

REPORT OF THE ORDINARY MEETING OF THE FINANCE AND POLICY COMMITTEE HELD IN THE COUNCIL CHAMBERS, 29 CIVIC AVENUE, GORE ON TUESDAY 11 MARCH 2014, AT 5.34PM.

PRESENT His Worship the Mayor (Mr Tracy Hicks JP), Cr Bolger (Chairperson), Crs Beale, Davis, Dixon, Gover, D Grant and Highsted.

IN ATTENDANCE The Chief Executive (Mr Stephen Parry), Parks and Recreation Manager (Mr Ian Soper), Roading Manager (Mr Murray Hasler), 3 Waters Asset Manager (Mrs Sarah Crooks), Chief Financial Officer (Mr Luke Blackbeard), Communications Coordinator (Sonia Gerken), Senior Planner (Mr Howard Alchin), Building Control Manager (Mr Russell Paterson), Corporate Support Officers (Mrs Tracey Millan and Mrs Kylie Weir) and one member of the public in the gallery.

APOLOGIES Crs Byars, P Grant, Page and Sharp apologised for absence.

1. FINANCIAL REPORT FOR SEPTEMBER 2013

A financial report for the seven months ending 31 January 2014 had been received from the Chief Financial Officer and was perused by the Committee.

Cr Bolger said he liked the gauges and found them useful.

The Officer said expenses and revenue were tracking to budget but variances were made up of various unders and overs. Some of the overs would present some pressure as they aligned with the budget. They would continue to be managed carefully and other recoveries were being made where possible.

He advised last week another \$1 million had been locked in as rates were particularly good.

The Chief Executive said a tight ship was being run at present and required a degree of vigilance in balancing areas. It would be managed closely for next three months.

In response to Cr Bolger noting the current liabilities were down much more than asset the Officer said it was expected that those figures would remain stagnant.

Cr Davis asked if the wage bill at the aquatic centre was driven by the free swim lessons for primary schools predominantly or a mixture of that and a take up of the Leapfrog Swim School that the Council ran.

The Parks and Recreation Manager said the wage bill comprised a combination of both the free swim lessons for primary schools and swim school lessons. The main issue was the requirement to have a constant supply of trained and certified lifeguards and swim instructors available at all times. The costs of training and shadowing took a staff member away from their usual duties and put a strain on the required staff available.

Cr Davis asked how long the Mataura Licensing Trust (MLT) would be contributing to the swim free lessons and whether the agreement could be revisited prior to its end.

The Manager said the agreement with the MLT was a fixed sum for three years.

Cr Beale said he wondered if the Council might have been remiss in not suggesting to the MLT that the lessons continue. The Trust had agreed it was a good initiative. He had been shocked to find that the Council contributed financially to the service as well as providing it. It could be time to have a discussion with the MLT.

Cr Davis said the whole idea had been to get all primary children to learn to swim. If that was happening and the schools were having a good uptake in that area, but it was affecting ratepayers to the effect that the Council was having to fund extra staff to accommodate the free lessons it would be worthy of a discussion with the MLT. More detailed breakdown of figures would be required.

The Chief Executive said it could be timely to do a report analysing the first two years of the programme and what the costs had been to the Council compared to what had been expected in the original forecast. That could then form a discussion with the MLT as to whether a contribution needed to be reviewed from its side to catch up with the different circumstances that had occurred since the partnership was formed two years ago.

RECOMMENDED on the motion of Cr Gover, seconded by Cr Davis, THAT the financial report for the seven months ended 31 January 2014 be received,

THAT the Council compile an analysis report comparing the actual costs around the first two years of the free swim lessons for primary schools programme and the original expected forecast costs,

AND THAT the Council arrange a meeting, including the Aquatic Services Manager with the Mataura Licensing Trust to review those contributions and different circumstances that have arisen over the past two years.

In response to Cr D Grant asking what was happening around the recovery of the costs with Ice Sports Southland (ISS), the Chief Executive said he was not confident the money would be physically recovered from ISS. A resolution had pretty much been reached and a working party was in the process of finalising a lease agreement for the amount of power to be paid for each year by ISS. The lease would be forwarded to ISS in the near future for signing.

The Chief Financial Officer said there was no problem with the recovery of what was being invoiced. It was more of a question of the difference between what the Council had to pay to the Power Company and what it could recover.

The meeting concluded at 5.47pm.