ecosystem. Coupled with digital twin and modelling expertise PFR has developed through digital horticultural systems, experimentation in this facility will enable the rapid development and deployment of industry-relevant predictive tools that meaningfully link common management practices to soil health and carbon sequestration potential.

A focus of our initial studies within the Living Lab will be to vary above-ground productive ecosystem soil conditions and management practices, while measuring small changes in deeper soil carbon sequestration, to allow early prediction of future outcomes.

We seek to:

1. Establish annual carbon budget a whole vineyard scale.
2. Establish annual carbon budget at a single vine scale.
3. Train grapevine digital twin models with experimental results.
4. Generate predictive tool linking management practice to carbon assimilation and above- and below-ground partitioning.
5. Generate predictive tool optimising ecosystem services of below ground carbon according to soil type to maximise full lifecycle vineyard productivity.

## **2. Optimal winery wastewater application rates in very free-draining soils (EFV)**

Utilising treated winery wastewater for vineyard irrigation presents both opportunities and risks to the evolution of a more circular and increasingly sustainable wine industry in New Zealand. In particular, concerns regarding accumulation of salts in the surface horizons (Chapman, 1993; GWRDC 2011; Laurenson and Houlbrooke 2011; Laurenson et al. 2012), oxygen depletion ((Clemens and Huschka 2001; Mulidzi et al., 2002) and nutrient leaching to groundwater (Sheridan et al., 2014), especially in very well-drained soils, need to be addressed to ensure ongoing vineyard performance and environmental sustainability.

Research has shown that variability in soil physical properties (Gray 2012) and the type of ground cover (Meunier et al. 2007) play major roles in determining optimal application rate and nutrient loading ranges. The existing winery wastewater framework developed for Marlborough (Laurenson and Houlbrooke, 2012) was founded on established hydraulic principles of soil-water dynamics typically derived from lysimeter experimentation on fine earth samples. The guidelines that were developed focussed on the onset of preferential flow as a function of rate and depth of the applied irrigation water. Supporting documentation for stony soils was largely absent in the development of the effluent framework.

A wish-list of the key technical “variableless” facing engineers developing systems for disposal to land of wastewater have been formulated by Nicks Adams of WSP NZ Limited:

There is an urgent need to develop clear-cut design parameters that enable effective designs for wastewater to land disposal systems. Guidance is needed on the following:

- What type of cover crop is best?
- What are the minimum requirements for the soils in terms of depth and type are?
- What land area is required?
- How much and how often is irrigation required?
- What level of process treatment is required before disposing to land?

These knowledge gaps are also a reflection of the questions being asked by wine producers and local authorities.

In acknowledgment of this challenge an aligned proposal has been submitted which seeks to develop a practical guide for managing wastewater. Here our focus is on better understanding the fundamental soil hydraulic processes that occur in ‘high risk’ stony soils.

In current practice it is probable that many disposal sites are located on stony soils because the wastewater quickly “goes away”. In other words, the design and management of winery wastewater sites are dominated by a need to dispose rather than to achieve agronomic or soil health goals. However, there are opportunities to use this wastewater in a more agronomic sense via a broader soil management plan. For instance, the benefits of using an autumn grown cover crop to extract nutrients from winery wastewater are three-fold 1) nutrients and water are attenuated through the cover crop biomass thereby improving nutrient cycling (Duque Pirra, 2009) and reducing the net exports of key elements (e.g., nitrogen and potassium), 2) when it is substituted for irrigation, the overall water footprint of the enterprise is reduced and, 3) the demand on fresh water resources can be reduced.

The Bragato Research Institute (BRI) Soils pilot project led by Seth Laurenson has developed an initial platform for a “Sustainability for Location” based approach to soil management. Future iterations of this work would also provide an ideal platform for the development of appropriate nutrient loading and application rate calculations for irrigation winery wastewater to site specific cover crops as well as vineyards and adjoining land holdings.

This research proposal will investigate the leaching risks of nutrients from treated wastewater irrigation using lysimeters with varying stony soil profiles.

#### **4.Charles Sturt University PhD scholarship**

Stewart Field (NMIT), Junqi Zhu (PFR) and Damian Martin (PFR) have been in discussions for more than a year with Dr Jason Smith from Charles Sturt University (Wagga Wagga, Australia) about a collaborative PhD study of grapevine root systems and nutrient uptake. Jason has identified a high calibre student who has successfully applied for a CSU Scholarship and operational funding. This project is a request for operational and travel support funding for the student to spend two measurement campaigns in Marlborough.

Through severe drought in 2019/20, to three consecutive La Nina events, the team at CSU have been following seasonal soil water dynamics in cool climate vineyards in the Orange Wine Region of NSW. The goal is to understand the extent to which deep roots help to buffer rainfall variability across seasons, how plant species in the mid-row and undervine area compete for water, and how this knowledge can help design irrigation systems and practices that make the best use of limited water. To do this we are combining traditional soil coring methods with molecular techniques to map root distribution in vineyards to determine how the presence of ground cover species, and wetting patterns of rain and irrigation modify the relative share of available soil water. Our discussions have led to a proposed project that suits the interests of the student (in grapevine water-use and root function) and honours research experience very well. The PhD would build on the findings of the current Gulbali Institute project on vineyard water balance, uptake and vine root distribution in cool climate viticulture. The PhD would extend this study to nutrient uptake, developing methods to determine the functional role of grapevine roots at different depths, and understanding what this means for managing grapevine nutrition and fruit composition as the use of permanent ground cover and/or sown cover crops increases in the future. The collaboration with Plant and Food Research at the Marlborough Research Centre, will give access to vineyard sites across a wider climate gradient, and allowing the development of research hypotheses and testing of findings within the recently

developed grapevine version of the APSIM crop modelling platform (Zhu et al. 2021, in silico Plants). The proposed start date for the PhD is session 2 (August 2023).

This is year two of a three-year agreement. A report on the first year's activities will be contained in MRC's Annual Report.

## **5. NZWC Internship**

The internship, conducted over one grape growing and winemaking season, sets the scene for a potential long-term collaboration between BRI, PFR, and NMIT to host an annual internship to upskill a relatively new or aspiring entrant to the wine industry.

This project will support an internship for an outstanding 2<sup>nd</sup> / 3<sup>rd</sup> year NMIT student to gain experience and skills in viticultural and oenology research while supporting the teams at BRI and PFR in their current research.

The student will be supervised by NMIT lecturer, Dr Stewart Field and will work closely with Dr Damian Martin and Dr Julian Theobald within the PFR vineyard trials, Muriel Yvon in the PFR lab, and Ngarita Warden in the BRI research winemaking facility.

The student will spend their time evenly across the two research facilities to enable them to experience and gain skills in an array of techniques and projects.

The student will begin the internship at the end of their second year, second semester of study at NMIT and complete it at the end of May, post-wine finishing. The student will use the research they helped conduct at PFR and/or BRI to complete BVW706, a third-year research paper with NMIT.

This programme will provide students with valuable hands-on science experience and allow them to experience science as a career path. The students will work within the three campus research institutes (BRI, PFR and NMIT) on science projects and experience creative problem solving. It will be an intensive programme designed to challenge the students and to give them development opportunities.

The 2023/24 MRC student internship grant was awarded to Rhea Gaikwad, a second year NMIT degree student. Rhea successfully worked and contributed to the PFR Climate Warming project and the BRI Varietal Diversification project. She gained valuable experience in the vine and winery research and is currently writing reports from her data collection activities to help both organizations' project leaders. A report on this years intern will be contained in MRC's Annual Report.

The \$13,000 scholarship fund will be used to part fund the student's time in all organisations. Considerable in kind support is provided by each organisation in assisting the intern through the internship.

## **6. Herbicide trials for barberry control in Grazed pastoral hill country**

Outline of proposed research:

Barberry (*Berberis glaucocarpa*) is the hardest brush weed to kill in pastoral hill country. It is widely recognised as a severe threat to the agricultural industry and can no longer be

propagated or sold. Barberry is spread mainly by birds via Barberry berries, and no effective herbicide is registered for its control. It initially escaped from gardens and hedgerows onto farmland, where it is now described as noxious.

Barberry is a problem across Marlborough, from the Sounds to the Awatere Valley. It is a real problem growing in areas that have been left to re-generate, as no native species grow under the large Barberry trees, and stock will not browse them due to their spines. It is also a significant problem in plantation forestry, proving difficult for workers to push through.

Different herbicide/adjuvant mixes and application techniques will be trialled to find an effective and economical herbicide mix to kill barberry and prevent re-growth. This proposed trial will be a necessary continuation of a project underway through the Avon Valley Catchment Group through 2023 and 2024.

The trials consist of multiple plots across the catchment, and various herbicides and application methods. A handgun and helicopter have been used.

Ben Minehan has been the contractor undertaking the work and writing reports. Richard Dawkins has been the catchment group coordinator and farmer liaison, supported by Wendy Sullivan of Landcare Trust.

MRC funding will allow the trials to continue, and Cath Baker's expertise and experience in trial work will add value and include detailed reporting.

## **7. New Zealand Dryland Forests**

Ongoing wood quality analysis and reporting of trial sites to assist in germplasm monitoring and improvements. This supports the commercial operation of NZDF IP Limited, a partnership between MRC, Proseed (Ngai Tahu), University of Canterbury and Marlborough Timbers Limited.

The commercial activities of NZDF IP Limited resulted in 436,000 seedling sales in 2023/24. A continuation of this volume is expected for 2024/25 financial year. This enables the company to contribute \$20,000 towards ongoing research and development. The funding is subject to research applications to ensure this funding is leveraged.



## 6. Business Trust Marlborough Annual Report 2023-2024

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(The Chair)

E100-005-007-01

### Purpose of Report

1. To receive the Annual Report of Business Trust Marlborough, presented by Gina Jewell (Trustee).

### Executive Summary

2. The report details the activities of Business Trust Marlborough (BTM) in the financial year 2023/24.
3. BTM met and exceeded their KPI's in 2022/23, except mentor matches which was slightly short of target.

---

### RECOMMENDATION

That the report be received.

---

### Background/Context

4. Council provided core funding of \$54,068.19 to BTM to deliver business advice and access to business mentoring. The financial year 2023/24 was the final year of a three-year current contract between Council and BTM. A new three year contract has recently been signed.
5. Council has the right to appoint a Trustee to the BTM Board, and Mr Darrell Bate is the current BTM Trustee appointed by Council.

### Report by Business Trust Marlborough

6. Business Trust Marlborough have provided a report to Council on its 2023/24 activities, which is attached. (Refer Attachment 1)

### Next steps

7. A mid-year report will be provided by BTM on their 2024/25 activities in quarter 1 2025.

### Presentation

A short presentation will be given by Gina Jewell, Business Trust Marlborough Trustee (15 minutes).

### Attachment

Attachment 1 – Business Trust Marlborough Annual Review 2023/2024.

Page [32]

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



## Annual Review - To June 2024

### Trustees

<b>Chair:</b>	Aaron Marshall
<b>Deputy Chair:</b>	Beth Barnes
<b>Other Trustees:</b>	Darrell Bate, Gina Jewell & Mark Lucas
<b>Secretary / Treasurer:</b>	Brian Dawson

### Staffing

Brian Dawson is the Trust's Manager and Client Advisor and has been with BTM for 7 years. Beth Barnes does all communications for the Trust and manages its online presence. Beth also delivers training programs including Digital Boost, Digital Ignition and BusiMums. Beth is currently on maternity leave, returning February 2025.

### Background

Business Trust Marlborough was incorporated in August 2014 with the purpose of providing free, confidential, one to one, business advisory services to support local businesses and foster economic growth in the wider Marlborough region. The Trust also manages a pool of very experienced and talented Business Mentors, both local and from outside the region, through Business Mentors NZ. The Trust also provides training and seminars around business start-ups and links businesses with local and central government resources.

### Services

#### *One to One Business Assistance*

Client engagements totalled 228 for the 2024 year.

Mentor matches totalled 55 for the year, compared to 45 in 2023.

A total of 274 connections were made to services offered by Business Trust Marlborough or to other support organisations such as the Marlborough Chamber of Commerce, Destination Marlborough, NMIT, central government organisations such as Callaghan Innovation, ACC, IRD, Immigration NZ, New Zealand Trade and Enterprise, WINZ, and local business networking groups.

#### *Business Mentoring Service Satisfaction*

Business Trust Marlborough continues to receive excellent feedback through Business Mentors New Zealand's regular client surveying.

## Start-Up Weekend

BTM was again contracted by MDC to deliver the recent Start-Up Weekend. This was very successful with almost all participants making it all the way through and seven business ideas being pitched on the final evening. We have continued to engage with the weekend attendees through our communication channels and are progressively inviting them to engage with our services and connect with Angel Investors.

## Training Programs

The year saw us deliver three training programs:

### Kick Start

Our longstanding new-to-business course delivered by Liz Webb. A four-hour introduction to the essentials of business. Now switched to an evening session so it is better suited to those still working but considering going into self-employment.

### Digital Ignition

A shortened version of the Digital Boost course. Held over six weeks. Has had very positive feedback with the next course to be run in the New Year once Beth is back.

### BusiMums

A course for mums held over eight weeks. Covers what needs to be considered when setting up a business. Three courses have now been completed with the next one again scheduled for the New Year.

## Connections

Our significant relationship with Angel Investors Marlborough has continued to remain strong. Business Trust Marlborough under contract to AIM acts as a first point of contact for businesses looking for investment capital. Businesses are screened and matched with a Business Mentor as required to assist them to present their business case to AIM. Business Trust Marlborough also provides administrative assistance to AIM.

Business Trust Marlborough now has a database of over 880 businesses and clients. Contact is maintained via emails, Facebook, Instagram, LinkedIn and regular News and Events updates on the Business Trust Marlborough website.

## KPI's

Our performance against agreed Council KPI's were as below.

	<u>KPI's</u>	<u>Results</u>	<u>KPI's</u>	<u>Results</u>	<u>KPI's</u>	<u>Results</u>	<u>KPI's</u>	<u>Results</u>
	<u>2020-2021</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2023-2024</u>
<b>Business Mentors</b>	50	72	50	76	50	60	50	66
<b>Client Engagements</b>	170	254	200	200	200	222	210	228
<b>Events/Workshops Held</b>	14	34	14	28	14	29	14	35
<b>Mentor Matches</b>	70	71	60	57	60	45	60	55

## Sponsorship

The Marlborough District Council has been the main sponsor of the services provided by Business Trust Marlborough. Significant contributions have also been made over the years by the Rata Foundation and The Lion Foundation.

We welcomed on board a new sponsor this year – McKendry Advisors & Accountants.

We have also been very pleased to continue our relationship with Decision Time Help Ltd as sponsor of our events program.

<b>Profit &amp; Loss</b>		
<b>Business Trust Marlborough Incorporated</b>		
<b>1 July 2023 to 30 June 2024</b>		
<u>2023</u>		2024
	<b>Income</b>	
\$ 15,610.99	Start Up Programme	\$ 66,888.67
\$ 47,806.90	Contract Income	\$ 58,006.94
\$ 50,296.00	Support from Marlborough District Council	\$ 54,068.19
\$ 6,500.00	Mentor Match Fees	\$ 6,500.00
\$ 10,701.50	Sponsorship	\$ 4,585.47
\$ 1,202.26	Interest Income	\$ 4,379.82
\$ 986.79	Course Registration Fees	\$ 4,303.94
\$ -	Angel Fund Donation	\$ 3,174.00
\$ 30,000.00	Digital Boost	\$ -
\$ 9,080.00	Grants Received	\$ -
<b>\$ 172,184.44</b>	<b>Total Income</b>	<b>\$ 201,907.03</b>
<b>\$ 172,184.44</b>	<b>Gross Profit</b>	<b>\$ 201,907.03</b>
	<b>Operating Expenses</b>	
\$ 7,735.62	Advertising / Communication	\$ 7,927.85
\$ 6,112.04	Administration & Tech Support	\$ 2,060.00
\$ -	Angel Fund - Mentoring & Training Subsidies	\$ 2,760.00
\$ 364.99	Board Costs	\$ 2,097.82
\$ 83,443.07	Contractor Expenses	\$ 104,781.26
\$ 383.50	Development of Online Resources	\$ -
\$ 14,266.96	Digital Boost	\$ -
\$ 2,952.15	Insurance	\$ 3,265.71
\$ 7,765.38	Course Costs	\$ 7,293.51
\$ 539.80	Mentor & Sponsor Events	\$ 283.48
\$ 2,972.37	Networking Meetings	\$ 3,951.10
\$ 1,098.72	Office Expenses	\$ 1,385.34
\$ 544.92	Printing & Stationery	\$ 682.38
\$ 5,917.75	Rent	\$ 6,167.64
\$ 7,216.87	Start Up Programme	\$ 47,660.99
\$ -	Subscriptions	\$ 50.00
\$ 1,380.22	Telephone & Internet	\$ 1,417.36
\$ 1,462.74	Training	\$ -
\$ 2,456.33	Travel	\$ 1,971.29
<b>\$ 146,613.43</b>	<b>Total Operating Expenses</b>	<b>\$ 193,755.73</b>
<b>\$ 25,571.01</b>	<b>Net Profit</b>	<b>\$ 8,151.30</b>

<b>Balance Sheet</b>		
<b>Business Trust Marlborough Incorporated</b>		
<b>As at 30 June 2024</b>		
<u>2023</u>		<u>2024</u>
	<b>Assets</b>	
	<b>Bank</b>	
\$ 30,102.42	BNZ Current Account	\$ 31,357.01
\$ 76,948.64	BNZ Term Deposit	\$ 79,758.02
<b>\$107,051.06</b>	<b>Total Bank</b>	<b>\$111,115.03</b>
	<b>Other Current Assets</b>	
\$ 1,082.86	Accounts Receivable	\$ 2,356.35
\$ 0.69	Withholding Tax Paid	\$ 0.69
<b>\$ 1,083.55</b>	<b>Total Other Current Assets</b>	<b>\$ 2,357.04</b>
<b>\$108,134.61</b>	<b>Total Assets</b>	
	<b>Liabilities</b>	
	<b>Current Liabilities</b>	
-\$ 34.59	GST	-\$ 112.21
\$ 10,000.00	Income in Advance	\$ 7,263.78
<b>\$ 9,965.41</b>	<b>Total Current Liabilities</b>	<b>\$ 7,151.57</b>
<b>\$ 9,965.41</b>	<b>Total Liabilities</b>	
	<b>Net Assets</b>	
	<b>Equity</b>	
\$ 25,571.01	Current Year Earnings	\$ 8,151.30
\$ 72,598.19	Retained Earnings	\$ 98,169.20
<b>\$ 98,169.20</b>	<b>Total Equity</b>	<b>\$106,320.50</b>

## 7. Innovate Marlborough Impact Report

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

(The Chair) (Report prepared by Dorien Vermaas)

E101-000-002

### Purpose of Report

1. To receive the information and report on the impact and work of the Economic Development Team for the region for Financial Year 2023 – 2024.

### Executive Summary

2. This report provides insights into the work programme that was delivered in accordance with the Annual Plan that was set out at the start of the Financial Year '23-'24 – in alignment with the Marlborough Economic Wellbeing Strategy and in collaboration with economic stakeholders in Marlborough.

### RECOMMENDATION

That the report be received.

### Background/Context

3. The Economic Development Team at Council published its first economic strategy for the region in November 2022. Following the launch of the Strategy and the new framework of collaboration and work-programmes the Economic Development Team presented an Annual Plan for its activation programme and larger projects at the start of FY '23-'24.
4. This report is looking back at the year and the work programmes and provides an overview of the achievements of the team in the broadest sense – both in numbers as well as in subjective feedback results from sentiment surveys and sharing feedback that we received after running some of the events.

### Impact Report by the Economic Development Team (Innovate Marlborough)

5. The impact and results are reported in the separately attached Innovate Marlborough Report with further details included in the report on the following campaigns:
  - a) TechWeek
  - b) Note on Value of Engagement from Top of the South Wood Council
  - c) Weloveithere campaign
  - d) WinePro

### Next steps

6. A more detailed report on the Marlborough Screen Office will be provided in the October EFC-meeting.

### Presentation

A short presentation will be given by Dorien Vermaas (15 minutes).

### Attachment

**Attachment 1** – Innovate Marlborough Draft Impact Report 2023-2024. The report is available on Council's website via the following link <https://www.marlborough.govt.nz/your-council/meetings>

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

## 8. Commercial Events Fund Criteria Review

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(The Chair) (Report prepared by Samantha Young)

E100-002-006-06

### Purpose of Report

1. To present recommended changes to Council's Commercial Events Fund criteria.
- 

### RECOMMENDATION

**That Council agrees to adopt the sub-committee's recommended changes to the Commercial Events Fund criteria from the next funding round - Round 1 of 2024/2025.**

---

### Background/Context

2. Council's Commercial Events Fund was established in 2014. It aims to support events that increase visitation to Marlborough bringing significant economic benefits to the region.
3. It is a contestable fund and open to any event organisers that run commercial events within the Marlborough District Council boundaries that meet the fund criteria.
4. There are two funding rounds per year with allocation approved by the Commercial Events Fund sub-committee. The annual budget is \$130,000. The sub-committee has delegated authority to approve all funding requests with decisions reported to the Economic, Finance and Community (EFC) Committee.
5. The current funding criteria and accountability requirements have been in place since the Fund's inception with some minor updates made following a review by the sub-committee in August 2020.
6. The sub-committee met on Monday 20 May 2024 to review the current funding criteria. Proposed revised changes were subsequently presented to the EFC Committee by Council's Regional Events Advisor on 27 July 2024. A request was made during this meeting for the sub-committee to consider if the criteria sufficiently supports Marlborough's 'iconic' / 'premier' events. The sub-committee met on 31 July to consider this. Minutes of the aforementioned sub-committee meetings can be found later in this Agenda

### Assessment/Analysis

7. Following the above-mentioned sub-committee meetings, the following changes to the Commercial Events Fund criteria are recommended to commence from Round 1 of 2024/2025:
  - a) Increase maximum funding period from three years to five years with the following conditions:
    - Applications for one to three years will be accepted with years two and three approved in principle following the sub-committee's approval of post-event accountability reports each year
    - After three years of funding applicants will need to apply again for year four and five if funding is required
    - If applying for more than one year of funding, applicants will be required to provide a plan showing their path to financial sustainability
    - Multi-year funding will be approved at a decreasing scale
    - Five-year funding limit will commence from Round 1 of 2024/2025 and will not be limited to consecutive years i.e. previous funding is not considered as part of the five-year limit and applicants can apply for up to five years of funding over any period of time in the future

b) Amend maximum score for Environmental Sustainability from 10 points to 5 points:

Criteria	Min. Score	Definition	Max. Score	Definition
<b>Attract Visitors:</b> <i>% of attendees from out of region</i>	1	The event will attract 0% - 9% of visitors from out of the region.	10	The event will attract 95% - 100% of visitors from out of the region.
<b>Attract Visitors:</b> <i>number of attendees from out of region</i>	1	The event will attract 100 - 200 people from out of the region.	10	The event will attract 1,000+ people from out of the region.
<b>Economic Benefits</b>	0	Attendees will not stay in the region or are locals.	10	Attendees will stay in the region for 5+ nights.
<b>Event Spread</b>	2	The event is held between January and February.	10	The event is held between June and August.
<b>Event Identity</b>	1	The event is a copy of, or very similar to, an existing event in Marlborough.	5	The event is totally unique to New Zealand.
<b>Showcase Marlborough</b>	0	The event does not showcase the region in any aspect. Attendees at the event would not be able to distinguish what region they are in.	10	The event encourages participants to travel through some or part of the region, creates interactions with locals and promotes key industries.
<b>Enhance or Complement</b>	0	The event clashes with or takes place very close to an existing event and has the potential to erode participation to the other event.	5	The event does not clash or erode any existing events and perfectly complements the regional events calendar.
<b>Environmental Sustainability</b>	0	The event damages the surrounding area and has no plans for waste minimisation or recycling.	5	The event has no adverse effect on the surrounding area and full waste and recycling plans are in place with an aim for zero waste.
<b>Organiser Capabilities</b>	0	The event organiser has no previous event experience or has publicly failed at hosting events.	5	The event organiser can provide evidence of very successfully run events, meeting all targets from funding providers and sponsors.
<b>Event Potential</b>	2	The event has limited growth potential and no plans to develop further.	10	The event has strong growth potential and plans for future development have been demonstrated.

c) Applications for all event costs will be considered including, but not limited to, infrastructure e.g. fencing and toilet hire; waste management and consenting costs.

d) Applicants will be required to demonstrate how their event will generate positive pre- and post-event media exposure for Marlborough as a compelling destination to live, work, play and stay.

e) The following costs are confirmed as ineligible for funding:

- Community events
- Conference, conventions, trade shows and exhibitions
- Events that have received funding for the same activity through other MDC funds
- Retrospective funding
- Prizes / trophies (including prize money)
- Alcohol
- Private functions
- Events of a political nature
- Events promoting a religious doctrine
- Events that denigrate, exclude or offend any part of the community
- Reunions
- Local tournaments
- Fundraisers
- Salaries and wages
- Donations
- Catering
- Incentive programmes
- Purchasing or leasing a motor vehicle
- Purchase of assets



- Service and maintenance costs including utilities
- Debt repayments
- Legal expenses
- Subsidised tickets

**Option One (Recommended Option)**

8. That Council agrees to adopt the sub-committee’s recommended changes to the Commercial Events Fund criteria from the next funding round - Round 1 of 2024/2025.

*Advantages*

- 9. Increases confidence for organisers to continue to deliver their events during current difficult economic climate following impacts of Covid.
- 10. Five-year funding limit provides greater security/peace of mind and helps event organisers with future planning.
- 11. Enabling all costs to be considered for funding provides greater flexibility for event budgets and assists with event growth.

*Disadvantages*

12. None identified.

**Option Two - Status Quo**

13. Council retains the current Commercial Events Fund criteria.

*Advantages*

14. Event organisers have good understanding of current criteria.

*Disadvantages*

- 15. Sector is not supported to the level that is currently required.
- 16. Events may be cancelled or stopped indefinitely.

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

<b>Summary of decision-making considerations</b>			
<b>Fit with purpose of local government</b>			
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.			
<b>Fit with Council policies and strategies</b>			
	<i>Contributes</i>	<i>Detracts</i>	<i>Not applicable</i>
LTP / Annual Plan	<input type="checkbox"/>	<input type="checkbox"/>	<b>X</b>
Financial Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<b>X</b>
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<b>X</b>
Social well-being	<b>X</b>	<input type="checkbox"/>	<input type="checkbox"/>
Economic development	<b>X</b>	<input type="checkbox"/>	<input type="checkbox"/>
Environment & RMA Plans	<input type="checkbox"/>	<input type="checkbox"/>	<b>X</b>
Arts & Culture	<b>X</b>	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters	<input type="checkbox"/>	<input type="checkbox"/>	<b>X</b>
Land transport	<input type="checkbox"/>	<input type="checkbox"/>	<b>X</b>
Parks and reserves	<b>X</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Nature of the decision to be made</b>			
The options do not involve a significant decision in relation to land or a body of water.			
<b>Financial considerations</b>			
Recommended changes have no impact on budget.			
<b>Significance</b>			
The decision is considered of low significance under Council's Significance and Engagement Policy.			
<b>Engagement</b>			
No engagement required.			
<b>Risks: Legal / Health &amp; Safety etc</b>			
There are no known significant risks or legal implications.			
<b>Climate Change Implications</b>			
There are no known climate change implications to this decision.			

## 9. Commercial Events Fund Sub-Committee

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(Clr Innes)

E100-002-006-28

1. The Minutes of the Commercial Events Fund Sub-Committee meetings held on 31 July 2024 and 20 May 2024 are **attached** for ratification by the Committee.
- 

### **RECOMMENDATION**

**That the Minutes of the Commercial Events Fund meetings held on 31 July 2024 and 20 May 2024 be ratified.**

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**Report & Minutes of Meetings of  
COMMERCIAL EVENTS FUND SUB-COMMITTEE  
FUNDING CRITERIA REVIEW**

**Wednesday 31 July 2024 commencing at 11am**

**Marlborough District Council (Chambers), 15 Seymour Street, Blenheim**

**Attendees:**

**Present in person:**

Clr R Innes (Chair), Clr D Dalliesi, Clr B Faulis and Clr B Dawson

**Apologies:**

Tracey Green (Acting General Manager, Destination Marlborough)

**In Attendance:**

MDC Regional Events Advisor (REA), Samantha Young  
Clr S Adams (from 11:30am)

**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. The current funding criteria that is used to evaluate the applications has been in place since the Fund was established in 2014 with some minor updates made following a review by the Commercial Events Fund sub-committee on 12 August 2020.

Following a request made at the Economic, Finance and Community (EFC) Committee meeting on 7 February 2024, the Commercial Events Fund sub-committee met on 20 May 2024 to review the current funding criteria to ensure it continues to be fit for purpose.

The REA presented proposed revised criteria to the EFC Committee on 23 July 2024. Following the presentation a request was made for the sub-committee to consider if the Commercial Events Fund criteria sufficiently supports Marlborough's 'iconic' / 'premier' events. This meeting was held to consider this.

The REA met with Tracey Green via Zoom at 9am on Tuesday 30 July to capture her feedback/thoughts. These were shared with the sub-committee by the REA at this meeting.

**Meeting Report & Minutes:**

**Topics of Discussion:**

**Supporting Marlborough's 'iconic' / 'premier' events:**

- The sub-committee discussed whether the Commercial Events Fund criteria needed to be revised further to ensure Marlborough's iconic events are supported. Options that were considered were:
  - o Creating a 'reserve' fund from existing budget specifically for these events - either with a funding or underwriting option
  - o Requesting an extension to Council's Events Underwriting Policy to allow for events to be supported beyond the current criteria of weather events, fire, earthquakes and other natural events that could affect the operation of the event
  - o Expanding the 'Purpose of the Fund' statements to reference Marlborough's iconic events
- The sub-committee agreed the proposed revised criteria enabling organisers to apply for up to five years of funding will sufficiently support Marlborough's iconic events with no other provisions required

ATTENDANCE: Clr S Adams joined the meeting during the following topic and was invited by Clr R Innes to take part in the discussion, he was not involved in decision-making.

**Five-year funding limit:**

- The REA explained current criteria allows for support for three consecutive events and sought clarification on rule for revised five-year limit. The sub-committee agreed that the five-year limit should commence from Round 1 of 2024/2025 and was not limited to consecutive years i.e. previous funding is

not considered as part of the five-year limit and organisers can apply for up to five years of funding over any period of time in the future

General discussion:

- The REA reconfirmed multi-year funding will be considered on a decreasing scale and that this will be made clear on all fund information and supporting documentation
- The REA confirmed that since Covid a number of events have been supported through MBIE's Regional Events Fund and Regional Events Promotion Fund rather than Council's Commercial Events Fund. However this funding will end within the next 18 months

Action:

- REA to prepare report requesting approval of proposed funding criteria for EFC Committee meeting on 3 September 2024

**Clr R Innes:**

**That the information be received.**

The meeting closed at 11:45am.

**Report & Minutes of Meetings of  
COMMERCIAL EVENTS FUND SUB-COMMITTEE  
FUNDING CRITERIA REVIEW**

**Monday 20 May 2024 commencing at 9am**

**Marlborough District Council (Picton Room), 15 Seymour Street, Blenheim**

**Attendees:**

**Present in person:**

Clr R Innes (Chair), Clr D Dalliessi, Clr M Flight, Clr B Fauls and Clr B Dawson

**Apologies:**

Tracey Green (Acting General Manager, Destination Marlborough)

**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. The current funding criteria that is used to evaluate the applications has been in place since the Fund was established in 2014 with some minor updates made following a review by the Commercial Events Fund sub-committee on 12 August 2020.

This meeting was held following a request at February's Economic, Finance and Community (EFC) Committee to review the funding criteria for the Commercial Events Fund to ensure it continues to be fit for purpose and meets the needs of the Marlborough events sector.

Prior to the meeting, Council's REA sought feedback from Marlborough event organisers on whether they felt the current funding criteria meets their requirements and if not, how they feel it could be improved. REA also reviewed funding criteria for similar funds offered by 12 regions around New Zealand.

**Meeting Report & Minutes:**

**Overview:**

REA provided background of the Commercial Events Fund:

- Established in 2014
- Budget for 2014/2015 was \$75,000 per annum. Budget has been \$130,000 per annum since 2020/2021 (excl. 2023/2024 when it was reduced to \$100,000 for one year only)
- Two funding rounds per annum - February and August
- Original funding split was 70% new / 30% existing events but applications are now considered on a case-by-case basis
- Budget includes funding for a Bid Fund to attract events to Marlborough
  - o Bid Fund is available year round as opportunities arise
  - o Original Bid Fund budget was \$25,000 per annum but this was changed in 2019 to no maximum
- Budget includes funding for a \$10,000 per annum Discretionary Fund for event opportunities that arise outside of scheduled funding rounds
- From Round 1 of 2020/2021 events can be funded for a maximum of three consecutive years at a decreasing scale
- Sub-committee have full delegation with decisions reported through the EFC Committee
- Funded events must complete an online post-event accountability report within three months of the event taking place

REA confirmed any change to funding criteria will be in place for Round 1 of 2024/2025 that opens on Monday 12 August. REA will communicate changes to event organisers prior.

REA provided an overview of feedback collected from Marlborough event organisers - consistent feedback included:

- Three year maximum funding period should be extended - it is difficult for new events to be self-sustaining in this time frame in the current economic climate and Marlborough's large events need to be supported for longer given the significant economic benefits they bring to the region
- Criteria should be more flexible and cover all event costs including consenting, infrastructure, traffic management and waste management
- Fund is invaluable to an event's success - costs have increased dramatically and sponsorship is harder / impossible to secure in current economic climate

#### Areas of Discussion:

- Purpose of Fund:
  - o REA gave overview of the current Purpose of Fund:
    - To support events that increase visitation to Marlborough bringing significant economic benefits to the region
    - To help establish new commercial events or grow established ones
  - o Sub-committee all agreed the Purpose of the Fund is still accurate and no changes are required

#### Application Evaluation / Scoring:

- Sub-committee members all agreed initial evaluation process should remain the same with Council's REA reviewing the applications and providing a full analysis and overview. They felt the REA has the most up to date knowledge of the events and the event sector and is best placed to review the applications initially. Funding decisions will continue to be made by the sub-committee
- Sub-committee members reviewed current scoring weighting and agreed all but one continues to be fit for purpose - they agreed to amend the maximum score for Environmental Sustainability from 10 points to 5 points

#### Funding Criteria:

- Following above discussions, the sub-committee all agreed to the following changes to the Commercial Events Fund funding criteria:
  - o Increase maximum funding period from 3 years to 5 years with the following conditions:
    - Applications for one to three years will be accepted with years two and three approved in principle following sub-committee's approval of post-event accountability report for each year
    - After three years of funding applicants will need to apply again for year four and five if funding is required
    - If applying for more than one year of funding applicants will be required to provide a plan showing their path to financial sustainability
  - o Applications for all event costs will be considered including (but not limited to) infrastructure e.g. fencing and toilets, waste management and consenting costs
  - o Applicants will be required to demonstrate how their event will generate positive media exposure (pre- and post-event) for Marlborough as a compelling destination to live, work, play and stay
  - o Sub-committee discussed following costs that are ineligible for funding and requested REA ensure these are clearly explained on the MDC website:
    - Community events
    - Conferences
    - Conventions
    - Trade shows / exhibitions
    - Events that have received funding for the same activity through other MDC funds
    - Retrospective funding
    - Prizes / trophies (including prize money)
    - Alcohol
    - Private functions
    - Events of a political nature
    - Events promoting a religious doctrine
    - Events that denigrate, exclude or offend any part of the community
    - Reunions
    - Local tournaments
    - Fundraisers
    - Salaries and wages
    - Donations
    - Catering
    - Incentive programmes
    - Purchasing or leasing a motor vehicle
    - Purchase of assets

- Service and maintenance costs including utilities
- Debt repayments
- Legal expenses
- Subsidised tickets

Actions - Regional Events Advisor:

- Present revised criteria to EFC Committee
- Update fund information on Council's website
- Revise Fund Application Form and Accountability Report to incorporate revised criteria
- Implement new criteria in time for Round 1 of 2024/2025 to open on Monday 12 August
- Inform event organisers of changes to Criteria

**Clr R Innes:**

**That the information be received.**

The meeting closed at 3:30pm.



## **10. Housing for Seniors Sub-Committee**

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(The Chair)

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

1. The Housing for Seniors Sub-Committee meeting held on 23 July 2024 are attached for ratification by the Committee.
- 

### **RECOMMENDATION**

**That the Minutes of the Housing for Seniors Sub-Committee meeting held on 23 July 2024 be ratified.**

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**Minutes of a meeting of the  
HOUSING FOR SENIORS SUB-COMMITTEE  
held in the Committee Room, 15 Seymour Street, Blenheim  
on TUESDAY 23 JULY 2024 commencing at 1.00 pm**

**Present:**

Clrs J D N Croad (Chairperson), B G Dawson, M R K Flight, R J Innes, Brian Ross (Community Representative) (from 1.08 pm)

**Also Present:**

Clr Hope (from 1.03 pm)

**In Attendance**

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

**Apologies:**

**Clrs Croad/Dawson:**

**That the apology for absence from Clr D A Dalliessi be received and sustained.**

**Carried**

ATTENDANCE: Bobby Houlahan, Community Welfare Co-ordinator Age Concern was present for the following item.

**1. Age Concern – Senior Housing Support Services Report**

The 2023/24 Senior Housing Support Services Report carried out by Age Concern was tabled. A copy of the report was attached to the agenda item for members' information.

It was noted that Council has a contract with Age Concern to visit and survey all Council senior housing tenants once per year. The survey data Age Concern reports on annually provides Council with a high-level independent understanding of the portfolio and its tenants.

The 2023/24 survey was completed for 139 of the 172 units, accounting for 83% of tenants.

The report showed a continued high score for property management service levels with tenants indicating they felt safe both in their flats and the community. Other areas covered in the report were tenants requiring further assistance, happiness with unit, social interaction and family support and transport.

Members expressed their appreciation for the report and noted the positive feedback received from the tenants was reassuring. For future reports it was requested that data from previous years be included to help identify any patterns/trends.

**Clrs Croad/Flight:**

**That the report be received.**

**Carried**

ATTENDANCE: Bobby Houlahan withdrew from the meeting at the conclusion of the above item.

## 2. Housing for Seniors Sub-Committee – Minutes

The Minutes of the Housing for Seniors Sub-Committee meeting held on 19 March 2024 were attached for ratification by the Committee.

**Cllrs Croad/Dawson:**

**That the Minutes of the Housing for Seniors Sub-Committee meeting held on 19 March 2024 be confirmed as a true and correct record.**

Carried

## 3. Approval of revised Terms of Reference (ToR) for Housing for Seniors Sub-Committee L150-003-10

Mr Lyall noted that the purpose of the report was to approve the revised Terms of Reference for the Housing for Seniors Sub-Committee, once approved they will be published on Council's website for public information.

Members were advised that the Terms of Reference set out the purpose, scope and authority of the committee and comply with and are reflective of good governance.

It was reported that Mr Lyall and Council's Legal Services have reviewed the Committee ToR and those revised and updated ToR were attached to the agenda item for members' information.

Members considered the ToR and had no additional amendments.

**Cllrs Croad/Innes:**

**That the Sub-Committee approve the attached Terms of Reference (refer Attachment 1) to accurately reflect the purpose, scope and authority of the Committee.**

Carried

## 4. Operational Report – June 2024

Members noted that the purpose of the report was to update the Committee on operations for the 6-month period to 30 June 2024.

Ms Harcus advised that there were 27 new tenant applications received over the 6-month period. The number of applicants on the waitlist has increased to 72 for applicants 65 years and over.

There were 281 maintenance work orders issued between 1 January and 30 June 2024 and the annual inspections of units were completed in May 2024.

It was reported there had been some tenant issues and these have been resolved.

The maintenance undertaken for the period was detailed in the report and included the upcoming maintenance programme for the 2024/25 financial year. Annual inspections were completed in May and it was noted that quotes are being sort for ranch slider replacement. Members were advised that repairs are undertaken on the ranch sliders but some are now reaching the end of their usable life.

In response to a query on whether there were any trends highlighted from the inspections, Ms Harcus advised that there weren't and tenants were happy with their units particularly those tenants in Andrew Place.

Members were updated on the tenanting of 85 George Street and it was noted that it is likely that a ballot will need to be held to determine allocation.

Ms Harcus proposed that to help with processing tenant agreements that they meet as a group, at Council, to go through the tenancy agreement. It was suggested that Moira Conroy or a support

person and Bobby Houlahan from Age Concern, be present to assist tenants if they have any questions. Members were very supportive of the idea.

It was reported that the new wheelie bins have been delivered to all complexes. Due to the limited space for pick-up and accessibility there are some issues for the waste collection contractor, and some complexes have been advised they are required to share a wheelie bin between units.

Ms Harcus noted that APL Property has been advised by Council's Solid Waste Manager that the complexes will have their collection method and unit allocations reviewed over the coming months. Dependant on the outcome of this review, the contractor may elect to reallocate individual 80L bins for each unit.

It was also noted that a further concern was raised regarding some tenants' ability to wheel the bins to the designated collection point, and the difficulty this poses for those with limited mobility.

Members were reassured that tenants' concerns were being dealt with in an appropriate manner.

As part of general discussion hoarding was raised and Wendy Harcus advised that she does have contact with families and steers tenants to contact suitable agencies for support. Council does step in if there are any safety issues.

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

**Carried**

## **5. Landscaping Proposal – 83 George Street, Blenheim**

Ms Watson noted that the purpose of the report was to table the draft landscaping proposal prepared for 83 George Street, Blenheim for consideration by the Committee. The proposal was attached to the agenda item for members' information.

It was noted that this is the vacant site next to the 85 George Street development.

Ms Waston advised that the landscaping plan has been prepared by Marlborough Turf Professionals (MTP). The proposal involves the removal of the remaining sheds and development of a landscaped green space to service the tenants of the wider 42-unit Senior Housing complex.

The cost estimate prepared for the landscaping plan is \$35,560 (excl GST). It is suggested that this work be funded utilising surplus project contingency following the completion of the 85 George Street development. Siteworks would commence in Spring 2024 as it is prime time for grass seed and planting and would give T&D sufficient time to decant.

Members noted that within the proposal there had been an option for bench seating and requested that the seats include a back to provide suitable comfort and support for users. Overall members considered the proposal added to the enjoyment and the elements included were important.

**Cirs Innes/Mr Ross:**  
**That the Sub-Committee approve the landscaping proposal for 83 George Street with funding allocated from the remaining contingency sum from the 12 Unit housing development.**

**Carried**

## **6. Financial Report**

Ms Watson noted that the purpose of the report was to provide an update on the financial position of the Senior Housing portfolio for the eleven-month period ending 31 May 2024.

Members were advised that revenue is showing a 2% variance ahead of budget. This variance is projected to remain unchanged at year-end.

It was reported that professional fees are above budget due to consultancy costs incurred by the Andrew Place RFP application to Central Government. Total operating expenditure to 31 May is 9% above budget. Depreciation is forecast to be 18% above budget at year-end due to annual asset revaluations and a deficit of \$164,598 is forecast at year end a variance of \$96,217 above budget. It was noted that this is due to slightly higher operating expenditure and increase in depreciation costs at revaluation and partially offset by a positive variance for rental revenue.

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

**Carried**

## **7. Appointment of New Trustee - Marlborough Housing for the Elderly Trust**

Ms Watson noted that the purpose of this report is to nominate and appoint a Councillor to be a Trustee on the Marlborough Housing for the Elderly Trust.

Members were advised that a new Trustee is required to be appointed to the Marlborough Housing for the Elderly Trust following the departure of Councillor Jamie Arbuckle from the Housing for Seniors Sub-Committee.

Councillor Brian Dawson was nominated for the position and members supported the nomination.

It was reported there are currently two tenants eligible for assistance from the Trust.

**Cirs Croad/Innes:**  
**That the Sub-Committee approves the appointment of Councillor Brian Dawson as Trustee to the Marlborough Housing for the Elderly Trust, subject to Council ratification.**

**Carried**

## **8. Tenants Representative Update**

Members noted the report from Moira Conroy, tenant's representative, which was attached to the agenda for members' information.

Wendy Marcus noted that the power points for outside the units are installed by APL and tenants need to put in request to APL to have one installed, tenants are not charged. It was suggested that a note on this be included in the Senior Matters newsletter.

Mr Lyall advised members that previous investigations had been completed on solar power and noted this is a watching brief.

**Cirs Croad/Innes:**  
**That the report be received.**

**Carried**

## **9. General Business**

### **a) 85 George Street Dawn Blessing**

Members were advised a date had been tentatively set for Wednesday 28 August (dawn blessing), however this was dependant on project completeness. Maighan Watson is working on a programme with local Iwi.

b) **Senior Housing Review**

Jamie Lyall advised members that stage one of the review has commenced at a cost of \$10k and is anticipated to be completed late August. John Patterson is undertaking the review of the Senior Housing portfolio with the final report to come back to this Committee for consideration.

Funding for the review is from a reallocation of unspent Better Off Funding.

ATTENDANCE: Cllr Innes withdrew from the meeting at 1.58 pm

## 10. Decision to Conduct Business with the Public Excluded

Cllrs Croad/Dawson:

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

- Confirmation of Public Excluded Minutes
- Project Report
- Property Acquisition
- Review Information

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
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.
Project Report Property Acquisition Review Information	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 2.34 pm

## Attachment 1

### Housing for Seniors Sub-Committee

Chair	David Croad
Membership	Deborah Dalliessi Brian Dawson Matt Flight Raylene Innes Brian Ross (Community Representative)
Quorum	The quorum as per clause 11.2 of the Standing Orders 2022 for a meeting of the Committee is:  (a) half of the members physically present, or present via audio visual link, where the number of members (including vacancies) is even; and a majority of the members physically present, where the number of members (including vacancies) is odd.
Meeting Cycle	3 times per calendar year
Reports to	Economic, Finance and Community Committee

### Responsibilities

#### Purpose

This committee focuses on Council's Housing for Senior's portfolio and deals with the development and monitoring of associated strategy, policy and action plans.

### Powers

1. All powers necessary to perform the committee's responsibilities, including:
  - a) approval of a submission to an external body
  - b) establishment of working parties or steering groups.
2. **Associated decision:** If a matter relates primarily to the responsibilities of the Housing for Seniors Sub-Committee, but aspects require additional decisions by the Economic Finance and Community Committee, then the Housing for Seniors Sub-Committee has the powers to make associated decisions on behalf of the Economic Finance and Community Committee. For the avoidance of doubt, this means that matters do not need to be taken to more than one of these committees for decisions.
3. **Referral of decisions:** The Sub-Committee may, from time to time, refer matters which it would ordinarily consider, to another Committee, if it considers the matter/project would be better dealt with by that other Committee.
4. **Referral for urgency:** The Sub-Committee Chair is authorised to refer urgent matters to the Council for decision, where this Committee would ordinarily have considered the matter. The Chairperson must make this referral in writing stating reasons for the referral.

## **Delegation Limits (if any)**

The committee does not have:

1. the power to establish sub-committees; and
2. powers that the Council cannot delegate or has retained to itself.

## **Procedure**

The Chairperson will report back to the Economic, Finance and Community Committee with recommendations of the Housing for Seniors Sub-Committee at the next Committee meeting following each sub-committee meeting.



# 11. Financial Report for Council – Period Ended 30 June 2024

(The Chair) (Report prepared by Tessa Dever)

F275-001-01

## Purpose of Report

1. To present the Financial Report for Council for the period ending 30 June 2024.

## Executive Summary

2. The draft Annual Report is currently being compiled to enable Audit New Zealand to provide Council with an opinion on the financial statements.

It is planned that the audit opinion will be provided in time for Council to adopt the final Annual Report in December. This takes advantage of the 3-month extension allowed for councils who planned to adopt a 2024-34 Long Term Plan after 30 June 2024.

Because of this delay and the current focus on the Long Term Plan finalisation figures are less final than they would usually be at this stage.

Changes to the interim financial results provided here will occur as preparation of the Annual Report is finalised. Changes will result from:

- The application of Public Benefit Entity International Public Sector Accounting Standards, including adjustments made to income that transfers grants received but not yet spent to income in advance and accrues revenue we are entitled to but have not invoiced. This will primarily impact the environmental area.
- Transfer of a portion of roading emergency works from operational expenditure to capital expenditure (approx. \$20M).
- Review of the level of impairment for the roading and flood protection networks.
- The inclusion of Council's subsidiaries results.
- Consolidation of Marlborough Regional Forestry's results.
- Review of capital additions for 2023/24 including changes required to align with accounting standards rather than project budgets. Note: adjustments have begun to be made for this which has resulted in some capital expenditure being transferred to operational expenditure.
- Calculating manual depreciation adjustments for capital additions not yet processed. Manual depreciation for the roading and three waters asset additions is not included in this report.
- Final wash up of vested assets. This may result in additional assets recognised for the Summerset Retirement Village.
- Review of the contingent liability and commitment schedules which may require further accruals to be provided.
- Audit New Zealand comments and any requested changes.

Differences in the budget figures as the Annual Report budget is what was adopted in the 2023/24 Annual Plan which does not include carryovers.

## Revenue and Operational Expenditure

### Whole year

(in millions)	Actual	Budget	
Surplus/Deficit	(\$0.8)	(\$8.4)	✓ \$7.6
Income	\$163.7	\$166.7	✓ (\$3.0)
Expenditure	\$164.4	\$175.1	✓ \$10.7

## Capital Expenditure

### Whole year

(in millions)	Actual	Funded	
Net Capex	\$62.4	\$122.7	✗ (60.3)

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## RECOMMENDATION

That Council receive the Financial Report for the period ending 30 June 2024.

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# Income and Expenditure Statement MARLBOROUGH DISTRICT COUNCIL

Income (\$'000's)	1 July 2023 to 30 June 2024				Notes
	Actual	Budget	Variance		
Rates	88,217	87,177	1,040	1%	
-less remissions	(649)	(501)	(149)	30%	
<b>Rates</b>	<b>87,568</b>	<b>86,676</b>	<b>892</b>	<b>1%</b>	
Rates penalty income	463	315	148	47%	
<b>Total Rates</b>	<b>88,031</b>	<b>86,991</b>	<b>1,039</b>	<b>1%</b>	3a
<b>Other Income</b>					
Dividends	3,491	3,916	(425)	-11%	3b
Interest Revenue (external)	5,673	7,178	(1,504)	-21%	3c
Petroleum Tax	396	415	(19)	-5%	
Gain on Sale of Fixed Assets	0	-	0	-	
Marlborough Regional Forestry	-	-	-	-	
Property and Other Revenue	4,762	4,021	741	18%	3d
<b>Total Other Income</b>	<b>14,322</b>	<b>15,529</b>	<b>(1,207)</b>	<b>-8%</b>	
<b>Activity Income</b>					
<b>People</b>					
Democratic Process	30	275	(245)	-89%	
Culture and Heritage	199	158	41	26%	
Housing for Seniors	1,878	1,854	24	1%	
Community Support	838	767	70	9%	
Library Services	388	472	(83)	-18%	
Emergency Management	1,147	355	792	223%	3e
<b>Community Facilities</b>	<b>8,786</b>	<b>6,828</b>	<b>1,959</b>	<b>29%</b>	3f
<b>Roads and Footpaths</b>	<b>35,411</b>	<b>64,050</b>	<b>(28,639)</b>	<b>-45%</b>	3g
<b>Flood Protection and Control Works</b>	<b>5,692</b>	<b>6,614</b>	<b>(922)</b>	<b>-14%</b>	3h
<b>Sewerage</b>	<b>5,328</b>	<b>5,691</b>	<b>(363)</b>	<b>-6%</b>	3i
<b>Stormwater Drainage</b>	<b>523</b>	<b>1,169</b>	<b>(645)</b>	<b>-55%</b>	3j
<b>Water Supply</b>	<b>1,325</b>	<b>1,581</b>	<b>(256)</b>	<b>-16%</b>	3k
<b>Solid Waste Management</b>	<b>14,723</b>	<b>14,016</b>	<b>706</b>	<b>5%</b>	3l
<b>Environmental</b>					
Environmental Policy	238	718	(480)	-67%	3m
Environmental Science and Monitoring	5,273	3,650	1,623	44%	3n
Environmental Protection	1,407	1,127	280	25%	3o
Resource Consents	2,009	1,971	38	2%	
<b>Regulatory</b>					
Building Control	3,881	3,846	35	1%	
Environmental Health	493	438	55	13%	
Biosecurity	2,276	747	1,529	205%	3p
Animal Control	778	686	92	13%	
Harbours	1,063	760	302	40%	3q
<b>Regional Development</b>	<b>2,960</b>	<b>2,442</b>	<b>518</b>	<b>21%</b>	3r
<b>Total Activity Income</b>	<b>96,645</b>	<b>120,214</b>	<b>(23,569)</b>	<b>-20%</b>	
<b>Total MDC Income</b>	<b>198,998</b>	<b>222,734</b>	<b>(23,737)</b>	<b>-11%</b>	
Total revenue which is non-cash or tied to a reserve or to fund capex	(35,310)	(55,994)	20,684	-37%	
<b>Total MDC Operating Income</b>	<b>163,688</b>	<b>166,741</b>	<b>(3,053)</b>	<b>-2%</b>	

3. Comments are provided below on variances greater than \$250,000:
- a. Rates are higher than budget due to a combination of metered water sales exceeding budget and growth in the district from the data the rates budget was set and the actual rates strike.
  - b. Dividends is behind budget due to reduced dividend projections from Port Marlborough.
  - c. External Interest Revenue is behind budget due to MDCH debt being lower than forecast due to continued delays and subsequent cancellation of the iReX project impacting draw downs.  
This is offset by increased income from elevated amounts on term deposit.
  - d. Property and Other Revenue is ahead of budget due to:
    - i. The Affordable Water Reform Council Transition Support Package Funding previously received has been transferred from revenue in advance. This is offset by expenditure in 4p below.
    - ii. The receipt of funds \$0.6M from NEMA for damage sustained during the 2016 Kaikoura Earthquake. These funds will be transferred to the Emergency Events Reserve which has funded the repairs.  
This is offset by lower than anticipated Better Off Funding with delays in projects in the IT and Rivers administration areas.
  - e. Emergency Management is ahead of budget due to the receipt of subsidies from Waka Kotahi for the Marlborough Sounds Future Access Study and other response and welfare costs.  
This is offset by expenditure incurred in 4d below and lower than anticipated receipt of Better Off Funding.
  - f. Community Facilities is ahead of budget due to:
    - i. Higher than anticipated grants received for College Park surrender and Hockey Turf Relocation.
    - ii. Receipt of Insurance claim for 2022 flood damage repairs at the Okiwi Bay Hall.
    - iii. Receipt of Tourism Infrastructure Funding for public conveniences construction.
    - iv. Gain on sale of land at McArtney Street, previously part of Horton Park.
  - g. Roads and Footpaths income is below budget due to lower than anticipated Waka Kotahi subsidy received for emergency reinstatement works. The full emergency reinstatement program approved by Waka Kotahi as at 30 June 2023 was budgeted to be completed this year with some expected to continue into future years. The general subsidised roading program subsidy has come in on budget. See 4f below for further information.
  - h. Flood Protection and Control Works is behind budget due to:
    - i. Lower than anticipated sales from Pukaka Quarry due to development work at Pukaka Quarry extension.
    - ii. Delays in finalising insurance claims for flood damage.  
This is offset by:
      - iii. Grants received for the Wairau River Flood Protection Scheme under the Shovel Ready Funding Scheme. The funding has been extended past the original deadline and Capital Expenditure is continuing to utilise these funds.
  - i. Sewerage is behind budget due to lower than anticipated development contributions from subdivisions due to reduced property development activity.
  - j. Stormwater Drainage 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 reduce the demand on Council infrastructure.

- k. Water Supply is behind budget due to lower than anticipated development contributions from subdivisions due to reduced property development activity.  
This is partially offset by higher than anticipated connection charges.
- l. Solid Waste Management is ahead of budget due to:
  - i. Higher than anticipated dump fees.
  - ii. Higher than anticipated waste levy grant received.
- m. Environmental 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 4l below.
- n. Environmental Science and Monitoring is ahead of budget due to central government funding received from Jobs for Nature including the Te Hoiere program. This is offset by additional expenditure shown in 4m below. Year end journals are still to be completed in this area.
- o. Environmental Protection is ahead of budget due to higher than anticipated monitoring charges.
- p. Biosecurity is ahead of budget due to the additional unbudgeted grant received for the National Wilding Conifer Control Programme. This is offset by additional expenditure in 4q below.
- q. Harbours is ahead of budget due to the unbudgeted reimbursement for costs associated with the float-off operation in Admiralty Bay.
- r. Regional Development is ahead of budget due to
  - i. Kanoa writing off the \$0.6M loan for the Flaxbourne Irrigation Scheme. In accordance with accounting standards Council has recognised this as revenue in the current year noting this is tied to the Flaxbourne Irrigation account.
  - ii. Parking collection revenue being higher than anticipated.

This is offset by the timing of Better Off funding for the tech hub project.

Expenditure	1 July 2023 to 30 June 2024				Notes
	Actual	Budget	Variance		
<b>Activity Expenditure</b>					
<b>People</b>					
Democratic Process	4,202	4,575	(373)	-8%	4a
Culture and Heritage	1,876	1,831	45	2%	
Housing for Seniors	2,108	1,922	185	10%	
Community Support	2,818	3,431	(613)	-18%	4b
Library Services	5,221	4,667	554	12%	4c
Emergency Management	2,022	988	1,034	105%	4d
<b>Community Facilities</b>	17,947	16,904	1,043	6%	4e
<b>Roads and Footpaths</b>	50,058	62,971	(12,913)	-21%	4f
<b>Flood Protection and Control Works</b>	8,099	11,377	(3,278)	-29%	4g
<b>Sewerage</b>	22,243	13,545	8,699	64%	4h
<b>Stormwater Drainage</b>	4,398	3,141	1,257	40%	4i
<b>Water Supply</b>	14,257	12,253	2,004	16%	4j
<b>Solid Waste Management</b>	18,428	18,017	411	2%	4k
<b>Environmental</b>					
Environmental Policy	2,059	3,111	(1,053)	-34%	4l
Environmental Science and Monitoring	11,589	10,323	1,266	12%	4m
Environmental Protection	2,074	2,582	(508)	-20%	4n
Resource Consents	2,948	3,951	(1,003)	-25%	4o
<b>Regulatory</b>					
Building Control	5,002	5,258	(256)	-5%	4p
Environmental Health	796	880	(83)	-9%	
Biosecurity	4,224	2,697	1,527	57%	4q
Animal Control	860	896	(35)	-4%	
Harbours	2,602	2,208	394	18%	4r
<b>Regional Development</b>	7,217	7,122	95	1%	4s
<b>Total Activity Expenditure</b>	<b>193,046</b>	<b>194,648</b>	<b>(1,601)</b>	<b>-1%</b>	
Less Internal Interest	(6,434)	(7,416)	982	-13%	4t
	<b>186,612</b>	<b>187,232</b>	<b>(620)</b>	<b>-0%</b>	
<b>Other expenditure</b>					
Interest expense (external)	9,200	11,709	(2,509)	-21%	4t
Property and other expenditure	7,112	4,160	2,952	71%	4u
<b>Total other expenditure</b>	<b>16,312</b>	<b>15,869</b>	<b>443</b>	<b>3%</b>	
<b>Total MDC expenditure</b>	<b>202,924</b>	<b>203,101</b>	<b>(177)</b>	<b>-0%</b>	
Total expenditure which is non-cash or reserve funded	(38,484)	(27,963)	(10,521)	38%	
<b>Total MDC operating expenditure</b>	<b>164,440</b>	<b>175,138</b>	<b>(10,698)</b>	<b>-6%</b>	
<b>Operating SURPLUS</b>	<b>(752)</b>	<b>(8,397)</b>	<b>7,645</b>	<b>-91%</b>	

4. Comments are provided below on variances greater than \$250,000:
- a. Democratic Process is behind budget due to delays in Better Off Funding projects and salaries with the vacancy in the Kaihautū position. The Kaihautū position is now filled and a cadet has now started as of the end of April as part of one of these projects.
  - b. Community Support is behind budget due to:
    - i. Lower than anticipated Energy Efficiency funding applications received. The forecast has been adjusted for the closing of the scheme to new applications.
    - ii. Slower than anticipated drawdown on community event subsidies.
  - c. Library Services is ahead of budget due to costs associated with the new Marlborough Library including insurance, depreciation, interest and cleaning.
  - d. Emergency Management is ahead of budget due to costs associated with the Marlborough Sounds Future Access Study and other response and welfare costs.  
This is largely offset by income received in 3e.
  - e. Community Facilities are ahead of budget due to:
    - i. Depreciation costs for the Blenheim swimming pool.
    - ii. Repair costs at Okiwi Bay Hall which are offset by revenue in 3e above.
    - iii. Reserves repairs and maintenance.  
This is offset by delays in the grant payable to Flaxbourne Hall.
  - f. Roads and Footpaths is below budget due to roading reinstatement expenditure relating to the impacts of the August 2022 flood event being slower than anticipated. In the 2023/24 year \$25.3M has been spent on the July 2021 and August 2022 events.  
  
Forecast is expected to be less than budget at year end with accounting entries to be completed to transfer the majority of the repair work completed to date from operational expense to capital expenditure. This is in alignment with the allocation and timing of expenditure in the Long Term Plan. This will reverse part of the impairment booked in the prior year.
  - g. Flood Protection and Control Works is below budget due to lower than anticipated flood damage repair costs with works still to be completed on a number of key projects.  
  
This is offset by increased depreciation costs as a result of valuation movements and increased costs at the Pukaka Quarry. The quarry is currently being developed further.
  - h. Sewerage forecast is ahead of budget due to:
    - i. The expected costs associated with stage one of sludge removal from the Picton oxidation ponds.
    - ii. Higher than anticipated depreciation costs following the valuation.
    - iii. Higher than anticipated power costs for industrial treatment.
  - i. Stormwater is ahead of budget due to:
    - i. Higher than anticipated depreciation costs following the valuation.
    - ii. Consultancy costs for Spring Creek.
  - j. Water Supply is ahead of budget due to higher than anticipated:
    - i. Depreciation costs following the valuation.
    - ii. Reticulation maintenance costs.

- k. Solid Waste Management is ahead of budget due to higher than anticipated contract costs for Urban Refuse collection, Waste Sorting Centre, Regional Landfill and Greenwaste.

This is offset by:

- i. Lower than anticipated project costs at the Resource Recovery Centre.
- ii. Lower than anticipated ETS obligation settlement.
- iii. Higher than anticipated dump fees in 3l above.

- l. Environmental Policy is below budget due to:

- i. Lower than anticipated legal and other costs for appeals to the proposed Marlborough Environment Plan (PMEP) variation one. It is anticipated that the budget will be carried over as a result of Court delays.
- ii. Lower than anticipated costs for Better Off Funding projects. These include rezoning variations to the 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 3m above.

- m. Environmental Science and Monitoring is ahead of budget year to date and is forecast to be further ahead of budget at year end with significant progress on Jobs For Nature projects including the Te Hoiere Programme. This is offset by additional revenue shown in 3n above.

- n. Environmental Protection is below budget due to lower than anticipated salaries and legal charges.

- o. Resource Consents is below budget due to the lower than anticipated legal costs and staff vacancies.

- p. Building Control is below budget due to lower than anticipated staff costs and a general reduction in expenditure.

- q. Biosecurity is ahead of budget due to higher than anticipated costs for the Wilding Conifer Programme funded by the Ministry for Primary Industries.

This is offset by income received in 3p.

- r. Harbours is ahead of budget due to:

- i. The unbudgeted costs associated with the disposal of the 'Vendetta' in Picton. MDC HM Insurance will be reimbursing Council for this any other small costs incurred with the management and disposal of the wreck.
- ii. Additional costs relating to the grounding of the 'Aratere'. These will be recovered from KiwiRail in the new year and journal entry completed to bring the revenue into 2023/24.

- s. 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.

- t. Property and Other Expenditure are higher than budget due to:

- i. External valuations of three waters performed by WSP. These have been funded by the Affordable Water Reform Council Transition Support Package Funding. See 3d above.
- ii. An unbudgeted call from Risk Pool relating to a leaky waterfront apartment development in Napier as part of a group insurance scheme claim. Council has made a provision in prior years to cover part of this call.
- iii. Costs for the air conditioning upgrade of the upstairs of the 05 building which were budgeted as capital but are considered operational expenditure. The costs are funded from the building Depreciation Reserve.
- iv. Demolition and loss on disposal of the old Art Gallery building and Clubs of Marlborough buildings. The demolition is funded by the Forestry and Land reserve.
- v. Loss on valuation of the Queen Street investment property. This is non-cash.
- vi. Audit fees for the Annual Report which were increased after the budget was set.



## Net capital expenditure

1 July 2023 to 30 June 2024

	Actual	Budget	Variance	
<b>People</b>				
Culture and Heritage	88	113	(24)	-22%
Housing for Seniors	2,760	3,418	(658)	-19%
Community Support	-	23	(23)	-100%
Library Services	850	(2,210)	3,060	-138%
Emergency Management	45	9	36	399%
<b>Community Facilities</b>	10,382	17,798	(7,416)	-42%
<b>Roads and Footpaths</b>	16,044	42,439	(26,395)	-62%
<b>Flood Protection and Control Works</b>	5,139	7,079	(1,940)	-27%
<b>Sewerage</b>	7,191	18,685	(11,494)	-62%
<b>Stormwater Drainage</b>	1,133	2,723	(1,590)	-58%
<b>Water Supply</b>	11,859	21,889	(10,029)	-46%
<b>Solid Waste Management</b>	3,865	4,072	(207)	-5%
<b>Environmental</b>				
Environmental Science and Monitoring	369	782	(413)	-53%
<b>Regulatory</b>				
Building Control	(1)	-	(1)	-
Environmental Health	-	3	(3)	-100%
Harbours	169	746	(577)	-77%
<b>Regional Development</b>	523	1,888	(1,365)	-72%
<b>Investment activities</b>	6	-	6	-
<b>Corporate Overheads</b>	1,968	3,201	(1,233)	-39%
<b>Total Net Capital Expenditure</b>	<b>62,389</b>	<b>122,657</b>	<b>(60,267)</b>	<b>-49%</b>

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.

As of time of writing Council has a total value of contracts for new assets in progress of \$99.5M. There is \$7.4M of contracted works still outstanding.

Total Capital Expenditure from 1 July to 30 June 2024 is \$62.4M which is \$4.3M less than the same period last year (\$66.7M). Note last year's figure included \$8.9M of vested assets and this year's figure includes \$0.8M of vested assets.

Please see separate agenda items for the carry over report for further information on capital expenditure which has been deferred into 2024-25.

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

	Financial Year to 30 June 2024	Financial Year to 30 June 2023
<b>Cash received from:</b>		
Rates	87,774	80,078
User charges	25,927	23,797
Property Rentals	7,747	7,194
Subsidies and Grants	46,936	63,175
Interest and dividends	9,172	8,146
Sale of assets	439	27
Development Contributions	5,101	8,918
Other revenue	9,655	8,090
<b>Operating cash received</b>	<b>192,751</b>	<b>199,424</b>
<b>Cash spent on:</b>		
Net GST	(76)	324
Payments for operating costs	(151,999)	(147,343)
Payments for capital expenditure	(62,707)	(64,477)
<b>Operating cash spent</b>	<b>(214,783)</b>	<b>(211,496)</b>
<b>Cash borrowed from/(repaid to):</b>		
LGFA for Council	41,400	10,485
Other	(6,642)	6,408
<b>Cash from/(to) borrowing</b>	<b>34,758</b>	<b>16,893</b>
<b>Invested in subsidiaries or investment property</b>	<b>644</b>	<b>(5,317)</b>
<b>Cash and investments:</b>		
<b>net increase/(decrease)</b>	<b>13,371</b>	<b>(496)</b>
<b>at the beginning of the year</b>	<b>18,550</b>	<b>18,846</b>
<b>at the end of June</b>	<b>31,921</b>	<b>18,350</b>

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.

Author	Tessa Dever, Financial Reporting Manager
Authoriser	Geoff Blake, Chief Financial Officer

## 12. 2023/24 Budget Carryovers

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(The Chair) (Report prepared by Rainbow Zhao)

### Purpose of Report

1. The purpose of this report is to obtain Council approval for 2023/24 budget carryovers to be incorporated into the 2024/25 budgets.

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### RECOMMENDATION

That Council agree that the 2024/25 budgets be amended to incorporate the 2023/24 carryovers.

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### Background

2. A number of grants and projects scheduled for completion in the 2023/24 year were either not made or not completed for a variety of reasons.
3. The total of these are \$25.9M, similar to \$27.5M last year. Details are shown on the attached schedule. (Refer Attachment 1)
4. Since funding for these works was determined in the 2023/24 budget within the 2023/24 Annual Plan it is now necessary to amend the 2024/25 budgets to reflect these 'carryovers'.
5. There is no rating impact arising from the 'carryover' action.

### Attachment

**Attachment 1** – Carryover Schedule

Author	Rainbow Zhao, Systems Accountant
Authoriser	Geoff Blake, Chief Financial Officer

Carry-over requests: 2023-2024

Unit	Description	Item	Carryover			Comment	
			Revenue	Opex	Capex		Total
<b>Support Services Department</b>							
02006	DM: Community Development Management	General Expenses		2,500		2,500	Contribution to hold community workshops
02006	DM: Community Development Management	Projects		18,000		18,000	Ongoing project - Marlborough Community Directory and Te Taihu volunteer strategy
02008	DM: Property & Community Facilities Management	Govt Operating grants & donations	(105,224)			(105,224)	Better off Funding-Affordable Housing Review
02008	DM: Property & Community Facilities Management	Projects		105,224		105,224	Better off Funding-Affordable Housing Review
02010	Kaihautu	Govt Operating grants & donations	(403,000)			(403,000)	Better off Funding-Giving effect to Te Mana o te Wai, Capacity Building (Cadetship Proposal) and Cultural Competency
02010	Kaihautu	Projects		436,331		436,331	Better off Funding-Giving effect to Te Mana o te Wai, Capacity Building (Cadetship Proposal) and Cultural Competency
05031	Office Services: Secretarial	Training Conferences + Seminars		6,000		6,000	To support expected increase in training to upskill staff
05031	Office Services: Secretarial	Travel and Accommodation		1,600		1,600	To support expected increase in training to upskill staff
05032	Office Services: Administration	Additions: Other buildings + Structures			16,000	16,000	Crown Roof Repairs
07103	Customer Service Centre: Blenheim	Telephone after-hours service		5,000		5,000	Expecting to increase use of this service next year to assist with lower staff numbers and high volume periods
07103	Customer Service Centre: Blenheim	Training Conferences + Seminars		6,000		6,000	New Health&Safety programme being designed and rolled out in 24/25
07103	Customer Service Centre: Blenheim	Travel and Accommodation		2,700		2,700	New Health&Safety programme being designed and rolled out in 24/25
08000	Libraries	Additions: Permanent material buildings			96,741	96,741	Additional building work needed to complete facility
08000	Libraries	Additions: Office equipment			7,854	7,854	Additional equipment needed for staff areas
08000	Libraries	Additions: Computers			39,117	39,117	Additional computer equipment needed for staff
08000	Libraries	Additions: Computer systems			100,000	100,000	System equipment review
08000	Libraries	Additions: Library - non-books			19,466	19,466	Additional non-book resources to meet demand

Carry-over requests: 2023-2024

Unit	Description	Item	Carryover				Comment
			Revenue	Opex	Capex	Total	
08000	Libraries	Additions: Library books			7,588	7,588	Additional book resources needed to meet demand
12063	Property: Rental Housing	Repairs + Maintenance		23,650		23,650	Carried forward from surplus, flooding damage repairs to be completed in 2024/25. 149 Maxwell Rd.
14073	Regional Development: Projects	Govt Operating grants & donations	(354,000)			(354,000)	Better off Funding-Tech hub
14073	Regional Development: Projects	Govt Capital grants & donations	(20,000)			(20,000)	Kanoa Funding
14073	Regional Development: Projects	Projects		435,000		435,000	Better off Funding-Tech hub
14075	Property: Marlborough Events Centre	General Expenses		14,000		14,000	Awaiting general repair R&M invoices
14075	Property: Marlborough Events Centre	Levy Payment		52,000		52,000	Expecting a catch up invoice from Body corporate that manages the shared areas
14075	Property: Marlborough Events Centre	Projects		25,000		25,000	Trade Waste pump replacement
14076	Regional Development: Events Management	Digital Communications		5,000		5,000	Increased digital communication; Eventfinda subscription
14076	Regional Development: Events Management	General Expenses		1,000		1,000	Meeting catering costs
14076	Regional Development: Events Management	Grants-Commercial Events		138,405		138,405	\$52,000 allocated for future events. Remainder required for bid opportunities
14076	Regional Development: Events Management	Printing + Office Supplies		40,000		40,000	New event banners and collateral following Marlborough and Follow-ME branding refresh
14076	Regional Development: Events Management	Subscriptions		200		200	Subscription increase
14076	Regional Development: Events Management	Training Conferences + Seminars		2,500		2,500	Sponsored places for NZEA conference
14077	RD: Smart and connected communities	General Expenses		20,000		20,000	Renwick S + C preparedness project, funding to match DIA funding
14077	RD: Smart and connected communities	Professional Fees		20,000		20,000	Review of S + C to be undertaken and presented to Council
15080	Community: Recreation and Events	Contracts		75,000		75,000	Future of Work (\$10k), Matariki Fund (\$25k), Welcoming Communities Events (\$10k), Community Events Fund (\$10k), increased costs for contracted community events.e.g. TMPs (\$20k)
15080	Community: Recreation and Events	Grants		18,000		18,000	Community Use for MEC - as identified at LTP working group to use existing budget
15081	Community: Grants + Donations	Grants		25,000		25,000	Community funding in progress and funds to review grant criteria/process as requested by Council
15081	Community: Grants + Donations	Grants - Youth		40,000		40,000	Youth Mural and Postponed event + Youth Strategy

Carry-over requests: 2023-2024

<i>Unit</i>	<i>Description</i>	<i>Item</i>	<i>Carryover</i>			<i>Total</i>	<i>Comment</i>
			<i>Revenue</i>	<i>Opex</i>	<i>Capex</i>		
15081	Community: Grants + Donations	Grants - Positive Ageing		23,000		23,000	Age Friendly Strategy actions identified in phase 2 - Picton expo, senior navigator role
15081	Community: Grants + Donations	Grants for Waiver		10,000		10,000	Funds for waivers approved in 23-24 FY
16091	Democracy: Representation	Allowances - Meeting Attendance		35,000		35,000	Outstanding claims from Councillors
17084	Heritage: Edwin Fox Museum	Repairs + Maintenance - Buildings		34,000		34,000	Repairs for windows/signage
17085	Heritage: Other Grants	Govt Operating grants & donations	(120,000)			(120,000)	Better off Funding-Heritage Centre Investigation
17085	Heritage: Other Grants	Projects		120,000		120,000	Better off Funding-Heritage Centre Investigation
18086	Arts: Art Gallery Grants	Grants		52,500		52,500	Plus website development
		<b>Subtotal</b>	<b>(1,002,224)</b>	<b>1,792,610</b>	<b>286,766</b>	<b>1,077,152</b>	

Carry-over requests: 2023-2024

Unit	Description	Item	Carryover			Comment	
			Revenue	Opex	Capex		Total
<b>Assets and Services Department</b>							
30201	DM: Assets + Services Management	Govt Operating grants & donations	(240,000)			(240,000)	Better off Funding - Supporting Small Community Water Supplies
30201	DM: Assets + Services Management	Professional Fees		275,675		275,675	Climate change provision
30201	DM: Assets + Services Management	Projects		240,000		240,000	Better off Funding - Supporting Small Community Water Supplies
30205	DM: Reserves and Amenities Administration	Contracts		3,870		3,870	Public Conveniences/contract/assets updates and backup ranger work
30205	DM: Reserves and Amenities Administration	Legal		3,000		3,000	WRRR legal plans
30205	DM: Reserves and Amenities Administration	Professional Fees		2,000		2,000	WRRR legal plans
30205	DM: Reserves and Amenities Administration	Protective Clothing		1,000		1,000	Winter protective clothing
30205	DM: Reserves and Amenities Administration	Training Conferences + Seminars		6,000		6,000	Staff workshop continuing from May
30206	DM: Rivers and Drainage Management	Govt Operating grants & donations	(112,568)			(112,568)	Better off Funding - Wairau River Aquifer Recharge Enhancement Study
30206	DM: Rivers and Drainage Management	Contracts		200,000		200,000	Wairau River rating review
30206	DM: Rivers and Drainage Management	Projects		87,713		87,713	Better off Funding - Wairau River Aquifer Recharge Enhancement Study
32172	Halls: Other (gp 3)	Consultancy		12,500		12,500	Review of halls underway
32172	Halls: Other (gp 3)	Additions: Permanent material buildings			29,000	29,000	Upgrades to Spring Creek Hall floor
32217	Halls: Rapaura (gp 9)	Repairs + Maintenance		45,667		45,667	Kitchen/toilet upgrade
32248	Halls: Flaxbourne (gp 3)	Grants		250,000		250,000	Flaxbourne Heritage Centre grant for fit-out
33200	Cemeteries: Picton	Additions: Other buildings + Structures			95,600	95,600	District Wide Grave restorations
33200	Cemeteries: Picton	Additions: Car Parks.			120,000	120,000	programmed reseal carparks
33271	Cemeteries: Fairhall	Additions: Car Parks.			31,000	31,000	Finish off car seal works
34103	Public Conveniences: Blenheim	Additions: Permanent material buildings			167,885	167,885	upgrades to Facilities in Blenheim
34174	Public Conveniences: Rural	Additions: Permanent material buildings			48,254	48,254	Ferry Bridge
34200	Public Conveniences: Picton	Additions: Permanent material buildings			19,000	19,000	Skate Park upgrade

Carry-over requests: 2023-2024

Unit	Description	Item	Carryover				Comment
			Revenue	Opex	Capex	Total	
34230	Public Conveniences: Renwick	Additions: Permanent material buildings			61,200	61,200	Giesen Sports Centre toilets upgrade
35172	Memorials: Other	Additions: Other buildings + Structures			31,000	31,000	Rutherford/Pickering memorial - new audio system
37200	Swimming Pools: Picton	Additions: Other buildings + Structures			30,000	30,000	pump replacement
38080	Reserves: Recreational Activities	Contracts		50,000		50,000	Approved sports rec fund applications
39332	Reserves: Unspecified (Group 1a)	Govt Capital grants & donations	(1,702,750)			(1,702,750)	Better off Funding-Okiwi Bay Track, upgrades to rec spaces,playgrounds,reserve development , bridge upgrades
39332	Reserves: Unspecified (Group 1a)	Additions: Other buildings + Structures			1,100,841	1,100,841	Better off Funding; upgrades to rec spaces,playgrounds,reserve development.bridge upgrades etc.
39520	Reserves: Nelson Square (Group 11)	Govt Operating grants & donations	(180,000)			(180,000)	Better off Funding-Nelson Square (Waitohi) redevelopment
39520	Reserves: Nelson Square (Group 11)	Projects		200,000		200,000	Better off Funding-Nelson Square (Waitohi) redevelopment
39554	Reserves: Esplanade (Group 14)	Additions: Land			93,000	93,000	Salt Creek Esplanade
39580	Reserves: Awatere Domains (Group 10)	Additions: Permanent material buildings			120,000	120,000	Car park reseal
39580	Reserves: Awatere Domains (Group 10)	Additions: Other buildings + Structures			598,928	598,928	New playground
39581	Reserves: Taylor/Riverside/Pocket Parks (Group 12)	Additions: Other buildings + Structures			335,312	335,312	Projects yet to start RC process slowed by other MDC sections
39585	Reserves: Bln Neighbourhood (Group 1a)	Additions: Other buildings + Structures			746,442	746,442	Rose Manor reserve development
39588	Reserves: Bln Vicinity Domains (Group 4)	Grants		107,900		107,900	Renwick Sports Centre lift replacement
39588	Reserves: Bln Vicinity Domains (Group 4)	Additions: Other buildings + Structures			37,500	37,500	Modular pump track to be completed
39589	Reserves: Endeav. Prk (Group 5)	Additions: Other buildings + Structures			60,000	60,000	Carpark reseal- awaiting warm weather to seal.
39590	Reserves: Lansdowne/A&P/Horton (Group 6)	Additions: Permanent material buildings			270,672	270,672	Pavilion upgrades
39590	Reserves: Lansdowne/A&P/Horton (Group 6)	Additions: Other buildings + Structures			183,313	183,313	Horton Park Practice Strips
39592	Reserves: Foreshores & Domains (Group 8)	Additions: Other buildings + Structures			29,172	29,172	To complete Shelly Beach works, shower etc,
39593	Reserves: Pollard&Seymour (Group 12)	Additions: Other buildings + Structures			562,600	562,600	Toddler playground, depot yard sealing
39598	Reserves: Picton (Group 8)	Additions: Other buildings + Structures			218,125	218,125	VD RMP Plans



Carry-over requests: 2023-2024

Unit	Description	Item	Carryover			Comment	
			Revenue	Opex	Capex		Total
42611	Plant Operations: Instrumentation Backbo	Additions: Communications equipment			45,000	45,000	Scada backup system at EOC
45176	Northwest Blenheim Extension Zone	Additions: Pipelines			1,048,773	1,048,773	Blenheim northwest services infrastructure upgrades
45176	Northwest Blenheim Extension Zone	Additions: Sealed pavement			597,906	597,906	Blenheim northwest roading infrastructure upgrades
46623	Emergency Management: Civil Defence	Govt Operating grants & donations	(425,279)			(425,279)	Better off Funding-EM Response officer and Marlborough Sounds long term recovery
51103	Parking: Blenheim	Contracts		15,000		15,000	New parking enforcement contract
51103	Parking: Blenheim	Additions: Parking Machines - Pay by Plate			20,000	20,000	Parking meter hardware upgrade
51200	Parking: Picton	Contracts		43,000		43,000	New parking enforcement contract
52700	Roads: General Roding	Roding subsidies OPEX	(10,036,354)			(10,036,354)	Subsidy on emergency reinstatement works at 95% FAR
52700	Roads: General Roding	Emergency reinstatement		10,564,584		10,564,584	Continuation of emergency reinstatement works
56200	Street Plots - Picton	Additions: Street plots			5,000	5,000	Plots - howitzer
57200	Street Trees - Picton	Additions: Street trees			5,000	5,000	New trees and renewals
58176	Roads: Small Township Upgrades (Blenheim Vicinity)	Additions: Other buildings + Structures			1,587,558	1,587,558	Small township projects in Grovetown, Rarangi, Renwick and Spring Creek
58177	Roads: Small Township Upgrades (General Rural)	Additions: Other buildings + Structures			161,262	161,262	Small township projects Awatere, Wairau Valley and Marlborough Sounds communities
58200	Roads: Picton CBD Works	Additions: Footpaths (sealed)			60,250	60,250	London Quay streetscape upgrade
59103	Roding Related Works: Blenheim	Special projects maintenance		10,000		10,000	Omaka Airshow 2025 traffic control
59172	Roding Related Works: Other (Budget me	Additions: Cycle Facilities			250,000	250,000	Expansion of cycleway network
59172	Roding Related Works: Other (Budget me	Additions: Footpaths (concrete)			127,000	127,000	Progress footpath programme delayed by emergency works including Auckland St, Picton
59172	Roding Related Works: Other (Budget me	Additions: Streetlighting			40,000	40,000	Streetlight pole replacement
59172	Roding Related Works: Other (Budget me	Additions: Signs			85,000	85,000	Welcome to Marlborough signage project (\$45k) and Whale trail wayfinding & directional signage for urban connections (\$40k)
59172	Roding Related Works: Other (Budget me	Additions: Kerb and channel			110,000	110,000	Progress kerb and channel programme delayed by emergency works
60748	Roads: Other Wharves	Additions: Wharves.			616,749	616,749	Insurance proceeds of \$229,194 to contribute to Waitaria Bay project (circa \$500-600k)
70103	Sewer: Blenheim	Additions: Pipelines			600,000	600,000	Project delayed

Carry-over requests: 2023-2024

Unit	Description	Item	Carryover			Comment	
			Revenue	Opex	Capex		Total
70103	Sewer: Blenheim	Additions: Treatment plant			120,000	120,000	Delay with design
70190	Sewer: Havelock	Additions: Pump station			40,000	40,000	Delay with design
70190	Sewer: Havelock	Additions: Pipelines			50,000	50,000	Delay with design
70190	Sewer: Havelock	Additions: Treatment plant			110,000	110,000	Delay with design
70200	Sewer: Picton	Renewals: Pipelines			1,500,000	1,500,000	Pipes that could not be renewed by relining which are yet to be renewed / repaired
71103	Stormwater: Blenheim	Additions: Pipelines			747,784	747,784	Murphys Creek stormwater Option G
72103	Water: Blenheim	Additions: Treatment plant			1,060,000	1,060,000	Chlorination and pH project change in program
72103	Water: Blenheim	Renewals: Pipelines			327,000	327,000	Increasing number of AC pipes failing
72190	Water: Havelock	Additions: Treatment plant			250,000	250,000	Water treatment design delayed
72190	Water: Havelock	Renewals: Pump stations			11,000	11,000	AC pipe failing on Mahakipawa Rd.
72190	Water: Havelock	Renewals: Pipelines			2,000	2,000	AC pipe failing on Mahakipawa Rd.
72200	Water: Picton	Renewals: Pipelines			25,000	25,000	Increasing number of AC pipes failing
72244	Water: Awatere Rural (POE)	Additions: Reservoir			180,000	180,000	Delayed working on economical design
72280	Water: Riverlands	Additions: Pipelines			180,000	180,000	Delayed design of pipeline
72750	Water: Southern Valleys	Additions: Water Meters			100,000	100,000	To renew water meters
74105	Remote Transfer Stations	Additions: Other buildings + Structures			73,674	73,674	Construct remote transfer station compounds
76763	Waste Projects: Resource Recovery Centre	Projects		250,000		250,000	New waste contract infrastructure projects and recycling initiatives
80800	Rivers WV: Lower Wairau	Additions: Stopbanks			710,121	710,121	Peninsula Road stopbank upgrade
80801	Rivers WV: Wairau Diversion	Flood Damage		2,700,000		2,700,000	Reinstate berm at Wairau Diversion mouth
80802	Rivers WV: Wairau Tuamarina	Flood Damage		1,321,500		1,321,500	Rockline repairs Tuamarina to Waihopai
80804	Rivers WV: Waihopai below SH 63 Bridge	Additions: Rock and Gabion protection			100,000	100,000	Upper Conders rockline upgrade
80813	Rivers WV: Lower Opaoa	Additions: Boats			49,289	49,289	Weed cutter boat replacement
80821	Rivers WV: W/Hills Soil Conservation	Additions: Other buildings + Structures			6,627	6,627	Water supply upgrade for farm
81831	Rivers ex WV: Sounds Streams	Minor Works contracts		25,750		25,750	Willow clearance Ronga River (Rai Valley RTS)
81835	Rivers ex WV: Waikawa	Minor Works contracts		24,750		24,750	Removal of willows adjacent to Waitohi Picton community garden space

Carry-over requests: 2023-2024

<i>Unit</i>	<i>Description</i>	<i>Item</i>	<i>Carryover</i>			<i>Total</i>	<i>Comment</i>
			<i>Revenue</i>	<i>Opex</i>	<i>Capex</i>		
93174	Drainage Pump Stations: Rural	Additions: Pump station			16,656	16,656	Power upgrades for rural drainage pump stations
93850	Drains: Blenheim Minor Rivers	Additions: Drainage channels			888,052	888,052	Continuation of Town Branch drain upgrade
		<b>Subtotal</b>	<b>(12,696,951)</b>	<b>16,439,909</b>	<b>16,895,545</b>	<b>20,638,503</b>	

Carry-over requests: 2023-2024

Unit	Description	Item	Carryover			Comment	
			Revenue	Opex	Capex		Total
<b>Regulatory Department</b>							
22110	Consents: Resource Consents	Consultancy		300,000		300,000	Water accounting system- carry over from last financial year not completed due to resourcing
22110	Consents: Resource Consents	Projects		150,000		150,000	Forestry Activity Practice and Condition guidance-Carry over from last financial year. Domestic wastewater guidelines- to complete carry over from last financial year
22112	Consents: Building Control	Projects		150,000		150,000	Geotech/emergency recovery support. Budget was carried forward in the last financial year due to resource this work was not completed.
22112	Consents: Building Control	Protective Clothing		10,000		10,000	Uniform and Protective Clothing/Equipment Replacements
22112	Consents: Building Control	Software		130,000		130,000	Support and Upgrade of Digital Building Consenting Platform
22112	Consents: Building Control	Training Conferences + Seminars		20,000		20,000	Building capability-new staff training
22112	Consents: Building Control	Travel and Accommodation		10,000		10,000	Additional Travel and Accommodations cost associated with staff training
22112	Consents: Building Control	Additions: Administration fleet			30,000	30,000	Fleet Replacement brought forward from 2025-26 budget
22113	Consents: Environmental Health	Consultancy		60,000		60,000	Completion of Quality Manual (carry over from last year). Emergency Response procedures
22113	Consents: Environmental Health	Projects		30,000		30,000	Education and industry communications project
22117	Advocacy and Practice Integration	Consultancy		100,000		100,000	Emergency Response Preparation-Carry over from last financial year not completed due to resourcing
22117	Advocacy and Practice Integration	Legal		400,000		400,000	Regulatory reform programme support-carry over from last financial year delayed due to changes in reform programme
22118	Consents: Compliance Section	Consultancy		200,000		200,000	Carryover from previous year for Forestry Monitoring Programme and Guidance (Not completed due to resourcing) Enforcement and Practice Manual (delayed due to change in legislation)
22118	Consents: Compliance Section	Legal		100,000		100,000	Additional legal support for changes in legislation.
22118	Consents: Compliance Section	Projects		450,000		450,000	Monitoring system development
23120	Biosecurity: Regional Biosecurity	Contracts		13,965		13,965	Spartina Control invoice
23380	Biosecurity: National Wildings Conifer Control Programme	Contracts		2,677		2,677	The balance of the unspent Government funding for the Wilding Conifer Programme for carryforward into current financial year.
24132	Harbour: Control	Additions: Sundry plant			98,165	98,165	Health & Safety upgrades

Carry-over requests: 2023-2024

Unit	Description	Item	Carryover				Comment
			Revenue	Opex	Capex	Total	
24132	Harbour: Control	Additions: Instrumentation			461,000	461,000	Marine bases beacons to be installed at Wedge Point, Otamango and Scraggy Point in addition to health and safety upgrades at sites across the network.
24134	Harbour: Nautical and Coastal Science	Consultancy		48,000		48,000	Climate change resilience project, Estuary/intertidal monitoring and Ecologically significant marine sites. Carryover is required to support capacity to meet the objectives and policies required under Chapter 3 (Freshwater) - specifically w
24134	Harbour: Nautical and Coastal Science	Additions: Intangibles data/software			102,000	102,000	Multibeam project with NIWA. The contract is for the assessment and integration of existing multibeam sonar data, new field work to in fill spatial gaps to support the interpretation of the multibeam sonar gaps and modelling of seafloor hab
25142	Harbour: Navigation Aids	Additions: Navigational aids			4,500	4,500	Health & safety upgrades
26151	Environmental Review Projects	Govt Operating grants & donations	(365,000)			(365,000)	Better off Funding-Marlborough Sounds landslip risk assessment
26151	Environmental Review Projects	Govt Capital grants & donations	(51,207)			(51,207)	Better off Funding-Picton Air Quality Monitoring
26151	Environmental Review Projects	Projects		96,207		96,207	Better off Funding-Picton Air Quality Monitoring
26152	Environmental Review Hydrometrics	Additions: Telemetry field equipment			102,000	102,000	Surfbee Series II monitoring vehicle for monitoring river flows. The Series II vessel is a small boat used for gauging and measuring flows in rivers. The series II is due for release in August 2024 and has later technology than the series I
27161	Environmental Policy Projects	Govt Operating grants & donations	(116,805)			(116,805)	Better off Funding-Freshwater management and MEP rezoning
27161	Environmental Policy Projects	Legal		177,000		177,000	Variation 1 appeals
27161	Environmental Policy Projects	Projects		96,281		96,281	Better off Funding-Freshwater management and MEP rezoning
31000	Dog Control	Contracts		40,000		40,000	Digitalisation of Dog Control documentation
31000	Dog Control	Sign expenses		15,000		15,000	Sign project continuing to align with park and reserve work programme
		<b>Subtotal</b>	<b>(533,012)</b>	<b>2,599,130</b>	<b>797,665</b>	<b>2,863,783</b>	

Carry-over requests: 2023-2024

Unit	Description	Item	Carryover				Comment
			Revenue	Opex	Capex	Total	
<b>Corporate Finance</b>							
02002	OH: Corporate Finance Management	Govt Operating grants & donations	(295,000)			(295,000)	Transitional funding repurposed to LWDW – organisational structures and finance
02002	OH: Corporate Finance Management	Projects		295,000		295,000	Transitional funding repurposed to LWDW – organisational structures and finance
12062	Housing for Seniors	Additions: Other buildings + Structures			657,980	657,980	Completion of Senior Housing development at 85 George Street
		<b>Subtotal</b>	<b>(295,000)</b>	<b>295,000</b>	<b>657,980</b>	<b>657,980</b>	
<b>Information Services</b>							
04022	Information Services: Network	Additions: Computer servers			67,598	67,598	Core network switches replacement delayed
04025	Information Services: Special Projects	Govt Operating grants & donations	(176,393)			(176,393)	Better off Funding-Geospatial data
04025	Information Services: Special Projects	Govt Capital grants & donations	(279,557)			(279,557)	Better off Funding-Water Allocation and Accounting database
04025	Information Services: Special Projects	Projects		176,393		176,393	Better off Funding-Geospatial data
04025	Information Services: Special Projects	Additions: Intangibles data/software			819,800	819,800	PFOL Next Generation project \$60,000 RFQ release was delayed Aerial Photography\$15,000 carried over to next flying season Compliance System \$400,000 project not started hope to begin August 2024 Better off funding Water Allocation and data cleansing-\$344,800
22119	Consents: LIM	Legal		41,980		41,980	For improvements & automation
		<b>Subtotal</b>	<b>(455,950)</b>	<b>218,373</b>	<b>887,398</b>	<b>649,821</b>	
<b>Total</b>							
			<b>21,345,022</b>	<b>19,525,354</b>	<b>25,887,239</b>	<b>(14,983,137)</b>	

# 13. Debtors Overdue Reports as at 31 July 2024

(The Chair) (Report prepared by S Greenhill)

F220-002-020-24

## Purpose of Report

1. The purpose of this report is to advise Council on the overdue debtor position as at 31 July 2024.

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## RECOMMENDATION

That the information be received.

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## 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 July 2024 is **attached** for Councillors' information.

The annual resource consent administration fees were charged in July 2024 totalling approx. \$1.4M. The balance owing as at 22 August 2024 is \$473,317 (67% have been paid).

The 90 Days balance includes invoices for the annual resource consent administration fees for 2023/2024 year that have not been paid. Invoice copies have been emailed requesting payment.

The Property Leases and Licences Debtors Report as at 31 July 2024 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	Geoff Blake, Chief Financial Officer

## Debtors Report as at 31 July 2024

Current Month

Comparison for Previous 5 Months

<b>Aged Analysis Report</b>	<b>July</b>	<b>June</b>	<b>May</b>	<b>April</b>	<b>March</b>	<b>February</b>
Current	3,506,759.95	2,740,846.19	2,154,995.86	3,387,745.57	3,319,943.55	2,408,197.38
30 - 90 Days	1,178,878.64	340,107.38	645,361.92	877,019.33	209,283.71	426,066.61
90 Days	591,371.02	522,088.51	515,552.30	624,046.77	614,275.81	607,136.04
<b>Outstanding Debtors Closing Balance</b>	<b>5,277,009.61</b>	<b>3,603,042.08</b>	<b>3,315,910.08</b>	<b>4,888,811.67</b>	<b>4,143,503.07</b>	<b>3,441,400.03</b>

<b>Debtors Action Report - Debtors over 90 days with Balance &gt;\$250</b>	<b>July</b>	<b>June</b>	<b>May</b>	<b>April</b>	<b>March</b>	<b>February</b>
With Debt Collection Agency	10,839.04	10,839.04	10,839.04	10,839.04	10,839.04	10,839.04
Paying by Arrangement	126,186.71	66,169.20	71,928.20	61,099.32	62,706.25	64,046.21
Negotiating Payment Arrangement	42,504.73	60,431.63	62,545.44	297,890.52	315,649.32	272,620.29
Work Not Yet Commenced/Completed	178,058.60	168,788.10	176,939.53	-	-	-
Debts in Dispute	132,085.00	170,789.56	170,789.56	171,290.56	173,198.63	178,952.81
Payments since month end taken off above amounts	90,358.75	32,160.70	7,089.09	67,860.47	28,739.51	52,162.37
<b>Sub-Total</b>	<b>580,032.83</b>	<b>509,178.23</b>	<b>500,130.86</b>	<b>608,979.91</b>	<b>591,132.75</b>	<b>578,620.72</b>
Various Debtors with Balances <\$250	11,338.19	12,910.28	15,421.44	15,066.86	23,143.06	28,515.32
<b>Over 90 days Outstanding Total</b>	<b>591,371.02</b>	<b>522,088.51</b>	<b>515,552.30</b>	<b>624,046.77</b>	<b>614,275.81</b>	<b>607,136.04</b>



## Property Leases and Licences Debtors Report as at 31 July 2024

	Current Month	Comparison for Previous 5 Months				
<b>Aged Analysis Report</b>	July	June	May	April	March	February
Current	109,979.04	113,518.77	78,067.79	93,590.95	9,510.47	78,507.70
30 Days	22,264.73	5,632.74	35,976.91	2,233.07	12,758.55	15,431.48
60 Days	605.64	1,921.75	1,963.07	1,688.30	13,192.48	3,142.43
90 Days	(6,474.98)	(991.87)	(7,250.49)	(5,215.85)	(8,802.83)	2,821.07
<b>Outstanding Debtors Closing Balance</b>	126,374.43	120,081.39	108,757.28	92,296.47	26,658.67	99,902.68

## 14. Rates Report as at 31 July 2024

(The Chair) (Report prepared by Amy Whalan)

F270-36-24

### Purpose of Report

1. The purpose of this report is to advise Council of the rates position as at 31 July 2024.

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### RECOMMENDATION

That the information be received.

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### Rate Levies Status and Rate Arrears Aged Balance Reports

2. The July results have been impacted as the rates have not yet been set.

The overall levy status report balance is in credit due to property owners paying weekly/fortnightly by direct debit and impacted due to the annual levy for the July report being \$0.00. This is an issue annually.

### Water Billing Debtors Report

3. Attached for information is the Water Billing Debtors Report as at 31 July 2024.

The Current balance is in credit due to a number of people paying the account after the direct debit had been processed.

The 90 Days balance includes a number of credit balances and overdue March 2024 invoices. Overdue letters sent in August 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.

Author	Amy Whalan, Team Leader Rating
Authoriser	Geoff Blake, Chief Financial Officer

## Rate Levies Status Report as at 31 July 2024

Financial Division	Balance B/Forward (01/07/24)	Annual Rate Levy	Arrears Penalty	Instalment Penalty	Adjustments	Cash Received for Year to Date	Balance 31/07/2024
Blenheim	(34,011)	-	35,583	(4,478)	15,304	(1,576,449)	(1,564,050)
Blenheim Vicinity	103,629	-	20,701	(1,434)	2,555	(314,835)	(189,384)
General Rural	151,249	-	25,102	(2,022)	1,359	(196,098)	(20,410)
Not Specified	-	-	-	-	(640)	-	(640)
Picton	235,669	-	28,269	(467)	(964)	(315,217)	(52,710)
Picton Vicinity	50,386	-	5,136	(58)	274	(14,080)	41,658
Sounds Admin Rural	21,925	-	3,681	(57)	138	(19,410)	6,278
Utilities Network	-	-	-	-	-	-	-
<b>Current Year Totals</b>	<b>528,847</b>	<b>-</b>	<b>118,472</b>	<b>(8,516)</b>	<b>18,027</b>	<b>(2,436,088)</b>	<b>(1,779,258)</b>

## Rate Arrears Aged Balance Report as at 31 July 2024

Year	Total Arrears (01/07/2024)	Rate Arrears Received Year to Date	Total Arrears 31/07/2024	Postponed Rates included in Total Arrears	Actual Arrears (after deducting postponed rates)
2023-24	1,528,800	374,137	1,154,663	31,870	1,122,793
2022-23	212,965	6,917	206,048	27,093	178,956
2021-22	94,451	515	93,936	25,826	68,110
2020-21	20,471	-	20,471	7,581	12,890
2019-20	10,287	-	10,287	3,843	6,444
2018-19 (and prior)	22,910	-	22,910	15,885	7,025
<b>Total</b>	<b>1,889,883</b>	<b>381,568</b>	<b>1,508,315</b>	<b>112,098</b>	<b>1,396,216</b>

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

## Water Billing Debtors Report as at 31 July 2024

	Current Month	Comparison for Previous 5 Months				
	July	June	May	April	March	February
<b>Aged Analysis Report</b>						
Current	(30,078.95)	939,878.17	212,291.59	31,808.22	1,592,106.08	62,384.72
30 - 90 Days	142,215.68	191,382.06	184,645.59	235,796.85	63,844.21	79,024.20
90 Days	24,527.62	63,257.82	(25,804.97)	(33,728.70)	14,233.48	(28,342.64)
<b>Outstanding Debtors Closing Balance</b>	<b>136,664.35</b>	<b>1,194,518.05</b>	<b>371,132.21</b>	<b>233,876.37</b>	<b>1,670,183.77</b>	<b>113,066.28</b>

<b>Debtors Action Report - Debtors over 90 days Balance &gt;\$250</b>						
	July	June	May	April	March	February
Paying by Arrangement	1,663.33	3,162.69	992.54	1,834.19	3,088.36	1,747.93
Negotiating Payment Arrangement	29,832.19	62,776.25	31,112.92	32,217.06	38,409.21	28,946.32
Awaiting Possible Water Remission (New)	40,184.81	41,791.90	8,825.03	23,929.42	24,701.56	13,443.44
Payments since month end taken off above amounts	8,398.33	8,851.48	4,676.08	650.00	2,865.25	13,083.78
<b>Sub-Total</b>	<b>80,078.66</b>	<b>116,582.32</b>	<b>45,606.57</b>	<b>58,630.67</b>	<b>69,064.38</b>	<b>57,221.47</b>
Various Debtors with Balances <\$250 or Credit Balances	(55,551.04)	(53,324.50)	(71,411.54)	(92,359.37)	(54,830.90)	(85,564.11)
<b>90 days Outstanding Total</b>	<b>24,527.62</b>	<b>63,257.82</b>	<b>(25,804.97)</b>	<b>(33,728.70)</b>	<b>14,233.48</b>	<b>(28,342.64)</b>

## 15. Information Package

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### **RECOMMENDATION**

That the Economic, Finance & Community Information Package dated 3 September 2024 be received and noted.

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## 16. 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)
- Debtors

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
Minutes and Committee Reports	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.
Debtors	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.