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**MINUTES**  
of the  
**CORPORATE SERVICES COMMITTEE MEETING**  
held  
**11.30 am, Thursday, 13 March 2014**  
at  
**Tasman Council Chamber, 189 Queen Street, Richmond**

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**Present:** Councillor T B King (Chair), M J Higgins, M L Bouillir, J L Edgar, B W Ensor, B F Dowler, M J Greening, P L Canton, J L Inglis, P F Sangster, S G Bryant

**In Attendance:** Chief Executive (L McKenzie), Corporate Services Manager (M J Drummond), Finance Manager (R Holden), Financial Account (B Grammer), Information Services Manager (P Darlington), Human Resources Manager (J Cranness), Executive Assistant (V M Gribble)

**1 OPENING, WELCOME**

**2 APOLOGIES AND LEAVE OF ABSENCE**

Apologies were received from Mayor R G Kempthorne, Crs T E Norriss and Z S Mirfin.

**Moved Cr Bryant/Cr Dowler**  
**FN14-03-1**

**That apologies be accepted from Mayor R G Kempthorne, Crs T E Norriss and Z S Mirfin.**

**CARRIED**

**3 PUBLIC FORUM**

Nil

**4 DECLARATIONS OF INTEREST**

Nil

**5 LATE ITEMS**

NIL

**6 CONFIRMATION OF MINUTES**

**Moved Cr Inglis/Cr Sangster  
FN14-03-2**

**That the minutes of the Corporate Services Committee meeting held on Thursday, 30 January 2014, be confirmed as a true and correct record of the meeting.**

**CARRIED**

**7 REPORTS OF COMMITTEE**

Nil

**8 PRESENTATIONS**

Nil

**9 REPORTS**

**9.1 Action Sheet - 13 March 2014**

In answer to a question about growth projected monitoring, Mr Drummond advised that no further work has been done in that area.

**Moved Cr Edgar/Cr Bryant  
FN14-03-3**

**That the Corporate Services Committee receives the Action Sheet - 13 March 2014  
RFN14-03-08.**

**CARRIED**

**9.2 Chairperson's Report - March 2014**

In reply to a question about problems with agenda production, Councillors were advised that they are people/process issues, rather than software problems and further training is being undertaken.

Councillors wished Cr King safe travels on his overseas trip.

**Moved Cr Edgar/Cr Bryant  
FN14-03-4**

**That the Corporate Services Committee receives the Chairperson's Report - March 2014  
RFN14-03-07.**

**CARRIED**

**9.3 Corporate Services Manager's Report**

Corporate Services Manager, Mike Drummond, spoke to his report which contained commentary on the following items:

- Local Authority Protection Programme (LAPP)
- Civic Assurance
- Half Yearly Reports

- Nelson Regional Sewerage Business Unit
- Local Government Funding Agency
- Risk Pool Annual Report
- Nelson Airport Ltd
- Insurance - re Councillors sitting on boards, still a work in progress.
- IS Department Update – good progress on GIS shared services

**Moved Cr Bryant/Cr Greening  
FN14-03-5**

**That the Corporate Services Committee receives the Corporate Services Manager's Report  
RFN14-03-01.  
CARRIED**

**9.4 Nelson Regional Sewerage Business Unit - Treasury Policy**

Corporate Services Manager, Mike Drummond, spoke to the report contained in the agenda which sought formal approval for a Treasury Policy covering the Nelson Regional Sewerage Business Unit (NRSBU).

Mr McKenzie reported on recent meetings with the NRSBU. Malcolm Thomas will be engaged to work up governance options. The Mayors asked for the following options to be investigated:

- modified status quo;
- NRSBU function in compliance with joint committee of councils requirements;
- more formal CCO arrangement

**Moved Cr Dowler/Cr Bryant  
FN14-03-6**

**That the Corporate Services Committee:**

- 1) **receives the Nelson Regional Sewerage Business Unit - Treasury Policy report  
RFN14-03-03; and**
- 2) **approves the draft Nelson Regional Sewerage Business Unit Treasury policy,  
subject to confirmation by Nelson City Council of its approval of this policy; and**
- 3) **approves the proposed mechanism to determine the interest rate to be charged to  
the Nelson Regional Sewerage Business Unit on its borrowings sourced through the  
Tasman District Council from 1 July 2014; subject to confirmation by Nelson City  
Council of its approval of this approach.**

**CARRIED**

**9.5 Local Government New Zealand Insurance Market Review**

Corporate Services Manager, Mike Drummond, spoke to the report contained in the agenda. The report advised the Committee on the work being undertaken by Local Government New Zealand (LGNZ) on the insurance market in relation to local authority insurance needs.

**Moved Cr Ensor/Cr Inglis**

**FN14-03-7**

**That the Corporate Services Committee receives the Local Government New Zealand Insurance Market Review Report RFN14-03-04.  
CARRIED**

**9.6 Elements of a Revised Financial Strategy**

Mike Drummond, Corporate Services Manager, spoke to the report included in the agenda. The report updated the Committee on the likely direction and the elements to be considered for the 2015-25 Long Term Plan Financial Strategy.

Councillors discussed the report and noted:

- the need to live with rates increases limited to the CPI movements and asked for financial implications of that;
- if an amalgamation was driven by parties outside of Council then it would be critical for Council to reduce debt. Staff to come forward with processes to address that;
- capital works – concern Council could find itself in a position where infrastructure lags market demand for sections for growth due to an undue focus on debt reduction;
- by using debt Council has built community facilities which people have the benefit of now, but no more will be built for a period;
- focus on keeping debt increases down;
- stormwater is still an issue in some parts of Richmond requiring capital investment;
- Motueka wastewater needs upgrading urgently;
- a consequence of reduced levels of service will be staffing impacts.

Discussion on this matter was adjourned at 11.55 am to allow a presentation by Brett Johanson and Jason Bligh, Council's treasury advisors.

**10 Council's Treasury Advisors - B Johanson and Jason Bligh**

Brett Johanson and Jason Bligh gave a powerpoint covering the following topics:

- Interest rate strategy
- Funding and liquidity strategy
- Local Government Funding Agency (LGFA)
- Financial market update

Cr Bouillir exited the meeting at 12:38 pm.

Mike Drummond introduced Gene Cooper, Council's new Commercial Manager who will be commencing work on Monday 24 March 2014.

Lunch break was taken at 12.52 pm.  
Meeting resumed at 1.31 pm.

## **9.6 Elements of a Financial Strategy (continued)**

It was suggested that staff explore the possibility of the Network Tasman Trust investing in some of Council's commercial investments or CCOs.

**Moved Cr Ensor/Cr Canton**  
**FN14-03-8**

**That the Corporate Services Committee receives the Elements of a Revised Financial Strategy Report RFN14-03-05.**  
**CARRIED**

## **9.9 Treasury Report**

The report updated Committee members on compliance with Council's Treasury Management Policy as at the end of February 2014.

**Moved Cr Bryant/Cr Sangster**  
**FN14-03-9**

**That the Corporate Services Committee receives the Treasury Report RFN14-01-03.**  
**CARRIED**

## **9.8 Finance Activities**

The report contained financial information, at a Council-wide position, for the year to date period ended 31 January 2014.

In answer to a question about whether other naming rights opportunities were going to be looked at for the ASB Aquatic Centre, Mr Drummond advised that banking facilities are best left separated from the naming rights and a formal process would occur for the sale of naming rights in the future.

**Moved Cr Bryant/Cr Higgins**  
**FN14-03-10**

**That the Corporate Services Committee receives the Finance Activities Report RFN14-03-06.**  
**CARRIED**

## **9.7 Human Resources Update Report**

Human Resources Manager, Joanna Cranness was in attendance.

Ms Cranness advised that staff have analysed the salary expenditure and noted that holiday pay provisions had not been released and that in future these will be reviewed on a monthly basis.

Ms Cranness was asked to organise a Councillor workshop with the Chief Executive to talk about staffing concerns.

**Moved Cr Edgar/Cr Bryant**  
**FN14-03-11**

**That the Corporate Services Committee receives the Human Resources Update Report RFN14-03-02.**  
**CARRIED**

### **9.10 December 2013 Financial Reports**

Financial Accountant, Bryce Grammer was in attendance for presentation of this report.

Discussion was held on the activity group categories in the six monthly reports. These will continue to reflect the structure in the 2012-22 Long Term Plan. The groups will be reviewed for the 2015-25 Long Term Plan.

**Moved Cr Bryant/Cr Greening  
FN14-03-12**

**That the Corporate Services Committee receives the December 2013 Financial Reports  
RFN13-03-11.  
CARRIED**

The meeting concluded at 2.07 pm.

Date Confirmed:

Chair:

Unconfirmed