

Finance and Performance Committee
PUBLIC EXCLUDED ATTACHMENTS UNDER SEPARATE
COVER
Confidential

Date: Thursday 28 April 2022
Time: 9.30am
Venue: Council Chambers, Civic Offices, 53 Hereford Street, Christchurch

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19. **Overdue General and Rates Debtors at 31 March 2022 (Greater than \$20,000 and 90 days)**

A. General Debtors at 31 March 2022 4

Section under the Act:	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
Sub-clause and Reason:	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons. s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).
Plain English Reason:	To protect the privacy and the commercial position of the debtors; Enable the Council to carry out negotiations when needed.
Report can be released:	A REDACTED COPY OF THIS REPORT CAN BE RELEASED AFTER THE COMMITTEE HAS RECEIVED THE REPORT BUT THE NAMES OF THE INDIVIDUALS AND ORGANISATIONS WILL REMAIN

	CONFIDENTIAL.
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B. Rates Debtors Report 31 March 2022 5

Section under the Act:	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
Sub-clause and Reason:	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>
Plain English Reason:	<p>To protect the privacy and the commercial position of the debtors;</p> <p>Enable the Council to carry out negotiations when needed.</p>
Report can be released:	A REDACTED COPY OF THIS REPORT CAN BE RELEASED AFTER THE COMMITTEE HAS RECEIVED THE REPORT BUT THE NAMES OF THE INDIVIDUALS AND ORGANISATIONS WILL REMAIN CONFIDENTIAL.

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Report Attachment

General Debtors Report
Overdue Debtors (+90 days and >\$20,000)

As at 31 March 2022

Name	Amount	Source	Received February to March	Comments
[REDACTED]	\$26,453	General SAP	\$648	Damage to traffic assets. Long term payment plan in place.
[REDACTED]	\$21,310	General SAP	\$7,708	Debt is for a Commercial lease. Hardship application financials received and approved. Was paying the arrears by way of monthly instalments of \$2,000 per month and paying current debt within terms. Applying for hardship once more, but yet to supply financial information. March monthly instalment of historic arrears \$2,000 not paid. Current debt \$3,707.91 due February and current debt \$3,707.91 due March not paid.
[REDACTED]	\$21,057	General SAP	\$100	Damage to traffic assets. Long term payment plan in place.
TOTAL	\$68,819		\$8,456	

Significant changes since last report, January 2022

Name	Amount	Source	Received	Comment

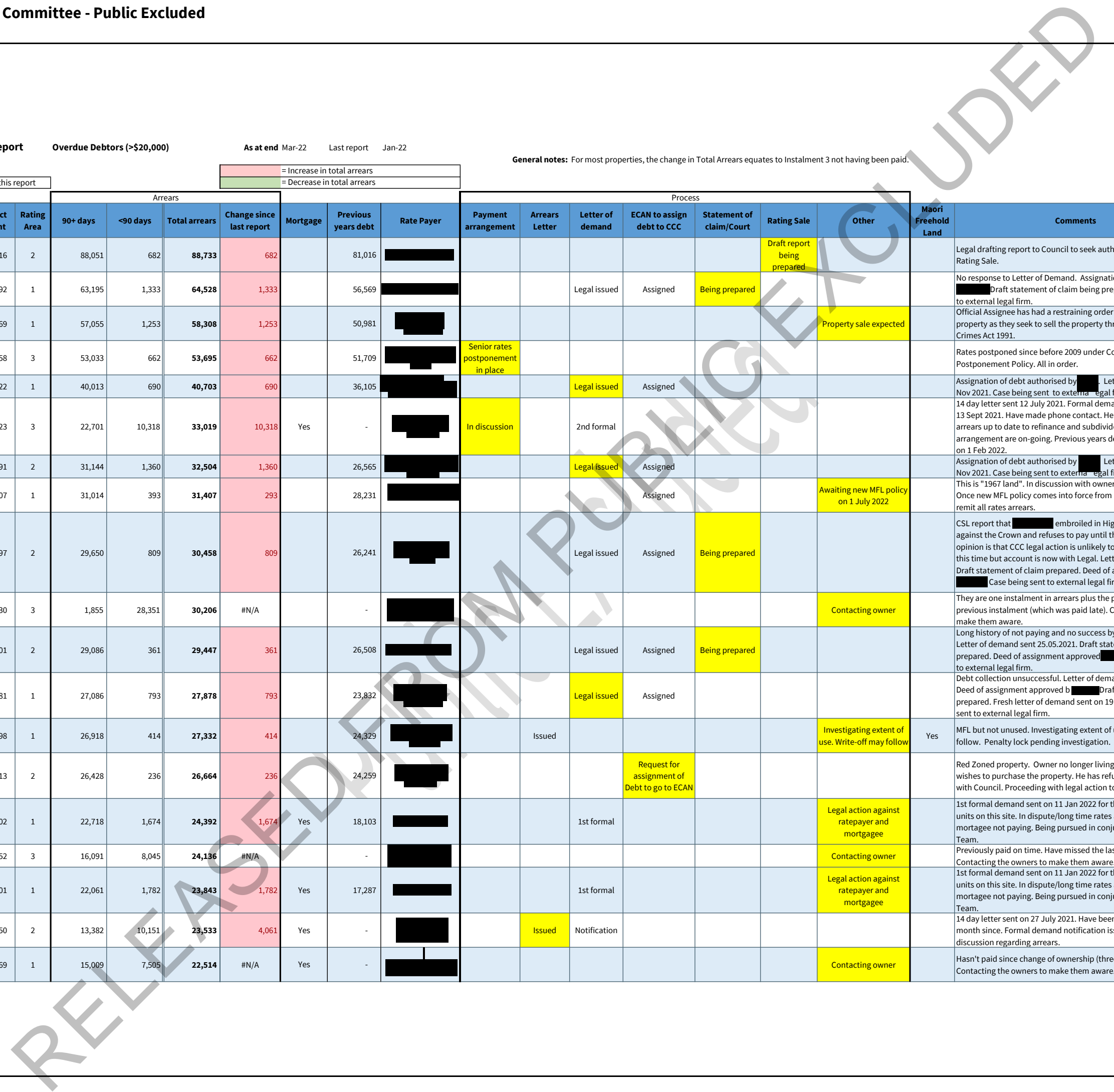
Rates Debtors Report

Overdue Debtors (>\$20,000)

As at end Mar-22 Last report Jan-22

General notes: For most properties, the change in Total Arrears equates to Instalment 3 not having been paid.

Date came on Report	Contract Account	Rating Area	Arrears				Mortgage	Previous years debt	Rate Payer	Process						Maori Freehold Land	Comments
			90+ days	<90 days	Total arrears	Change since last report				Payment arrangement	Arrears Letter	Letter of demand	ECAN to assign debt to CCC	Statement of claim/Court	Rating Sale		
Pre 2020	73075916	2	88,051	682	88,733	682	81,016							Draft report being prepared		Legal drafting report to Council to seek authority to carry out Rating Sale.	
Pre 2020	73098392	1	63,195	1,333	64,528	1,333	56,569				Legal issued	Assigned	Being prepared			No response to Letter of Demand. Assignment of debt authorised by [REDACTED]. Draft statement of claim being prepared. Case being sent to external legal firm.	
Pre 2020	73109569	1	57,055	1,253	58,308	1,253	50,981							Property sale expected		Official Assignee has had a restraining order placed on this property as they seek to sell the property through the Proceeds of Crimes Act 1991.	
Pre 2020	73146358	3	53,033	662	53,695	662	51,709		Senior rates postponement in place							Rates postponed since before 2009 under Council's Rates Postponement Policy. All in order.	
Pre 2020	73091722	1	40,013	690	40,703	690	36,105				Legal issued	Assigned				Assignment of debt authorised by [REDACTED]. Letter of demand sent 19 Nov 2021. Case being sent to external legal firm.	
Jun-21	73057023	3	22,701	10,318	33,019	10,318	-	Yes	In discussion		2nd formal					14 day letter sent 12 July 2021. Formal demand notification sent 13 Sept 2021. Have made phone contact. He is wanting bring arrears up to date to refinance and subdivide. Discussions on an arrangement are on-going. Previous years debt paid by mortgagee on 1 Feb 2022.	
Dec-20	73100991	2	31,144	1,360	32,504	1,360	26,565				Legal issued	Assigned				Assignment of debt authorised by [REDACTED]. Letter of demand sent 19 Nov 2021. Case being sent to external legal firm.	
Pre 2020	73096207	1	31,014	393	31,407	293	28,231					Assigned		Awaiting new MFL policy on 1 July 2022		This is "1967 land". In discussion with owners about extent of use. Once new MFL policy comes into force from 1 July 2022, we may remit all rates arrears.	
Jun-20	73107197	2	29,650	809	30,458	809	26,241				Legal issued	Assigned	Being prepared			CSL report that [REDACTED] embroiled in High Court proceedings against the Crown and refuses to pay until that is resolved. CSL opinion is that CCC legal action is unlikely to help resolve this at this time but account is now with Legal. Letter of Demand sent. Draft statement of claim prepared. Deed of assignment approved [REDACTED]. Case being sent to external legal firm.	
Mar-22	73050230	3	1,855	28,351	30,206	#N/A	-							Contacting owner		They are one instalment in arrears plus the penalty from the previous instalment (which was paid late). Contacting owner to make them aware.	
Jun-20	73073301	2	29,086	361	29,447	361	26,508				Legal issued	Assigned	Being prepared			Long history of not paying and no success by CSL debt collection. Letter of demand sent 25.05.2021. Draft statement of claim prepared. Deed of assignment approved [REDACTED]. Case being sent to external legal firm.	
Dec-20	73014281	1	27,086	793	27,878	793	23,832				Legal issued	Assigned				Debt collection unsuccessful. Letter of demand sent 12.01.2021. Deed of assignment approved by [REDACTED]. Draft statement of claim prepared. Fresh letter of demand sent on 19 Nov 2021. Case being sent to external legal firm.	
Sep-20	73096298	1	26,918	414	27,332	414	24,329			Issued				Investigating extent of use. Write-off may follow	Yes	MFL but not used. Investigating extent of use. Write-off may follow. Penalty lock pending investigation.	
Pre 2020	73036713	2	26,428	236	26,664	236	24,259					Request for assignment of Debt to go to ECAN				Red Zoned property. Owner no longer living on site. Council wishes to purchase the property. He has refused to discuss this with Council. Proceeding with legal action to recover rates arrears.	
Sept-21	73187202	1	22,718	1,674	24,392	1,674	18,103	Yes			1st formal			Legal action against ratepayer and mortgagee		1st formal demand sent on 11 Jan 2022 for this and the other 7 units on this site. In dispute/long time rates arrears. Issue with mortgagee not paying. Being pursued in conjunction with the Legal Team.	
Mar-22	73055852	3	16,091	8,045	24,136	#N/A	-							Contacting owner		Previously paid on time. Have missed the last three instalments. Contacting the owners to make them aware.	
Sept-21	73187401	1	22,061	1,782	23,843	1,782	17,287	Yes			1st formal			Legal action against ratepayer and mortgagee		1st formal demand sent on 11 Jan 2022 for this and the other 7 units on this site. In dispute/long time rates arrears. Issue with mortgagee not paying. Being pursued in conjunction with the Legal Team.	
Dec-21	73102650	2	13,382	10,151	23,533	4,061	-	Yes		Issued	Notification					14 day letter sent on 27 July 2021. Have been paying \$3,045 per month since. Formal demand notification issued 22 Oct 21. In discussion regarding arrears.	
Mar-22	73041669	1	15,009	7,505	22,514	#N/A	-	Yes						Contacting owner		Hasn't paid since change of ownership (three instalments). Contacting the owners to make them aware.	



Date came on Report	Contract Account	Rating Area	90+ days	<90 days	Total arrears	Change since last report	Mortgage	Previous years debt	Rate Payer	Payment arrangement	Arrears Letter	Letter of demand	ECAN to assign debt to CCC	Statement of claim/Court	Rating Sale	Other	Maori Freehold Land	Comments
Mar-22	73094133	1	18,946	3,010	21,956	#N/A	Yes	12,080	[REDACTED]			1st formal						They have a history of not paying any instalments, then us recovering the previous years' arrears from the mortgagee. 1st formal demand sent on 18 Jan 2022.
Mar-22	73158722	3	16,890	4,185	21,074	#N/A	Yes	7,963	[REDACTED]			2nd formal						2nd formal demand sent to mortgagee on 17 Feb 2022.
Mar-22	73048468	2	19,076	1,989	21,065	#N/A		14,109	[REDACTED]		Issued					Holding while estate resolved		Owner died in Feb 2020. CSL (debt collector) involved. Parties are in dispute with each other. Holding while estate resolved.
Mar-22	73051356	1	16,535	4,223	20,758	#N/A	Yes	8,090	[REDACTED]	In place								Payment arrangement of \$500 per month until June 2022.
Sep-54	73102566	2	19,987	573	20,559	573		17,547	[REDACTED]					Draft statement being prepared				Has not responded to debt collection. Deed of Assignment sent and signed by [REDACTED] Statement of Claim to be prepared. Fresh letter of demand to be sent. Case being sent to external legal firm.
Nov-21	73132136	3	14,291	5,920	20,212	(4,080)	Yes	1,636	[REDACTED]		Issued							In discussion with owner. \$10,000 paid on 18 Feb 2022. Formal demand notification sent 13 Sept 2021. Now no longer have a mortgage. 7 day letter sent 13 Dec 2021. Rates meant to be paid by the tenant.
Mar-22	73092795	1	19,993	183	20,175	#N/A		19,627	[REDACTED]							In discussions with owners		We are in discussion with the owner in regards to the legal status of this property and its history as Māori land prior to 1971.
TOTAL			742,206	96,893	839,099													

Dropped off since last report

Date came on Report	Contract Account	Rating Area	90+ days	<90 days	Total Arrears	Change since last report	Mortgage	Previous years debt	Rate Payer	Payment arrangement	Arrears Letter	Letter of demand issued	ECAN to assign debt to CCC	Statement of claim/Court	Rating Sale	Other	Maori Freehold Land	Comments
Mar-21	73195034	3	-	(22,002.16)	(22,002.16)	115,680.67		-	[REDACTED]							Remission to be actioned (Feb 2022)		Remission of \$116,456.53 applied in March, which resulted in the account being in credit by \$22,002.16. This is in the process of being refunded.
Pre 2020	73123981	1	-	-	-	76,828.41		-	[REDACTED]			Legal issued	Assigned	Being prepared			Yes	Property has been classified as Maori Freehold Land, not in use under LGRA 2002, Sch 1, Part 1, Cl:14A This has been applied from 1 July 2021. All prior years arrears have been written off.
Pre 2020	73092593	1	-	-	-	44,817.19		-	[REDACTED]			Legal issued	Assigned	Draft report to be prepared		Looking to write-off arrears	Yes	Property has been classified as Maori Freehold Land, not in use under LGRA 2002, Sch 1, Part 1, Cl:14A This has been applied from 1 July 2021. All prior years arrears have been written off.
Aug-21	73173505	3	-	-	-	42,977.68	Yes	-	[REDACTED]			1st formal						Two instalments missed. Slightly erratic payment history. 14 day letter issued on 12.07.2021. Formal demand notification sent on 13 Sept 2021. 1st formal demand sent on 13 Dec 2021. Discussing an arrangement.
Sept-21	73185008	2	13,796.59	3,800.34	17,596.93	6,714.66		5,105.72	[REDACTED]	Arrangement in place	Issued							14 day letter issued on 6 Aug 2021. With Legal. Fresh Letter of demand to be sent. He has agreed to a payment arrangement of \$3,505 per month.
Nov-21	73175710	1	-	-	-	22,320.16		-	[REDACTED]	Arrangement in place								New owners Feb 2021. No rates paid. Contact made with new owners. Have gone onto Direct Debit to pay off arrears.

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