

SOUTH WAIRARAPA DISTRICT COUNCIL

29 JUNE 2016

AGENDA ITEM C2

PAIN FARM TRUST LANDS INCOME DISTRIBUTION

Purpose of Report

To request approval from Council for expenditure from the Pain Farm Trust.

Recommendations

Officers recommend that the Council:

1. *Receive the information.*
2. *Approve expenditure from Pain Farm as described in MCB submission totalling \$200,000 as described in resolution MCB2016/46.*
3. *Approve expenditure from Pain Farm as described in resolution MCB 2016/43 subject to acceptable quotes.*

1. Executive Summary

The Martinborough Community Board under the guidance of Council has a governance role of the Pain Farm Trust Lands and the recommendation for expenditure of the income.

The Martinborough Community Board recommends the following expenditure approval as per resolutions MCB2016/46 and MCB2016/43.

Included as Appendix 1 is a copy of the Pain Farm Trust Lands Income Distribution Policy.

2. Recommended Expenditure

2.1 Waihinga Centre donation for playground

The Martinborough Community Board made the following resolution:

MCB RESOLVED (MCB 2016/46) to ratify the Martinborough Community Board annual plan submission, including the supplementary submission.

(Moved Read/Seconded Colenso)

Carried

Attached as Appendix 2 is the submission mentioned in the resolution.

2.2 Routine maintenance (Fencing)

The following resolution was passed in relation to fencing work required:

MCB RESOLVED (MCB 2016/43):

1. To receive the information.

(Moved Colenso/Seconded Cr Stevens)

Carried

2. To recommend to Council that subject to acceptable quotes from fencing contractors being received, Pain Farm funds are utilised to undertake required fencing repairs or installation of new fencing as required for boundary and internal fences.

3. That when the Pain Farm fences have been brought up to standard, the leaseholder is made aware of his responsibilities to maintain the fences to an acceptable standard.

(Moved Cornelissen/Seconded Read)

Carried

3. Pain Farm Income and Expenditure Statement

Attached in Appendix 3 is the Pain Farm income and expenditure statement to 30 April 2016.

4. Appendices

Appendix 1 – Pain Farm Trust Lands Income Distribution Policy

Appendix 2 – Martinborough Community Board Annual Plan Submission

Appendix 3 – Pain Farm Income and Expenditure Report

Contact Officer: Paul Crimp, Chief Executive Officer

Appendix 1 – Pain Farm Trust Lands Income Distribution Policy



PAIN FARM TRUST LANDS INCOME DISTRIBUTION POLICY

1. Rational

The Martinborough Community Board under the guidance of Council has a governance role of the Pain Farm Trust Lands and the recommendation of the expenditure of the income. There has been a widespread lack of understanding of the bequest and how the funds can be spent. This policy will be reviewed in accordance with SWDC requirements.

2. Purpose

- To provide guidelines for the distribution of funds from the income from the various leases of the Pain Farm Trust Lands.
- To allow greater efficiencies, understanding and transparency and give direction how and where the funds can be expended.

3. Guidelines

3.1 Administration

1. The Council shall recover fair and reasonable administration costs.
2. The Council will ensure that all leases, the land, homestead and cottage and Landfill /Transfer station will be reviewed and the intent of the bequeath and High Court judgment be complied with.
3. Council will advertise where the funds have been expended annually

3.2 Repairs and Maintenance

1. A fund of \$40,000 will be set aside for repairs and maintenance of the property and buildings, if expensed at any one time the amount will be accrued by \$10,000 amount per year until the fund is replenished.

3.3 Funding Distribution

1. The Community Board with the guidance of Council will ensure that the Council's Martinborough Parks and Reserves will have priority over available funds and will be expended as directed by the High Court's Judgement in 1966. It is recommended that the funds are spent on capital equipment/facilities.

2. Funds may be spent purchasing and funding capital sporting equipment and facilities where it will benefit the residents of Martinborough Community and with the support and guidance of Council.
3. Applications for funding community sporting (2. Above) equipment/amenities will be called for annually and will not exceed \$25,000 and if the funds are available.
4. All expenditure above \$35,000 will be subjected to the SWDC Annual Plan
5. Any funding distribution must be of benefit to the residents of Martinborough; this removes the confines of any town boundary as a sporting facility, club or reserve may be located on the outskirts of the town yet be a Martinborough amenity.
6. The Community Board may wish to accumulate funds for a specific project or raise a loan using some of the income; this will be permitted under Council guidance.

4. Background

George Pain, known as Tiny Pain or Hura Rorere (king of the road) born 1847 Wellington died 1937. A “pioneer” shepherd/farmworker, hawker, hotelier, storekeeper, landlord, run-holder/farmer and wool baron.

George Pain in 1932 made a will bequeathing the 210 acre property known as the Pain Farm to the then Borough Council (now the SWDC) with this wife having a life interest. In 1960 Mrs Pain died and the land was handed to the Martinborough Borough Council. The land that was bequeathed

‘to be held on behalf of the inhabitants of Martinborough and he particularly desired that the property should as far as possible be made available as a sports ground for the residents of Martinborough and as a playground for the children’

In 1965 due to the practicality, uncertainty (the farm being held in a 21 year lease), location and the Borough Council already having a number of under utilised reserves, resolved to apply to the Supreme Court for a judgement on a scheme for the use of the income from the Pain Farm.

Under provisions of the Charitable Trust Act 1957 in February 1966 the Court directed:

“That the income from the Trust Lands should be used, in maintaining and improving the borough’s parks, sports grounds, camping ground, swimming baths, providing equipping and maintaining sports facilities and a children’s playground in such manner and in such proportion as the Council may from time to time decide.”

**Appendix 2 – Martinborough
Community Board Annual
Plan Submission**

3B

Martinborough Community Board Annual Plan Supplementary Submission – 2016

Contact: Lisa Cornelissen (Chair), 021 652 751, 10 Dublin Street West, Martinborough

This submission is in addition to the MCB AP workshop document previously considered by SWDC in the development of the Annual Plan. It is supplementary to our main submission submitted previously.

Waihinga Centre Destination Playground.

We support the progression of the proposed Waihinga Centre children's playground and surrounding landscape works.

We recommend that \$200,000 total of Pain Estate funds be distributed to this project over a period of 3-5 years and that these funds are directly used to develop and implement the playground plan. Whilst the Pain Estate has reserve levels above this at present we recommend that these funds are distributed over a period of 3 – 5 years starting in the 2016/17 financial year to ensure that sufficient funds remain available for maintenance and other projects.

Maintenance of War memorial in Memorial Square Martinborough.

We are pleased to see the allocation of funds for the Boar War Memorial in the Operations Projects for 2016/17. We ask that this work is progressed prior to ANZAC day 2017.

Town Centre Beautification Funds

We wish to allocate these funds to seating, picnic tables and the purchase/planting of trees identified in the Wraight and Associates proposed landscape plans for the Waihinga Centre Park area. (included under stage 02 of the Waihinga Centre proposal)

We would like to be heard.

Thank you,

Lisa Cornelissen

Appendix 3 – Pain Farm Income and Expenditure Report

PAIN FARM

MONTHLY FINANCIAL STATEMENTS FOR THE PERIOD YEAR ENDED 30 APRIL 2016

STATEMENT OF FINANCIAL PERFORMANCE

INCOME

Rent Received

Moore	13,200.00	
Moran	54,541.70	
SWDC Land Fill Lease	6,451.10	
		74,192.80

Interest Received

Internal loans - Mba swimming pool		
Other	9,133.94	
		9,133.94

Total Income		\$ 83,326.74
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EXPENDITURE

Operating Expenses

Consultants		
JQ Donald	500.00	
		500.00

General Expenses		
Grant to Martinborough Lawn Tennis Club	5,000.00	
		5,000.00

Repairs & Maintenance		
Repairs and Maintenance	5,483.56	
		5,483.56

Grounds Maintenance		
Gen ground Maintenance - City Care	4,125.00	
		4,125.00

Repairs & Maintenance (Buildings)		
House and Cottage Maintenance	107.70	
		107.70

***Rates & Rent Payable		
Rates paid by SWDC	1,746.03	
		1,746.03

Corporate Services		
Allocation	12,395.14	
		12,395.14

In-House Prof Services		
Allocation	3,596.82	
		3,596.82

Insurance	1,458.72	1,458.72
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Project Funding

Martinborough Playgrounds	-	
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Administration Expenses

Interest - Mbo Pool	-	
Sinking Fund Contributions	-	

Total Expenditure		\$ 34,412.97
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Total Surplus(Deficit)		\$ 48,913.77
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STATEMENT OF ACCUMULATED FUNDS

Opening Balance	01-Jul-2015	\$ 277,118.85
Total Surplus / (Deficit) Year To Date		\$ 48,913.77
Total amount of grant to Martinborough town hall not yet done but committed by council		\$(100,000.00)
Closing Balance	30-Apr-2016	<u>\$ 226,033.62</u>