

Report to:	Council – Public Excluded	File 1.3.22
Date:	30 June 2021	
Subject:	Marlborough Regional Forestry sale of land	
Prepared by:	S Poulsen, Finance Manager	
Input sought from:	M Fletcher, CFO Marlborough District Council	
Authorised by:	M Dickson, Senior Manager Corporate Services	

1. SUMMARY

The Marlborough Regional Forestry (MRF) joint operating committee seeks approval from both the Marlborough District Council and the Kaikōura District Council to sell a small piece of land to an adjacent landowner. The land is surplus to requirements.

Attachments:

- i. Map of land
- ii. Aerial photograph

The recommendation to sell has been approved by the Marlborough District Council (MDC) Finance Committee and is scheduled to be ratified by MDC Council Committee on 24th June. Approval is required from both Council's for the sale to proceed.

2. RECOMMENDATION

THAT the Council:

- Approves to sell 0.8625 hectares for 29,475.35 + GST if any, subject to the purchasers covering all costs associated with the sale.
- Delegates the Chief Executive to determine the release of the public excluded report.

3. BACKGROUND

1. MRF is a Joint Operating Committee between Marlborough District Council (88.5%) and Kaikoura District Council. MRF is responsible for:
 - a. overseeing the operation of the undertaking. The primary aim of production forest management is to create a resource that will provide the best financial return from its forests on a sustainable basis.
 - b. ensuring the undertaking is managed using good forest management, health and safety and environmental practices at all times, including compliance with Marlborough District Council's Resource Management Plan provisions.
2. While holding significant delegated authorities for the operation of the forest estate, the Joint Operating Committee delegations do not extend to the buying and selling of land.
3. There is a small parcel of land surplus to requirements located in the MRF Estate. The section of land is in the Koromiko Forest and forms part of PN538789.
4. The total area of land proposed to be sold is 0.8625 ha as highlighted in **Attachment** .
5. This land is not able to be planted in trees due to the overhead powerlines and is currently in pasture and not utilised by MRF. This section of land has not been utilised by MRF previously and there are no intentions to use it going forward.
6. There is a fence in place that is currently used as the boundary fence however it is not located on the legal property boundary. The land that falls outside the fence and currently in pasture is the land that is proposed to be sold.
7. The neighbour, Richard and Linda Avery, have approached MRF to purchase the small parcel of land as they own the adjoining property.
8. The sale will not impose any access issues as the Avery's property PN 540395 is currently accessed via State Highway One.
9. The Avery's will cover all costs associated with the sale.

10. The purchase price is based on the per hectare rate that the Avery's paid for their property PN540395. This figure is \$34,159.63 per hectare which based on 0.8625 ha = \$29,476.35 + GST if any.
11. The MRF Committee has considered the Avery's proposal and voted to accept it, subject to the agreement of the two parent councils.

4. FINANCIAL IMPLICATIONS AND RISKS

All costs associated with the sale will be covered by the purchaser. The proceeds from the sale will go directly to the MRF joint venture.

4.1 Community Implications

The land is currently fenced as part of the adjacent owners' pasture and is not used by the community.

4.2 Risk Management

There are no risks associated with the sale.

4.3 Health and Safety

There are no health and safety issues associated with the sale.

5. RELEVANT LEGISLATION

5.1 Policy

This matter is not a matter of significance in terms of the Council's Significance and Engagement Policy. This is an operational matter similar to the disposal of surplus land such as road reserves.

5.2 Legislation

Section 7.2(a) of the Joint Committee Terms of Reference states that the powers delegated to the Joint Committee do not extend to the purchase, sale and leasing of land, therefore approval must be granted from both Council's.

5.3 Community Outcomes Supported

The decision has no effect on community outcomes.

5.4 Delegations

The Kaikōura District Council and the Marlborough District Council have the joint delegation to approve the sale of MRF land.

6. COMMUNITY VIEWS

No community views have been sought in relation to this decision.

Attachment i: Map of land



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Proposed Boundary Adjustment
Lot 2 DP 544836 and Section 125
Picton Suburban District

Scale:	1:3000	A3
Drawn by:	drm	
Job Ref:	20204222	
Date:	Thu Oct 15 15:30:24 2020	
Drawing:	Scheme 1	Rev. A

Attachment ii: Aerial photograph of land

