

Waitaki District Council

Finance, Audit and Risk Committee

**CONFIRMED MINUTES of a meeting of the
Finance, Audit and Risk Committee of the Waitaki District Council
held in the Council Chamber, Waitaki District Council Headquarters,
20 Thames Street, Oamaru
on Tuesday 15 May 2018 at 9.00am**

Present:	Cr Craig Dawson (Chair), Cr Peter Garvan, Cr Jim Hopkins, Cr Jan Wheeler; Mayor Gary Kircher
Apology:	Cr Colin Wollstein
In Attendance:	Cr Jeremy Holding Cr Guy Percival Cr Melanie Tavendale Fergus Power (Chief Executive) Paul Hope (Finance and Corporate Development Group Manager) Lichelle Guyan (Heritage, Environment and Regulatory Group Manager) Ian Wells (Accounting Manager) Richard Maher (Programme Manager) Ainslee Hooper (Governance Advisor)

The Chair declared the meeting open at 9.00am, and welcomed everyone present.

1. Apologies

RESOLVED
FAR 2018/024

Cr Jim Hopkins / Mayor Gary Kircher
That the Finance, Audit and Risk Committee accepts an apology from
Cr Colin Wollstein due to leave of absence.

CARRIED

2. Declarations of Interest

There were no declarations of interest.

3. Confirmation of Minutes

RESOLVED
FAR 2018/025

Cr Jim Hopkins / Cr Peter Garvan
That the Finance, Audit and Risk Committee confirms public minutes
of its previous meeting held on 10 April 2018, as circulated, as a true
and correct record.

CARRIED

4. Monthly Financial Report – 2018, Period 9 / Third Quarter

The report, as circulated, covered the first three-quarters of the 2017/18 financial year, and noted that most Council activities continue to operate close to or better than budget.

Discussion on the report focused on the following key issues:

- The revaluation of the roading network and its impact on depreciation. Group Manager Paul Hope explained that roading project work and maintenance was 55% subsidised by the Government, so Council would not need to fund 55% of the increase in depreciation arising from the revaluation. It was noted that, although the change in depreciation would impact the current year, there was no requirement to fund the change. In the longer term, the increased depreciation was factored into budgets.

It was also highlighted that the 2018-28 Long Term Plan Consultation Documents had proposed to channel more money into roading, and any discussion on percentage changes to the roading budget in relation to unfunding for increased valuations and associated depreciation would be undertaken within the LTP deliberations process.

- It was AGREED that Council officers include the budget figure reference as well as actual and variance figures in future reports.
ACTION: Accounting Manager
- Return on investment in the forestry sector: There was discussion about how low the return was in comparison to that in the private sector. The meeting heard that the size of the planting lot and the reason for planting was never purely for commercial purposes. Forestry harvesting in the Hampden area had also not been budgeted for this year, but was undertaken when the availability of a contractor who was doing other work there made it economic to do so. It was suggested that the lot should not be replanted if it was not making a profit. In response, it was noted that the area would need to be replanted or more money could be lost in relation to carbon credits.
- The variance between \$11K and \$84K in the “Chief Executive’s Office” budget line stemmed from timings associated with the contributing human resources unit’s recruitment and retention budget which had experienced significant peaks and troughs across the year from recruitment.
- Presentation of budget reports: The Accounting Manager advised that he was looking into a different way of presenting the budget variance reports so that they were more readable.

RESOLVED
FAR 2018/026

Cr Jim Hopkins / Mayor Gary Kircher
That the Finance, Audit and Risk Committee receives and notes the information.

CARRIED

5. Information Services Group Activity Report for the period 1 April to 30 April 2018

The memorandum, as circulated, provided an update to the Finance, Audit and Risk Committee on Information Services Group activities during the reporting period.

Programme Manager Richard Maher spoke to the report in the absence on leave of Information Services Group Manager Bill Chou.

Discussion focused on the following report topics:

- The supplier delay with the Authority 7 upgrade, the associated consequences, and the fact that alternatives and options were being investigated to mitigate the risks.
- A summary of the BIS (Business Information System) and HUB reporting tools
- The spike in LGOIMA requests
- The proposed online recruitment tool.

RESOLVED
FAR 2018/027

Cr Jim Hopkins / Cr Peter Garvan
That the Finance, Audit and Risk Committee receives and notes the information.

CARRIED

6. Finance and Corporate Development Group Activity Report for the period 1 April to 30 April 2018

The memorandum, as circulated, provided an update to the Finance, Audit and Risk Committee on various finance, business development, policy, and health and safety matters during the reporting period.

RESOLVED
FAR 2018/028

Cr Jim Hopkins / Cr Peter Garvan
That the Finance, Audit and Risk Committee receives and notes the information.

CARRIED

The Chair advised his intention to move the meeting into public excluded.
The media representative and members of the public left the meeting.

7. Resolution to Exclude the Public

RESOLVED
FAR 2018/029

Cr Jim Hopkins / Mayor Gary Kircher
That the public be excluded from the following part of the proceedings of this meeting, namely:

- Confirmation of Public Excluded Meeting Minutes 10 April 2018
- Remission Request – Beach Road, Oamaru PE
- Rating Adjustment – Davids Street, Moeraki PE
- Accounts Payable Analysis Quarter 3 2018 PE

The general subject of each matter to be considered while the public is excluded; the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter – Section 48(1)
Public Excluded:	To protect the privacy of natural persons.
8. Confirmation of Public Excluded Meeting Minutes 10 April 2018 PE	Section 48(1)(a) (The disclosure of the information would cause unnecessary personal embarrassment to the persons concerned.)
9. Remission Request – Beach Road, Oamaru PE	
10. Rating Adjustment – Davids Street, Moeraki PE	To enable the Council to carry out commercial negotiations without prejudice or disadvantage.
11. Accounts Payable Analysis Quarter 3 2018 PE	Section 48(1)(a) (Premature disclosure of the information would detrimentally affect the Council's position in the negotiations.)

These resolutions are made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of the Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above (in brackets) with respect to each item.”

CARRIED

Refer to Public Excluded Minutes

Resolution to Return to the Public Meeting

RESOLVED
FAR 2018/038

Cr Peter Garvan / Cr Jim Hopkins
That the Finance, Audit and Risk Committee resumes in open meeting and decisions made in the public excluded session are confirmed and made public as and when required.

CARRIED

11. Release of Public Excluded Information

In accordance with Waitaki District Council Standing Orders 2016 to 2019, Clause 17.5, and pursuant to Resolution FAR 2018/011 of this meeting, the Committee APPROVED the release of previously public excluded information as set out below because there is no longer a need for continued protection under section 48(1) of the Local Government Official Information and Meetings Act 1987.

Agenda Item 8 – Confirmation of Previous Meeting Public Excluded Minutes PE

RESOLVED
FAR 2018/030

Cr Jim Hopkins / Cr Peter Garvan
That the Finance, Audit and Risk Committee confirms public excluded meeting minutes of 20 March 2018, as circulated, as a true and correct record.

CARRIED

Agenda Item 10 – Rates Adjustment – Davids Street, Moeraki PE

The report, as circulated, sought Council's resolution of matters in relation to a longstanding rates issue by writing off the rates outstanding and declaring the land non-ratable because of land stability issues, for a property on the corner of Haven and Davids Streets in Moeraki.

RESOLVED
FAR 2018/034

Cr Jim Hopkins / Cr Peter Garvan
That the Finance, Audit and Risk Committee recommends that Council write off all outstanding rates on sections 9 and 10, block IV, Davids Street, Moeraki and make the land non-rateable.

CARRIED

There being no further business, the Chair declared the meeting closed at 9.45am.

CONFIRMED on the 12th day of June 2018 in the Council Chamber, Waitaki District Council Headquarters, 20 Thames Street, Oamaru.

[signed]

Chairman