



AGENDA

Ordinary meeting of the

Governance Committee

**Thursday 3 July 2014
Commencing at 9.00am
Council Chamber
Civic House
110 Trafalgar Street, Nelson**

Membership: Councillor Ian Barker (Chairperson), Her Worship the Mayor Rachel Reese, Councillors Luke Acland (Deputy Chairperson), Eric Davy, Kate Fulton, Brian McGurk, Paul Matheson, Gaile Noonan and Pete Rainey, Mr John Peters and Mr John Murray

Guidelines for councillors attending the meeting, who are not members of the Committee, as set out in Standing Orders:

- All councillors, whether or not they are members of the Committee, may attend Committee meetings (SO 2.12.2)
- At the discretion of the Chair, councillors who are not Committee members may speak, or ask questions about a matter.
- Only Committee members may vote on any matter before the Committee (SO 3.14.1)
- It is good practice for both Committee members and non-Committee members to declare any interests in items on the agenda. They should withdraw from the table for discussion and voting on any of these items.

Apologies

1. Interests

- 1.1 Updates to the Interests Register
- 1.2 Identify any conflicts of interest in the agenda

2. Confirmation of Order of Business

3. Public Forum

4. Confirmation of Minutes – 22 May 2014 6-14

Document number A1190855

Recommendation

THAT the minutes of the meeting of the Nelson City Council – Governance Committee, held on 22 May 2014, be confirmed as a true and correct record.

5. Status Report – Governance 3 July 2014 15

Document number A1160658

Recommendation

THAT the Status Report – Governance 3 July 2014 (A1160658) be received.

6. Chairperson's Report

FINANCE

7. Finance Report for the Period Ending 30 April 2014 16-31

Document number A1192537

Recommendation

THAT the Finance Report for the Period ending 30 April 2014 (A1192537) and its attachments (A1191122, A1204110, A1203888 and A793514) be received and the variations noted.

AND THAT changes to the property insurance schedule cover for the 2014/15 financial year be noted by the Committee.

GOVERNANCE

8. Officer Support for Sister City Trip to Miyazu 32-33

Document number A1211496

Recommendation

THAT the report Officer Support for Sister City Trip to Miyazu (A1211496) be received;

AND THAT Nicky McDonald travel to Miyazu with Her Worship the Mayor in October 2014.

PUBLIC EXCLUDED BUSINESS

9. Exclusion of the Public

Recommendation

THAT the public be excluded from the following parts of the proceedings of this meeting.

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:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)

1	Governance Committee – Public Excluded Minutes – 22 May 2014	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary:
	Ridgeways Joint Venture Statement of Intent and half Yearly Report 2014		<ul style="list-style-type: none"> • Section 7(2)(b) To protect information that may disclose a trade secret or the commercial position of a person

10. Re-admittance of the public

Recommendation

THAT the public be re-admitted to the meeting.

Minutes of a meeting of the Governance Committee

Held at the Tahunanui Conference Centre

On Thursday 22 May 2014, commencing at 9.02am

Present: Councillor I Barker (Chairperson), Her Worship the Mayor (R Reese), Councillors L Acland, E Davy, K Fulton, B McGurk, P Matheson, and G Noonan

In Attendance: Chief Financial Officer (N Harrison), Chief Executive (C Hadley), Group Manager Infrastructure (A Louverdis), Group Manager Support Services/Acting Group Manager Community Services (H Kettlewell), Administration Adviser (E-J Ruthven)

Apologies: Councillor P Rainey, and Her Worship the Mayor for early departure.

1. Apologies

Resolved

THAT apologies be received and accepted from Councillor Rainey, and Her Worship the Mayor for early departure.

Acland/McGurk

Carried

2. Interests

There were no updates to the Interests Register, and no conflicts of interest with agenda items were declared.

3. Confirmation of Order of Business

The Chairperson advised that there was a public forum presentation.

There was no further change to the order of business.

4. Public Forum

4.1 Review of Events relating to Closure of the Trafalgar Centre

Mr Kerry Neal spoke about the report 'Review of Events relating to Closure of the Trafalgar Centre Paru Paru Road, Nelson' undertaken by Mr Alan Bickers. He said that the conclusions of the report would be useful to Council in the future.

Mr Neal suggested that the report did not support the closure of the Trafalgar Centre. He said that the report's comments on this issue were based on interim draft information provided to him by Council, and suggested that the report conclusions regarding the closure of the Trafalgar Centre should be modified. He quoted from the report that the s124 notice did not prevent public access to the building, and that this was a separate matter for Council to consider.

5. Confirmation of Minutes – 3 April 2014

Document number A1167749, agenda pages 8-15 refer.

The Chairperson advised a small correction in item 7, substituting the words 'external members' for the words 'an external member'.

Resolved

THAT the minutes of a meeting of the Nelson City Council - Governance, held on 3 April 2014, be confirmed as a true and correct record, with the substitution of the words "external members" for the words "an external member" in item 7.

Davy/Her Worship the Mayor

Carried

6. Status Report – Governance 22 May 2014

Document number A1160658, agenda page 16 refers.

The Chairperson outlined Council's desire to ensure involvement by the Economic Development Agency in the development of the Long Term Plan.

Attendance: Councillor Fulton joined the meeting at 9.15am.

Resolved

THAT the Status Report – Governance 22 May 2014 (A1160658) be received.

McGurk/Matheson

Carried

7. Chairperson's Report

The Chairperson spoke about the practice of appointing non-elected members to committees, and noted that it had been Council policy since the 1970s to have non-elected members with full voting rights sit on committees. He added that the intention to appoint such members had been clearly indicated at the start of the Council term, when the Committee structure had been established.

He outlined the benefits of having non-elected members present on the Governance and Planning and Regulatory Committees, and noted the robust process undertaken to identify individuals able to offer their expertise for the benefit of the Nelson community.

Resolved

THAT the verbal Chairperson's Report be received.

Barker/Acland

Carried

GOVERNANCE

8. Uniquely Nelson Business Plan 2014/15

Document number A1171894, agenda pages 17-34 refer.

Uniquely Nelson Manager, Cathy Madigan, and Chairman, Ian Williams, joined the meeting.

They thanked Council for its support to date, and explained some of the recent activities undertaken by Uniquely Nelson. They noted that activities focused on experiencing Nelson city and the diversity of Nelson's culture.

There was a discussion regarding Uniquely Nelson's plans regarding winter parking. In response to a question, Ms Madigan explained that the free Tuesday parking would not proceed this winter, as there was no obvious benefit to retailers from it. She said Uniquely Nelson would prefer to utilise initiatives that rewarded customers with a rebate on parking in return for receipts from retailers. She added that Uniquely Nelson was working with SBL on marketing initiatives, but that currently there was no desire to exchange free bus tickets for retail spend.

There was a further discussion regarding online tools for retailing. In response to a question, Ms Madigan and Mr Williams noted that Uniquely Nelson was looking to develop an e-commerce platform, and was encouraging retailers to embrace online technology.

Ms Madigan and Mr Williams left the meeting.

There was a discussion regarding the process for receiving the business plan. In response to a question, Group Manager Support Services, Hugh Kettlewell, explained that as Uniquely Nelson was not a Council-controlled organisation, there was no need to formally approve the business plan.

It was noted that it was preferable to be able to engage in dialogue with Uniquely Nelson regarding the development of the business plan, and to provide feedback, such as including performance measures, and it was suggested that these could be included in a review of the Memorandum of Understanding.

Resolved

THAT the report Uniquely Nelson Business Plan 2014/15 (A1171894) and its attachments (A1171700 and A569088) be received.

Davy/Noonan

Carried

9. Nelson Tasman Business Trust Business Plan 2014/15

Document number A1176228, agenda pages 35-47 refer.

Sarah Holmes, Ian Kearney and Rochelle Selby-Neal of the Nelson Tasman Business Trust joined the meeting.

They thanked Council for their on-going support, outlined Business Trust activities, and noted their value particularly for small to medium-sized businesses. They explained that they worked alongside various regional and national organisations, had increasing numbers of participants at meetings and a high degree of customer satisfaction.

Mr Kearney spoke about the Trust's involvement with Marlborough businesses over many years. He said that Marlborough District Council had recently approved funding to establish a similar trust, and had requested that the Nelson Tasman Business Trust assist with establishing and overseeing the new Marlborough trust.

In response to a question, Ms Holmes explained that the proportion of funding received from Tasman District Council was less than the proportion of Tasman businesses benefitting from the Trust. She explained that the Trust had approached Tasman District Council to increase its level of funding, and had been received positively.

A suggestion was made that rent review for the Nelson Tasman Business Trust be considered within the Long Term Plan 2015-2025.

Resolved

THAT the report Nelson Tasman Business Trust Business Plan 2014/15 (A1176228) and its attachments (A1175310 and A777074) be received.

Noonan/Fulton

Carried

10. Independent Review – Southern End, Trafalgar Centre

Document number A1180055, agenda pages 48-50 refer.

The Chief Executive presented the report.

In response to questions, she confirmed that the report 'Review of Events relating to Closure of the Trafalgar Centre, Paru Paru Road, Nelson' by Alan Bickers concluded that closure of the Trafalgar Centre by Council was an appropriate course of action for Council to take.

There was a discussion regarding risk management for current Council projects. In response to questions, the Chief Executive explained measures that had been undertaken to improve risk management in Council projects, including that all capital projects were planned and project managed by the Infrastructure team, regardless of the nature of the facility being built. She said that Council currently had a strong project management approach to Council projects, but that it was appropriate to identify where the 'business case' approach advocated by Mr Bickers could be incorporated as well.

Councillors discussed the concept of best practice, and it was noted that the standard of what was considered to be best practice moved with advances in knowledge. It was further noted that Mr Bickers' report had concluded that Council actions in 2007 with regards to the relative risk regarding liquefaction damage at the Trafalgar Centre site were appropriate and in accordance with accepted best practice of the day.

There was a further discussion regarding the involvement of elected members in project governance committees. In response to a question, the Chief Executive agreed that this was a useful practice where appropriate, and noted that there were currently projects underway that involved a project governance team. She added that it was also important to ensure projects were handed over to officers to be able to carry them out.

In discussing the report, councillors agreed that it was a comprehensive report, which highlighted that Council had acted responsibly in deciding to close the Trafalgar Centre.

Resolved

THAT the report Independent Review – Southern End, Trafalgar Centre (A1180055) and its attachment (A1180082) be received.

Davy/Fulton

Carried

Recommendation to Council

THAT Council accept the recommendations in Alan Bickers' report dated April 2014 (A1180082);

AND THAT Council note the business case approach to projects, as set out in the Independent Review of the Southern End, Trafalgar Centre, will be reviewed and incorporated into management practices for use in significant Council projects.

Davy/Fulton

Carried

Attendance: The meeting adjourned for morning tea from 10.38am to 11.00am, during which time Her Worship the Mayor left the meeting.

11. Long Term Plan Workshops March to May 2014

Document number A1184322, agenda pages 51-72 refer.

There was a discussion regarding the inclusion of workshop notes as attachments to the report, and some councillors expressed surprise that these had been included on a meeting agenda. It was noted that members of the public were often interested in understanding what took place in workshops, and that the notes identified the discussions held, with no formal decisions made.

In response to a question, the Chief Executive explained that the purpose of including workshop notes was to ensure that officer actions were in accordance with the general direction given at workshops. She said that increasing audit expectations meant that local government decision making would be subject to greater scrutiny, and that in this manner, it was helpful for workshop notes to form a part of the formal record.

Resolved

THAT the report Long Term Plan Workshops March to May 2014 (A1184322) and its attachments (A1161440, A1187274, A1183906 and A1185413) be received.

Davy/McGurk

Carried

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12. Finance Report for the Period Ending 31 March 2014

Document number A1174527, agenda pages 73-89 refer.

Chief Financial Officer, Nikki Harrison, presented the report. She noted that there had been a slight non-compliance with funding maturity profiles in the five years plus category during March, which related to a Local Government Funding Agency bond moving from the five years plus, to the three to five years category. She said that the non-compliance had been remedied by the issue of a further Local Government Funding Agency Bond on 2 April 2014, being the first opportunity to remedy the breach in this manner.

In response to a question, Ms Harrison explained that the report identified a large number of outstanding rates, as the report was written when the fourth instalment had just been levied. She said that there were no concerns regarding the level of outstanding rates.

In response to further questions regarding desludging at Nelson North Wastewater Treatment Plant, Group Manager Infrastructure, Alec Louverdis, explained that the cost for desludging had come in significantly under budget. He said that work had now commenced on site, and that some work would continue into the next financial year.

Resolved

THAT the Finance Report for the Period ending 31 March 2014 (A1174527) and its attachments (A1173310, A1181631, A1170658 and A793514) be received and the variations noted.

Matheson/Acland

Carried

13. Financial Reporting and Prudence Regulations 2014

Document number A1172443, agenda pages 90-91 refer.

Resolved

THAT the report Financial Reporting and Prudence Regulations 2014 (A1172443) be received.

Davy/McGurk

Carried

14. Exclusion of the Public

Resolved

THAT the public be excluded from the following parts of the proceedings of this meeting.

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:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	<p>Governance Committee – Public Excluded Minutes – 3 April 2014</p> <p>These minutes contain information regarding:</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p>
	<p>Management Letter to Council for the Year Ending 30 June 2013 from Audit New Zealand, including a resolution that the letter to Council on the audit of NCC for the year ending 30 June 2013 be released from public excluded once finalised by Audit NZ.</p>		<ul style="list-style-type: none"> Section 7(2)(g) To maintain legal professional privilege
2	<p>Ridgeways Joint Venture Statement of Intent and Half Yearly Report 2014</p> <p>This report contains information regarding the Ridgeways Joint venture</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> Section 7(2)(b) To protect information that

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	six months results including the half yearly report.	exists under section 7	may disclose a trade secret or the commercial position of a person
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Davy/Noonan

Carried

The meeting went into public excluded session at 11.27am and resumed in public session at 11.43am.

15. Re-admittance of the Public

Resolved

THAT the public be re-admitted to the meeting.

Davy/McGurk

Carried

There being no further business the meeting ended at 11.43am.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

Status Report – Governance 3 July 2014

Date of meeting/Item	Action Resolution	Officer	Status
17 April 2014 Council meeting	<p><u>AND THAT</u> prior to 30 June 2014 Council engage further with the Nelson Regional Economic Development Agency in relation to the Regional Economic Development Strategy and strategic initiatives for 2014/15.</p>	Hugh Kettlewell	<p>03/07 Workshop held with councillors and EDA on 8 May 2014</p> <p>ONGOING</p>

Finance Report for the Period Ending 30 April 2014

1. Purpose of Report

- 1.1 To inform the members of the Governance Committee on the financial results of activities for the 10 months ending 30 April 2014 compared to projection, and to highlight and explain any material variations.

2. Recommendation

THAT the Finance Report for the Period ending 30 April 2014 (A1192537) and its attachments (A1191122, A1204110, A1203888 and A793514) be received and the variations noted.

AND THAT changes to the property insurance schedule cover for the 2014/15 financial year be noted by the Committee

3. Background

- 3.1 The report focuses on performance to date compared with the final projections which have recently been updated for the Annual Plan 2014/15. Projections are spread evenly throughout the year for operating revenue and expenses, and weighted to spend more in the second half of the year for capital. Timing variances against budget and projections are caused when seasonality is a factor (for instance with some classes of maintenance), and when total income or expenditure occurs within a very short space of time (for example, grants and festivals).

- 3.2 Some definitions of terms used within this report:

Operating income – all income other than rates including metered water, grants, fees, rentals, and recoveries.

Rates – includes the general rate, wastewater, stormwater and flood protection rates, and targeted rates for Solar Saver.

Staff costs – salaries plus overheads such as training, super, professional fees and office accommodation expenses.

Depreciation – includes all depreciation, and any losses on asset disposal/retirement.

Interest – includes debt interest, bank fees, interest rate swap margins, treasury and rating agency fees.

4. Discussion

- 4.1 The report focuses on performance to date compared with the final projections prepared for the Annual Plan 2014/15. More detailed financials by sub-activity are in Attachment 1.
- 4.2 For the 10 months ending 30 April 2014, the activity surplus/deficits are \$5.8 million favourable to projection (\$8.7 million favourable to budget). Some of the reasons for the large variance to budget include the NNWWTP desludging savings/movement to 2014/15 of \$2.7 million and \$855,000 movement to 2014/15 for velodrome grant for capital works (which are both loan funded). This includes a carry forward of \$2.1 million which has reduced the 2014/15 rates requirement.
- 4.3 The Expenses – staff have not been re-projected at an activity level post the reorganisation in late 2013 as it was difficult to know the exact impact across the activities.

NCC variance to projection to 30 April 2014

Activity	Year to Date Variance to Projection							
	Surplus (Better)/ Worse	Revenue (Better)/ Worse	Expenses - Staff	Expenses - other	Expenses - Interest	Expenses - Depr	Expenses (Better)/ Worse	
Corporate	(1,153,499)	551,086	(882,298)	(351,797)	(450,114)	(20,376)	(1,704,585)	5
Economic	(220,057)	0	71,413	(290,498)	(972)	0	(220,057)	6
Environmental Mgmt	(669,813)	130,775	(463,649)	(314,969)	(21,084)	(885)	(800,587)	7
Flood Protection	64,712	0	27,153	38,200	2,068	(2,708)	64,712	8
Parks & Active Rec	(1,074,354)	(32,380)	(83,910)	(847,034)	(94,894)	(16,137)	(1,041,975)	9
Social	(512,106)	6,206	(296,766)	(226,683)	(28,298)	33,436	(518,312)	10
Stormwater	(184,013)	(1,667)	3,906	(97,120)	(85,191)	(3,941)	(182,346)	11
Transport	(326,680)	(31,508)	15,856	(130,256)	(130,251)	(50,522)	(295,172)	12
Wastewater	(875,114)	142,061	37,124	(1,029,016)	(14,701)	(10,582)	(1,017,175)	13
Water	(832,401)	(40,809)	60,442	(619,632)	(154,729)	(77,671)	(791,591)	14
Grand Total	(5,783,326)	723,764	(1,510,730)	(3,868,806)	(978,167)	(149,387)	(6,507,090)	4

- 4.4 Operating income and expenditure variances are discussed by activity.

5. Corporate

- 5.1 The corporate activity is \$79k better than projected due to:
- 5.2 Revenue - \$551,000 worse than projected – internal interest is \$614,000 worse than projected, offset in external interest. As a result of the projections analysis, an adjustment has been made to internal interest rate in May which will bring the expenditure and projection more into line with each other for the year end report.

- 5.3 Expenses – staff - \$876,000 underspent due to lower staff time than projected particularly in Strategy and Planning.
- 5.4 Expenses – other - \$358,000 better than projected - strategy work is \$61,000 under projection. Contingency budget is under projection by \$128,000 as well as Civic House \$90,000 (largely maintenance and AMP expenses).
- 5.5 Expenses – interest - \$450,000 underspent – \$270,000 is in external interest, with the remainder being internal interest and tax.

6. Economic

- 6.1 The economic activity is \$130,000 better than projection due to:
- 6.2 Expenses – other - \$290,000 better than projected – there has been little spending to date on Economic development funding, special economic projects, the business incubator and facilities marketing. Cricket World Cup is under projection by \$20,000.

7. Environmental management

This activity includes civil defence and rural fire activities, consents and compliance, environmental programmes, and solid waste activities.

- 7.1 The environment activity is \$632,000 better than projection due to:
- 7.2 Operating income - \$131,000 worse than projected – Resource consent income is \$179,000 under projection.
- 7.3 Expenses – staff - \$464,000 better than projection – lower staff costs in building and resource consents and Resource management planning.
- 7.4 Expenses – other - \$315,000 better than projected - Resource management planning professional fees are underspent \$141,000. Expenses for monitoring the environment are underspent \$90,000 and those for environmental advocacy underspent by \$43,000.

8. Flood Protection

- 8.1 The flood protection activity is \$65,000 worse than projected mainly in the April 2013 rainfall event.

9. Parks and Active Recreation

- 9.1 The parks and active recreation activity is \$1.1 million better than projection due to:
- 9.2 Operating income - \$354,000 worse than projected – Golf course fees (\$40,000 year to date) and recoveries from TDC (\$56,000 year to date) for their contribution to the operational costs of Saxton Stadium are invoiced later in the year. Mostly due to insurance income relating to Saxton Stadium from the April 2013 flood (\$232,000). The reduction in

insurance income is matched by a reduction in remediation expenditure (see 9.3).

- 9.3 Expenses – other - \$1.2 million better than projected - Brook Sanctuary grant for capital expenditure has not been paid, resulting in \$427,000 underspend to April. The \$232,000 savings in Saxton Stadium repair costs is matched by a reduction in insurance income (see 9.2). There is also an underspend to date in the response to the April 2014 event of \$100,000 which will be invoiced in future months.

10. Social

- 10.1 The social activity is \$130,000 better than projection due to:
- 10.2 Expenses – staff - \$297,000 better than projected mainly in the libraries (\$218,000), and Community Liaison (\$108,000).
- 10.3 Expenses – other - \$227,000 better than projected – maintenance budgets are under projection (\$267,000) by more than 50% in 8 out of 26 subactivities. Base expenditure is \$118,000 under projection in Brook Camp mainly related to money that was earmarked for an external operator. Offsetting this, is the festivals expenditure (\$242,000 over projection) which will be somewhat offset when the EDA transfer to Opera in the Park is posted in May (\$165,000).

11. Stormwater

- 11.1 The stormwater activity is \$184,000 better than projected due to:
- 11.2 Expenses – other - \$97,000 better than projected mainly a year to date underspend in the 2011 emergency recovery budget

12. Transport

- 12.1 The transport activity is \$390,000 better than projected due to:
- 12.2 Expenses – other - \$130,000 better than projected. Emergency response is \$111,000 overspent year to date, and \$25,000 over the full year projection. Offsetting this, programmed maintenance in subsidised roading is \$115,000 underspent, and road and footpath maintenance in unsubsidised roading is underspent by \$80,000 year to date.
- 12.3 Interest is \$131,000 better than projection which will to some extent be addressed with the internal interest adjustment in May.

13. Wastewater

- 13.1 The wastewater activity is \$875,000 better than projected due to:
- 13.2 Revenue - \$142,000 worse than projected due to the NRSBU rebate.
- 13.3 Expenses – other - \$1.0 million better than projected - the Nelson North Waste Water Treatment Plant desludging has not been incurred

(\$320,000) as the timing of the desludging programme has been revised. Other maintenance budgets are also under projection (\$106,000) including Emergency response for the April 2011 event at \$65,000 underspent. The Nelson Regional Sewerage Business Unit (NRSBU) charge to Council is \$258,000 under projection as a result of lower capital charge and operational savings.

14. Water

- 14.1 The water activity is \$832,000 better than projected due to:
- 14.2 Revenue - \$41,000 better than projected.
- 14.3 Expenses – other - \$620,000 better than projected - \$524,000 in total maintenance.
- 14.4 Depreciation and interest expenditure is \$232,000 less than projected which will to some extent be addressed with the internal interest adjustment in May.

15. Capital Expenditure

- 15.1 Capital expenditure is \$2.9 million below projection to April. Projections are phased towards the end of the year, and a significant amount of the invoices are expected in the last couple of months. The report does not reflect the new approved budget over the current and next financial year for the Maitai Walkway of \$3.629m.

16. Outstanding Rates

- 16.1 The fourth instalment of \$14.08 million was levied on 20 April 2014. Of this instalment, \$1.5 million was still outstanding at 31 May 2014 (90% collected) and \$5,925 was still outstanding for the previous rating year. As at 13 June 2014 \$1m of the current instalment was outstanding, with \$705k still to come via direct debits by 30 June 2014. This would leave a similar level of outstanding debt at the end of the year to previous years.
- 16.2 Going forward, outstanding rates will be reported as at the end of each quarter due to the high number of direct debits that are paying the instalment over the quarter, as previously reported to the Committee.

17. Insurance renewal

- 17.1 Officers have reviewed the insurance schedules for the 2014/15 insurance renewal and intend to reduce the level of insurance cover on the Hunting and Fishing and Med Foods buildings from reinstatement to demolition only, given they no longer have tenants. Officers also intend to reduce the cover on the Plant and Food building from reinstatement to indemnity, which is the level of cover required by the lease agreement and paid by the tenant.

18. Borrowings

18.1 A summary of the borrowings and interest rate position as at 30 April 2014 is attached (Attachments 4 and 5).

19. April 2014 Storm

19.1 Projections for recovery from this event totalled \$427,000, not including Forestry. Year to date April, \$186,000 has been spent.

20. Conclusion

20.1 For the 10 months ending 30 April 2014, the activity surplus/deficits are \$5.8 million favourable to projection (\$8.7 million favourable to budget).

Nikki Harrison
Group Manager Corporate Services

Attachments

Attachment 1: NCC variance to projection [A1191122](#)

Attachment 2: Capital Expenditure by Activity [A1191122](#)

Attachment 3: Capital Expenditure Over \$750,000 [A1191122](#)

Attachment 4: Capital Expenditure Graph [A1191122](#)

Attachment 5: Outstanding Rates [A1191122](#)

Attachment 6: Balance Sheet [A1204110](#)

Attachment 7: Council Borrowings and swaps [A1203888](#)

Attachment 8: Interest Rate Position Report [A1203888](#)

Attachment 9: Debtors Report [A793514](#)

No supporting information follows.

NCC variance to projection to 30 April 2014

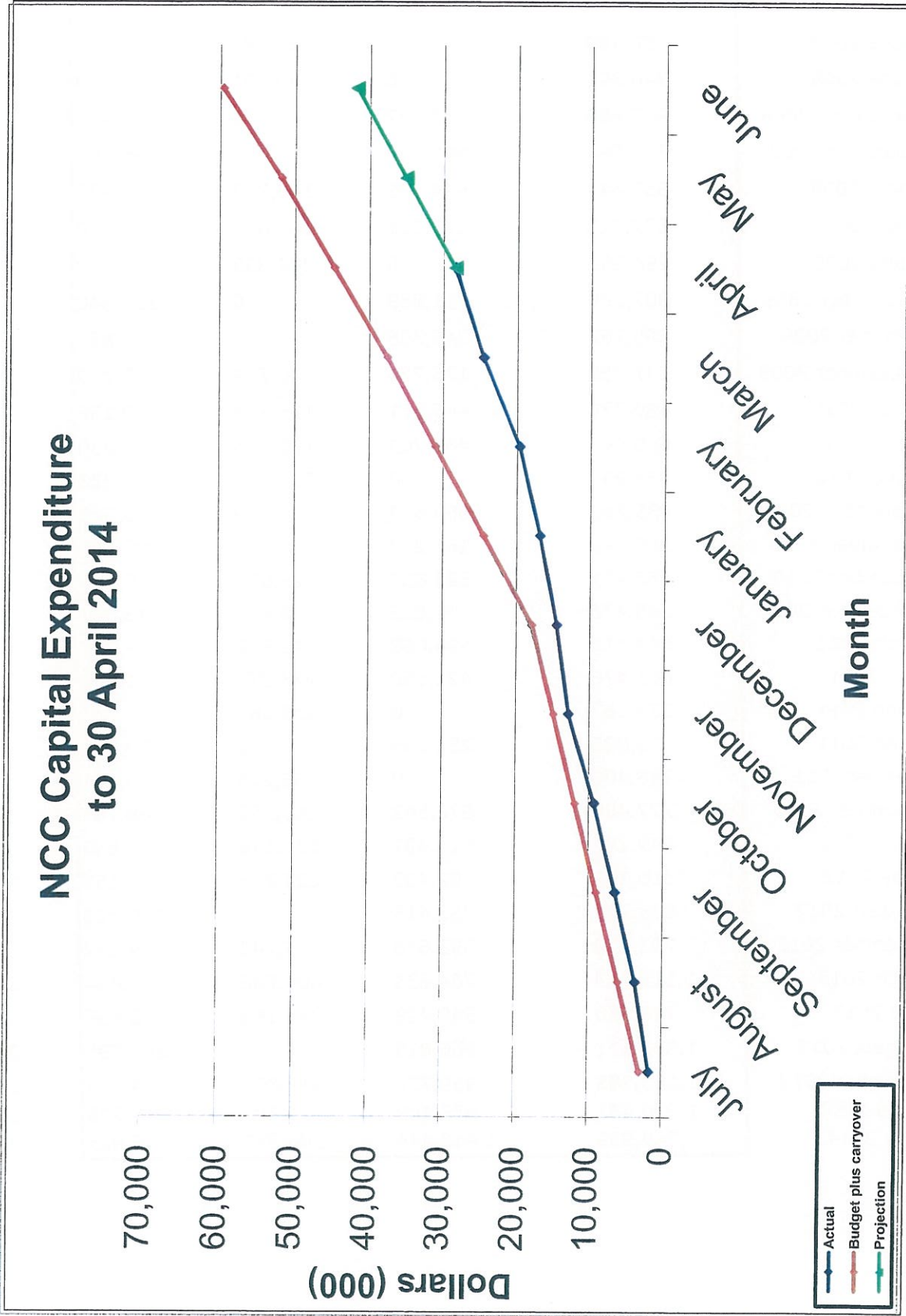
Activity	Subactivity	Revenue					
		Surplus (Better)/Worse	(Better)/ Worse	Staff	Ops	Interest	Depr
Corporate	Cost of Democracy Income	21,157	20,498	0	659		
	Admin and Meeting Support	(133,531)	2,816	(129,395)	(6,953)		
	Council Publicity	23,430	(9)	66,853	(44,603)	(157)	1,346
	Members Expenses	(8,175)	(184)	21,687	(30,703)		1,026
	Election Expenses	20,530	(10,044)	3,301	27,274		
	Civic Expenses	(3,223)	(533)	1,442	(4,133)		
	Contingency	(128,913)		()	(128,913)		
	Investment Management	391,470	630,365	4,933	(15,718)	(228,111)	
	Civic House	(120,874)	(28,089)	20,619	(89,576)	(16,650)	(7,179)
	Rental Properties	(129,006)	(44,195)	(4,941)	(17,104)	(63,014)	248
	Forestry	(87,519)	(62,335)	1,281	(4,958)	(21,507)	0
	Subdivisions	(73,368)	(2,201)	(1,129)	1,642	(71,680)	
	Strategy and Planning	(923,978)	(2,500)	(860,289)	(61,189)		
	Administration	(7,976)			15,816	(7,976)	(15,816)
	Emergency Response Fund	6,475	47,496	()		(41,020)	
Corporate Total		(1,153,499)	551,086	(875,638)	(358,457)	(450,114)	(20,376)
Economic	Sister City Links	(10,431)		0	(10,431)		
	Economic Development	(264,973)		(4,723)	(259,380)	(870)	
	Tourism Nelson	(102)		0	0	(102)	
	Cricket World Cup	55,448		76,136	(20,687)		
Economic Total		(220,057)		71,413	(290,498)	(972)	
Environmental Management	Civil Defence	8,306	()	(23,679)	31,333	652	()
	Rural Fire Control	(24,010)	(8,467)	(22,261)	7,733	(850)	(165)
	Monitoring the Environment	35,246		125,656	(90,407)		(3)
	Resource Management Planning	(331,891)	(880)	(182,634)	(148,377)		
	Private Plans	11,802		11,802			
	Environmental Advocacy	(104,665)	7,541	(69,052)	(43,154)		
	Pest and Weed Control	10,882	2,933	(17,877)	25,825		
	Clean Heat Warm Homes	(15,869)		()	1,126	(16,995)	
	Solar Saver	(28,743)		(24,840)	(11)	(3,892)	
	Dog Control	2,107	(3,613)	1,982	3,735		3
	Animal Control	701		0	701		
	Liquor Licencing	(8,766)	(8,179)	2,118	(2,705)		
	Food Premises	75,085	76,242	0	(1,157)		
	Public Counters Land and General	(25,949)	2,829	(28,690)	(88)		
	Building Services	(241,778)	(41,228)	(193,313)	(5,992)		(1,245)
	Harbour Safety	(47,077)	(511)	(253)	(46,560)		247
	Pollution Response/Hazardous Substances	9,028	8,750	102	176		
	Resource Consents	71,076	174,578	(81,072)	(22,430)		
	Enforcing Bylaws	(5)	765	1,496	(2,267)		
	WHRS	(64,137)		(42,443)	(21,694)		
	Waste Minimisation	()	1,759	21,677	(23,436)		0
	Transfer Station	0	(28,243)	18,335	8,741		1,167
	Landfill	(1,155)	(48,271)	14,488	33,517		(889)
	Green Waste	0	(1,044)	4,393	(3,349)		
	Kerbside Recycling	()	(4,187)	20,416	(16,228)		
Environmental Management Total		(669,813)	130,775	(463,649)	(314,969)	(21,084)	(885)
Flood Protection	Rural River Management	64,712		27,153	38,200	2,068	(2,708)
Flood Protection Total		64,712		27,153	38,200	2,068	(2,708)
Parks & Active Recreation	Horticulture Parks	(30,319)	902	(11,918)	(12,848)	(5,609)	(845)
	Neighbourhood Parks	11,023	6,668	46,340	(31,659)	(6,927)	(3,399)
	Park Trees	(79,903)		3,934	(83,836)		
	Conservation Reserves	20,383	2,680	(1,383)	21,649	(373)	(2,190)
	Landscape Reserves	67,597	(4,323)	(10,905)	88,666	(4,760)	(1,081)
	Esplanade & Foreshore Reserves	(77,994)	6,324	(12,122)	(49,084)	(22,968)	(143)
	Heritage Trees	(37,854)		1,722	(39,576)		
	Walkways	(8,948)	(577)	(411)	(7,166)		(793)
	Sports Parks	65,570	8,170	(34,405)	(17,737)	110,507	(965)
	Recreation Planning	(39,638)	(365)	(39,583)	311		
	Natureland	2,798	(10)	(1,812)	4,800	(180)	
	Trafalgar Centre	(211,913)	(18,319)	42,562	(196,142)	(39,320)	(695)
	Saxton Field Stadium	(2,262)	282,527	(81)	(263,936)	(20,770)	()
	Saxton Oval Pavilion	(16,089)	373	(475)	(11,811)	(4,492)	315

Activity	Subactivity	Revenue					
		Surplus (Better)/Worse	(Better)/ Worse	Staff	Ops	Interest	Depr
	Golf Course	(5,082)	42,340	(3,483)	(43,939)		0
	Swimming Pools	(19,013)	7,835	(1,292)	(19,109)	(985)	(5,462)
	Community Programmes	(23,478)	(3,013)	(25,260)	4,795		
	Recreation Liaison	(21,037)	1,038	(10,183)	(11,893)		
	Play Facilities	(21,193)		(19,587)	284	(1,532)	(358)
	Marina	(120,413)	(21,096)	(6,739)	(60,231)	(32,348)	0
	Saxton Field Capital Works	(26,719)	42,468	3,686	(60,716)	(11,637)	(519)
	Regional Community Facilities	(499,871)		(2,513)	(443,856)	(53,502)	
	Parks & Active Recreation Total	(1,074,354)	353,620	(83,910)	(1,233,034)	(94,894)	(16,137)
Social	Managing Heritage and Arts	(8,367)		11,431	(17,448)	(2,351)	()
	Museum	(52,765)	(54,929)	(77)	11,368	(9,126)	
	Suter Grant	(20,531)		(17,072)	4	(3,463)	
	Isel House	(13,104)	(33)	(3,049)	(10,021)		()
	Melrose House	(20,616)	(33)	(2,184)	(19,561)	702	461
	Broadgreen House	(4,030)	(4,140)	4,625	(4,574)	57	3
	Founders Park	57,945	71,634	17,502	(29,820)	(1,262)	(108)
	Historic Cemeteries	(30,482)	(6,322)	(21,526)	(2,542)		(92)
	Arts and Heritage Grants (Community A	1,349		1,349			
	Heritage Incentives	(47,345)		(9,651)	(37,694)		
	Festivals	255,630	(2,921)	16,735	241,816		
	Street Decorations	(10,014)		1,285	(11,298)		
	School of Music	354		414	0	(60)	
	Theatre Royal	22,520		(1,519)	23,983	56	
	Elma Turner Library	(113,299)	16,357	(94,830)	(25,056)	(6,513)	(3,257)
	Stoke Library	(99,836)	386	(98,614)	(1,268)		(341)
	Nightingale Library	(26,117)	(86)	(24,789)	(1,015)		(227)
	Marsden Cemetery	18,969	(2,768)	(6,655)	(8,162)	(3,028)	39,583
	Crematorium	4,352	(2,216)	4,407	2,172	(509)	498
	Public Toilets - Free	(18,267)		(1,827)	(14,010)	267	(2,697)
	Public Toilets - Charge	(12,911)	(22)	45	(12,423)	(510)	(2)
	Stoke Hall	(16,020)	(1,142)	(3,935)	(10,919)	(24)	0
	Maitai Club	(36,975)	(4,977)	(7,528)	(22,508)	(1,964)	0
	Community Properties	(17,172)	(635)	(17,524)	1,228	(242)	()
	Wakapuaka Recreation Centre	470	9	1,041	(580)		()
	Trafalgar St Hall (Age Concern)	(685)	(561)	1,296	(1,355)	(66)	0
	Tahuna Camp	(30,431)	(35,037)	(1,624)	6,212		18
	Maitai Camp	(861)	9,170	(5,824)	(4,384)	219	(41)
	Brook Camp	(110,746)	(23,292)	31,023	(118,319)	(87)	(71)
	Community Housing	(119,442)	21,034	12,622	(152,808)		(291)
	Social Indicators	0		0			
	Employment Assistance	7,111	(2,863)	18,420	(8,176)	(269)	()
	Community Liaison: Development	(89,368)	29,592	(107,810)	(11,150)		0
	Community Liaison Grants (Community	19,956		8,457	11,624	(125)	
	Community Physical Activity Fund	(1,380)		(1,380)			
	Social Total	(512,106)	6,206	(296,766)	(226,683)	(28,298)	33,436
Stormwater	Stormwater	(184,013)	(1,667)	3,906	(97,120)	(85,191)	(3,941)
	Stormwater Total	(184,013)	(1,667)	3,906	(97,120)	(85,191)	(3,941)
Transport	Subsidised Roading	(106,989)	(90,279)	(50,840)	62,304	(28,173)	
	Unsubsidised Roading	33,064	150,790	136,293	(169,902)	(36,877)	(47,239)
	Roading Properties	(29,550)	(18,500)	(5,313)	(4,317)	(1,419)	(2)
	Parking Regulation	4,331	458	4,319	(450)		4
	Car Parks	(130,290)	(69,594)	(16,611)	(11,271)	(29,532)	(3,282)
	Millers Acre Centre	(49,012)	(11,847)	4,591	(7,920)	(33,831)	(4)
	Public Transport	(11,283)	17,821	(30,931)	2,243	(418)	2
	Total Mobility	(36,951)	(10,357)	(25,651)	(943)		
	Transport Total	(326,680)	(31,508)	15,856	(130,256)	(130,251)	(50,522)
Wastewater	Wastewater	(875,115)	142,061	37,124	(1,029,016)	(14,701)	(10,582)
	Wastewater Total	(875,115)	142,061	37,124	(1,029,016)	(14,701)	(10,582)
Water	Water	(832,401)	(40,809)	60,442	(619,632)	(154,729)	(77,671)
	Water Total	(832,401)	(40,809)	60,442	(619,632)	(154,729)	(77,671)
	Grand Total	(5,783,326)	1,109,764	(1,504,069)	(4,261,467)	(978,167)	(149,387)

Capital Expenditure Total Council - by Activity

Activity	Actual YTD \$(000)	Forecast YTD \$(000)	Variance YTD \$(000)	Latest Forecast \$(000)	Significant variances against projection
Transport	9,923	10,635	-711	14,179	
Water supply	4,639	5,047	-408	6,729	Cable Bay, Maitai shared path projects later in year
Wastewater	2,899	2,912	-13	3,883	Maitai duplicate pipeline largely later in the year
Stormwater	1,423	1,469	-46	1,959	
Flood protection	637	679	-43	906	
Environment	101	94	7	125	
Social	853	723	131	963	
Parks and active recreation	2,922	4,069	-1,147	5,426	Relocate Saxton power lines, Traftalgar centre under projection
Economic	0	0	0	0	
Corporate	2,228	2,884	-655	3,845	Strategic Land Purchases, earthquake prone buildings remediation
	<u>25,625</u>	<u>28,512</u>	<u>-2,886</u>	<u>38,015</u>	
Financial reserves	2,250	2,250	0	3,000	
Nelson Regional Sewerage BU	492	471	21	628	
	<u>28,368</u>	<u>31,233</u>	<u>-2,865</u>	<u>41,643</u>	

Capital Expenditure						
10 Months to 30 April 2014						
Total Council	Actual YTD	Annual	Contract	Latest	Forecast	Comments
	\$(000)	plus C/fwd	Completion	Forecast	\$(000)	
		\$(000)	Date			
Major projects (over \$750,000 in any column)						
Infrastructure						
Arapiki / Quarantine Trunk Main	1,506	1,568	Dec-13	1,532		
Maitai Pipeline Duplication	3,137	4,186	Jul-14	4,291		
Marsden Valley Trunk Main	534	1,503	Jun-14	463		
Maitai Walkway	1,562	2,902	Aug-14	2,991		
Princes Drive	1,109	1,046	Feb-14	1,090		
Waimea/Motueka Intersection	1,142	1,251	Nov-13	1,159		
Cable Bay Rd	1,421	1,986	Mar-15	2,133		
Observatory Hill Reservoir & Pump	412	985	May-14	985		
Community Services						
Land Purchase: General Reserve	5	1,189	Mar-14	50		
Trafalgar Centre North Upgrade	546	3,253	N/A	767		
Theatre Royal	10	6,590	N/A	0		
Nelson School of Music	0	2,404	N/A	0		
Corporate						
Strategic Land Purchases	1,038	2,397	May-14	1,500		
Total other (under \$750,000)	13,203	24,548		21,055		
Council Total	25,625	55,806		38,015		
Vested Assets	2,250	3,000		3,000		
Nelson Regional Sewerage business unit	492	815		628		



Outstanding Rates

Attachment 5

Date	Total Rates Outstanding	Latest Instalment	Previous instalments	Previous Years	Commercial included in total
30 June 2007	180,780	0	180,780	0	
30 June 2008	340,391	0	340,391	0	
1 September 2008	907,606	633,127	0	274,479	
1 December 2008	677,694	591,693		86,001	
1 March 2009	852,643	644,579	169,842	38,222	
4 June 2009	607,313	425,511	181,802	0	
30 June 2009	294,833	0	294,833	0	
1 September 2009	907,209	711,869	0	195,340	
13 October 2009	355,162	246,305	0	108,857	
31 December 2009	337,758	175,274	106,774	55,710	
1 March 2010	630,376	445,311	175,929	9,136	
1 June 2010	660,645	464,202	195,213	1,230	
30 June 2010	337,253	0	337,030	223	
1 September 2010	835,862	650,520	0	185,342	
1 November 2010	260,349	161,242	0	99,107	
1 December 2010	688,461	528,857	129,635	29,969	
31 December 2010	245,476	150,655	78,443	16,378	
1 March 2011	644,113	498,068	141,592	4,453	
1 June 2011	601,476	421,150	178,873	1,453	
30 June 2011	338,162	0	338,162	0	
October 2011	373,025	252,535	0	120,490	
November 2011	246,409	0	166,278	80,131	
1 December 2011	777,480	578,542	150,757	48,181	145,274
5 March 2012	649,187	514,491	129,140	5,556	58,517
30 May 2012	816,798	592,400	224,213	185	181,182
30 August 2012	923,938	753,415	0	170,523	187,299
3 December 2012	793,522	593,648	165,742	34,132	175,194
1 March 2013	1,117,653	704,633	406,606	6,414	198,492
4 June 2013	786,550	540,429	243,165	2,956	151,587
31 August 2013	1,068,111	866,816	0	201,295	220,266
3 December 2013	1,163,288	959,737	118,837	84,714	201,389
6 March 2014	1,210,431	977,109	213,594	19,728	189,606
31 May 2014	1,740,939	1,448,444	286,570	5,925	317,586

Nelson City Council

Abbreviated Balance Sheet

	30/04/2014	31/03/2014	31/06/2013	
Current Assets				
Bank Deposits →	Cash and Bank	118,334	154,038	329,368
	Investments	0	0	0
Amounts due from customers. →	Rates Debtors	11,161,926	(1,780,144)	(660,948)
	Trade Debtors	7,469,770	13,081,428	16,391,347
	Debtors and Accruals	1,283,860	1,411,403	1,631,615
		<u>20,033,890</u>	<u>12,866,724</u>	<u>17,691,381</u>
Current Liabilities				
Cash Book Balance →	Bank Overdraft	0	0	0
Amounts owed to suppliers. →	Creditors	(10,816,129)	(12,358,739)	(15,956,066)
	Commercial paper	(29,745,477)	(29,765,791)	(39,718,002)
Term Loans to be paid in 12 months →	Current Portion of Term Liabilities	(6,260,000)	(9,360,000)	(10,265,000)
		<u>(46,821,607)</u>	<u>(51,484,530)</u>	<u>(65,939,068)</u>
	Net Working Capital	(26,787,716)	(38,617,806)	(48,247,687)
Non Current Assets				
Shares in Subsidiaries etc →	Investments	28,016,602	27,933,486	27,894,177
Total value, net of depreciation of all →	Fixed Assets	1,213,308,767	1,207,263,818	1,203,776,550
		<u>1,241,325,369</u>	<u>1,235,197,305</u>	<u>1,231,670,726</u>
Non Current Liabilities				
	Term borrowings	(26,421,372)	(21,421,372)	(11,421,372)
Money borrowed that requires payment after 12 months →	Other Term Liabilities	(1,538,339)	(1,530,058)	(1,456,894)
		<u>(27,959,711)</u>	<u>(22,951,430)</u>	<u>(12,878,266)</u>
		<u>1,186,577,942</u>	<u>1,173,628,069</u>	<u>1,170,544,773</u>
Shareholder Funds				
	Ratepayers Equity	347,663,490	334,858,695	330,964,360
	Reserves	838,914,451	838,769,374	839,580,414
		<u>1,186,577,942</u>	<u>1,173,628,069</u>	<u>1,170,544,773</u>

Council Borrowings & Swaps

The Council borrowing as at 30 April 2014, with maturity dates are as follows:

		NCC	NRSBU	Total	Interest rate
		\$000	\$000	\$000	\$000
May 2014	Call Facility	550		550	3.80%
May 2014	Bank facility		600	600	4.01%
Jun 2014	Bank facility	3,110		3,110	4.06%
Jun 2014	Bank facility	2,600		2,600	4.06%
Jun 2014	Commercial Paper	9,922		9,922	3.30%
Jul 2014	Bank facility		8,000	8,000	4.14%
Jul 2014	Commercial Paper	19,848		19,848	3.32%
Mar 2019	LGFA Floating rate note	5,000		5,000	3.73%
Nov 2016	FRN Private placement	10,000		10,000	3.47%
May 2021	LGFA Floating rate note	5,000		5,000	3.62%
May 2021	LGFA Floating rate note	5,000		5,000	3.63%
Total Borrowings		61,030	8,600	69,630	

The weighted average interest rate was

3.58%

Made up of:

NCC

3.17%

NRSBU

4.13%

Council Interest rate swaps

Weighted average

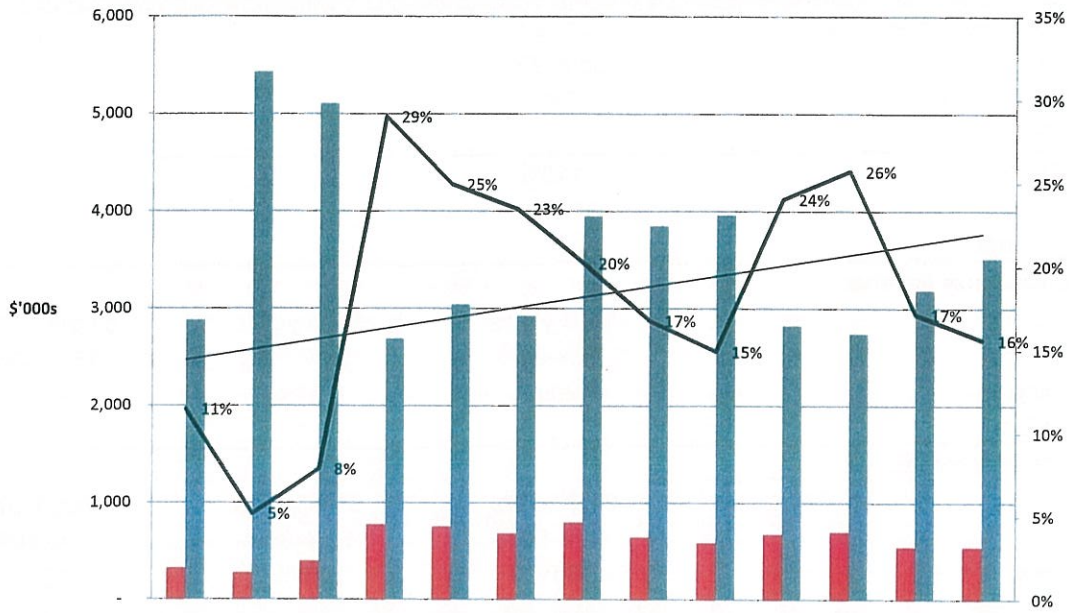
4.37%

Deal Date	Pay/Rec Fixed	Bank	Amount (\$millions)	Start Date	Maturity Date	Swap Rate	extend: Actual details	
							Start Date	Maturity Date
11-May-12	pay	WPC	4.00	26-Oct-10	28-Apr-16	4.300%		28-Oct-14
29-Jul-10	pay	WPC	3.00	27-Aug-10	27-May-17	4.235%		27-May-15
29-Jul-10	pay	WPC	3.00	27-Aug-10	27-Aug-21	4.835%	27-May-15	27-Aug-21
29-Jul-10	pay	WPC	4.00	27-Sep-10	27-Sep-18	5.250%		
29-Jul-10	pay	WPC	5.00	27-Aug-10	27-May-20	5.365%		
4-Aug-10	pay	WPC	4.00	27-Jan-11	29-Jan-19	4.750%		27-Jan-17
3-Sep-10	pay	WPC	5.00	27-Mar-11	27-Jun-19	4.980%		
3-Sep-10	pay	WPC	6.00	27-Apr-11	27-Oct-17	4.820%		
12-Mar-12	pay	WPC	5.00	27-May-11	27-Aug-16	3.580%		27-Aug-14
3-Mar-11	pay	BNZ	3.00	27-Nov-11	27-May-14	4.560%		
11-May-11	pay	ANZ	5.00	27-Sep-11	27-Sep-18	4.450%		27-Sep-16
11-May-11	pay	ANZ	4.00	27-Jan-12	27-Apr-18	4.485%		27-Apr-16
11-May-11	pay	ANZ	3.00	27-Jan-12	27-Jan-17	3.980%		27-Jan-15
11-May-11	pay	ANZ	3.00	27-Sep-11	27-Mar-22	3.960%	27-Mar-14	27-Mar-22
2-Aug-12	pay	ANZ	2.00	27-Mar-13	27-Jun-22	3.860%		
2-Aug-12	pay	ANZ	2.00	27-Apr-13	27-Oct-21	3.820%		
2-Aug-12	pay	ANZ	2.00	27-May-13	27-Nov-20	3.770%		
2-Aug-12	pay	ANZ	2.00	27-Jun-13	27-Sep-19	3.660%		
11-Mar-14	pay	BNZ	3.00	27-May-14	27-May-20	4.910%		
16-May-12	pay	WPC	2.00	22-Dec-12	22-Mar-21	3.830%		
16-May-12	pay	WPC	2.00	22-Dec-12	22-Mar-19	3.570%		
16-May-12	pay	WPC	2.00	22-Mar-13	22-Mar-17	3.220%		
16-May-12	pay	WPC	2.00	22-Mar-13	22-Mar-15	2.770%		
			76.00					

Nelson City Council Interest Rate Position			
12 month forecast core debt:	\$112m	30-Apr-14	
Policy Limits	55%-90%		
Overall Fixed:Floating Mix	78%		
Policy Compliance	Y		
Liquidity Ratio:	110%		
Actual	132%		
Policy Compliance	Y		
Fixed Rate Maturity Profile:			
Years	1 - 3 years	3 - 5 years	5 years plus
Policy Limits	15%-60%	15%-60%	15%-60%
Actual Hedging	20%	37%	43%
Policy Compliance	Y	Y	Y
Funding Maturity Profile:			
Years	0 - 3 years	3 - 5 years	5 years plus
Policy Limits	15%-60%	15%-60%	10%-40%
Actual Hedging	38%	46%	15%
Policy Compliance	Y	Y	Y
Nelson City Council Interest Rate Performance			
Market Rates	90 Day Rate (ave of month) =	5yr Swap Rate (end of month) =	
	3.09%	4.80%	
Interest Cost (incl margin)	This Month	Last Month	
Weighted Av. Cost of Funds			
Benchmark Rate (incl margin of bp)	0.00%	0.00%	
Budget Rate			
Counterparty Credit Risk (Interest Rate Risk Mgmt Instruments)			
Policy Credit Limit (NZ\$) per NZ Registered Bank (Interest Rate Risk Management Instruments Only)		10,000,000	
Minimum Credit Rating is A-1+/A+	Notional (\$m)	Credit Exposure (\$m)	
Bank			
WPC	47.0	6.6	Within Policy
ANZ	23.0	3.6	Within Policy
BNZ	3.0	0.5	Within Policy
Total (NZ\$m)	73.0	10.8	

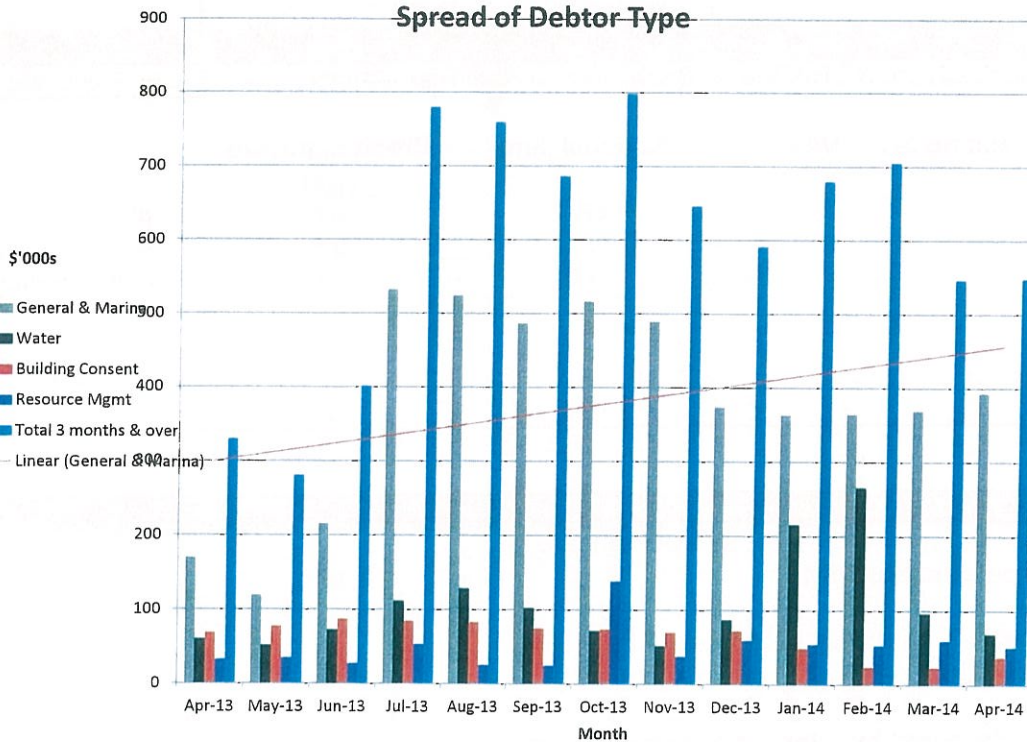
Specific borrowing limits		
Net interest expense on external debt as a percentage of total revenue to be less than 15%	3.15%	Y
Net interest expense on external debt (secured by rates) as a percentage of rates revenue to be less than 20%	5.19%	Y
Net external debt (secured by rates) as a percentage of total revenue to be less than 150%	70%	Y
Net external debt (secured by rates) as a percentage of equity to be less than 20%	6%	Y

Debtors Totals & 3 Months Overdue April 2014



	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
Total 3 months & over	330	281	402	780	760	687	799	646	592	680	705	547	548
Total Debtors	2,881	5,431	5,105	2,690	3,045	2,924	3,948	3,849	3,963	2,826	2,741	3,188	3,513
Percent 3 mths to Total	11%	5%	8%	29%	25%	23%	20%	17%	15%	24%	26%	17%	16%

Spread of Debtor Type



April 2014 General Debtors Analysis 3 months overdue

Overdue - no arrangements	Queries	Legal action pending	Payment arrangements in place	With Creditmans/ Credit Recovery	Marina	TOTAL
\$ 3,954	\$ 6,001	\$ -	\$ 340,226	\$ 3,149	\$ 40,600	\$ 393,930

Officer Support for Sister City Trip to Miyazu

1. Purpose of Report

- 1.1 To endorse the Chief Executive's advice that an officer should travel to our sister city Miyazu, with Her Worship the Mayor in October 2014.

2. Delegations

- 2.1 Sister City relationships and issues are within the areas of responsibility of the Governance Committee.

3. Recommendation

THAT the report Officer Support for Sister City Trip to Miyazu (A1211496) be received;

AND THAT Nicky McDonald travel to Miyazu with Her Worship the Mayor in October 2014.

4. Background

- 4.1 Shoji Inoue, Mayor of Miyazu, has contacted Her Worship the Mayor and extended an invitation for her and her partner to make a visit to our Sister City, Miyazu in Japan to commemorate the 60th anniversary of incorporation of Miyazu as a city. Her Worship the Mayor has accepted this invitation. The visit is scheduled to take place from 12-15 October 2014.
- 4.2 The Chief Executive's advice is that when an elected member travels internationally on Council business it is best practice for that member to be supported by a Council Officer.
- 4.3 Funds are available within the Sister City Budget to cover travel in relation to maintaining our Sister City relationships. Officers have the authority to spend against this budget without any specific Council resolution to do so.

5. Discussion

- 5.1 At the time of the visit to Miyazu, Clare Hadley, Chief Executive, will have just returned from a period of leave involving international travel. It would be inopportune timing for her to be the officer to travel with Her Worship the Mayor.

5.2 Nicky McDonald is the best officer to travel with the Mayor in the stead of the Chief Executive.

5.3 While covering the costs incurred for an officer to travel in support of Her Worship the Mayor is within the authority of staff, it is considered prudent and transparent to inform Council that this will be taking place and to seek affirmation of this choice by way of a Council resolution.

6. Options

6.1 Council may choose to affirm this decision.

6.2 Council may choose not to affirm this decision.

7. Assessment of Significance against the Council's Significance Policy

7.1 This decision is not a significant decision in terms of the Council's Significance Policy.

8. Consultation

8.1 No consultation is required with regard to this decision. The costs associated are within the allocated budget for this activity.

9. Alignment with relevant Council Policy

9.1 This decision supports the maintenance of our Sister City relationship and costs are within existing budgets.

10. Inclusion of Māori in the decision making process

10.1 There is no requirement to include Māori in this decision making process.

11. Conclusion

11.1 In order to ensure transparency, Council is asked to endorse the decision for a Council Officer to travel in support of Her Worship the Mayor to Miyazu in October 2014.

Penny Langley
Manager Administration

Attachments

None.