

STAFF REPORT

TO: Chairman & Members, Corporate Services Committee
FROM: David Ward, Corporate Services Manager
DATE: 7 October 2005
SUBJECT: Manager's Report – October 2005

1 2005 ANNUAL REPORT

As the Chairman mentioned in his opening comments, it is a pleasure to have our 2005 Annual Report signed off with an unqualified audit opinion attached to it. To receive such a report is the culmination of a lot of hard work from a number of people within the Department and I wish to personally acknowledge the work of staff members Murray Staite and Bryce Grammer in the preparation of this document.

The Annual Report will be publicly released on Friday 21 October 2005.

2 LAPP FUND

Attached to this report is a letter received from LAPP suggesting that we reconsider our membership to this organisation which was established to provide funding assistance for local authorities in the event of natural disasters and emergencies.

Council has considered membership of LAPP on a number of occasions in recent years, however we have consistently declined membership on the basis of those funds that we have separately banked to assist with the cost of such events should they happen. As at 30 June 2005, Council retained the sum of \$1.8 million in its Disaster Fund, with a further \$590,000 retained in our self insurance fund.

You will note in the third paragraph of the attached letter that the LAPP Board have recently reviewed their requirement to pay contributions backdated to the fund's inception. Details of the cost of entry, together with the process for meeting any claims against the fund will be detailed at today's meeting.

3 ABBEYFIELD GOLDEN BAY

In our 2005/2005 Annual Plan, Council has identified support for the proposed Abbeyfield Golden Bay complex and we have indicated that we would provide funding of up to \$400,000 to assist with this project – this amount is similar to the sum which we advanced to Abbeyfield Motueka.

You will note in the first paragraph in a letter attached to this report that Abbeyfield are requesting an interest free loan of \$10,000 for a term of ten years.

Current Council policy is that we do not raise loans for amounts of less than \$100,000 unless there are exceptional circumstances. I do not believe that this request falls into the “exceptional circumstances” category. Therefore, should Council choose to assist Abbeyfield Golden Bay, an alternate source, other than a loan, will be required.

As this proposed complex is for the direct benefit of the people of Golden Bay, I would suggest that in the first instance a localised funding source be made available – specifically the Golden Bay DILs account. Whilst I accept that funding a project such as Abbeyfield does not necessarily fall within the DILs guidelines, we must remember that the request is for a loan – not a grant. The balance of the Golden Bay DILs account at 30 June 2005 is \$734,000.

My proposed course of action is to refer the request to the Golden Bay Community Board with a recommendation that the Golden Bay DILs account is used as a banker for the \$10,000 over a ten year period. A requirement would be that a minimum of \$1,000 be repaid annually over the course of the loan.

Recommendation

That the funding request from Abbeyfield Golden Bay be referred to the Golden Bay Community Board with a suggestion that the Golden Bay DILs Account be used to “bank” the interest free loan over a ten year period.

4 TAKAKA AERODROME MANAGEMENT COMMITTEE

The Takaka Aerodrome Management Committee would like to apply for a loan to resurface the existing clinker taxiway which is breaking up and causing propeller damage. They have obtained a quote from Fulton Hogan Ltd for \$35,413 plus GST to prepare the surface and seal with hotmix.

At present there is \$10,000 in their bank account and they seek a loan of \$20,000 which, with house rental and lease payments for the rest of this year, should allow them to get the job done. They propose to pay the loan off over the next four years at \$5,000 per annum, with proceeds from their aerodrome activities and house rental. They would like to get the work completed over the summer months when the ground conditions are suitable.

As with the previous item on the agenda, the loan value that they seek is below the limit that we would normally consider under our Treasury Management Policy and again I believe the most appropriate course of action would be to refer the request to the Golden Bay Community Board with the recommendation that the Golden Bay DILs fund be used to “bank” the loan. Again we are reminded that this is a request for a loan, not a grant.

For a number of years the Takaka Aerodrome Management Committee has operated on a self-funding basis. No rate money has been provided to this Committee over the past five years. Cr Riley is Council’s representative on this Committee.

Recommendation

That the funding request from the Takaka Aerodrome Management Committee be referred to the Golden Bay Community Board with a suggestion that the Golden Bay DILs Account be used to “bank” the interest free loan over a ten year period.

5 LONG TERM COUNCIL COMMUNITY PLAN UPDATE

Council recently undertook a series of focus group meetings – three were held in Richmond, one in Takaka and one in Motueka. The purpose of these meetings was to solicit responses to a series of questions on long term vision for Tasman District, asking attendees to describe their long term vision for Tasman District, to identify what they would change and what they would not change and to determine their top three priority actions.

Focus group attendees were representative of businesses, organisations and individual views within the community – approximately 100 people attended the five meetings. My thanks are extended to Mayor Hurley and Crs King and Henry for their assistance in the process.

Following the five focus group meetings, we then held four youth/student meetings at Waimea College, Motueka High School, Golden Bay High School and Murchison Area School. Again these were extremely well attended with some very good responses received to the three questions.

Concurrently we are analysing responses to the Tasman Futures questionnaire. Approximately 640 responses have been received to date with a broad representation of views from across the entire district.

Once the analysis of responses to the questionnaire and focus group meetings have been completed, these will be reported back to the LTCCP Working Party in the latter part of October 2005.

Staff have recently met with MWH NZ Ltd to determine the process for review of our existing asset management plans. With an emphasis on financial aspects of these documents, we have requested that the “big four” – roading, water, wastewater and stormwater are completed no later than 14 November 2005. The remainder are to be received a week later. Internal reviews of activity management plans are currently in progress.

A review of the narrative for each of the asset management plans and activity management plans will be undertaken following our initial discussions with Council in early December 2005 – I am of the view that finances and affordability will tend to dictate the course of action that we wish to take and the narrative will be written to reflect that.

Would you please note the following LTCCP workshop dates in your diaries:

Tuesday 6 and Wednesday 7 December 2005 to review asset management plans and activity management plans.

Friday 9 December 2005 to review associated policy documents

Monday 12 December 2005 to consider financial aspects of the proposed draft and to determine a course of action over the ensuing six week period.

6 WAIMEA FIREBLIGHT ERADICATION

Tenders for this project close on Friday 7 October 2005 and responses will be evaluated by the Tenders Subcommittee prior to today's meeting.

Today's meeting will consider a report from the Tenders Subcommittee with the recommendation for an appropriate course of action, including proposed funding of the project.

7 INSURANCE RENEWALS

Staff are meeting with representatives from Jardines on Friday 7 October 2005 to discuss Council's reinsurance programme for the year commencing 1 November 2005. A verbal report on the outcome to these discussions will be given to today's meeting.

David Ward
Corporate Services Manager