



# **AGENDA**

## **Commercial and Strategy Committee Meeting**

**Tuesday, 13 October 2020**

**Date** Tuesday, 13 October 2020

**Time** following the Community Services Committee

**Location** Council Chamber  
Timaru District Council  
King George Place  
Timaru

**File Reference** 1379329

## **Timaru District Council**

**Notice is hereby given that a meeting of the Commercial and Strategy Committee will be held in the Council Chamber, Timaru District Council, King George Place, Timaru, on Tuesday 13 October 2020, at the conclusion of the Community Development Committee meeting.**

### **Commercial and Strategy Committee Members**

Clrs Peter Burt (Chairperson), Allan Booth (Deputy Chairperson), Richard Lyon, Gavin Oliver, Paddy O'Reilly, Barbara Gilchrist, Sally Parker, Stu Piddington, Steve Wills and the Mayor Nigel Bowen

Quorum – no less than 2 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**

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- 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 Commercial and Strategy Committee Meeting held on 1 September 2020**

**Author:** Jo Doyle, Governance Advisor

#### **Recommendation**

That the Minutes of the Commercial and Strategy Committee Meeting held on 1 September 2020 be confirmed as a true and correct record of that meeting.

#### **Attachments**

- 1. Minutes of the Commercial and Strategy Committee Meeting held on 1 September 2020**



# **MINUTES**

## **Commercial and Strategy Committee Meeting Tuesday, 1 September 2020**

**Ref: 1379329**

**Minutes of Timaru District Council  
Commercial and Strategy Committee Meeting  
Held in the Council Chamber, Timaru District Council, King George Place, Timaru  
on Tuesday, 1 September 2020 at 10.49am**

**Present:** Cr Peter Burt (Chairperson), Cr Allan Booth (Deputy Chairperson), Cr Richard Lyon, Cr Gavin Oliver, Cr Paddy O'Reilly, Cr Barbara Gilchrist, Cr Sally Parker, Cr Stu Piddington, Cr Steve Wills, Mayor Nigel Bowen

**In Attendance:** **Community Board Representatives**  
Temuka Community Board – Stephanie McCullough  
Geraldine Community Board – McGregor Simpson

**Council Officers**

Group Manager Commercial and Strategy (Donna Cross), Chief Executive (Bede Carran), Senior Programme Delivery Manager (Ashley Harper), Programme Delivery Manager (Lili Delwaide), Museum Director (Philip Howe), Manager of Property Services and Client Representative (Nicole Timney), Property Administration Officer (Phillipa Steans), Governance Advisor (Jo Doyle)

The Chairperson welcomed the Community Board members.

**1 Apologies**

**Resolution 2020/29**

Moved: Mayor Nigel Bowen

Seconded: Cr Paddy O'Reilly

That the apology received from Ross Munro of Pleasant Point Community Board be 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 items.

**4 Declaration of Conflicts of Interest**

Cr Piddington advised a conflict of interest for item 11.1 – Property Matter in the Public Excluded Agenda.



**5 Chairperson's Report**

The Chairperson has attended Council and Citizenship meetings and attended a Licensing hearing held under Level 3 conditions.

Meetings with the Group Manager of Commercial and Strategy and the Chief Executive.

**Resolution 2020/30**

Moved: Cr Peter Burt

Seconded: Cr Steve Wills

That the Chairpersons report be accepted.

**Carried**

**6 Confirmation of Minutes****6.1 Minutes of the Commercial and Strategy Committee Meeting held on 21 July 2020****Resolution 2020/31**

Moved: Cr Sally Parker

Seconded: Cr Paddy O'Reilly

That the Minutes of the Commercial and Strategy Committee Meeting held on 21 July 2020 be confirmed as a true and correct record of that meeting.

**Carried**

**7 Reports****7.1 Overview of 2020/2021 Capital Work Programme - Dashboard**

The Committee considered an overview of the 2020/2021 capital work programme and its current status presented by the Senior Programme Delivery Manager and the Programme Delivery Manager.

This dashboard will be presented to each meeting of this Committee to provide an overview of all capital projects, and show the feasibility, delivery and financials. Exception reporting will be included to report any significant issues relating to performance or projected performance against agreed project timelines.

**Resolution 2020/32**

Moved: Cr Barbara Gilchrist

Seconded: Mayor Nigel Bowen

That this report be received and noted.

**Carried**

## **7.2 Progress Report: Theatre Royal and Heritage Facility Development and Social Housing Ventilation Compliance projects**

The Committee considered the progress of the two key property projects: the Theatre Royal and Heritage Facility Development project and the Social Housing Ventilation Compliance project.

### **Theatre Royal and Heritage Facility Development**

The Senior Programme Delivery Manager, Programme Delivery Manager, Museum Director and Manager of Property Services/Client Representative were in attendance for this report.

The architects “Architectus” have now been appointed to the project which is a big milestone achieved. Acoustics and theatre specialists Marshall Day and heritage specialists Dave Pearson Architects will also form part of the Architectus led team.

The shovel ready application with Central Government is also awaiting an outcome, and other fundraising options are now being considered.

The newly appointed Manager of Property Services and Client Representative Nicole Timney will be the internal project lead for the project working closely with Museum Director Philip Howe as museum lead, and the external project team.

### **Social Housing Ventilation Compliance**

The Property Administration Officer joined the meeting for this report. This project is valued at \$750,000 and involves over 200 housing units in the community.

This is considered a significant and important project for Council and the wider community and involves the installation of rangehoods and bathroom fans in all social housing units. A panel of 5 local contractors have been appointed for this project.

There is currently high demand for these products, but local contractors are on track for a mid-September commencement, and it’s still expected that the total project will be delivered within this financial year.

### **Resolution 2020/33**

Moved: Cr Barbara Gilchrist

Seconded: Mayor Nigel Bowen

That this report be received and noted.

**Carried**

## **7.3 Timaru District Holdings Limited – Final Statement of Intent for 2020/2021**

The Committee considered the final statement of intent (SOI) for Timaru District Holdings Limited (TDHL) presented by the Chief Executive.

The SOI has been through a number of iterations, and was prepared taking into consideration the letter of expectations that was presented earlier in the year.

The financial forecast does reduce from \$11.6m to \$3.5m in 3 years’ time which is a reflection of the loss of the Alpine Energy dividend. Directors will need to address enabling a commercial return to Shareholders.

**Resolution 2020/34**

Moved: Mayor Nigel Bowen

Seconded: Cr Gavin Oliver

That the Committee note and receive the report.

**Carried**

**8 Consideration of Urgent Business Items**

There were no urgent business items.

**9 Consideration of Minor Nature Matters**

There were no minor nature items.

**10 Exclusion of the Public****Resolution 2020/35**

Moved: Cr Sally Parker

Seconded: Cr Paddy O'Reilly

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
11.1 - Property Matter	<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>

**Carried**

**Resolution 2020/36**

Moved: Cr Sally Parker

Seconded: Cr Gavin Oliver

That the meeting moves out of Closed Meeting into Open Meeting.

**Carried**

**11 Public Excluded Reports**

**11.1 Property Matter**

**12 Readmittance of the Public**

**The Meeting closed at 11.44am.**

.....

**Chairperson**

## 7 Reports

### 7.1 Aoraki Development and Promotions Limited (Venture Timaru) Quarterly Report to 30 June 2020

**Author:** Donna Cross, Group Manager Commercial and Strategy

**Authoriser:** Donna Cross, Group Manager Commercial and Strategy

#### Recommendation

That the Committee note and receive the report.

#### Purpose of Report

- 1 To provide a copy of the Venture Timaru Quarterly Report for the period ending 30 June 2020 to the Committee.

#### Assessment of Significance

- 2 This report is of low significance in terms of our significance and engagement policy and does not require consultation.

#### Attachments

1. Venture Timaru Quarterly Report to 30 June 2020  



Economic Development Agency for the Timaru District

Note our name officially changed to venture Timaru effective 1<sup>st</sup> July 2020

# **Quarterly Report to Timaru District Council**

## **for the period to 30<sup>th</sup> June 2020**





## Inclusive, Innovative and Thriving Timaru District

### Establish & build strategic partnerships to enhance business capability



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

##### Youth workforce.

- Manage and Develop MyNextMove Youth Initiative

##### Existing workforce.

- Develop the Young Professionals Group to ensure inclusion of all workers within the first 15 years of their career
- Utilise existing Business Connection Groups to develop a "staff share" strategy covering seasonality etc...
- Investigate the establishment an "in-work" mentoring programme for those considering development or their next move

##### Returning to Work and Aged workforce.

- Expand "in-work" mentoring programme to include those returning to work
- Develop an aged workforce and civic participation strategy in partnership with key organisations and business.

##### "Needed Here" workforce.

- Ongoing development and maintenance of promotional resources
- Research and collate a database of Why people come back and when?
- Develop a closer working relationship with both the Migrant Centre and local diverse nationality groups

**AD will develop a well-informed local youth, school leaver workforce by achieving all measurements within the MSD MyNextMove Youth Initiative Contract.**

**AD will support businesses to retain and attract a skilled workforce with success measured through year on year improvement via**

- feedback received via Annual Survey of local business and organisations evidencing value added by AD.
- Activity and achievements reflected in AD quarterly reporting to Council

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

- Capitalise on existing Business Connection Group (BCG's) relationships to facilitate identified projects e.g. By-Product database and potential uses.

- Understand and promote existing innovations within local business

- Investigate the establishment of an Innovation Collective to facilitate local business connection to strategic partnerships and knowledge base

- Leveraging key strategic partnerships for the direct benefit of local business and industry (advocacy, introductions, partnerships etc).

- Ongoing facilitation between training providers and business/industry to ensure demand is met by supply.

- Advocate process and policy solutions to encourage and progress local development opportunities in consultation as appropriate with local iwi

**AD will encourage innovation and facilitate the growth of existing business, with success measured through year on year improvement via**

- a minimum of 20 new connections facilitated for existing businesses per month.
- feedback received via Annual Survey of local business and organisations evidencing value added by AD
- Activity and achievements reflected in AD quarterly reporting to Council

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

- Foster existing institutional relationships to enable and progress new and developing business opportunities.

- Encouraging and enabling business opportunities through an innovative and supportive district wide network.

- Develop a Timaru Heartbeat Report encompassing key economic, social and community statistics in line with new central and local government wellbeing & living standards framework.

- Finalise a full suite of "Welcome to Timaru" resources for business and individuals

- Continue to investigate the potential for a local entrepreneurial Angel Investor group

- Ongoing development and maintenance of promotional resources

**AD will continue to develop an environment that attracts and assist new and developing business, with success measured through year on year improvement via**

- a minimum of 10 new and developing business opportunities identified and engaged per quarter, with a minimum 10% conversion rate of new business established.
- A minimum of 30 "District Influencers" identified and supplied with the new quarterly Timaru District Heartbeat Report.
- Feedback received via Annual Survey of local business and organisations evidencing value added by AD.
- Activity and achievements reflected in AD quarterly reporting to Council

**STRATEGIC PARTNERSHIPS ESTABLISHED AND FOSTERED**

**Aoraki Development, at both Governance and Operational levels, has an established and growing network of key strategic partnerships at local, regional, national, and central government levels.**

**For example, these incorporate:**

- District councils across Canterbury and near region neighbours
- Regional authorities and entities – ECAN, Canterbury Mayoral forum
- Government & Opposition Ministers
- Key operational staff and influencers across MOE, MBIE, MSD, MPI, NZTE, Sector Workforce Engagement Project, Mayoral Taskforce for Jobs, Provincial Development Unit
- Nationwide network of Economic Development professionals and advisors
- Iwi & Runanga
- South Canterbury and Canterbury Chambers of Commerce
- Educational entities – secondary schools, ITP's ITO's, PTE's and universities of Auckland, Massey, Canterbury, Lincoln, & Otago.
- Timaru District Sister Cities
- Independent business and economic organisations for example Infometrics, Maxim Institute, AgResearch, NZOG, OMV, Aviation NZ, AirNZ, Kotahi.



This report covers both the final quarter of 2019/20 year but in essence commentary relates to the full 2019/20 year. Obviously the last quarter was disrupted by the wide ranging affects and challenges associated with the ongoing COVID-19 global pandemic.

This event is a once in 100-year event which requires a once in 100-year response to revitalise our Timaru District by being coordinated, bold and inclusive. As the Economic Development Agency for the Timaru District, now also with responsibility for Tourism and Visitor Attraction, Aoraki Development will take a lead role in facilitating the economic recovery of our district over the next 12 months and beyond.

Our objectives and associated nature of scope and activities proposed to be undertaken in the next 12 months, include priorities such as:

- A prominent role in the response, recovery and reignition of our wider district economy
- Sustained and extensive promotion of the district to visitors, new workforce, and new business
- A targeted approach to the retention, retraining and redeployment of our existing workforce.
- Supporting local business as they recover and reignite their businesses with a leading role in the promotion and encouragement of “buy local” complemented by facilitating our large local procurers to take a lead role in local procurement.

In no way understating the challenges we are facing, and will continue to face, across our business and wider community as a result of the COVID 19 event, locally we are very well placed to recover and reignite quicker than many other parts of the country. Leading economists and others have rightly recognised us as being one of the best placed districts to cope with, adapt, recover, and reignite ourselves as we head through the stages of this COVID 19 event.

We have substantially diversified industry sectors including primary sector, food processing & manufacturing, transport & logistics, trades along with health & social services.

- Our largest industry sectors are recognised nationally as those that will lead us through COVID recovery.
- We have an enhanced level of cooperation and trust across our businesses and wider community
- We are a central South Island “hub” with 80% of the South Island within two and a half hours drive.
- We have strong connectivity to markets, through road, rail, sea, and fibre.

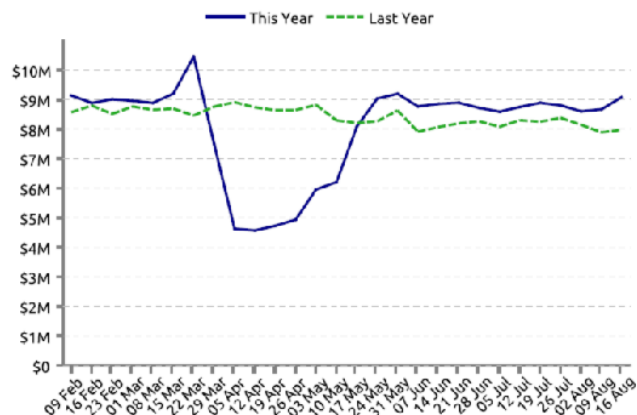
The Timaru District will bounce back and bounce back stronger, and throughout 2020/21 Aoraki Development will take a leading role in facilitating this recovery.

Many of our local businesses are adapting to new work practices and meeting the challenges head on. The pending end of central government wage subsidy support may see a rise in local unemployment however with our unemployment rate at 3.3% as at end June 2020 (up from 3% end March) we have to date not seen the increases that other areas are experiencing. This is in part due to our diverse range of local industry with many affected workers able to be quickly retained and redeployed. Also we anticipate any potential rise in unemployment figures, in months to come, will be somewhat mitigated by the fact we are heading into our traditionally busy spring/summer season where additional roles and opportunities arise. Still we maintain a close watching brief of key indicators across economic and social areas to promptly identify negative trends and help facilitate appropriate action.

The most recently publicised national statistics showing nearly 90% of those newly unemployed are women and also that our youth are finding it extremely difficult to find work, are both of very real concern to us locally and we are progressing work to fully understand this and address as best we can in collaboration with business & industry and other relevant parties.

Of interest will be our district weekly card transaction measure of spend detailed below. Interestingly, despite an anticipated short-lived bounce back since March-May lockdown, spending has in fact steadily maintained at 5-10% higher than the same periods last year.

### 1. WEEKLY VALUE OF SPENDING



Week to 16 <sup>th</sup> Aug 2020 compared to week to 16 Aug 2019	SWLY	
	\$	#
Food, liquor & pharmacies	+28.2%	+10.2%
Hospitality & Accommodation	+1.8%	-4.1%
Fuel & Automotive	-16.9%	-7.2%
Clothing, Footwear & Dept. Stores	-18.8%	-5.4%
Home & Recreational Retailing	+49.6%	+34.8%
All other	-4.8%	-7.3%
<b>TOTAL</b>	<b>+14.0%</b>	<b>+4.2%</b>

Lockdown

Week Ending	SWLY	
	\$	#
03-May	-32.4%	-47.3%
10-May	-25.2%	-40.9%
17-May	-1.5%	-21.4%
24-May	+9.3%	-6.1%
31-May	+6.6%	-3.8%
07-Jun	+10.8%	-0.7%
14-Jun	+9.7%	+1.1%
21-Jun	+8.5%	+1.4%
28-Jun	+5.5%	+0.8%
05-Jul	+6.3%	+1.1%
12-Jul	+5.4%	+2.5%
19-Jul	+7.7%	+6.3%
26-Jul	+5.0%	+5.2%
02-Aug	+5.6%	+4.3%
09-Aug	+9.9%	+6.9%
16-Aug	+14.0%	+4.2%

*\*information provided to AD by Market View. NB SWLY means comparison being made to the Same Week Last Year*

**NAME CHANGE**

Whilst just outside this reporting period it is important to note that effective July 2020 Aoraki Development and Promotions Ltd trading as Aoraki Development changed our name to Venture Timaru Ltd trading as Venture Timaru. This new name more appropriately represents who we are as an organisation, linking directly to the district we serve and encompassing both the economic development and tourism components of the organisation. For example, it reflects both streams of work for the organisation – from business ventures, to the adventures that visitors are encouraged to enjoy while in Timaru District.

Objective - Assisting businesses to retain and attract a skilled workforce	
<b>Measurements</b> AD will develop a well-informed local youth, school leaver workforce by achieving all measurements within the MSD MyNextMove Youth Initiative Contract.  AD will support businesses to retain and attract a skilled workforce with success measured through year on year improvement via: <ul style="list-style-type: none"> <li>- feedback received via Annual Survey of local business and organisations evidencing value added by AD.</li> <li>- Activity and achievements reflected in AD quarterly reporting to Council</li> </ul>	<b>Achieved</b> Yes   Yes Yes
<ul style="list-style-type: none"> <li>• MSD MyNextMove Youth initiative Contract retained and expanded and continues to develop as best practice in the field of “expose, Educate and Excite” our next generation of the variety of career pathways and further education opportunities. All measurements and reporting requirements have been fully met</li> <li>• The success of MyNextMove has been nationally recognised and is the basis on which the Ministry of Education established now 24 like Education to Employment Brokerage services throughout NZ effective 1/4/20. Aoraki Development has proactively assisted Ministry of Education and Ministry of Social Development with this new roll out</li> <li>• MyNextMove won an Economic Development New Zealand Best Practice Award for Collaboration in October 2019.</li> <li>• We again assisted the local; Careers Advisors Group with the 2019 Employment Expo where &gt;650 year 11&amp;12 local secondary school students were in attendance, hearing from 20+ local businesses from a variety of industries.</li> <li>• Although activities were impacted significantly through the last quarter of the year due to COVID-19, the 2019/20 year saw Aoraki Development facilitate:               <ul style="list-style-type: none"> <li>○ <b>21</b> events introducing local youth to career opportunities via Sector Days, Pathway Speakers, Teacher Only Days, Business Visits and Employment Expos</li> <li>○ <b>2229</b> individual student/parent/teacher interactions with local business and industry – over the past three years these interactions have now totalled more than <b>12,750</b></li> <li>○ <b>150</b> varied local businesses commitment to this initiative</li> <li>○ <b>24</b> students individually mentored by mentors from our business community.</li> </ul> </li> <li>• 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 &amp; Full Time Employment.</li> <li>• Aoraki Development has, as a result of the prominence of MyNextMove, been a member of both the Industry Funding Reference Group (assisting the development of the new funding model for the Reform of Vocational Education – RoVE) and most recently as an appointed member to the interim Canterbury Regional Skills Leadership Group.</li> <li>• Aoraki Development was kindly gifted a driver simulator by Fulton Hogan during the year which will be used as a community asset to help facilitate increased awareness of the need for our youth obtaining their drivers licences. We are working closely with the District Council’s Road Safety Officer and local instructors to do this.</li> <li>• The MyNextMove website continues to develop with increasing usage with a student requested Job Board soon to be added further enhancing the relationship between local students and the workplace.</li> <li>• Further enhancements have been made to our suite of freely accessible online/hardcopy collateral and promotions associated with Workforce Attraction. We continue to utilise and update the very successful “We<b>love</b>Timaru” campaign utilising national billboards, social media, curtain siding on transport operator trucks/trailers etc....</li> <li>• In the 2019/20-year Timaru Districts average annual unemployment rate compared favourably to NZ and identified like district Taranaki:               <ul style="list-style-type: none"> <li>○ Timaru District 3.2% (3.3%)</li> </ul> </li> </ul>	

- New Zealand 4.1% (4.3%)
- Taranaki 4.8% (4.9%)

The recent COVID event has seen a slight increase in work ready jobseekers locally, however our diverse industry sector base and strong foundation of collaboration has seen many affected workers quickly retained and redeployed.

- The 2019/20 Aoraki Development survey was again undertaken by an independent third party that ensured confidentiality and openness in the responses, was received. This year we received 116 responses v 148 last year. In light of COVID19 and the proliferation of many business surveys we consider this level of response whilst down on prior year as acceptable in the circumstances. The results evidenced:
  - The largest concern not unexpectantly related to the COVID 19 event with
  - **75%** of respondents advising reduced income was the biggest effect of COVID 19 on their business.
  - **58%** of respondents advising their largest concern was for their income/sales post COVID 19 with **56%** citing general COVID 19 issues (known and unknown) as their largest concern
  - **35%** of respondents have confidence in the general NZ business situation improving over the next 6 months with **32%** believing conditions will deteriorate further.
  - **94%** (67%) of respondents have had direct involvement with AD via the variety of projects undertaken during the year
  - **86%** (91%) 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 **86%** well up on the 75% on 2017/18 year.

#### Objective - Encouraging innovation and facilitating the growth of existing business

##### Measurements

AD will encourage innovation and facilitate the growth of existing business, with success measured through year on year improvement via:

- a minimum of 20 new connections facilitated for existing businesses per month.
- feedback received via Annual Survey of local business and organisations evidencing value added by AD
- Activity and achievements reflected in AD quarterly reporting to Council

##### Achieved

Yes  
Yes  
Yes

- 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.  
Some key successes in this area include:
  - The industry led Transport & Logistics course involving 16 + local companies has completed 3 student intakes with more than 85% obtaining fulltime employment – many before the end of their respective courses. As administrator for the local T&L Panel, Aoraki Development led an application to the Provincial Growth Fund's Te Ara Mahi Fund from which the panel has received \$600,000 over two years to assist with the course costs. The 4<sup>th</sup> intake for the course of approx. 15 students commences August 2020
  - The Sustainable is Attainable project involving nearly 20 different businesses from our Food Processing and Manufacturing sector. Focused on being a fully collaborative approach to identifying waste and by product output and finding value add and collaborative treatment solutions this is a NZ first involving so many companies. The SiA project has partnered with 12+ NZ universities and research and development organisations to complete on-site waste data collection and subsequent assessment. Various projects both immediate, medium, and long term have now been identified and are being progressed as appropriate. University of Canterbury along with Aoraki Development facilitate this exciting collaboration and are appreciative of the ongoing support of Callaghan Innovation.
  - Aoraki Development has recently been approached by the Government to act as third party administrator of the recently announced Regional Apprenticeship Initiative (RAI) for Mid & South Canterbury and North Otago. RAI priority sectors being Primary, Construction, Engineering, Manufacturing and Wood Processing have initially indicated at least 100 new apprentices will be appointed within our central South Island location in the next 12 months – all of which will benefit from RAI.
- Having assumed responsibility for the District's Tourism operations as the RTO from Timaru District Council on 28<sup>th</sup> April, we have quickly established a local Tourism advisory board with sector representatives across hospitality, tourism operators, sports, event organisers and accommodation. This is already seeing a much improved level of collaboration across this sector as we implement the adopted Visitor Strategy for the 2020/21 year which will be informed and guided by this group. We have immediately commenced an Escape to Timaru Campaign

targeted at protecting our existing c\$200m domestic tourism market and growing our share of same. There is also a strong focus of this group on reigniting local events big and small post COVID 19 as a way for our communities to reconnect with each other.

- We facilitated support during/post lockdown via Professional Services Grants to local business and the implementation of a free to list BuylocalSC business listing platform which currently has >210 listings.
- Ongoing involvement in the Timaru CBD Group who are proactively focused on enhancing the Timaru CBD by attracting people and business. They are also a prominent voice with the development of the new Hub Strategy for the CBD.
- The alignment of Economic Development to central and local government's wellbeing pillars has seen increased involvement for us across our wider community. Aoraki Development is now a member of the Strengthening Families Group – facilitated by Family Works this is a group of 20+ local social service agencies, police etc... which meets regularly to discuss and collaborate on community wide matters of importance.
- We have also actively assisted the Aoraki Migrant Centre including involvement with the first of our new residents following Timaru District's appointment as a Refugee Settlement Area for 2020 and beyond.
- Aoraki Development continues to foster national and central government relationships to the benefit of the district e.g. as a board member of Economic Development NZ, Canterbury Regional Skills Leadership Group member, varied and direct relationships into many central government agencies MSD, MOE, TEC, MPI, MBIE, and Provincial development Unit

#### Objective - Creating an environment to attract and assist new business

##### Measurements

AD will continue to develop an environment that attracts and assist new and developing business, with success measured through year on year improvement via:

- a minimum of 10 new and developing business opportunities identified and engaged per quarter, with a minimum 10% conversion rate of new business established.
- A minimum of 30 "District Influencers" identified and supplied with the new quarterly Timaru District Heartbeat Report.
- Feedback received via Annual Survey of local business and organisations evidencing value added by AD.
- Activity and achievements reflected in AD quarterly reporting to Council

##### Achieved

Yes  
Yes  
Yes  
Yes

- 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 across retail, manufacturing, tourism, primary, aviation and service industry sectors.
- Introductions of new and existing business owners to industrial landowners in Washdyke and Redruth.
- Throughout COVID 19 a number of local businesses adapted their operations to meet demand for associated products and services and we at Aoraki Development facilitated a number of introductions to enable this to occur e.g. PPE, health products etc....
- A District Influencer database has been established and is updated regularly with key district stats and information that enables them to be better informed ambassadors of the District.
- 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 NZOG 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. 313 new companies were established in the Timaru District during the 2019/20 year which evidences a similar level of activity to 2018/19 - 270 registrations. Noted this is a high-level measurement as difficult to accurately assess trading v non-trading.

**AORAKI DEVELOPMENT**  
**Profit & Loss Statement**

1 July 2019 - 31 June 2020

	YTD ACTUAL	YTD REFORECAST	FULL YEAR BUDGET
<b>INCOME</b>			
Economic Development Grant TDC	\$ 530,000	\$ 530,000	\$ 530,000
Tourism Grant ex TDC	\$ 143,384	\$ -	\$ -
MyNextMove Contract ex MSD	\$ 93,595	\$ 95,000	\$ -
Transport & Logistics Funding ex Prov Develop Unit	\$ 26,000	\$ -	\$ -
Prov Growth Fund Capability Funding - Special Proj Role	\$ 20,831	\$ 20,833	\$ -
Other Income	\$ 5,397	\$ 2,000	\$ 4,000
<b>TOTAL INCOME</b>	<b>\$ 819,207</b>	<b>\$ 647,833</b>	<b>\$ 534,000</b>
<b>EXPENDITURE</b>			
Economic Development Expenses	\$ 229,228	\$ 235,754	\$ 239,454
Human Resources	\$ 312,388	\$ 314,179	\$ 293,346
Tourism Expenses	\$ 84,425	\$ -	\$ -
MyNextMove Expenses	\$ 92,748	\$ 95,000	\$ -
Transport & Logistics Panel Expenses	\$ 24,579	\$ -	\$ -
<b>TOTAL EXPENSES</b>	<b>\$ 743,368</b>	<b>\$ 644,933</b>	<b>\$ 532,800</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>\$ 75,839</b>	<b>\$ 2,900</b>	<b>\$ 1,200</b>

Financial Commentary

The above end of year financial position (still subject to audit and associated adjustments at time of writing) is reflective of yet further significant diversification of our funding base over and above traditional Council funding relating to both additional responsibilities and new central government contracts/funding successfully obtained during the year. This shows both the responsibility for Tourism & Visitor operations, and residual 2019/20 funding, transitioning from TDC to AD and also the government contracts/funding we have successfully retained and obtained for the benefit of our district – MyNextMove and Transport & Logistics Course.

The accumulated surplus of \$75,839 is attributed to our specific areas of operation such as Economic Development \$14,613, Tourism & Visitor \$58,959, MyNextMove \$847 and Transport & Logistics Course \$1,421 – all of which will be fully utilised in the 2020/21 work plan.



## 7.2 Review of Sponsorship of Council Activities and Facilities Policy

**Author:** Fabia Fox, Policy Analyst

**Authoriser:** Donna Cross, Group Manager Commercial and Strategy

### Recommendation

That the Commercial and Strategy Committee:

1. Adopt the Sponsorship of Council Events and Facilities Policy as presented, with or without amendments.
2. Recommend to Council that the Delegations Manual be amended to reflect the delegations included in the Sponsorship of Council Events and Facilities Policy.

### Purpose of Report

- 1 To present the Commercial and Strategy Committee with the draft Sponsorship of Council Events and Facilities Policy for adoption.

### Assessment of Significance

- 2 The review of this policy has been assessed as low significance in accordance with Council's Significance and Engagement Policy. Where the Policy is applied to projects which have a significant financial impact, or are of significant community interest, Council will engage with the community accordingly.

### Background

- 3 The Sponsorship from Corporates and Others Policy (Attachment 1) was developed and adopted by the Community Development Committee at a meeting on 1 September 2015 to more clearly define Council's approach to entering into sponsorship agreements, where Council is the recipient of sponsorship funding.
- 4 It was noted in the report to the Committee that Council had previously sought sponsorship for major facilities and events. The development of Caroline Trust Aoraki Centre (CBay) was, in part, achieved by way of a large fundraising and sponsorship campaign by Council. Council officers noted that there was an opportunity to fund other facilities and infrastructure to help meet the cost of increasing community expectations.
- 5 Council has not entered into any new sponsorship agreements since the Policy was adopted.

### Discussion

- 6 The Policy has been reviewed and amended to simplify and clarify the policy statements (Attachment 2). No significant changes have been made to the content of the Policy.
- 7 Minor amendments to the Policy include:
  - 7.1 Changing the title to better reflect the nature of the Policy;
  - 7.2 Amending the definitions to more accurately reflect where Council will enter into sponsorship agreements, primarily for facilities and events;

- 7.3 Including facilities owned by Council-controlled organisations (CCOs), where the facility is managed directly by Council, within the scope of the Policy;
  - 7.4 Amending and detailing the delegations associated with sponsorship agreements to ensure the appropriate level of delegation, particularly relating to the financial value of sponsorship agreements; and
  - 7.5 Detailing policy review conditions.
- 8 Council may wish to consider how the Policy may be applied in the future, and whether further amendments are required to ensure the Policy is fit for purpose.
- 9 **Council-controlled organisations:**
- 10 The scope of the Policy is currently drafted to cover the Southern Trust Event Centre, owned by the CCO, Aorangi Stadium Trust.
- 11 Council may wish to consider how the Policy applies to existing or potential events and facilities owned or organised by other CCOs, particularly Aoraki Development and Tourism Limited (trading as Venture Timaru).
- 12 **Assets to be vested in Council**
- 13 From time-to-time community organisations fundraise for, and construct assets which are planned to be vested in Council. Council may wish to consider how the sponsorship of these assets aligns with the intent of this Policy, particularly where naming rights and large format advertising is involved.
- 14 **Duration of Naming Rights**
- 15 The current policy allows for naming rights to extend for the life of the facility or event, as agreed in a sponsorship agreement. Council may wish to consider if this is appropriate, or whether a maximum term for naming rights with options to negotiate renewal, be included in the Policy.

### **Options and Preferred Option**

- 16 Option One: Adopt the Sponsorship of Council Events and Facilities Policy as presented. This option largely reflects the status quo.
- 17 Option Two: Amended the Sponsorship of Council Events and Facilities Policy. The Committee may wish to consider further amendments relating to the policies application by CCOs and the community organisations planning on vesting assets in Council, or the duration of naming rights, or any other amendments.
- 18 Option Three: Repeal the Policy. This option is not recommended. Without a policy defining the criteria under which Council will enter into sponsorship agreements it is possible that an agreement may be made which has the potential to injure Council's reputation, or does not benefit the present and future wellbeing of the community.

### **Consultation**

- 19 No consultation has been undertaken for the review of the Policy.

### **Relevant Legislation, Council Policy and Plans**

- 20 Timaru District Council Delegations Manual: The manual currently details the following delegations relating to sponsorship:



- 20.1 Authority to make application to external organisations to support Council owned community facilities and services where naming rights are not provided. Delegated to the Chief Executive and Group Managers.
- 21 The amended Policy includes the following delegations:
- 21.1 Naming rights for Council events and facilities are to be approved by Council.
- 21.2 The Chief Executive has delegated authority to enter into negotiations that may lead to sponsorship agreement.
- 21.3 The Chief Executive has delegated authority to terminate a sponsorship agreement if a sponsor breaches a sponsorship agreement.
- 21.4 Except where the sponsorship relates to the naming rights for a Council facility, the Chief Executive has delegated authority to approve sponsorship agreements up to the value of his/her delegated financial limits.
- 21.5 The Chief Executive may delegate the authority to enter into negotiations, and approve sponsorship agreements to Group Managers, subject to approval authority being limited to the Group Manager's own financial authority limits.
- 22 It is recommended that the Delegations Manual be amended to reflect these revised delegations.

### **Financial and Funding Implications**

- 23 There are no financial or funding implications immediately impacting the adoption of the amended Policy. As the Policy governs Council's approach to securing sponsorship for facilities and events, it is possible that the rigidity of the Policy may impact on the level of sponsorship Council is able to secure in the future.

### **Attachments**

1. **Sponsorship of Corporates and Others Policy - Adopted September 2015**  
2. **Draft Sponsorship of Council Events and Facilities Policy - September 2020**  

## Sponsorship from Corporates and Others Policy

**Approved by:**

*Community Development Committee*

**Date Approved:**

*1 September 2015*

**Keywords:**

*Sponsorship. Co-funding*

### 1.0 Purpose

This policy defines the parameters for which Council will accept corporate and other sponsorship.

### 2.0 Background

There are many strategies, plans, events and worthy projects that Council may not be able to fully fund at any given time. Accordingly there are opportunities for entering into arrangements to co-fund these activities.

The co-funding may take the form of donations, grants, bequests or sponsorships.

With grants, donations and bequests there may or may not be some form of acknowledgement which could include the name of the event or facility.

Sponsorships are different. They are a type of partnership arrangement offering benefits for both parties. Businesses are usually looking to benefit in some way from association with Council. This relationship could be ongoing over a set time period.

For a sponsorship agreement to be effective there should be the flexibility to enter into arrangements that work for both parties. There also needs to be similar values or beliefs. In other words, it would not be appropriate for Council to enter into a sponsorship agreement with an organisation involved in criminal activities.

Once the agreement has been reached there is an ongoing relationship for the term of the sponsorship, especially if there is an opportunity for further sponsorship. This requires effort and may require a small budget to achieve this commitment. It is also important not to promise anything that Council does not control and therefore may not be able to deliver.

### 3.0 Key Definitions

- **Donations** are gifts of money, time or materials
- **Grants** are funds received from established funding organisations such as Trusts or Foundations. There is an accountability requirement to ensure that the funds are allocated to the approved project in a timely manner.
- **Bequests** are money or items transferred at no cost as nominated in a will and may or may not be for a specific purpose.

- **Activity.** A Council activity is the preparation or delivery of any service, programme, product or event by, or on behalf of, Council. This includes facilities and infrastructure.
- **Sponsor.** A sponsor is any business, organisation or individual who enters into a sponsorship agreement with Council.
- **Sponsorship.** To sponsor literally means to take responsibility for. Sponsorship is a commercial arrangement between Council and a sponsor whereby the benefits to Council are either cash or in kind, and the benefits to the sponsor are principally the association between the sponsor and the Council activity.

## **4.0 Policy**

### **4.1 Principles**

- Council supports sponsorship of its activities where such sponsorship reduces the cost to Council of those activities without negatively impacting on Council's quality or level of service.
- Sponsorship arrangements should not be required by a sponsor as a means of gaining favourable terms from Council in any other business agreement.
- Sponsorship of Council activities does not imply that Council endorses the sponsor or the sponsor's products. Rather the sponsorship implies that the sponsor endorses the activity of Council.
- Council recognises that sponsorship contributions may not be stable from year to year and as such will not become financially reliant on sponsorship.

### **4.2 Who Council will enter into sponsorship arrangements with**

- Council will only enter into sponsorship arrangements with a sponsor whose values, practices or products are not in conflict with any other Council policy.
- Council will not enter into sponsorship arrangements with a sponsor involved in the delivery of products or services that are considered to be injurious to health or are considered to be in conflict with Council's social, environmental and cultural responsibilities to the community. For the avoidance of doubt, what is considered to be "injurious to health" or "in conflict with Council's social, environmental or cultural responsibilities to the community" is at the discretion of Council or its delegate.
- Council will not enter into a sponsorship arrangement that imposes or implies conditions that would limit, or appear to limit, Council's ability to carry out its functions fully and impartially.
- Sponsorship arrangements will only be entered into where there are clear benefits to Council and/or the community.

### **4.3 Criteria for determining appropriate sponsorship opportunities**

Council may choose not to enter into a sponsorship agreement where either the sponsor or the nature of the sponsorship agreement meets any of the following criteria:

- Where the sponsorship is likely to offend public taste
- Where there are legal, moral or ethical concerns about the sponsorship arrangement.

- Where the sponsorship risks bring Council into disrepute. Where there is a significant risk that Council may have, or be perceived to have, a current or future conflict of interest.

#### **4.4 Protection of Council's interests**

- Council will retain the right to attach its name and logo to any activity or facility that is subject to a sponsorship arrangement.
- Council will retain the right to terminate any sponsorship agreement should the sponsor cause Council to be brought into disrepute or otherwise default the agreement. An appropriate clause will be included in all sponsorship agreements to cover this.
- Except where prior approval of Council is obtained, the sponsor shall not influence the planning or decision-making regarding an activity or facility being sponsored.
- With regard to sponsored facilities, Council reserves the right to cover internal signs, but not to remove them, for the duration of a hire where there is a direct conflict with a hirer of the facility.

#### **4.5 Use of Council's intellectual property**

- Council will permit sponsors to use its name, logo and images according to criteria based on the type and level of sponsorship.
- Council will permit sponsors to link to Council's website, according to defined criteria based on the type and level of sponsorship.

#### **4.6 Exclusivity**

Generally there will not be a requirement to offer exclusivity in sponsorship agreements, except when naming rights are offered, (i.e. there will only be one name). Where there is no exclusivity it is possible to obtain sponsorship from two businesses providing a similar service.

#### **4.7 Sponsor's Benefits**

- Avenues available to benefit sponsors may include, but not be limited to:
  - Naming rights
  - Website
  - Facebook
  - Newsletters
  - Publications
  - Signage
  - Articles
  - Open days
  - Workshops
  - Introductions.
- The levels of these benefits given should be commensurate with the level of sponsorship received.

#### **4.8 Term**

- The term of a sponsorship agreement may be for only one day in the case of an event or extend up to the life of a facility in the case of some naming rights. Most sponsorship terms will be somewhere in between and may include a renewal option, if both parties agree.
- Except in a special circumstance, naming rights sponsorships of a Council facility will be for a minimum duration of five years.

#### **4.9 Issues to be addressed in a sponsorship agreement**

In entering any sponsorship arrangement, Council will ensure that the following issues are addressed in the sponsorship agreement:

- The benefits available to Council and the community.
- The opportunities available to the sponsor, including advertising opportunities directly related to the activity being sponsored.
- The duration of the agreement.
- The use of Council's name, logo and images by the sponsor.
- The form or forms of sponsorship acknowledgement that will be available to the sponsor.
- The Council staff member who has responsibility for managing the sponsorship.
- Any facility being sponsored will be available to all potential hirers (and associated event sponsors), and the facility sponsor will not be permitted to exclude particular users of the facility due to a conflict between the facility sponsor and an event sponsor.
- Termination clauses, including Council's right to terminate the sponsorship should the sponsor bring, or be likely to bring, Council into disrepute.
- Processes to deal with changes in circumstance during the period of the sponsorship. For the avoidance of doubt, the above list is not intended to be exhaustive.

#### **4.10 Advertising by a sponsor to support the sponsorship**

Council supports a sponsor undertaking advertising activity to further promote the sponsorship relationship. Advertising conducted on or in Council facilities must:

- Not impact negatively on the operation of the facility or activity being sponsored, or on any other activity being undertaken on the site.
- Conform to Council by-laws and other relevant Council policies.
- Be in accordance with the criteria in section 4.3 above.
- Comply with accepted professional standards.

#### **4.11 General**

- No elected member or Council staff member shall receive a personal benefit from a sponsorship, except where that benefit is no different to the benefit available to any other members of the public.
- Sponsorship of a Council activity does not involve explicit endorsement of either the sponsor or sponsor's products by Council.

## 5.0 Delegations, References and Revision History

5.1 Delegations - Identify here any delegations related to the policy for it to be operative or required as a result of the policy

5.2 Related Documents - Include here reference to any documents related to the policy (e.g. operating guidelines, procedures)

5.3 Revision History – Summary of the development and review of the policy

### 5.1 Delegations

Delegation	Delegations Register Reference
Naming Rights are to be approved by Council. Simple acknowledgements are delegated to Unit Managers. All other sponsorships are delegated to Group Managers	Include Delegations Register reference

### 5.2 References

Title	Document Reference
Sponsorship of Corporate and Others Policy Report	# 951019 F416

### 5.3 Revision History

Revision #	Policy Owner	Date Approved	Approval by	Date of next review	Document Reference
1	Parks and Recreation Manager	01/09/2015	Community Development Committee	August 2018	# 950863 F2121 Council Policy Register

# Sponsorship of Council Events and Facilities Policy



**Approved by:** 4.1. Commercial and Strategy Committee

**Date approved:** 4.2. TBC

## 1. Purpose

- 1.1. The purpose of this Policy is to:
  - 1.1.1. Define the criteria under which Council will enter into sponsorship agreements with a sponsor for its events and facilities.
  - 1.1.2. Provide guidance to potential sponsors considering entering onto a sponsorship agreement with Council, and to the public to ensure confidence and transparency in the process.

## 2. Key Definitions

**Event:** Any event, programme or campaign organised by Timaru District Council, on its own, or in partnership with another local authority or any other organisation.

**Facility:** Includes all existing or planned Council-owned facilities and infrastructure or products.

**Sponsor:** A sponsor is any business, organisation or individual who enters into a sponsorship agreement with Council.

**Sponsorship:** A commercial agreement between Council and a sponsor whereby the benefits to Council are either cash or in kind, and the benefit to the sponsor is principally the association with the Council activity or facility.

## 3. Scope

- 3.1. This Policy applies to the sponsorship of Council events and facilities as defined in section 2, and at the discretion of Council or the Chief Executive.
- 3.2. This Policy applies to all facilities owned by Council-controlled organisations, where the facility is managed directly by Council.

## 4. Policy

- 4.1. Council supports sponsorship of its events and facilities where there is a benefit for the present and future wellbeing of the community, and where such sponsorship reduces the cost to Council.
- 4.2. Council will only enter into sponsorship agreements with a sponsor whose values, practices or products are not in conflict with Council's vision, strategic priorities, community outcomes, or any other Council policy.

- 4.3. Sponsorship agreements should not be regarded by a sponsor as a means of gaining favourable terms from Council in any other business agreement, nor do they imply that Council endorses the sponsor or the sponsor's products.
- 4.4. No elected member or Council officer shall receive a personal benefit from a sponsorship agreement, except where that benefit is no different to the benefit available to any other member of the public.
- 4.5. Council recognises that sponsorship contributions may not be stable from year to year and will not become financially reliant on sponsorship for the operational costs associated with the event or facility.
- 4.6. Where practicable, sponsorship of Council events and facilities will be subject to an open and competitive process.
- 4.7. There will not be a requirement to offer exclusivity in sponsorship agreements.
- 4.8. Council will not enter into a sponsorship agreement where:
  - 4.8.1. The sponsor or the sponsorship has the potential to negatively impact on Council's reputation;
  - 4.8.2. The sponsor or the sponsorship negatively impacts on the wellbeing of the community;
  - 4.8.3. There are legal, moral or ethical concerns about the sponsor or the sponsorship;
  - 4.8.4. The sponsor is involved in the delivery of products or services that are considered to be injurious to health, or are considered to be in conflict with Council's social, environmental and cultural responsibilities to the community;
  - 4.8.5. There is a significant risk that Council may have, or be perceived to have, a current or future conflict of interest;
  - 4.8.6. The sponsorship agreement imposes or implies conditions that would limit, or appear to limit, Council's ability to carry out its functions fully and impartially;
  - 4.8.7. The sponsorship agreement could result in potentially significant costs beyond the term of the sponsorship agreement.

## **5. Term**

- 5.1. The term of sponsorship may cover a single event, or extend for the life of a facility or event, in the case of some naming rights.
- 5.2. Sponsorship agreements will detail all conditions relating to the term of the sponsorship, and may include a renewal option, if both parties agree.
- 5.3. Naming rights sponsorship of a Council facility or event may be for a duration of five years or more depending on the level of sponsorship, and terms agreed in the sponsorship agreement.
- 5.4. Any request for naming rights is to be carefully considered and if granted must be appropriate to the benefit received by Council.



## **6. Council's Interests**

- 6.1. Council will retain the right to attach its name and logo to any activity or facility that is subject to a sponsorship agreement.
- 6.2. Council will permit sponsors to use its name, logo and images, and link to Council's website, according to defined criteria based on the type and level of sponsorship, if and as detailed in the sponsorship agreement.

## **7. Advertising**

- 7.1. In principle Council supports a sponsor advertising to further promote the sponsorship relationship. Advertising rights, if any, will be specified in the sponsorship agreement.
- 7.2. Where permitted under a sponsorship agreement, advertising conducted on, or in Council facilities, or at Council events must:
  - 7.2.1. Not impact negatively on the operation of the facility, event or activity being sponsored, or on any other activity being undertaken at the site.
  - 7.2.2. Conform to Council by-laws, reserve or facility management plans and other relevant Council policies.
  - 7.2.3. Be in accordance with Section 4.8 above.
  - 7.2.4. Comply with accepted professional standards.
- 7.3. Council reserves the right to terminate a sponsorship agreement if advertising undertaken by a sponsor breaches the sponsorship agreement

## **8. Sponsorship Agreements**

- 8.1. A sponsorship agreement will be prepared by Council and signed by all parties to the agreement.
- 8.2. The scope of the agreement will reflect the significance of the sponsorship.
- 8.3. Appendix 1 – Sponsorship Agreement Criteria details the matters which are to be addressed in the sponsorship agreement.

## **9. Delegations**

- 9.1. Naming rights for Council events and facilities are to be approved by Council.
- 9.2. The Chief Executive has delegated authority to enter into negotiations that may lead to sponsorship agreement.
- 9.3. The Chief Executive has delegated authority to terminate a sponsorship agreement if a sponsor breaches this Policy or an associated sponsorship agreement.
- 9.4. Except where the sponsorship relates to the naming rights for a Council facility, the Chief Executive has delegated authority to approve sponsorship agreements up to the value of his/her delegated financial authority limits.
- 9.5. The Chief Executive may delegate the authority to enter into negotiations, and approve sponsorship agreements to Group Managers, subject to approval

authority being limited to the Group Manager's own delegated financial authority limits.

## **10. Policy Review**

- 10.1. This Policy will be reviewed at least every three years, or as required.
- 10.2. This Policy does not cease to have effect because it is due for review, or being reviewed.
- 10.3. This Policy takes effect from the date it is formally adopted by Council.

## Delegations, References and Revision History

### Delegations

4.3. Identify here any delegations related to the policy for it to be operative or required as a result of the policy

Delegation	Delegations Register Reference
4.4. To be included following adoption.	4.5. To be included following adoption.

### References

4.6. Include here reference to any documents related to the policy (e.g. operating guidelines, procedures)

Title	Document Reference
4.7.	4.8.
4.9.	4.10.

### Revision History

4.11. Summary of the development and review of the policy

Revision	Owner	Date Approved	Approval By	Next Review	Doc Ref
4.12. 1	4.13. Parks and Recreation Manager	4.14. 01/09/2015	4.15. Community Development Committee	4.16. August 2018	4.17. #950863
4.18. 2	4.19. Commercial and Strategy Group Manager	4.20. TBC	4.21. Council	4.22. October 2026	4.23. #1370043

# Appendix 1

## Sponsorship Agreement Criteria

In entering any sponsorship agreement, Council will ensure that the following matters are addressed in the sponsorship agreement, to be signed by all parties to the agreement:

- i. The benefits available to Council and the community.
- ii. The opportunities available to the sponsor, including advertising opportunities directly related to the activity being sponsored.
- iii. The term of the agreement and rights of renewal.
- iv. Any conditions relating to naming rights.
- v. Terms of use for Council's name, logo and associated images.
- vi. Advertising rights.
- vii. The form or forms of acknowledgement that will be available to the sponsor.
- viii. The Council officer who has responsibility for managing the sponsorship agreement.
- ix. The full name of the facility, if a naming rights agreement.
- x. Termination clauses, including Council's right to terminate the sponsorship.
- xi. Processes to deal with changes in circumstance during the term of the sponsorship agreement.
- xii. Process to resolve any dispute, including mediation that may be required.
- xiii. Confidentiality of the sponsorship agreement.

Note: The above list is not intended to be exhaustive.

**7.3 Overview of 2020/2021 Capital Work Programme - Dashboard**

**Author:** Lili Delwaide, Programme Delivery Manager  
Ashley Harper, Senior Programme Delivery Manager

**Authoriser:** Donna Cross, Group Manager Commercial and Strategy

**Recommendation**

That this report be received and noted.

**Purpose of Report**

- 1 The purpose of this report is to provide the Committee with an overview of the 2020/2021 capital work programme and an update on its current status.



**Assessment of Significance**

- 2 This matter is not significant according to the Significance and Engagement policy.

**Discussion**

- 3 The attached dashboard provides an overview of the 2020/2021 capital work programme for Timaru District Council, including the capital expenditure planned on behalf of the Downlands Water Supply Joint Standing Committee (included in the dashboard at 100%).
- 4 Council's annual plan for 2020/21 comprises a capital expenditure programme valued at \$58.9m for Timaru District Council. Additionally, Timaru District Council is undertaking an additional \$25.3m of capital work on behalf of the Downlands Water Supply Joint Standing Committee. The combined total is \$84.2m.
- 5 The dashboard also now includes an assessment of the current status of the 140 projects planned for 2020/21. The status, on-target, at-risk or off-target, is an assessment of the likelihood of the project being delivered in its entirety by June 30, 2020.
- 6 As indicated in the report, some construction projects have been assessed as conditional, contingent or subject to external dependencies at the start of the year. Most of those projects continue to be at-risk but some have now been re-assessed as "on target" for completion by year end.
- 7 The dashboard also includes an update on the financials at the end of August 2020 and on the current opportunities on the market as well as on the financial commitments made since July 1<sup>st</sup>, for expenditure this financial year.
- 8 The next issue of the dashboard will be presented to the Commercial and Strategy Standing Committee meeting on November 24, 2020.

**Attachments**

1. **Dashboard 2020/21 September 2020**  

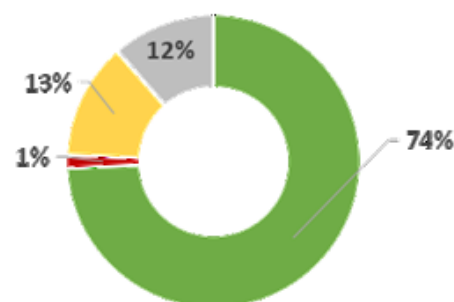
## Timaru District Council 2020/2021 Capital Work Programme September 2020

Number of Projects: 140

Total Value: \$84.23m incl. \$58.9m TDC + \$25.3m for Downlands

### Projects Progress Status

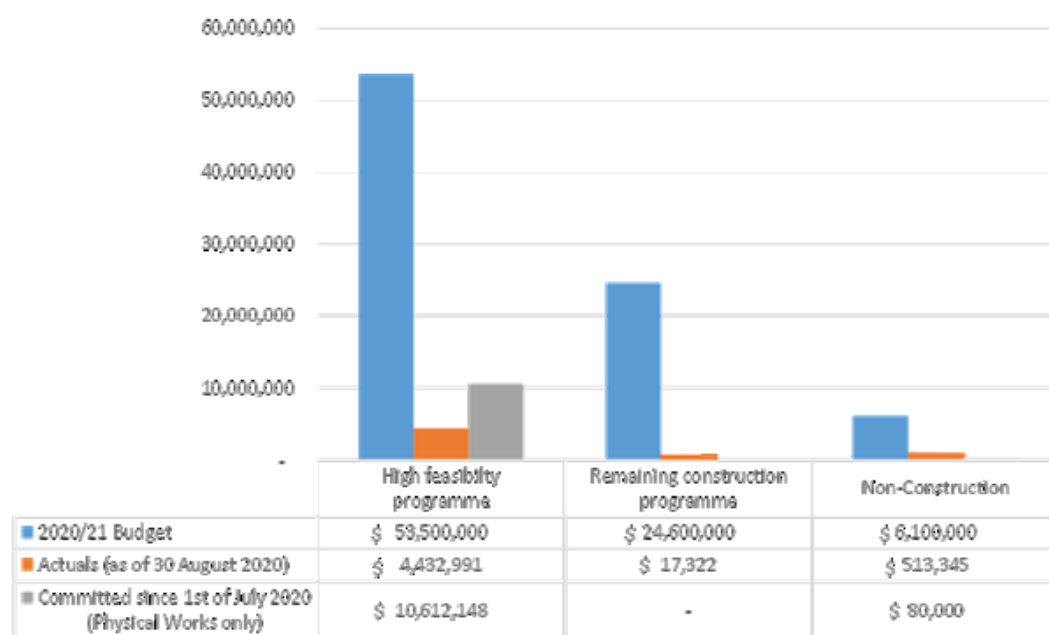
■ on-target ■ off-target ■ at-risk ■ contingency



### Capital work programme and construction works

Construction	Others (e.g. purchase of books, LED lighting, cemetery site purchase)	Total capital work programme (TDC + Downlands at 100%)
\$78.1M	\$6.1M	\$84.3M
91 projects	49 projects	140 projects

### Feasibility and Delivery – Financials – August 2020



### TDC Capital Work Programme 2020/2021 – Overview of Key Projects



### Tender opportunities currently advertised (as of 1 October 2020)

Contract	Project	Closing Date
2479	Winchester-Geraldine, Coach, Tiplady and McKenzie Road intersection upgrade – Advanced Notice – Tender due to be advertised on 6/10/2020	5/11/2020

### Key Current Projects (separate Progress Reports available)

- Theatre Royal and Heritage Facility Development
- Downlands Water Supply Scheme Upgrade
- Pareora Pipeline Renewal
- Social Housing Ventilation Compliance
- Winchester – Geraldine Road / Coach Road / Tiplady Road Intersection Upgrade
- Temuka Pool Upgrade



Temuka Water Reservoir  
Work well underway



#### **7.4 Progress Report: Theatre Royal and Heritage Facility Development and Social Housing Ventilation Compliance projects**

**Author:** Ashley Harper, Senior Programme Delivery Manager  
Lili Delwaide, Programme Delivery Manager

**Authoriser:** Donna Cross, Group Manager Commercial and Strategy

##### **Recommendation**

That this report be received and noted.

##### **Purpose of Report**

- 1 The purpose of this report is to inform the Committee on the progress of the two key property projects: the Theatre Royal and Heritage Facility Development project and the Social Housing Ventilation Compliance project.

##### **Assessment of Significance**

- 2 This matter is not significant in terms of the Significance and Engagement Policy.

##### **Discussion**

- 3 Progress reports are attached for the Theatre Royal and Heritage Facility Development and for the Social Housing Ventilation Compliance projects.
- 4 The 2020/21 approved budget for the above projects is:
  - 4.1 \$5.2m for the Theatre Royal and Heritage Facility Development project;
  - 4.2 \$740,000 for the Social Housing Ventilation Compliance project.
- 5 The attached progress reports cover all aspects of the project up until the 30<sup>th</sup> of September, 2020 except for the financials that cover the month of August 2020 only.
- 6 The progress reports include an overview of the project and their context as well as a detailed update on latest programme and current status.

##### **Attachments**

1. **Theatre Royal and Heritage Facility Development Progress Report September 2020**  
2. **Social Housing Ventilation Compliance Progress Report September 2020**  



# KEY PROJECT

## Theatre Royal and Heritage Facility Development

Progress report – Issue 2 – September 2020



### OVERVIEW

This project combines the upgrade of the Theatre Royal with the development of a new Heritage Facility, key projects under our Long Term Plan.

This project/development will:

- Provide a fit-for-purpose facility for local and touring performing arts and other shows within an exciting heritage theatre, and for the exhibition and education component of the South Canterbury Museum and touring heritage exhibitions. The facility will also be able to be utilised by Aigantighe Art Gallery for touring shows, to complement the Wai-iti Road gallery.
- Improve the vibrancy of the CBD and be a catalyst for the redevelopment of the south end of Stafford Street.
- Address significant deficiencies with current facilities, and create a multi-purpose facility that the community can be proud of.
- Create jobs during and after construction, make Timaru a more dynamic and attractive place to live, work and visit - and deliver improved economic, social, cultural, educational, recreational and entertainment outcomes for our region and community.

The Theatre Royal will benefit from a new back of house, upgraded stage house, new theatrical flying system, upgraded auditorium (new seating and floor) an improved front of house, and improved access. The Heritage Facility will provide exhibition and education space and cover 1335-1400sqm. Synergies between the Theatre and Heritage Centre will be optimised, with shared space, facilities and services between the two.



### PROJECT TEAM

**Project Sponsor:** Donna Cross – **Architect:** Architectus – **Client Representative and Theatre Lead:** Nicole Timney – **Museum Lead:** Philip Howe – **Project Manager:** Rubix

**\$23.8M**

Total 2018-2028 LTP  
Budget

**\$5.2M**

2020/21 Budget

**Current Status:**  
Procurement and  
design

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# KEY PROJECT

## Theatre Royal and Heritage Facility Development

Progress report – Issue 2 – September 2020



### PROJECT PROGRESS

- The application to Government's Shovel Ready Fund, for \$11.6m project funding, has been approved in principle.
- Architect appointed – following a robust procurement process, Architectus has been appointed as lead architect for the project. Marshall Day theatre and acoustic specialists, and conservation architect Dave Pearson also form part of the Architectus led team. The architectural team is now in their pre-design where a return brief will be agreed following investigation of the design brief, site and project documents, and stakeholder engagement. As part of this, workshops have commenced with stakeholder groups.
- The evaluation of proposals for the engineering disciplines, including structural, civil and geotechnical; building services (mechanical and hydraulics, electrical and ancillary, vertical transportation, environmentally sustainable design, fire engineering) are ongoing. Appointments are expected to be made in October.
- A fundraising strategy has being prepared by an external consultant. With the Shovel Ready announcement, consideration needs to be given to what the fundraising effort will involve.

### INDICATIVE PROJECT TIMELINE

	2020					2021												2022	2023
	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	Jan	September
Pre-design and stakeholder engagement																			
Stage 1 works: complete decommissioning																			
Planning/investigation continues (design team)																			
(Detailed) Concept design																			
Preliminary design																			
Developed design																			
Detailed design																			
Tendering – Stage 2 works																			
Stage 2 works – construction (Enabling Works)																			
Tendering – Stage 3 works																			
Stage 3 works - construction (Main Construction)																			
Completion																			

### PROJECT FINANCIALS

The combined total capital cost of the project is \$23.8m.

This project is to be funded by loan, reserves and external funding.

The 2020/21 budget is \$5.2m. The expenditure for July-August 2020 was \$45,176.

### PROJECT RISKS

*(requiring active management)*

COVID-19 - Alert Levels and restrictions resulting in project delays or increased costs. Impact of COVID-19 on the efficiency and effectiveness of the early design phase, stakeholder consultation, and initial site investigation progress by the design team.

Brownfields development – site or building complexities resulting in project delays or increased costs.

# KEY PROJECT

## Social Housing Ventilation Compliance

Progress report – Issue 2 – September 2020

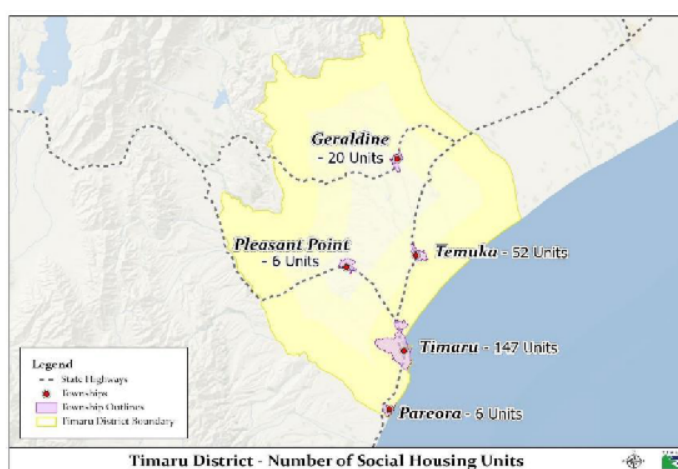


### OVERVIEW

Timaru District Council currently owns and manages 231 social housing units. The Residential Tenancies (Healthy Homes Standards) Regulations 2019 requires all tenanted houses to be ventilated. In this context, the 2020/2021 Annual Plan includes a budget of \$740,000 to install bathroom fans and rangehoods in TDC social housing units. At the end of this project, all 231 social housing units will be equipped with both a bathroom fan and a rangehood.

### PROJECT UPDATE

- The very high demand for rangehoods and bathroom fans resulted in a longer lead time to procure the materials. The first order arrived on September 25<sup>th</sup>, 2020. As a result, the installation will start in October instead of August / September as initially planned. However, the project is still on track to be completed by the end of the year.
- Installation in Temuka is planned to start on October 7, 2020.
- Installation in Timaru, and Pleasant Point is planned to start on October 19, 2020.



- All tenants have been informed of the project and will receive at least 48 hours notice before work starts in their unit.
- A Health and Safety briefing will be organised on site at the start of each contract and with each contractor.

### PROJECT TIMELINE



### PROJECT TEAM

**Project Sponsor:** Donna Cross **Project Manager:** Phillipa Steans

**\$740k**

Total 2020/21 Annual  
Plan Budget

**First order of  
materials arrived  
on September  
25<sup>th</sup>, 2020**

**Installation of  
Tranche 1 set to  
start on October  
7, 2020**

## 7.5 Lease renewals

**Author:** Donna Cross, Group Manager Commercial and Strategy

**Authoriser:** Donna Cross, Group Manager Commercial and Strategy

### Recommendation

That the Committee note and receive this report.

### Purpose of Report

- 1 To inform the Committee of the renewal of the sports club leases for Temuku, at the Temuka Domain (reserve land).

### Assessment of Significance

- 2 This matter has low significance under Council's significance and engagement policy, and does not require public consultation.

### Discussion

- 3 Timaru District Council is the lessor under leases granted to sports clubs in Temuka. The leases were put in place by Temuka Borough Council, prior to the amalgamation of neighbouring boroughs to form Timaru District Council. The Temuka Borough Council and community wished to protect the recreational value realised through the use of the reserve for sports, and the leases provided the clubs with security of tenure.
- 4 The leases were for an initial term of 30 years with the lessee having the right to renew the leases for a further term of 30 years. As the term of the leases exceeded those set out in the Reserves Act 1977, prior to entering into the leases, the Temuka Borough Council sought and obtained Minister of Conservation approval to the leases and the leases were executed by the District Conservator on behalf of the Minister.
- 5 The majority of lessees have exercised their right to renew and the leases remain on foot. We now intend for Timaru District Council to enter into a deed of renewal of lease for each to formally record the renewal. These include:
  - 5.1 Temuka Hockey Club (Gunion Square);
  - 5.2 Temuka Bowling Club (Domain);
  - 5.3 Temuka Swimming Club (Domain);
  - 5.4 Temuka Cricket Club (Gunion Square & Domain Oval);
  - 5.5 Temuka Tennis Club (Domain);
  - 5.6 Temuka Rugby Club (Domain);
  - 5.7 Temuka United Sports Club (Soccer) (Gunion & Buzon Squares);
  - 5.8 Temuka Golf Club (Domain).
- 6 With the exception of golf, who has exclusive use of the golf club grounds, the other lessees enjoy non-exclusive or otherwise limited use, for example seasonal leases.

- 7 Council is required to renew each lease where it is satisfied that the terms and conditions of the lease have been complied with, that there is sufficient need for the sports, games or other recreational activity specified in the lease, and that in the public interest some other sport, game or recreational activity should not have priority. These conditions are considered to have been met.
- 8 The Group Manager Commercial and Strategy has delegated authority to enter into the renewal of leases on behalf of Council, but given the long term nature of the leases wishes to inform the Committee of the intention to do so.
- 9 The rentals are set and reviewed in accordance with the terms of the lease.

**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
<b>11.1 - Public Excluded Minutes of the Commercial and Strategy Committee Meeting held on 1 September 2020</b>	<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 Commercial and Strategy Committee Meeting held on 1 September 2020**

## **12      Readmittance of the Public**