



AGENDA

Policy and Development Committee Meeting Tuesday, 17 September 2019

Date Tuesday, 17 September 2019

Time Following the Community Development
Committee

Location Council Chamber
Timaru District Council
King George Place
Timaru

File Reference 1281596

Timaru District Council

Notice is hereby given that a meeting of the Policy and Development Committee will be held in the Council Chamber, Timaru District Council, King George Place, Timaru, on Tuesday 17 September 2019, at the conclusion of the Community Development Committee meeting.

Policy and Development Committee Members

Clrs Peter Burt (Chairperson), Andrea Leslie (Deputy Chairperson), Steve Wills, David Jack, Sally Parker, Paddy O'Reilly, Kerry Stevens, Nigel Bowen Richard Lyon and Mayor Damon Odey

Quorum – no less than 6 members

Local Authorities (Members' Interests) Act 1968

Committee members are reminded that if you have a pecuniary interest in any item on the agenda, then you must declare this interest and refrain from discussing or voting on this item, and are advised to withdraw from the meeting table.

Donna Cross

Group Manager Commercial and Strategy

Order Of Business

1	Apologies	5
2	Identification of Items of Urgent Business.....	5
3	Identification of Matters of a Minor Nature	5
4	Declaration of Conflicts of Interest	5
5	Chairperson’s Report.....	5
6	Confirmation of Minutes	6
6.1	Minutes of the Policy and Development Committee Meeting held on 30 July 2019.....	6
7	Reports	14
7.1	Timaru District Holdings Ltd Quarterly Report April to June 2019	14
7.2	Council Procurement Strategy Review.....	22
7.3	Aoraki Development Limited - Quarterly Report - 1 April 2019 to 30 June 2019.....	25
7.4	Timaru District Holdings Ltd Annual General Meeting	35
8	Consideration of Urgent Business Items and Recommendations from Committees.....	36
9	Consideration of Minor Nature Matters.....	36
10	Exclusion of the Public.....	37
11	Public Excluded Reports.....	39
11.1	Public Excluded Minutes of the Policy and Development Committee Meeting held on 30 July 2019.....	39
11.2	Property Matter Update.....	39
12	Readmittance of the Public.....	40

- 1 Apologies**
- 2 Identification of Items of Urgent Business**
- 3 Identification of Matters of a Minor Nature**
- 4 Declaration of Conflicts of Interest**
- 5 Chairperson's Report**

6 Confirmation of Minutes

6.1 Minutes of the Policy and Development Committee Meeting held on 30 July 2019

Author: Jo Doyle, Executive Assistant, Commercial and Strategy

Recommendation

That the Minutes of the Policy and Development Committee Meeting held on 30 July 2019 be confirmed as a true and correct record of that meeting.

Attachments

- 1. Minutes of the Policy and Development Committee Meeting held on 30 July 2019**



MINUTES

Policy and Development Committee Meeting Tuesday, 30 July 2019

Ref: 1281596

**Minutes of Timaru District Council
Policy and Development Committee Meeting
Held at the Council Chamber, Timaru District Council, King George Place, Timaru
on Tuesday, 30 July 2019 following the Infrastructure Committee Meeting**

Present: Clr Peter Burt (Chairperson), Clr Andrea Leslie (Deputy Chairperson), Mayor Damon Odey, Clr Steve Wills, Clr David Jack, Clr Sally Parker, Clr Paddy O'Reilly, Clr Kerry Stevens, Clr Richard Lyon

In Attendance: Charles Scarsbrook – Temuka Community Board
Group Manager Commercial and Strategy (Donna Cross), Chief Executive (Bede Carran), Chief Financial Officer (David Codyre), Strategy and Corporate Planning Manager (Mark Low), Council Secretary (Joanne Brownie)

1 Apologies

Committee Resolution 2019/10

Moved: Clr Sally Parker

Seconded: Clr Paddy O'Reilly

That apologies from Clr Nigel Bowen, Karalyn Reid – Pleasant Point Community Board and Wayne O'Donnell – Geraldine Community Board be received and accepted.

Carried

2 Identification of Items of Urgent Business

There were no urgent business items.

3 Identification of Matters of a Minor Nature

There were no minor nature matters.

4 Declaration of Conflicts of Interest

There were no conflicts of interest declared.

5 Chairperson's Report

The Chairperson reported on meetings he had attended and duties he had carried out since the last meeting including the Industrial Relations Committee meeting, various workshops, LGNZ conference, Council meeting, District Licensing matters, and meetings with interest groups including the proposed cyclepark on the bay.

6 Confirmation of Minutes**6.1 Minutes of the Policy and Development Committee Meeting held on 11 June 2019****Committee Resolution 2019/11**

Moved: Clr Kerry Stevens

Seconded: Clr Steve Wills

That the Minutes of the Policy and Development Committee Meeting held on 11 June 2019 be confirmed as a true and correct record of that meeting.

Carried

7 Reports**7.1 Aorangi Stadium Trust Final Statement of Intent**

The Committee considered a report, together with the Aorangi Stadium Trust's completed (final) 2019/20 Statement of Intent to Timaru District Council.

Committee Resolution 2019/12

Moved: Clr David Jack

Seconded: Clr Andrea Leslie

That the Aorangi Stadium Trust 2019/20 Statement of Intent be received and noted.

Carried

7.2 Timaru District Holdings Limited Final Statement of Intent

The Committee received the Timaru District Holdings Limited 2019/2020 final Statement of Intent, noting one change from the draft document which was the removal of subvention income from TDC.

Committee Resolution 2019/13

Moved: Clr Steve Wills

Seconded: Clr Sally Parker

That the report is received and noted.

Carried

7.3 Council Investments and Borrowing as at 30 June 2019

The Committee considered an update on the status of the Council's treasury activities as at 30 June 2019. Comment was made that the net debt reflects a strong position and is consistent with expectations, given the nature and level of Council's operations.

Committee Resolution 2019/14

Moved: Mayor Damon Odey

Seconded: Clr David Jack

That the Committee receives and notes the Council Investments and Borrowing report as at 30 June 2019.

Carried**7.4 Asset Revaluation Project Update**

The Committee considered an update on the implementation of the change in accounting policy to account for certain assets at fair value.

Committee Resolution 2019/15

Moved: Mayor Damon Odey

Seconded: Clr David Jack

That the Committee receives and notes the Asset Revaluation Project Update.

Carried**7.5 Elected Members Remuneration 2019/20**

The Committee considered a report advising elected members of changes to remuneration and allowances set by The Remuneration Authority for the 2019/20 year, and of changes to the approach to remuneration post the 2019 local elections.

Committee Resolution 2019/16

Moved: Clr Richard Lyon

Seconded: Clr Kerry Stevens

That the Committee receives and notes the Elected Members Remuneration report.

Carried**8 Consideration of Urgent Business Items**

There was no urgent business.

9 Consideration of Minor Nature Matters

There were no minor nature matters.

10 Exclusion of the Public**Committee Resolution 2019/17**

Moved: Clr Paddy O'Reilly

Seconded: Clr Sally Parker

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<p>11.1 - Public Excluded Minutes of the Policy and Development Committee Meeting held on 11 June 2019</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source and is in the public interest that such information should continue to be supplied</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - The withholding of the information is necessary to enable any local authority</p>	<p>To protect a person's privacy</p> <p>Commercial sensitivity</p> <p>Due to an obligation of confidence and to ensure the information avenue remains open, when it is in the public interest for it to do so</p> <p>To protect all communications between a legal adviser and clients from being disclosed without the permission of the client.</p> <p>To enable commercial activities</p> <p>To enable commercial or industrial negotiations</p>

	<p>holding the information to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	
11.2 - Acquisition	<p>s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p> <p>s7(2)(j) - The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</p>	<p>To enable commercial or industrial negotiations</p> <p>To prevent use of the information for improper gain or advantage</p>
11.3 - Request for approval to remove a caveat	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p>	<p>To protect a person's privacy</p> <p>Commercial sensitivity</p>

Carried

Committee Resolution 2019/18

Moved: Clr Kerry Stevens

Seconded: Clr Paddy O'Reilly

That Council moves out of Closed Council into Open Council.

Carried

11 Public Excluded Reports

11.1 Public Excluded Minutes of the Policy and Development Committee Meeting held on 11 June 2019

11.2 Acquisition

11.3 Request for approval to remove a caveat

The Meeting closed at 10.40am.

.....
Chairperson

7 Reports

7.1 Timaru District Holdings Ltd Quarterly Report April to June 2019

Author: Joanne Brownie, Council Secretary

Authoriser: David Codyre, Chief Financial Officer

<p>Recommendation</p> <p>That the report be received and noted.</p>
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Purpose of Report

1. To present to the Policy and Development Committee, on behalf of Timaru District Council as shareholder, the Timaru District Holdings Limited quarterly report for the period 1 April to 30 June 2019 as below.

TIMARU DISTRICT HOLDINGS LIMITED

PO Box 522
Timaru 7940

10 September 2019

Chief Executive
Timaru District Council
PO Box 522
Timaru

Dear Sir

Timaru District Holdings Ltd – Report to Council for the Period April to June 2019

Timaru District Holdings Ltd (TDHL) is pleased to present this report for the period April to June 2019.

1 Finance

1.1 Financial Statements

The Timaru District Holdings Ltd draft financial statements for the period to 30 June 2019 are attached for information.

The year to date surplus of \$5.1 million is in line with forecast expectations. Rental Income is up as a result of additional properties in portfolio and renegotiation of leases. The year to date result does not include share of Associate Surplus or Property Revaluation.

1.2 Dividends

TDHL paid a dividend of \$750,000 on 30 June 2019 to the Council, in line with the Statement of Intent. A non-cash dividend of \$30,000,000 was paid on 29 June 2019 as agreed with the Shareholder. Timaru District Council received the non-cash dividend in the form of 30 million \$1 shares. Timaru District Council now holds 31,000,185 fully paid and 18,550,000 partly paid shares in Timaru District Holdings Limited.

2 Governance

TDHL

Council, as shareholder, approved TDHL's Statement of Intent for 2019/2020.

TDHL received the TDHL Audit Plan from Audit New Zealand.

TDHL held a workshop with Council to maintain communication and keep Council up to date with holding company activities in the commercial arena.

PrimePort Timaru Ltd

TDHL received the draft 2020/2022 PrimePort Timaru Ltd Statement of Intent for consideration and comment back to PrimePort.

Monthly reports are provided to TDHL, reporting against budget, explaining capital expenditure and keeping TDHL informed of general trade and cargo activity. The significant capital expenditure programme on infrastructure continues.

Total revenue has increased above budget and ahead of last year, due to strong trade results, although seasonality is always a factor in causing variances during the year.

Alpine Energy Ltd

TDHL considered the Alpine Energy draft Statement of Corporate Intent for 2020/22 and submitted on several aspects of the document.

Monthly reports are supplied to TDHL and following shareholder feedback, Alpine is in the throes of refining these regular reports, to better satisfy the shareholders.

In addition to monthly reporting, TDHL met with one of its appointed AEL directors.

Further engagement will take place at the Alpine Energy Annual General Meeting in July.

3 Property

TDHL's property portfolio is a significant part of the holding company's activities. The rental sector of this part of the operation ticks over with normal lease activity consistent with commercial leasing. As much of the property work involves commercial negotiations, the detail needs to remain confidential, although activity is in line with the agreed parameters between Council and TDHL. Whenever possible, significant transactions are made public as appropriate. The holding company has specialist skills allowing strategic work in this area that is for the benefit of the local economy and wider community.

4 Central Business District Development

Timaru Central Business District Development is also being considered by the Board.

TIMARU DISTRICT HOLDINGS LIMITED
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD TO 30 June 2019

	Jun-18		YTD	YTD	YTD	Full Year	Full Year	Full Year
	Actual	Budget	Actual	Budget	FY17/18 Actual	Budget	Forecast	FY17/18 Actual
Port Property Operations								
Revenue								
Leased property - Rents received	10,896	135,000	2,182,254	1,620,000	1,572,117	1,620,000	2,272,600	1,790,615
Leased property - expenses reimbursed	7,632	21,667	361,049	260,000	198,962	260,000	380,000	263,799
Total Port Properties Revenue	18,127	156,667	2,543,303	1,880,000	1,771,079	1,880,000	2,652,600	2,054,414
Expenses								
Leased property expenses - rates/water	5,063	24,167	337,653	290,000	229,723	290,000	360,000	296,615
Leased property expenses - Electricity	2,188	2,083	28,587	25,000	13,731	25,000	27,000	17,829
Leased property expenses - Insurance	0	1,125	27,930	13,500	12,484	13,500	27,930	12,484
Leased property expenses - maintenance	40,943	10,000	145,346	120,000	104,294	120,000	120,000	153,663
Leased property expenses - TDC admin	24,883	3,333	50,000	40,000	34,334	40,000	50,000	42,834
Leased property expenses - mgmt/professional	0	4,000	49,628	48,000	52,231	48,000	50,000	62,255
Total Port Property operations expenses	73,077	44,708	639,145	536,500	446,796	536,500	634,930	585,681
Surplus/(Deficit) from Port Property Operations	(54,951)	111,958	1,904,158	1,343,500	1,324,301	1,343,500	2,017,670	1,468,733
Showgrounds								
Revenue								
Leased property - Rents received	0	0	0	0	0	0	0	0
Leased property - expenses reimbursed	0	0	0	0	0	0	0	0
Total Showgrounds Revenue	0	0	0	0	0	0	0	0
Expenses								
Leased property expenses - rates/water	0	6,333	77,519	76,000	53,517	76,000	78,000	71,357
Leased property expenses - Electricity	0	0	0	0	0	0	0	0
Leased property expenses - Insurance	0	0	0	0	0	0	0	0
Leased property expenses - maintenance	0	1,000	14,199	12,000	12,277	12,000	15,000	12,277
Leased property expenses - interest	59,000	30,000	360,000	360,000	277,518	360,000	360,000	327,518
Leased property expenses - TDC admin	9,400	417	10,000	5,000	1,600	5,000	10,000	1,600
Leased property expenses - mgmt/professional	3,889	417	3,889	5,000	5,638	5,000	5,000	5,638
Total Showgrounds Property operations expenses	72,289	38,167	465,607	468,000	350,550	468,000	468,000	418,389
Surplus/(Deficit) from Showgrounds Property Operations	(72,289)	(38,167)	(465,607)	(468,000)	(350,550)	(468,000)	(468,000)	(418,389)
Holding Company Operations								
Revenue								
Interest	9,093	7,908	72,803	94,900	97,793	94,900	76,000	114,101
Dividends - Alpine	1,884,558	0	4,711,596	2,826,900	2,826,836	4,711,400	4,711,400	4,711,394
Dividends - PrimePort Timaru	0	0	650,000	700,000	700,000	700,000	650,000	700,000
Subvention (TDC Loan)	(80,334)	67,500	(80,334)	810,000	612,501	810,000	0	736,941
Total Holding Company Operations revenue	1,813,316	75,408	5,354,065	4,431,800	4,237,130	6,316,300	5,437,400	6,261,435
Operating expenses								
Directors Fees	8,070	9,500	106,410	114,000	86,848	114,000	114,000	106,954
Insurance	0	583	10,199	10,199	6,650	7,000	10,199	6,650
TDC Administration	36,736	3,000	94,271	36,000	33,028	36,000	90,000	48,997
Professional Fees - Deductible	5,360	4,167	128,090	50,000	60,877	50,000	130,000	61,943
Professional Fees - Non Deductible	0	0	0	0	0	0	0	0
Printing & Stationary	1,000	83	1,000	1,000	0	1,000	1,000	1,000
Tolls & Postage	400	33	400	400	0	400	400	400
Travel & Entertaining Costs	1,992	833	5,657	10,000	10,308	10,000	6,000	11,191
Bank Fees	19	17	345	200	194	200	400	212
Advertising	0	0	83	0	0	0	100	0
General Expenses	0	167	5,215	2,000	0	2,000	6,000	50
Bad Debts	0	0	0	0	0	0	0	0
Audit Fees	13,859	1,250	23,348	15,000	30	15,000	15,000	13,530
Total Holding Company Operating Expenses	67,036	19,633	376,019	238,799	197,934	236,600	373,099	280,927
Surplus from Holding Company Operations	1,746,280	55,775	4,979,046	4,193,001	4,039,205	6,080,700	5,064,301	6,010,508
Financing costs								
Interest - TDC	57,609	67,500	726,953	810,000	612,501	810,000	727,000	736,941
Interest - External	33,863	24,271	500,446	291,250	427,348	291,250	500,000	501,745
Loan establishment fees	0	0	0	0	0	0	0	0
Derivative Fair value adjustment	(185,022)	0	(185,022)	0	0	0	0	(146,742)
Total Financing Costs	(93,650)	91,771	1,042,377	1,101,250	1,039,849	1,101,250	1,227,000	1,090,944
OPERATING SURPLUS/(DEFICIT) BEFORE TAXATION	1,712,911	37,796	5,375,220	3,977,251	3,973,108	5,864,950	5,386,971	5,969,908
Tax Expense/(Benefit)	(13,600)	126,100	134,300	126,100	125,000	127,000	300,000	115,300
NET SURPLUS/(DEFICIT)	1,726,191	(88,304)	5,240,920	3,851,151	3,848,108	5,737,950	5,086,971	5,854,608

**TIMARU DISTRICT HOLDINGS LIMITED
STATEMENT OF MOVEMENTS IN EQUITY
FOR THE PERIOD TO 30 June 2019**

	2018/19 YTD Actual
Equity at 1 July	99,659,986
Net Surplus/(Deficit)	5,240,920
Total recognised revenues and expenses for the period	<u>5,240,920</u>
Dividends to Owners	(32,750,000)
Shares Issued	30,000,000
EQUITY AT 31 MARCH	<u>102,150,906</u>

**TIMARU DISTRICT HOLDINGS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 June 2019**

30 June 18 Actual		30 June 19 Actual
	EQUITY	
1,000,186	Share Capital	31,000,186
0	Redeemable Preference Shares	0
<u>96,594,158</u>	Retained Earnings	<u>72,150,906</u>
<u>97,594,344</u>	TOTAL EQUITY	<u>103,151,092</u>
	CURRENT ASSETS	
29,265	Bank	21,901
2,005,000	General Investment	1,946,081
735,940	Intercompany Receivable	0
1,982,666	Accounts Receivable	2,032,828
32,049	Prepayments	42,237
0	Taxation Benefit	0
4,193	GST Refund/(Payable)	<u>(4,763)</u>
<u>4,789,113</u>	TOTAL CURRENT ASSETS	<u>4,038,283</u>
	NON CURRENT ASSETS	
0	Investments	0
25,573,000	Investment - PrimePort	26,654,750
66,558,000	Investment - Alpine	68,421,156
0	Investment - Te Ana	0
0	Investment - Hunter Downs	0
(120,922)	Future Tax Benefit	(134,300)
31,000,910	Investment Properties	33,330,700
8,430,000	Investment Properties - Showgrounds	<u>8,430,000</u>
<u>131,440,988</u>	TOTAL NON CURRENT ASSETS	<u>136,702,306</u>
136,230,101	TOTAL ASSETS	140,740,589
	CURRENT LIABILITIES	
0	Bank Overdraft	0
133,665	Accounts Payable	193,438
735,940	Accrued Interest - TDC	726,953
11,716	Accrued Interest - External	19,437
49,442	Revenue in advance	129,698
0	Provision for Dividend	0
295,318	Derivative Financial Instruments	292,906
0	Current Portion Term Loans	0
0	Intercompany Advance	0
<u>1,226,081</u>	TOTAL CURRENT LIABILITIES	<u>1,362,432</u>
	NON CURRENT LIABILITIES	
22,180,613	Timaru District Council	22,180,613
0	Shares	0
329,063	Derivative Financial Instruments	146,453
14,900,000	Bank Loan	<u>13,900,000</u>
<u>38,635,757</u>	TOTAL LIABILITIES	<u>37,589,498</u>
<u>97,594,344</u>	NET ASSETS	<u>103,151,092</u>

**TIMARU DISTRICT HOLDINGS LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD TO 30 June 2019**

	2018/19 YTD Actual
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash was provided from:	
Receipts from Customers	
Subvention Receipt	0
Subvention Receipt Primeport	0
Rentals	2,573,396
Insurance proceeds	0
Dividends	5,361,596
Interest	72,803
	<u>8,007,795</u>
Cash was disbursed to:	
Interest TDC	80,000
Interest External	860,446
Payments to Suppliers	1,053,843
	<u>1,994,289</u>
NET CASH INFLOW/(OUTFLOW) OPERATING ACTIVITIES	6,013,506
CASH FLOW FROM INVESTING ACTIVITIES	
Cash was provided from:	
Proceeds Sale Fixed Assets	0
Proceeds Sale Investments	0
	<u>0</u>
Cash was disbursed to:	
Purchase of Fixed Assets	2,329,790
Purchase of Investments	0
	<u>2,329,790</u>
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	(2,329,790)
CASH FLOWS FROM FINANCING ACTIVITIES	
Cash was provided from:	
Loans Raised	1,500,000
Share Subscriptions	0
	<u>1,500,000</u>
Cash was disbursed to:	
Dividends Paid	2,750,000
Loans Repaid	2,500,000
	<u>5,250,000</u>
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	(3,750,000)
NET INCREASE/(DECREASE) IN CASH HELD	(66,283)
OPENING CASH BALANCE 1 JULY	2,034,265
CLOSING CASH BALANCES 30 JUNE	<u>1,967,982</u>
Cash Balances are comprised of:	
Bank Accounts	21,901
Term Deposits	1,946,081
	<u>1,967,982</u>

TIMARU DISTRICT HOLDINGS LIMITED
CASHFLOW FORECAST 2019 - 2022

	2020 Financial Year											
	31-Jul-19	31-Aug-19	30-Sep-19	31-Oct-19	30-Nov-19	31-Dec-19	31-Jan-20	29-Feb-20	31-Mar-20	30-Apr-20	31-May-20	30-Jun-20
Holding Company Operations Revenue												
Alpine Energy	1,884,370	0	942,278	0	0	942,278	0	0	942,278	0	0	0
Port of Timaru	0	0	0	700,000	0	0	0	0	0	0	0	0
Subvention Receipt	0	0	0	0	0	0	0	0	0	67,500	67,500	67,500
Interest	3,525	5,585	5,666	4,779	5,887	5,978	5,108	5,196	5,291	4,420	4,616	4,808
Total Holding Company Operations Revenue	1,887,895	6,585	947,944	704,779	5,887	948,256	5,108	5,196	947,569	71,920	72,116	72,308
Port Property Operations Revenue												
Leased properties - rents	189,703	189,703	189,703	189,703	189,703	189,703	189,703	189,703	189,703	189,703	189,703	189,703
Leased properties - exps reimbursed	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Total Port Property Operations Revenue	209,703	209,703	209,703	209,703	209,703	209,703	209,703	209,703	209,703	209,703	209,703	209,703
Total Revenue	2,097,697	216,288	1,157,647	914,481	216,590	1,157,959	214,811	214,898	1,157,272	281,623	281,819	282,010
General Expenses												
Directors Fees	(8,900)	(8,900)	(8,900)	(8,900)	(8,900)	(8,900)	(8,900)	(8,900)	(8,900)	(8,900)	(8,900)	(9,200)
Insurance	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)
TDC Administration	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)
Professional fees	(2,000)	(6,000)	(5,000)	(4,000)	(2,000)	(2,000)	(6,000)	(5,000)	(5,000)	(2,000)	(5,000)	(6,000)
Printing & Stationary	0	0	0	0	0	0	0	0	0	0	0	(1,000)
Tolls & Postage	0	0	0	0	0	0	0	0	0	0	0	(400)
Travel Costs	(800)	(800)	(800)	(800)	(800)	(800)	(800)	(800)	(1,200)	(800)	(800)	(800)
Bank Fees	(15)	(15)	(15)	(15)	(15)	(15)	(15)	(15)	(15)	(15)	(15)	(15)
Advertising	0	0	0	0	0	0	0	0	0	0	0	(2,000)
General Expenses	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)
Audit Fees	0	0	0	0	0	0	0	0	0	0	0	(15,000)
Loan Facility	0	0	0	0	0	0	0	0	0	0	0	0
Interest (TDC)	(67,500)	(67,500)	(67,500)	(67,500)	(67,500)	(67,500)	(67,500)	(67,500)	(67,500)	(67,500)	(67,500)	(67,500)
Interest (RPS dividend)	0	0	0	0	0	0	0	0	0	0	0	0
Interest External	(46,333)	(46,333)	(43,000)	(43,000)	(43,000)	(39,667)	(39,667)	(39,667)	(36,333)	(36,333)	(36,333)	(36,333)
Total General Expenses	(131,148)	(136,148)	(136,816)	(129,816)	(127,816)	(124,482)	(128,482)	(127,482)	(124,648)	(121,148)	(124,148)	(143,848)
Port Property Expenses												
Property - rates/water	0	0	(85,000)	0	0	(85,000)	0	0	(85,000)	0	0	(85,000)
Property - Electricity	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Property - Insurance	(28,000)	0	0	0	0	0	0	0	0	0	0	0
Property - Maintenance	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Property - Administration	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	4	(4,000)	(4,000)	(4,000)	(4,000)
Property - Professional	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(3,000)	(20,000)
Total Port Property Expenses	(61,500)	(23,500)	(108,500)	(23,500)	(23,500)	(108,500)	(23,500)	(19,496)	(108,500)	(23,500)	(24,000)	(128,000)
Showgrounds Expenses												
Showgrounds - rates/water	0	0	(20,000)	0	0	(20,000)	0	0	(19,000)	0	0	(19,000)
Property - Maintenance	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Property - Administration	(200)	(200)	(200)	(200)	(200)	(200)	(500)	(500)	(500)	(500)	(500)	(1,300)
Property - Professional	(200)	(200)	(200)	(200)	(200)	(200)	(500)	(500)	(500)	(500)	(500)	(1,300)
Property - Interest costs	(200)	(200)	(200)	(200)	(200)	(200)	(500)	(500)	(500)	(500)	(500)	(1,300)
Total Showgrounds Expenses	(1,600)	(1,600)	(21,600)	(1,600)	(1,600)	(21,600)	(2,500)	(2,500)	(21,600)	(2,500)	(2,600)	(23,900)
Total Expenses	(184,248)	(160,248)	(266,916)	(164,916)	(162,916)	(264,682)	(164,482)	(149,478)	(264,648)	(147,148)	(160,648)	(293,748)
Nett	1,913,349	55,040	891,732	759,566	62,674	903,377	60,329	65,421	902,724	134,475	131,171	(11,738)
Dividend TDC	(500,000)		(500,000)			(500,000)			(500,000)			(850,000)
Principal Repaid TDC												
Principal Raised External												
Principal Repaid External			(1,000,000)			(1,000,000)			(1,000,000)			
Opening Balance	2,416,862	3,830,211	3,885,251	3,276,982	4,036,549	4,099,223	3,502,600	3,562,929	3,628,350	3,031,073	3,165,548	3,296,718
Closing Balance	3,830,211	3,885,251	3,276,982	4,036,549	4,099,223	3,602,600	3,602,929	3,028,360	3,091,073	3,165,648	3,296,718	2,434,980
TDC Loan	22,180,600	22,180,600	22,180,600	22,180,600	22,180,600	22,180,600	22,180,600	22,180,600	22,180,600	22,180,600	22,180,600	22,180,600
External Loan	13,900,000	13,900,000	12,900,000	12,900,000	12,900,000	11,900,000	11,900,000	11,900,000	10,900,000	10,900,000	10,900,000	10,900,000

Attachments

Nil

7.2 Council Procurement Strategy Review

Author: Andrew Dixon, Land Transport Manager
Donna Cross, Group Manager Commercial and Strategy

Authoriser: Donna Cross, Group Manager Commercial and Strategy

Recommendation

That the report be received.

Purpose of Report

- 1 The purpose of this report is to inform the Policy and Development Committee of a proposed review of the Timaru District Council Procurement Policy and Strategy.

Assessment of Significance

- 2 This report has low significance under the Council's Significance and Engagement Policy.

Discussion

- 3 Council purchases a wide range of goods and services through a variety of procurement mechanisms; from minor purchases to comprehensive multi-year maintenance contracts and long term arrangements for essential services.
- 4 The current Procurement Policy was adopted by Council in July 2015. The policy reflects New Zealand Transport Agency (NZTA) requirements for road financial assistance funding, with NZTA being a large funder of our roading projects. Alongside the policy, we also have a detailed Procurement Strategy which again was initially developed to comply with NZTA requirements. It was considered that robust procurement processes should be used for all Council procurement activities and therefore the strategy and policy are applied across the organisation.
- 5 The purpose of this policy and strategy is to define Council's approach to procurement of goods and services to support the community in an affordable and efficient manner; achieve good procurement outcomes for Council, and to provide a standardised approach to procurement for all units of Council.
- 6 NZTA requirements and the recent revision of the Government Procurement Rules means that a review of Council's procurement policy and strategy is timely.
- 7 NZTA requires recipients' procurement strategies to be reviewed and updated every three years. Council's strategy, although a corporate strategy, is required to comply with this review schedule if road financial assistance funding is to be provided.
- 8 Through the Mid-South Canterbury Roading Collaboration, Council are seeking an eight month extension to the road maintenance contract with the proposed new end date of 30 June 2021. The proposal aims to allow time to review the scope and form of the contract to ensure excellent value for money in a sustainable manner. NZTA have advised that a reviewed

procurement strategy is required before approval for an extension to the current road maintenance contract can be granted.

- 9 The Government Procurement Rules have also recently been revised, and come into effect on 1 October 2019. As public sector agencies, Local authorities are encouraged to apply the Rules as good practice guidance, although they are not mandatory. These Rules promote having policies in place that incorporate the five Principles of Government Procurement which are:
- Plan and Manage for Great Results
 - Be fair to all suppliers
 - Get the Right Supplier
 - Get the Best Deal for Everyone
 - Play by the Rules
- 10 The revised Government Procurement Rules have a greater regard to local markets or suppliers and a supplier's commitment to environmental sustainability.
- 11 These guidelines encourage Council's procurement policies to be committed to having a long-term perspective, as appropriate, as it seeks to promote the social, economic, environmental, and cultural well-being of current and future generations. This includes:
- Looking at whole-of-life costs instead of shorter term capital costs when comparing suppliers or delivery models;
 - Seeking sustainable options that improve the sustainability of Council or the community's activities;
 - Welcoming innovation from suppliers, both during the procurement process and throughout the life of any subsequent contract;
 - Aiming to achieve shared outcomes whereby the interests of Council, its community and the supplier are aligned;
 - "Right sizing" procurement activity, and using open and/or competitive procurement processes as appropriate;
 - Using collaborative or partnering arrangements such as all of government supply contracts or the South Canterbury road resurfacing contract, where appropriate for larger-scale procurement, to develop a 'best for project' approach;
 - Purchasing local, where appropriate to do so in line with Council's Procurement Policy;
 - Carefully assessing the risk associated with its activities and identifying which risks are best held by Council or the supplier, based on the principle of the entity best placed to manage the risk, holding the risk.
 - Collaborating with other entities to jointly procure common goods and services, where this demonstrates benefits to both parties.
- 12 The next steps proposed are that a new Council procurement policy and strategy be reviewed over the next three months for the procurement of Land Transport activities (wider procurement may need to be addressed as a second stage). NZTA endorsement will then be requested which will then allow an extension to the road maintenance contract to be considered. Council approval for the proposed time extension will also be requested.

- 13 This new Land Transport procurement strategy and the new Government procurement guidelines will be used to inform a review of the current Council procurement policy. It is proposed that this reviewed policy is presented to Council for adoption early 2020.

Attachments

Nil

7.3 Aoraki Development Limited - Quarterly Report - 1 April 2019 to 30 June 2019**Author:** Donna Cross, Group Manager Commercial and Strategy**Authoriser:** Donna Cross, Group Manager Commercial and Strategy**Recommendation**

That the Aoraki Development Limited quarterly report be received and noted.

Purpose of Report

- 1 To present to the Timaru District Council, as shareholder, the Aoraki Development Limited quarterly report for the period 1 April to 30 June 2019.

Assessment of Significance

- 2 This matter is not deemed significant under the Council's Significance and Engagement Policy.

Discussion

- 3 Aoraki Development Limited presents a quarterly report to Timaru District Council as stipulated in its Statement of Intent. A quarterly report for the period 1 April to 30 June 2019 has been prepared by Aoraki Development Limited and is attached.
- 4 The Chief Executive of Aoraki Development Limited will be in attendance to speak to the report.

Attachments

1. **Aoraki Development - Quarterly Report April - June 2019(2)**  



Quarterly Report to Timaru District Council

for the period to 30th June 2019





**Innovative, Thriving and Connected Heartland –
Timaru District**



Establish & build strategic partnerships to enhance business capability

**ASSISTING BUSINESSES TO
RETAIN & ATTRACT a
SKILLED WORKFORCE**

- Youth workforce.**
 - Manage and expand Canterbury Youth Transition Pilot Programme. (project)
- Existing workforce.**
 - Coordinate retention activities – e.g. Young Professionals Group and others as identified.
- Returning to Work and Aged workforce.**
 - Facilitating family/aged friendly network of employment opportunities (project).
- “Not here” workforce.**
 - Targeted promotion of the district and opportunities to specific identified areas e.g. Auckland, Hamilton and Tauranga (project).
 - Coordinated welcome package incorporating network introductions (project)
 - Establish closer working relationship with Migrant Centre including championing the need for recognition of prior learning for immigrants (project).

Retention of MSD Contract for Youth Transition Initiative

Annual Survey – Effective Support

**ENCOURAGING INNOVATION AND
FACILITATING THE GROWTH OF
EXISTING BUSINESS**

- Continuation and growth of existing BCG strategy to incorporate Primary and Hospitality/Tourism sectors.
- Leveraging key strategic partnerships for direct benefit of local business and industry (advocacy, introductions, partnerships etc).
- Facilitate expanded connections between training providers and business/industry to ensure demand is met by supply.
- Highlighting the district as an innovative hub through promoting existing innovation leaders/companies, initiatives and assist in creating a “can do” culture.
- Identifying local policy solutions to ensure the timely delivery of economic development opportunities.

**# New Business Connections
(min 20 per month)**

Annual Survey – Effective Support

**CREATING AN ENVIRONMENT TO
ATTRACT AND ASSIST
NEW BUSINESS**

- Foster existing institutional relationships to enable and progress new business opportunities
- Encouraging and enabling business opportunities through an innovative and supportive district wide network.
- Further engagement with commercial & industrial landowners throughout the district to understand their future plans and openness to potential development opportunities.
- Collation of updated district resource of key new business needs (land, water, power, support services etc)
- Investigate the potential for a local entrepreneurial Angel Investor group (project)
- Ongoing update of promotional resources – “Our Story”, Showcasing brochure, website, videos etc.

**# New business opportunities
(min 10 per ¼ with 10% conversion)**

**Annual Survey
– New Business established**

STRATEGIC PARTNERSHIPS ESTABLISHED AND FOSTERED

TIMARU DISTRICT COUNCIL

- CE attendee at Senior Management Meetings – monthly
- CE/TDC CE monthly catch ups – monthly
- TDC Development Manager
- Numerous direct relationships at varying levels at TDC – Mayor, Councilor, Senior Managers, key staff

SOUTH CANTERBURY SECONDARY SCHOOLS

- All local School Principals, Deputy Principals, Careers Advisors and various teachers – facilitating/driving Business engagement with schools, students, parents and teachers

MINISTRY OF EDUCATION & MINISTRY OF SOCIAL DEVELOPMENT

- MOE Charli Davey – Secondary Tertiary Lead for Canterbury – influential at Canterbury and National levels and supporter of AD's Workforce Initiative and Secondary School/Business Engagement pilot
- MSD – John Henderson (Central Head), Jason Tibble (Southern Head) and other key Southern District management strong supporters of AD's Workforce Initiative and Canterbury Youth Transition Pilot Programme.
- MOE Patrick McKibbin – Business and Employment Liaison Manager

ARA INSTITUTE & OTHER EDUCATION ENTITIES

- Established relationships at Board and Senior Management level including Chair Dr Thérèse Arseneau local councilors Janie Annear and Jeremy Boys, CE Tony Gray, Intl Manager Beth Knowles and local Senior Staff Sabra Moore. Tracey Berry DCE for Customer Experience and Engagement
- Member of local stakeholder group a vehicle for ongoing engagement with ARA
- Trevor McIntyre – Young Farmers National Pathways Manager
- Hamish Cochrane – University of Canterbury
- Dr Ian Wright – University of Canterbury
- Noa Woolloff – Mayoral Taskforce for Jobs
- Neil Hamilton & David Carter – Canterbury Tech
- Rebecca Hurrell – University of Canterbury Institute Head Biomolecular Interaction Centre
- Mark Jones, University of Auckland, Deputy Head, Department of Chemical & Materials Engineering
- Brian McMath – BDM Product Accelerator Collective

SOUTH CANTERBURY CHAMBER OF COMMERCE

- SCCC Board and CE – CE's meet regularly.

NEIGHBOURING COUNCILS

- Waimate DC, Ashburton DC, Waitaki DC, Selwyn DC and Mackenzie DC.

NEIGHBOURING EDA's

- ChristchurchNZ incorporating Tourism and Event activities - Louise Hawkins CHCH NZ
- Enterprise North Otago – CE Heather Warwick – only other EDA in Canty
- Enterprise Dunedin – CE John Christie

- Venture Southland – Paul Casson

ENVIRONMENT CANTERBURY

- Dr David Bromel – Secretariat of Canterbury Mayoral Forum

STRATEGIC PARTNERSHIPS ESTABLISHED AND FOSTERED

NGAI TAHU

- Irai Weepu – Education Advisor for Arowhenua and Waiho Marae's
- Ben Giesen – Ngai Tahu Farming
- Piripi Prendergast – Maori Futures Collective

VARIOUS GOVERNMENT APPOINTEES/AGENCIES/AFFILIATIONS

- Louise Upston – National MP
- Jo Luxton – Labour MP
- Hon Stuart Nash – Fisheries Minister
- Hon Andrew Little – Justice Minister
- Andrew Falloon – National MP
- Nikki Kaye – National MP
- Chris Bishop – National MP
- Hon Chris Hipkins – Education Minister
- Craig Latimer & Peter McDonald – NZTE CHCH
- Jono Wells & Nick Dobson – NZTE Auckland
- Sandra Gray – Tertiary Union President
- Dr Richard Lynch – MPI
- Nathan Grennell & Andrew McNaught – MBIE SWEP – Transport & Logistics
- Roger Findlay & Richard Westbury – Provincial Growth Fund

AG RESEARCH – Lincoln

- Ron Pellow CEO re options/opportunities for Washdyke Farm

CANTERBURY MAYORAL FORUM – Education & Skills Governance Group

- Chair David Ayres (Waimak Mayor) and Jim Palmer (Waimak CE)
- Various members including representation from Lincoln and Canterbury Universities, Ara, ITO's, CHCHNZ etc...

SISTER CITY

- (JAPAN) Eniwa Mayor, Eniwa NZ Association, Chamber of Commerce, 2 x Secondary Schools and Hokkaido Bunkyo University
- (CHINA) Deputy Mayor Weihei, City Hall and Mayoral delegation members, Businessmen including Southern Hemisphere head buyer for Weihai 550 strong supermarket chain.
- (AUSTRALIA) - Mayor and councilors, 4 x secondary school principals, Youth Tech CE

STRATEGIC PARTNERSHIPS ESTABLISHED AND FOSTERED**CHRISTCHURCH EDUCATED**

- CE Bree Loveridge
- NZ CE of Education NZ Sarah Gauthier
- Job Ready for International Student graduates - Simon Anderson

BARQUE EXPLORATION OPPORTUNITY

- Andrew Jefferies – CEO NZOG
- Anna Ririnui – Community Engagement Manager NZOG
- Daniel Leeman Snr Engineer NZ Oil & Gas
- Cameron Madgwick – CEO Petroleum Exploration and Production Association of New Zealand

CHATHAMS ISLANDS

- Alfred Preece – Mayor
- Owen Pickles - CE
- Phil Seymour – Chairman Chatam Island Trust
- Iain Torrence – CE Chatam Island Trust

OTHER

- Julian Wood – Maxim Institute
- Benje Patterson & Brad Olsen – Infometrics
- George Riley – Federation of Maori Authorities
- Josh Williams – CE Industry Training Federation
- Barrie Malloch – ATCANZ
- John Nicholson – Aviation NZ
- Jason Grant – CE Sth Canty Federated Farmers
- Charles Ferguson – Fonterra
- Alan Pearson – Prime Consulting
- Ellie Sutton – Springboard Trust
- Damien Millicich & Blair Coultman – Kotahi

OBJECTIVE	MEASUREMENT	ACHIEVED	COMMENTARY
<p>1. Assisting businesses to retain and attract a skilled workforce</p>	<p>Retention of Ministry of Social Development contract for Canterbury Youth Transition Initiative – known as MyNextMove</p> <p>Annual Survey Completed. Aoraki Development has effectively supported businesses to attract and retain a skilled workforce – success measured as achieved through year on year improvement.</p>	<p>YES</p>	<ul style="list-style-type: none"> • MSD Contract retained and extended for the 2018/19 year following successful implementation in 2017/18. This initiative is being regularly recognised nationally as a template for engaging our youth to “Expose, Educate and Excite” them on their important transition from secondary school into the workforce or further education. • The 2018/19-year saw Aoraki Development facilitate: <ul style="list-style-type: none"> ○ 33 events introducing local youth to career opportunities via Sector Days, Pathway Speakers, Teacher Only Days, Business Visits and Employment Expos ○ 5736 individual student/parent/teacher interactions with local business and industry – over the past two years these interactions have now totaled more than 10,500 ○ 122 varied local businesses commitment to this initiative ○ 24 students individually mentored by mentors from our business community. • The initiative continues to develop with success evident via growing numbers of local students actively engaged in local Gateway Placements, Work Experience, Dual Pathways, Course Development, Internships and Part & Full Time Employment. • Specific successes include a mentored student now working full time at a local accountant’s office and two separate students being offered and accepting engineering apprenticeships at two local businesses. • A variety of supporting collateral and videos have been developed to further promote local career pathways • Aoraki Development has been directly involved with Central Government Education to Employment initiative and recent Review of Vocational Education – both as a result of the MnM Initiative. • Launch of the “WeLoveTimaru” campaign via national billboards, social media, curtain siding on transport operator trucks/trailers. This ongoing campaign has gained unprecedented national exposure via mainstream TV channels, radio and newspapers. From feedback from local businesses this campaign is known to have been a key influencer in several new employees and their families moving to Timaru. • Jointly produced with Timaru District Council a Brian High pictorial book of the Timaru District being used widely in promotion of the Timaru District by

			<p>individuals, business etc....</p> <ul style="list-style-type: none"> • In the 2018/19-year Timaru Districts average annual unemployment rate compared favourably to NZ and identified like district Taranaki: <ul style="list-style-type: none"> ○ Timaru District 2.3% (2.8%) ○ New Zealand 4.3% (4.6%) ○ Taranaki 4.9% (5.4%) <p>The current unemployment rate represents a 10-year low.</p> • 2018/19 saw Aoraki Development engage two separate independent entities to complete both an electronic and individual face to face survey. This saw a marked increase in respondents to 122 electronic and 26 individual surveys completed. Aoraki Development considers it important this independence is retained to ensure confidentiality and openness is response received. • 2018/19 Survey completed evidenced: <ul style="list-style-type: none"> ○ 74% (70%) of all respondents stated finding staff was their biggest challenge Attracting Staff (right people with right skills) remains the largest barrier to doing business in Timaru and this remains Aoraki Developments prime area of focus in the coming year. ○ 67% (54%) of respondents have had direct involvement with AD via the variety of projects undertaken during the year ○ 91% (98%) of respondents acknowledged AD had added value with projects they had been involved in. ○ Respondents on average rated the ease of doing business in the Timaru District at 75% well up on the 60% on 2017/18 year.
<p>2. Encouraging innovation and facilitating the growth of existing business</p>	<p># Business Connections facilitated for existing businesses (target 20 per month)</p> <p>Annual Survey Completed. Aoraki Development has effectively supported businesses to innovate and grow – success measured as achieved through year on year improvement.</p>	<p>YES</p>	<ul style="list-style-type: none"> • Ongoing involvement in the Timaru CBD Group who are proactively focused on enhancing the Timaru CBD by attracting people and business • Ongoing scheduled meetings of key industry sectors via Business Connection Groups (Food Processing & Manufacturing, Trades, Transport & Logistics and Hospitality & Tourism) which meet 4-6 weekly to collaboratively address key workforce issues, promotion of their sectors/businesses into secondary schools and further afield, sharing of best practice and enhanced communication between businesses. <p>Some key successes in this area include:</p> <ul style="list-style-type: none"> ○ Facilitating 20+ local Transport & Logistics companies to develop, implement and support a new local provide Transport & Logistics Course. Noting 88% of this course first intake have obtained local employment. Second intake commenced March 2019

			<ul style="list-style-type: none"> ○ Utilised 5 local young trades superstars in career promotional videos along with local employer focusing on interview and job expectations. All have proven very successful and are now widely used within schools, workplaces and further afield. ○ Recently launched a Sustainable is Attainable Project involving nearly 20 different businesses from our Food Processing and Manufacturing centre. Focused on being a fully collaborative approach to identifying waste and by product output and finding solutions this is a NZ first involving many companies. Research & Development entities have been engaged via University of Canterbury and the national Product Accelerator Group. 3 initial key areas have been identified and workstreams and funding avenues are currently being progressed. ● Active involvement in the development of Provincial Growth Fund application for multi berth project at Timaru’s Port with key stakeholders Timaru District Council and Primeport. <p>Working closely with Timaru District Council Development Manager in identifying and progressing development opportunities within the Timaru CBD area.</p>
<p>3. Creating an environment to attract and assist new business</p>	<p># New Businesses opportunities identified and engaged <i>(target 10 per ¼)</i></p> <p># New Businesses Established <i>(target 10% conversion rate)</i></p> <p><i>Total number of new businesses established in the Timaru District and where possible reasons for business establishment</i></p>	<p>YES</p>	<ul style="list-style-type: none"> ● Developed and fostered relationships with key central government agencies to extensively promote the districts key points of difference to new national and international businesses. ● Progressed a database of available Industrial Land in Washdyke, Port and Redruth area with extensive interaction with existing landowners. ● A variety of type and size new business opportunities progressed during the year, with many still WIP, across retail, manufacturing, tourism, primary, aviation and service industry sectors. Introductions and involvement as appropriate across construction, logistics and regulatory specialists and capabilities. ● Introductions of new and existing business owners to industrial landowners in Washdyke and Redruth. ● Ongoing promotion of the substantial benefits of doing business in the Timaru District – via web, social & TV media, printed material and developing networks. ● As a member of the Southern Community Panel – Aoraki Development is the key local stakeholder representative at the forefront of the district’s engagement re the potential offshore exploration opportunity. ● Sourced via Companies office records approx. 270 new companies were established in the Timaru District during the 2018/19 year which evidences a similar level of activity to 2017/18 - 263 registrations. Noted this is a high-level measurement as difficult to accurately assess trading v non-trading.

In summary some of AD's current key focuses:

1. Assisting with PGF Application completion,
2. ongoing RoVE involvement and advocacy for Timaru to be the location of a Centre of Vocational Excellence (CoVE)
3. Progression of transformational Sustainable is Attainable Waste Project
4. Development of Proposed Plan Change 7 submission to ECAN
5. Annual Review of MyNextMove Youth Transition Initiative with funders MSD
6. Partnering with TDC and Aoraki Migrant Centre to progress Refugee Settlement Info Workshops and community engagement

AORAKI DEVELOPMENT
Profit & Loss Statement

1 October 2018 - 30 June 2019

	YTD ACTUAL	YTD REFORECAST	FULL YEAR BUDGET
INCOME			
Economic Development Grant TDC	\$ 530,000	\$ 530,000	\$ 530,000
Other Income	\$ 9,244	\$ 4,000	\$ 4,000
TOTAL INCOME	\$ 539,244	\$ 534,000	\$ 534,000
EXPENDITURE			
Expenses	\$ 225,572	\$ 221,621	\$ 212,781
Human Resources	\$ 276,213	\$ 276,279	\$ 320,000
TOTAL EXPENSES	\$ 501,785	\$ 497,900	\$ 532,781
OPERATING PROFIT/(LOSS)	\$ 37,459	\$ 36,100	\$ 1,219

Year end result very much in line with reforecast position. Reduction in actual HR costs v original full year budget largely due to reimbursement of AD staff time associated with MyNextMove Youth Transition initiative via third party funding ex MSD. In addition, a decision to take on additional budgeted resource was delayed. Above represents the 3rd successive year no additional funding was sought ex TDC with AD utilising financial reserves to fund special projects such as welovetimaru workforce attraction campaign, Business Connection Group collaboration & activities and business attraction.

7.4 Timaru District Holdings Ltd Annual General Meeting**Author:** David Codyre, Chief Financial Officer**Authoriser:** Donna Cross, Group Manager Commercial and Strategy**Recommendation**

That a proxy (and alternative proxy) be appointed to represent the Council at Timaru District Holdings Limited's Annual General Meeting on 3 October 2019.

Purpose of Report

- 1 To appoint a proxy to attend the TDHL Annual General Meeting.

Assessment of Significance

- 2 This matter is not deemed significant under the Council's Significance and Engagement Policy.

Background

- 3 The Timaru District Holdings Limited Annual General Meeting will be held on 3 October 2019.
- 4 The Council is required to appoint a proxy to attend and vote at the meeting. An alternative proxy should also be appointed in case of illness or other unavailability.
- 5 The Timaru District Holdings Limited Annual Report will be provided under separate cover.

Relevant Legislation, Council Policy and Plans

- 6 Timaru District Holdings Limited Constitution.

Attachments**Nil**

8 Consideration of Urgent Business Items

9 Consideration of Minor Nature Matters

10 Exclusion of the Public**Recommendation**

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<p>11.1 - Public Excluded Minutes of the Policy and Development Committee Meeting held on 30 July 2019</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source and is in the public interest that such information should continue to be supplied</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or</p>	<p>To protect a person's privacy</p> <p>Commercial sensitivity</p> <p>Due to an obligation of confidence and to ensure the information avenue remains open, when it is in the public interest for it to do so</p> <p>To protect all communications between a legal adviser and clients from being disclosed without the permission of the client.</p> <p>To enable commercial activities</p> <p>To enable commercial or industrial negotiations</p> <p>To prevent use of the information for improper gain or advantage</p>

	<p>disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p> <p>s7(2)(j) - The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</p>	
<p>11.2 - Property Matter Update</p>	<p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities</p>	<p>Commercial sensitivity</p> <p>To enable commercial activities</p>

11 Public Excluded Reports

11.1 Public Excluded Minutes of the Policy and Development Committee Meeting held on 30 July 2019

11.2 Property Matter Update

12 Readmittance of the Public