

**Report and Minutes of a Meeting of the
COMMUNITY AND FINANCE COMMITTEE
held in the Council Chambers, District Administration Building, Seymour Street,
Blenheim on WEDNESDAY, 30 APRIL 2014 commencing at 9.00 am**

Present

Clrs J C Leggett (Chairman), J A Arbuckle, J L Andrews, J P Bagge, G S Barsanti, C J Brooks, B G Dawson, D D Oddie, L M Shenfield and Mayor A T Sowman.

Also Present

Clrs G I T Evans, T E Hook and P J S Jerram (until 10.53 am).

In Attendance

Messrs D G Heiford (Manager, Support Services), M J South (Financial Services Manager), A R Besley (Chief Executive), and M J Porter (Democratic Support Manager).

Apology

Clrs Barsanti/Leggett:

That an apology from Cllr T M Sloan for non-attendance be received and sustained.

Carried**A.13/14.385 Marlborough Heritage Trust Update**

A sub group (Marlborough Heritage Trust Working Group) of the Marlborough Historical Society was formed to further the development of a Heritage Trust to support the many heritage organisations in Marlborough. At the 1 May 2012 Community & Financial Planning Committee meeting, a presentation was made by Dale Webb the President of the Marlborough Historical Society and Working Group Convenor on the progress the Working Group had made with the Trust concept and results of the consultation with the heritage community.

A further presentation was made by Mr Webb at the 24 July 2012 Committee meeting. Mr Webb asked, as the next step, for Council to become a member of the Trust. This would require Council to sign up to the Trust and it would have two appointees on the Trust. Council would not have any obligations beyond the current agreements with the various heritage groups. Council agreed in principle to being a member of the Marlborough Heritage Trust subject to the final Trust Deed being reviewed by the District Solicitor. It was reported that the Trust Deed was reviewed by the District Solicitor and approved (other parties to the trust deed are The Marlborough Historical Society, The Edwin Fox Society, The Marlborough Vintage Farm Machinery Society, The Renwick Museum and Memorial Library and Brayshaw Heritage Park Administrators). The Trust has been progressing through the registration process.

The Chairman of the Marlborough Heritage Trust, Francis Maher, along with Dale Webb and some of the other Trustees attended the meeting and gave an update on progress of the Trust. Mr Maher advised that a submission was being made to the Draft 2014-15 Annual Plan.

Queries regarding public funding, Council trustees, the strategy and financials were raised and answered at the meeting. More detail on strategies and financials will be included in the submission being made to the Draft 2014-15 Annual Plan. Members also congratulated the Chairman and Trustees and the various organisations involved.

Clrs Barsanti/Andrews:

That the information be received.

Carried

A.13/14.386 Sport Tasman - Services

R300-001-03

It was reported by the Community Development Advisor that Sport New Zealand fund Sport Tasman as the Regional Sports Trust to deliver services and programmes to the Nelson, Tasman, Buller and Marlborough areas. Council has provided Sport Tasman with an operating grant for a number of years which is currently \$20,000 per annum. This covers not only operating expenses but also the Sports Hall of Fame and the Secondary Schools Sports Breakfast. Previously Sport Tasman was the provider for Council's Recreation Services Contract, however at the last tender process a new provider was confirmed. While Sport Tasman's major base is in Nelson, it has an office based in Blenheim which staff operate their programmes from.

Tony Thomas and Sonya Sutherland from Sport Tasman attended the meeting and spoke on the range of activities currently provided in Marlborough. Mr Thomas advised that a submission was being made to the Draft 2014-15 Annual Plan.

Sport Tasman were encouraged to give attention to the seniors in the community. They advised they are building teams that are more specific to areas of interest.

Cirs Barsanti/Andrews:
That the information be received.

Carried

A.13/14.387 Safer Communities Marlborough – Activity Update April 2014 C150-001-008-01

The Government's Crime Prevention Unit changed the focus of the provision of crime prevention/crime reduction strategies to a direct contract with territorial local authorities in 2004 for these services. The Marlborough District Council decided to enter into an agreement with the Unit, and that the Marlborough Safer Community Group (now Safer Communities Marlborough) become part of the Marlborough District Council structure as required by the Crime Prevention Unit to gain access to funding.

Last year it was reported to the Committee that Safer Communities Marlborough had lost a number of contracts (e.g. Truancy Service Marlborough; NEET service etc) with the centralisation of government services. The increased capability of other groups to provide these services meant that Safer Communities Marlborough had not been needed to step in to be a provider. The resignation of key staff members (including the Manager, Paul Johnson) necessitated a review of the level of services for the Marlborough community.

Dean Heiford, on behalf of Paul Johnson of Safer Communities Marlborough, presented a report updating Council on activities performed by that Group.

The report advised that Safer Communities is now operating from premises at 35 George Street, Blenheim; their previous location was in Council owned premises in Kinross Street, Blenheim. The Council does not now provide any funding to SCM; however it continues to supply human resources, payroll, management and financial services. There are two individual projects i.e. Turnaround Marlborough, and CPTED Street Intensive Programmes which are managed by two paid staff on casual contracts, one part time contractor and two volunteers.

Turnaround Marlborough is operated in partnership with the Ministry of Justice to provide Restorative Justice Conferencing services to the Blenheim and Kaikoura District Courts and for Adult Police Diversion for Marlborough and Kaikoura Police. In September 2013 as a result of a Ministry of Justice tender process Turnaround Marlborough came together with six other South Island based restorative justice providers to form the South Island RJ Consortium which means that this Council no longer has a contract for service directly with the Ministry of Justice rather the contract for service is with the consortium. The present contract runs until 30 June 2015. The value of the contract is \$53,465 (GST incl) to 30 June 2014 and \$81,719 (GST incl) to 30 June 2015.

The CPTED Street Intensive Programmes are operated in partnership with the Ministry of Justice and Police to provide three CPTED street intensive programmes between 1 January 2014 to 30 June 2015; they focus on a neighbourhood in Blenheim that has been identified as lower socio-economic; high levels of social dysfunction; and increased crime. The programme assists residents, amongst other things, to improve their physical environment and develop relationships between residents, Council and Police.

A.13/14.389 Housing for the Elderly Sub-Committee

D050-001-H01

The Housing for the Elderly Sub-Committee minutes of 6 March 2014 were presented for ratification by the Committee.

Following a question on smoking in units the meeting was advised of Council's policy on this.

Cirs Andrews/Barsanti:

That the Minutes of the Housing for the Elderly Sub-Committee meeting held on 6 March 2014 be received.

Carried

A.13/14.390 Seddon Elderly Housing Property – Section 40

Public Works Act 1981 C600-001-01

The Housing for the Elderly Sub-Committee, at a meeting on 16 March 2011, recommended in principle the sale of the Seddon Elderly Housing property subject to relevant Council disposal procedures. The sale comes about because of the lack of applications over many years from people of the Housing for the Elderly target age of 60 years plus. The Crown purchased the land from Maori in 1847 and subsequently sold it to the former Awatere County Council in 1956. At the same time the Awatere County Council purchased four other sections from the Crown principally for housing its staff. In 1957 four elderly housing units were built on the subject land.

It was reported that a Section 40 Public Works Act 1981 investigation has been carried out and a report assessing the offer back requirements under the Act has been prepared by a specialist in this field. The Section 40 report determined that an offer back exemption exists pursuant to Section 40(2)(a) of the Public Works Act 1981 as it would be impracticable to require the land to be offered back, and as there has been significant change in the property, an offer back exemption is also relevant.

Cirs Andrews/Barsanti:

That pursuant to Section 40 of the Public Works Act 1981, Section 19 Block VIII Town of Seddon be exempt from offer back requirements.

Carried

A.13/14.391 Parking Report – 1 July 2013 to 31 December

2013 R800-002-03

Marlborough Roads reported that ADT Armourguard (ADT) continues to manage the Parking Enforcement and Maintenance contract. A financial company by the name of Evergreen recently became the owner of ADT. There will be no change to the contract other than the legal name. ADT may be offered the two year right of renewal on 1 July 2014 when the contract comes up for review. This provision is provided in the contract and is based on the contractor meeting Key Performance Indicators. The use of prescriptive scenarios coupled with the wearing of covert devices is proving to be a useful tool to modifying behaviour and investigating public complaints.

Marlborough Roads has requested that during the high season the parking wardens spend more time patrolling Picton in the week to keep the flow of traffic moving. ADT will put this into place at their own discretion using existing resources.

The reliability of off street meters is continuously monitored both by routine visits/electronic monitoring and regular maintenance cycles. The initial problem associated with the upgrade to the metro machine has ceased at this time.

Free Thursday parking in the Wynen Street carpark was implemented by the Council for the benefit of shoppers and retailers in Blenheim for a four month period (1 July 2013 to 31 October 2013).

Revenue was up by 5% in the December 2013 YTD actual budget; there was a decrease of 10.3% in expenditure.

A number of questions regarding funding, parking trials, free parking vs free buses and usage were answered by staff. It was also indicated that a Parking Review was being undertaken and these issues would be covered in that report.

Cllrs Shenfield/Brooks:
That the report be received.

Carried

A.13/14.392 Treasury Management Report for Period Ended 31 March 2014 T270-01

The Financial Services Manager presented Council's Treasury Management Report for the period ending 31 March 2014. Details of Council funds and investments were provided. Total investments totalled \$10,702,330. The total investments average interest earnings rate of 5.81% was the same as the December quarter.

Bancorp, Council's fund managers, advised that during the March quarter New Zealand short term interest rates increased but medium and long term interest rates declined in line with global bond yield movements.

Council's Treasury Management Policy sets criteria surrounding credit rating, maximum investment allowed with any one institution and the maximum allowed to be invested with any type of institution. It was reported that all criteria have been met for the 31 March quarter.

As at 31 March 2014 Council had \$28.555M of external borrowings.

A graph depicted in the report showed Council's current Westpac and Local Government Funding Authority "LGFA" borrowings and fixed rate hedging or borrowings (fixed swaps) measured against Council Treasury Management Policy and hedging parameters (policy bands).

Current borrowings and fixed swaps comply with the policy bands.

MDC Holdings Limited's borrowings as at 31 March 2014 were \$53.245M.

Cllrs Barsanti/Arbuckle:
That the Treasury Management Report for the period ended 31 March 2014 be received.

Carried

A.13/14.393 Financial Report for Council – Period Ended 31 March 2014 F045-06

The Financial Services Manager presented Council's financial report for the period ended 31 March 2014.

The Income and Expenditure Statement reported a surplus of \$3.29M for the year to date. This was a \$3.45M improvement on the \$0.16M budgeted deficit.

Total Income and Rates for the March year to date is ahead of budget by \$2.93M (4.55%). The major contributors to this result are forestry, tradewaste and sewerage development contributions.

Overall expenditure was slower than budgeted by \$0.52M (0.8%). Comments were reported on variances greater than \$100,000.

Budgeted capital expenditure was \$45.19M for the year including \$19.1M of carryovers from the 2012-13 financial year.

Actual expenditure of \$20.24M to the end of March was \$4.03M ahead of the same period last year (\$16.21M) and \$9.8M less than budgeted for the year to date.

Early indications are that there is likely to be deferrals and carryovers to 2014-15 of approximately \$8.57M in the activities of Commercial Property; Community Facilities; Flood protection and control works; Roads; Stormwater.

There is also expected to be capital savings of approximately \$3.94M in the activities of Roads; Sewerage; and Water.

Cirs Arbuckle/Oddie:

That the financial report for the period ended 31 March 2014 be received.

Carried

A.13/14.394 Debtors Overdue Report as at 31 March 2014 F220-002-020-13-14

The Debtors Overdue report as at 31 March 2014 was presented to the Committee for information.

It was reported that the current balance includes the third quarter invoicing of Trade waste of \$444,660 (March 2013 - \$309,567). The 30-90 days balance has reduced to below the October 2013 balance.

The Property Leases and Licences Debtors' report as at 31 March 2014 was also presented to the Committee for information. Current and total balances fluctuate monthly depending on individual leases and invoicing periods e.g. monthly, quarterly, six monthly or annual.

Cirs Arbuckle/Barsanti:

That the information be received.

Carried

A.13/14.395 Rates Reports as at 31 March 2014 F270-28-13

The Rate Levies Status report, Rate Arrears Aged Balance report and Water Billing Debtors report as at March 2014 were presented for councillors' information, along with a Debt Management report for properties with registered mortgages and a new report for Properties without Registered Mortgages.

It was reported that Council has collected 73.42% of the overall rates levied for 2013-2014 (inclusive of arrears) compared with 72.90% at this time last year.

There were 706 (745 same period last year) reminder letters sent out during March to those ratepayers who have not cleared their rates and have not made an arrangement to do so.

The Debt Management Report for properties with registered mortgages for 2013 showed 222 ratepayers have paid and further action has been taken for 31 ratepayers. Court action may be required for the remaining 22 ratepayers.

The Debt Management Report for properties without registered mortgages for 2013 showed that the number of ratepayers who have paid has increased; 8 are still under recovery action and 27 are awaiting commencement of legal proceedings.

The Water Billing Debtors report as at 31 March 2014 was also presented for councillors' information. The current balance of \$895,278 included the quarterly billing for all areas except Awatere which is four monthly (March 2013 - \$1,009,279).

The 90 days balance of \$20,487 was net of credit balances. Since the end of March \$22,126 of payments for 90 days accounts have been received.

Cirs Barsanti/Arbuckle:

That the report be received.

Carried

A.13/14.396 Decision to Conduct Business with the Public Excluded -

Cirs Arbuckle/Andrews:

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

- Debtors' Overdue Report
- MDC Holdings Limited

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of

the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Debtors' Overdue Report MDC Holdings Limited	In order to protect the privacy of natural persons, as provided for under Section 7(2)(a).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Carried

The meeting closed at 11.10 am.

Record No: 14116153