

**Report and Minutes of a Meeting of the
COMMUNITY AND FINANCE COMMITTEE
held in the Council Chambers, District Administration Building, Seymour Street,
Blenheim on TUESDAY, 4 FEBRUARY 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, T M Sloan and Mayor A T Sowman.

In Attendance

Messrs M F Fletcher (Manager, Corporate Finance Department), D G Heiford (Manager, Support Services – for part of the meeting), M J South (Financial Services Manager – for part of the meeting), A R Besley (Chief Executive), and Ms J R North (Support Services Administrator).

Also Present

Clrs G I T Evans, T E Hook, P J S Jerram.

A.13/14.200 Youth Initiatives Plan 2013 C225-04

Youth Council representatives, Hayley Millard, Rosie Argyle, and Jonathan Cash, spoke to the Community Development Advisor's report which gave an update on progress of the Youth Initiatives Plan implementation in 2013 along with a report on how youth funding had been expended by the Youth Council to date over the same period.

In 2005 Council agreed to adopt a Youth Initiatives Plan and provide an annual budget of \$60,000 for the Youth Council to implement the actions identified in the plan. Some of the funding is used to resource some projects identified by Youth Council members as well as for supporting proposals from providers.

The youth plans are reviewed and developed on an annual basis by each Youth Council. The same format has applied whereby organisations have made proposals to deliver outcomes for youth in relation to the plans in addition to some on-going projects that have continued to be funded such as the Youth Art Exhibition; Students Against Driving Drunk (SADD); Peer Support Programme in schools, PCT (Physical Competency Training) and CACTUS programmes across Marlborough.

The students spoke on the benefits of their youth website, My Voice Marlborough. Police support is appreciated – the Police have actively been involved in a number of youth activities including the SADD projects, PCT competitions (run each year in Youth Week), and CACTUS programme, with all having good interaction between the schools.

The peer support system in all of the colleges is a major mechanism for getting information and support to youth in need. Funding was allocated for the continuation of training for peer supporters in 2013/14. Training is provided for all secondary schools in Marlborough including Rai Valley area school.

The Youth Council supported the Marlborough Youth Trust with the Great Water Squirmish in December 2013 as part of the one off monthly events they are funded to deliver. It was anticipated that this relationship will continue in 2014. A Youth Variety Concert was undertaken as a one off event funded from Ministry of Youth Development funding.

The Youth Council reviewed the continuation of the annual youth art exhibition and decided to undertake a community youth mural project with the youth art exhibition in alternate years.

A partnership was formed in 2010 with the Marlborough Civic Theatre Trust and the Youth Council to encourage young people to undertake youth performance using the theatre. The partnership involves both the Theatre Trust and the Youth Council contributing \$1,000 towards the cost of a youth performance with up to three events being funded per annum.

Cybersafety education sessions for youth and parents were supported by the Youth Council, and it was agreed to be a focus area for 2014.

The inaugural Youth Civic Awards were developed in 2013. Specific criteria was established using the Civic Honours model. Twenty two nominations were received with six worthy recipients receiving the Award. The Youth Council recommended that these be undertaken on a biennial basis. An honours board is being established to be located in Council to record recipients as for the Civic Honours.

The Youth Council considered applications for assistance under their policy for assistance to youth chosen to represent Marlborough and/or New Zealand at a national or international level where they are experiencing hardship. Four recipients received assistance.

Support for secondary schools participating in the EnviroSchools programme continues to be provided with positive results. Tree planting took place in September 2013 at the Taylor River which was undertaken in conjunction with the Reserves staff and will continue to be an annual event on the Youth Council activities calendar.

Allocation of funding is through the Youth Council's Youth Funding Committee comprising of the Mayor, Chair of the Community and Finance Committee and one representative from each of the secondary schools on the Youth Council. The majority of funding decisions are made at Youth Council meetings.

The following information outlines how the youth funding was allocated during the 2012-13 financial year and to 31 December for the 2013-14 year. Council's financial year does not align with the calendar year by which the Youth Council operates therefore the information is shown across two financial years. Also some funding was carried forward from the previous years for projects such as the youth website and Youth Civic Awards and concert.

Youth Funding Allocated 2012-13	Organisation Activity	Amount
Marlborough Youth Trust	CACTUS and PCT programmes	\$10,400
MDC Partnership	Industry Training Graduation	\$3,000
Millennium Art Gallery and schools	Youth mural	\$5,000
Youth website	Carry over from 2011-12	\$10,000
Individuals in need	Allocated by Youth Council under set criteria	\$4,000
SADD	Conference 2013	\$1,500
Youth Council	Youth hoodies	\$1,200
MDC	Youth tree planting	\$1,000
MYD Grant	Intergenerational event and training	\$19,253
Marlborough Girls' College	Peer support training 2013	\$3,500
FYD Marlborough	Project K mentor training	\$3,000
Marlborough Boys' College	Youth message cards and posters	\$200
SF Marlborough	Youth Driver's Licence programme	\$2,000
Cybersafety	Schools and community education	\$2,000
TrustPower Awards	Youth Spirit Awards	\$200
Marlborough Girls' College	Stage Challenge	\$1,000
Civic Theatre	Youth Performing Arts Partnership	\$3,000
Total		\$70,253
Youth Funding Allocated 2013-14	Organisation Activity	Amount
Marlborough Youth Trust	CACTUS and PCT programmes	\$10,400
MDC Partnership	Industry Training Graduation	\$3,000
Millennium Art Gallery and schools	Youth mural/youth art exhibition	\$5,000
Youth website	Admin, promotion, competitions c/o 12/13	\$5,000
Individuals in need	Allocated by Youth Council under set criteria	\$3,000
Civic Theatre	Youth Performing Arts partnership – c/o 12/13	\$3,000
Youth Civic Awards and concert	Civic Theatre and Go Marlborough c/o 12/13	\$10,000
Neurolynx	Regional Youth Councils training	\$500

SADD	Regional projects and conference 2014	\$3,000
Youth Council	Youth hoodies 2014	\$1,200
MDC	Youth tree planting	\$1,000
Go Marlborough	Intergenerational event and training	\$10,000
TrustPower	Youth Spirit Awards	\$200
Marlborough Girls College	Peer Support Training 2014 – all colleges	\$3,900
Ministers Association	Ian Grant relationships sessions in colleges	\$1,500
SF Marlborough	Youth Drivers Licence programme 2014	\$2,000
Community College	Youth Expo 2014	\$500
Total to date (31 December 2013)		\$63,200

Clr Bagge/The Mayor:
That the Youth Plan Report for 2013 be received.

Carried

A.13/14.201 National Whale Centre Trust A200-002-14

The National Whale Centre Trust sought funding from Council via the 2011/12 Draft Annual Plan process requesting assistance in the form of seeding funding for the development of their whale museum concept i.e. an online resource with a small, portable museum that has interactive and static displays.

Council granted seeding funding of \$38,800 spread over two years from 1 July 2012. A formal funding agreement was entered into with key milestones agreed for the release of each stage of the funding. The Trust also applied to Council's Heritage Grants Fund in November 2013 and was granted a further \$10,000 towards the project.

The Manger, Support Services reported that the Trust has expended their funding of \$38,800 and as part of the agreement is required to report formally to Council on what they have achieved.

Chairman of the National Whale Centre Trust, Nick Gerritsen, presented a report from the Trust.

Most of the organisation's time has been committed to the creation of a membership base over the last two years after the solicitation of initial donor contributions from a number of targeted individuals. Not having a venue for members to visit, the Trust has had to create a range of other benefits for potential members as well as stressing the aspect of people supporting the concept and having access to the concept's development through the active weblog. Whale-kids members also have access to the online newsletter in a printed form upon request.

Membership uptake in the Marlborough region has been slow compared to that in other parts of the country due largely to the strategy of targeting the national constituency as a valuable part of the centre's future, both as supporters as well as future visitors. However, with the opening recently of actual physical information and planning office/display in premises provided by Port Marlborough, the uptake of membership by locals has been encouraging; there has been hundreds through the Centre.

Mr Gerritsen advised that the grant provided by Council has enabled the Trust to meet all of its Year One and Two targets as well as some of the targets for Year Three. Through its programmes and visibility on the web Marlborough has been highlighted in the many links relating to the area's heritage institutions, eco-tourism enterprises and general tourism information. While some targets such as a full website presence have not been met other strategic components have been put in place on a much broader footing than anticipated at the start of the project e.g. artists portfolio, educational (whale-kids) pilot programmes and professional links.

A membership database is being developed which will link in with the online membership/donors schedules over the next few months.

Clrs Oddie/Barsanti:
That the report be received.

Carried

A.13/14.202 New Year's Eve 2013 Celebrations Report D050-004-13

Go Marlborough provided a New Year's Eve celebration for Picton and Blenheim in 2013 and as part of their current three year contract will provide two further celebrations in 2014 and 2015. Council negotiated for fireworks for Blenheim for 2013 and increased the budget of \$20,000 by \$5,000 (GST excl) to cover this.

Port Marlborough provide \$20,000 and other sponsors provide 'in kind' services and products. The main focus of the celebrations has been Picton with a smaller event in Blenheim. The Picton event has grown over the years and become very popular. At the 31 January 2013 Committee meeting councillors expressed the wish to see more resources put into the Blenheim event in order to maintain interest in it. Consequently a fireworks display for Blenheim was provided.

Duncan MacKenzie of Go Marlborough presented their report on the 2013 New Year's Eve celebrations.

Go Marlborough had suggested that the Blenheim event relocate to the newly developed Liz Davidson Place for the 2013 celebration, as they believed it would be an ideal venue in the CBD with the added benefit of simplified road closures. Mr Duncan advised that the change in venue proved successful both from a logistics and patron comfort perspective.

The weather delivered a wonderful Marlborough evening which provided the ideal incentive for families and individuals to come out and enjoy the events.

Entertainment in Picton ran smoothly the whole evening with numbers building to a peak of approximately 9,000 by midnight. Head counts by the security team indicated a total turnover of people through the site on the night of over 12,000 people.

The Titanic inflatable slide was a favourite with hundreds of children while on stage local talent One False Move, Midge McCleary and the Chilli Dogs entertained. Following liaison with Police, floodlighting of the foreshore area was continuous from sunset until the fireworks started over the harbour.

Clrs Brooks and Oddie spoke in glowing terms of the Picton event.

A comprehensive programme of country music headlined by music icon Tony Williams took the stage in Liz Davidson Place from 8pm to midnight, drawing a solid crowd across all age groups. Feedback from those participating was very positive and the partnership formed with the Country Music Club is a successful one. Pipers from the Blenheim Highland Pipe band helped to welcome in the New Year before an impressive fireworks display launched from the top of the Alfred Street parking building. Mr MacKenzie spoke of the possibility of having the fireworks display over Liz Davidson Place.

He said a major focus will be made for sponsor support to enable an expansion of the fireworks displays which are a high point of both events.

Clrs Shenfield and Bagge questioned the Blenheim event, and in response Mr MacKenzie advised that Go Marlborough will gain feedback from the Blenheim public as to what they would like to see for the New Year Celebration.

Clrs Oddie/Andrews:

- 1. That the contract for the 2014 New Year's Eve celebrations be confirmed with Go Marlborough with the same format and budget.**
- 2. That the events be subject to Port Marlborough New Zealand Ltd confirming their commitment.**

Carried

A.13/14.203 MDC Holdings Limited – Annual Report for Year Ended 30 June 2013 S405-03

The Chairman of MDC Holdings Limited, Mr Peter Taylor, spoke to MDC Holdings Ltd's Annual Report for the financial year ended 30 June 2013.

At its meeting on 1 May 2012 the Community and Financial Planning Committee approved MDC Holdings Limited's Statement of Intent. The key financial targets and achievements were reported on.

MDC Holdings Limited is owned 100% by the Marlborough District Council. The company has three main roles i.e. treasury function for itself and its subsidiaries – Port Marlborough New Zealand Limited and Marlborough Airport Limited; governance of the subsidiaries; and advisor on Council property development.

Mr Taylor made a presentation on the qualitative elements contained in the Statement of Intent and the financial performance of its subsidiaries.

Revenue increased for 2012/13 - \$4.545M compared to \$3.976M in 2011/2012. It was noted that the Port Marlborough dividend was down on 2012 i.e. \$1,685M down from \$1.889M

The Board was very pleased to see a 2.9% increase in passenger numbers at the Marlborough Airport, a profit before tax that was almost \$90,000 ahead of 2012 and significant progress being made on the terminal expansion.

Mr Taylor stated that despite the challenging economic times, Port Marlborough has increased its revenue and profitability due to the diversified nature of its activities. Profit had again been affected by one-off expenditure as it looked to preserve shareholder value in face of Clifford Bay; and increased insurance costs and catching up on deferred maintenance.

The Board hopes that they can finally see the end of the uncertainty that the Clifford Bay issue has created. Port Marlborough can now move forward with further development at the Port with certainty. They believe it will be an exciting time for the Port as deferred capital expenditure projects are revisited and new initiatives can be developed.

Mr Taylor reported the sale of the remaining 8 of 18 sections in Boulevard Park on Taylor (BPOT) Stage 1B. In BPOT Stage 2, 43 sections have been developed with 17 having contracts; 14 settled. The 10 sections developed in Rifle Range Place have been completed and are awaiting title.

Cirs Arbuckle/Andrews:

That the MDC Holdings Ltd Annual Report for the financial year ended 30 June 2013 be received.

Carried

A.13/14.204 Marlborough District Libraries Activity Report - December 2013 L300-001

The District Libraries Manager, Glenn Webster presented his report which updated Council on the operations of the Library services for December 2013.

The Children's Library staff commenced a new project in September establishing a children's blog, accessible via the Marlborough District Libraries website. Each month a children's author is invited to be Author of the Month.

December's Author was Kyle Mewburn, a full-time writer for children since 1997. Mr Mewburn settled in New Zealand in 1990, and currently lives in Central Otago. He won the Joy Cowley Award for the development of a picture book text in 2005 and has also won both the Picture Book category and the Children's Choice Award at the 2007 New Zealand Post Awards for children and young adults.

It was reported that with the District Library embracing the Vanguard method of system thinking a number of interesting facts and trends have emerged as a result of analysing specific library circulation data. One of the first processes to be mapped and redesigned was membership. The new process encapsulates "delivering service which meets the person".

The District Library's door count (visitor numbers) recorded for December 2013 was down by 3,215 visits on December 2012. Picton Library and Service Centre recorded 226 fewer checkouts in December 2013, compared with December 2012.

The number of hits recorded by unique visitors accessing the libraries' website during the month of December was 1,964 with 8,434 pages being viewed.

Mr Webster spoke of the number of cruise ships which arrived in Picton during the week of 13 to 17 January and the big impact they had on the Picton Library and Service Centre as passengers investigated the town centre, visited the library and used the library computers and Wi-Fi.

Clrs Barsanti/Arbuckle:
That the report be received.

Carried

ATTENDANCE: The meeting adjourned at 10.55am and reconvened at 11.10am.

A.13/14.205 Property Management Contract C315-14-04

The Manager, Support Services advised of the expiry of the current property management contract on 30 June 2014 and the process for tendering the contract.

Council has managed the property portfolio by way of contract since 1998; when it was first tendered. The contract was re-tendered in 2003 and in 2008. APL Property Blenheim Ltd won the contract in an open tender process each time and has held the contract since its inception.

The property management contract in 2008 was for 3 years with a right of renewal of 3 years. The current contract has no further rights of renewal.

It is considered good practice to tender this type of contract on a regular basis to ensure contestability of Council service contracts.

The tender will be advertised nationally with a tender evaluation based on a weighted attributes method. An independent person from outside of Council, with property management experience, will be appointed onto the tender evaluation panel.

Part of the evaluation process will again be an exercise to determine if it is more cost effective to carry out the function in Council rather than by contract.

Clrs Dawson/Sloan:
That the report be received.

Carried

A.13/14.206 Psychoactive Substances Act 2013 L225-01

The Psychoactive Substances Act 2013 came into force on 18 July 2013. The purpose of the Act is to regulate the availability of psychoactive substances to protect the health and minimise harm to individuals who use these substances.

The only role Council has under the Act is to make a policy (called a Local Approved Products Policy or "LAPP") which controls where legal highs can and cannot be sold by specifying areas within the district where legal highs can be sold; limiting the proximity to other premises selling legal highs; and limiting the proximity of premises to other premises such as kindergartens, early childhood centres, schools, places of worship or other community facilities.

There are currently two retailers in Marlborough with interim licences; i.e. Tiger Takeaways at 42 High Street, Blenheim and The Western Hemp & Clothing Company Ltd at 35 Queen Street, Blenheim.

Concern has been expressed in the community over the impact of legal highs on the health of Marlborough youth. It is also believed that legal highs contribute to crime. Council has received a request from the Youth Workers' Collective, supported by letters from church ministers and school principals that Council introduce a policy to control the sale of legal highs within Marlborough.

Council solicitor, Kaye McIlveney, outlined the three options (proceed with developing a LAPP now; wait for the regulations to be made and then decide whether to have a LAPP; or not have a LAPP for the Marlborough District) in her report open to Council to control the sale of psychoactive substances in the Marlborough District.

Ms McIlveney tabled a map depicting an area in the Blenheim Central Business District zoned No 1 where legal highs could be sold, showing a 50m buffer from the Blenheim School and nearby churches and a 100m buffer between the two retailers with interim licences. The issue created some debate and councillors ultimately agreed that there should be a 100m buffer from sensitive sites such as schools, churches etc and that the selling of legal highs not be located within 100 metres of an existing premises holding a licence. Councillors supported the exclusion of the areas south of Maxwell Road and Main Street and also north of Alfred Street as depicted on the Blenheim CBZ One map presented.

Councillors agreed that a draft policy be consulted on as soon as possible that provided that:

- a) Premises licensed to sell legal highs must be located within the Blenheim Central Business Zone (CB1) excluding the areas south of Maxwell Road and Main Street and also north of Alfred Street as depicted on the Blenheim CBZ One map as amended at the meeting.
- b) Premises licensed to sell legal highs must not be located within 100 metres of a school, playground or place of worship; and
- c) New premises licensed to sell legal highs must not be located within 100 metres of an existing premise holding a licence (interim or full) to sell legal highs.

It was recommended that a group of councillors be delegated to hear and decide on any submissions made on the proposed LAPP and the members of the group be decided at the subsequent full Council meeting. The proposed timeline for consultation on the proposal is:

- Advertise the Statement of Proposal on 28 February 2014.
- Submission period from 28 February to 28 March 2014.
- Hearings on 4 April or 7 April 2014.
- Report on the consultation process to the Community and Finance Committee meeting on 22 April 2014.
- Ratification by Council at the meeting on 15 May 2014.
- Policy comes into force on 16 May 2014.

Cllrs Arbuckle/Shenfield:

- 1. That the report on the Psychoactive Substances Act 2013 be received.**
- 2. That the draft LAPP and consultation documents be approved.**

3. That the special consultative procedure commence and proceed in accordance with the timelines above.
4. That a group of councillors be delegated to hear and decide on any submissions made on the proposed LAPP and the members of the group be decided at the subsequent full Council meeting.

Carried

A.13/14.207 Audit Sub-Committee – Draft Terms of Reference F045-04

Council at its 31 October 2013 meeting established an Audit Sub-Committee of the Community and Finance Committee.

Council agreed that the principal focus of the Sub-Committee is to oversee the audit of Council's Annual Report and Annual/Long Term Plan and consider and report as necessary on the findings of any audit management report.

A Draft Terms of Reference, which had been developed following a review of similar Terms of Reference from a number of Councils and the Auditor General's publication entitled "Audit Committees in the Public Sector", was presented by the Manager, Corporate Finance, Martin Fletcher, for consideration and approval.

The Draft Terms of Reference is very broad and as the majority of areas fall within the gambit of 'finance' it would take the lead in servicing the Sub-Committee.

Mr Fletcher advised that one of the key contributors to the success of Council Audit Committees is the appointment of an appropriate external member or members. To ensure that a person with appropriate skills and experience is appointed it was proposed to advertise the position externally with remuneration in the \$8,000 to \$10,000 range which would need to be funded via a rates increase.

**Cllrs Bagge/Shenfield:
That Council:**

1. agree the Terms of Reference for the Audit Sub-Committee;
2. note that with current resourcing the full range of activities in the Terms of Reference can only be covered on a two to three year cycle;
3. agree to proceed with the recruitment of an external Audit Committee member at a remuneration of up to \$10,000 per annum;
4. note final appointment of the external Audit Committee member will be made by full Council.

Carried

A.13/14.208 Borrowing Facilities B045-01

The Manager, Corporate Finance sought Council's approval to increase the delegated authority to raise funds from borrowing.

In September 2010, Council's agreement was given to enter into a Debenture Trust Deed to enable it to raise debt by issuing Bonds. With increasing debt levels, it was considered prudent to have more than one source of debt financing. Bancorp had recommended raising debt through bond issue as a cost effective option. Council also agreed to the Manager Corporate Finance, subject to the maximum value of options "(a)" establishing a Bank facility in Council's name up to the value of \$40M and/or "(b)" issuing bonds progressively up to the value of \$40M to meet cash flow needs over the subsequent 12 months.

The final mix of bank and bond debt would depend on indicative pricing obtained and be limited to \$40M in total.

Since the approval was given a \$30M floating facility has been obtained with Westpac Banking Corporation following a competitive tender; and the Local Government Funding Agency (LGFA) has been established and Council is a shareholder owning 400,000 shares. The LGFA was established to obtain debt on behalf of Local Government at rates cheaper than can be obtained from other sources. The LGFA has been very successful in this endeavour and Council has obtained \$8M of debt via the LGFA to date. Based on current pricing, over time it is likely for the long term debt obtained from Westpac to be transferred to the LGFA as it matures.

When the delegation was first established it was expected that it would require review in 12 months, however, for a number of reasons, in particular the deferral of major capital expenditure, it is only now, some three and a half years later that a review of the delegation is required.

Based on the pre-election report for 30 June 2014, 2015, and 2016 the forecast maximum gross debt including 10% contingency is \$51.2M for June 2014; \$59.6M for June 2015; and \$66.8M for June 2016.

As a result of the forecast debt an increase in delegation to \$60M was recommended; this amount was recommended as it coincides with the forecast requirement for the next 18 months.

Cllrs Barsanti/Dawson:

That Council delegate authority to the Manager, Corporate Finance to raise debt on Council's behalf to a maximum value of \$60M in accordance with Council's Debt Management Policy.

Carried

A.13/14.209 NZ Local Government Funding Agency

B045-01

The Manager, Corporate Finance presented the NZ Local Government Funding Agency's (LGFA) 2012-13 Annual Report.

When Council adopted its 2012-22 Long Term Plan it agreed to become a shareholder of the LGFA. As the LGFA is jointly owned by Councils, by virtue of Section 6 Local Government Act 2002, the LGFA is a Council Controlled Trading Organisation (CCTO). As such it is required to deliver to its shareholders an audited annual report. Council owns 400,000 \$1 shares of which 200,000 are uncalled.

The Committee was informed that the LGFA's results for the 30 June 2013 financial year have continued to exceed expectations. Estimated savings for AA rated Councils are estimated at between 0.2% and 0.3%.

Cllrs Barsanti/Shenfield:

That Council receive the LGFA's 30 June 2013 Annual Report.

Carried

A.13/14.210 Treasury Management Report for Period

Ended 31 December 2013

T270-01

The Manager, Corporate Finance spoke to Council's Treasury Management Report for the period ending 31 December 2013.

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 September quarter.

A.13/14.212 Debtors Overdue Report as at 31 December 2013

A135-04

The Debtors Overdue report as at 31 December 2013 was presented to the Committee for information.

It was reported that the current balance includes the second quarter invoicing of Trade waste of \$450,372 (December 2012 - \$308,691). The 90 days balance has reduced since July 2013, and the 30-90 days balance has increased since October primarily because of one significant development contribution for extraordinary sewer connection, invoiced in October 2013 that was still outstanding.

The Property Leases and Licences Debtors' report as at 31 December 2013 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. The current balance is low but is comparable to December 2012 (\$17,492).

Clrs Barsanti/Arbuckle:
That the information be received.

Carried

A.13/14.213 Rates Reports as at 31 December 2013

R135-03

The Rate Levies Status report, Rate Arrears Aged Balance report and Water Billing Debtors report as at 31 December 2013 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 48.99% of the overall rates levied for 2013-2014 (inclusive of arrears) compared with 48.58% at this time last year.

Since 10 December, the final day for payment of rates instalment two, there were 836 (604 last year) penalty letters posted due to non-payment. Of these 276 (192) required follow up in January. One reason for the increase in numbers compared to last year is that the letters were posted prior to Christmas rather than the second week in January.

Due to Council's successful collection methods there are only a very small number of properties (with registered mortgages) with rate arrears still outstanding for the 2011 and 2012 rating years. For the eight debts that remain outstanding, out of an original 232, either an arrangement is in place for repayment (3); or a notice of demand has been sent to the mortgagee (2); or Court action may be required (3). As a result of the very low numbers and the inclusion of "Court Action" debts in a new Properties without Registered Mortgages report, it was proposed that this was the last time that a separate report on the 2011 and 2012 rating years would be provided.

Ultimately Court Action may be required to collect the debts in the Properties without Registered Mortgages report. Council will commence Court proceedings as allowed under the Local Government (Rating) Act 2002 when the debt is over three years old or more than \$3,700. The first eleven properties have been lodged with an agent to commence recovery action through the Court.

The Water Billing Debtors report as at 31 December 2013 was also presented for councillors' information.

Clrs Arbuckle/Andrews:
That the report be received.

Carried

A.13/14.214 Decision to Conduct Business with the Public Excluded -

Cllrs Arbuckle/Barsanti:

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

- Debtors' Overdue Report

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	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 12.45 pm.

Record No: 1441941