
Finance, Audit & Risk Subcommittee

OPEN MINUTES

Minutes of a meeting of the Finance, Audit & Risk Subcommittee held in the Council Chambers, Horowhenua District Council, Levin, on Wednesday 25 September 2019 at 4.00 pm.

PRESENT

Chairperson	Cr B F Judd
Members	Cr R J Brannigan
	Cr R H Campbell
	Mayor M Feyen
	Cr N G Gimblett
	Cr V M Kaye-Simmons
	Cr C B Mitchell
	Cr P Tukapua
	Cr B P Wanden

IN ATTENDANCE

Reporting Officer	Mr D Law	(Chief Financial Officer)
	Mr D M Clapperton	(Chief Executive)
	Mr I McLachlan	(Group Manager – Customer & Regulatory Services)
	Mr J Paulin	(Finance Manager)
	Mr D O'Regan	(Executive Assistant)
	Mrs A Huria	(Project Coordinator – Strategy & Development)
	Ms A Parker	(Executive Assistant to the Mayor)
	Mrs K J Corkill	(Meeting Secretary)

PUBLIC IN ATTENDANCE

There were four members of the public in attendance at the commencement of the meeting.

1 Apologies

Apologies were recorded for Deputy Mayor Bishop and Cr Mason.

MOVED by Cr , seconded Cr :

THAT the apologies from Deputy Mayor Bishop and Councillor Mason be accepted .

CARRIED

2 Public Participation

None requested.

3 Late Items

There were no late items.

4 Declarations of Interest

There were no declarations of interest.

5 Confirmation of Minutes

MOVED by Cr Campbell, seconded Cr Brannigan:

THAT the minutes of the meeting of the Finance, Audit & Risk Subcommittee held on Wednesday, 28 August 2019, be confirmed as a true and correct record.

CARRIED

6 Announcements

There were no announcements.

7 Reports

7.1 Projects Update

Purpose

To provide the Finance, Audit and Risk Subcommittee with an update of the projects being undertaken by the Infrastructure Projects Team.

MOVED by Mayor Feyen, seconded Cr Kaye-Simmons:

THAT Report 19/377 Projects Update be received.

CARRIED

MOVED by Cr Mitchell, seconded Cr Campbell:

THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

CARRIED

Mr Clapperton spoke to the report and responded to queries which included engagement with specific farmers, capacity when it came to water retention in relation to the NE Levin Stormwater update and the Tokomaru Water allocation noted in the Tokomaru Water Supply update. It was clarified that some of the queries related to matters that pertained to Horizons Regional Council and the consenting process, not HDC.

With regard to the reference to fish recovery work in the NE Levin Stormwater update, it was queried if there was an opportunity for local students to be involved with that as this had been done elsewhere.

7.2 Two Month Report 1 July 2019- 31 August 2019

Purpose

To present to the Finance, Audit & Risk Subcommittee the financial report for the two months to 31 August 2019.

MOVED by Cr Wanden, seconded Cr Mitchell:

THAT Report 19/362 Two Month Report 1 July 2019- 31 August 2019 be received.

THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

CARRIED

Speaking to the report, Mr Law noted that this early in the financial year, it was difficult to see any meaningful trends.

Raised in terms of Council's financial performance was the \$574,000 deficit showing against a budgeted deficit of \$274,000. It had been explained that the reason for this was that Council's roading capital expenditure was later in the year and the deficit related to roading subsidies. If that was the case it was queried why Council's budget was not structured to accommodate that.

Mr Law agreed that it was a phasing issue and that would be looked at before the next report.

Noting that this issue was covered in Note 1 in the Statement of Comprehensive Revenue and Expense, Mr Clapperton said that while it was possible to change the phasing it was not possible to change the overall budget.

Responding to a query in relation to Rates Rebates, Mr Law clarified that Council acted as agents for DIA for rates rebates and the rebate went against an applicant's rates account; it was not income for Council.

Mr Clapperton drew Elected Members attention to the Growth Dashboard attached to the report, commenting particularly on the growth that had occurred in the district which had been confirmed earlier in the week by Statistics New Zealand as being an increase of 2% per annum over the past five years. There was further comment on the challenges and opportunities that this brought for the district.

7.3 Annual Report for the year ended 30 June 2019

Purpose

To recommend the adoption of the Annual Report for the year ended 30 June 2019 to Council.

MOVED by Cr Tukapua, seconded Cr Campbell:

THAT Report 19/363 Annual Report for the year ended 30 June 2019 is received.

THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

CARRIED

Commenting of the draft Annual Report, Mr Law advised that discussions were still occurring with the Auditors on roading valuation and depreciation. With regard to the Landfill Aftercare provision, the trade waste charge showing in that valuation was an internal charge so it had been removed.

Responding to queries and comments and with some information in the report noted for updating or rewording, Mr Law said as soon as there was sign off from the Auditors the Report would be made available and at this stage they had not indicated the need for any substantial changes.

It was requested that any changes from the most recent draft be highlighted to make it easier to follow. Thanks was also expressed for the explanation accompanying some of the statistics and graphs within the report which clearly articulated why some of the

targets, such as prudential benchmarks, had not been met.

A request was also made to have included in the report going forward the cost to Council, and therefore ratepayers, of such things as vandalism and theft.

With the Annual Report still awaiting sign off from the Auditors, it was agreed that recommendation 3.3 was redundant. It was noted that representatives from Audit New Zealand would be in attendance at next week's meeting to speak to the report.

4.57 pm

There being no further business, the Chairperson declared the meeting closed.

IN ACCORDANCE WITH STANDING ORDER 27.4,
CONFIRMED AS A TRUE AND CORRECT RECORD

DATE:.....

CHAIRPERSON:.....

CHIEF EXECUTIVE:.....