



# Rangitikei District Council

## Finance and Performance Committee Meeting

Minutes – Thursday 26 October 2017 – 9:30 AM

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**Present:** Cr Nigel Belsham  
Cr Cath Ash  
Cr Dean McManaway  
Cr Soraya Peke-Mason  
Cr Graeme Platt  
Cr Ruth Rainey  
Cr Lynne Sheridan  
His Worship the Mayor, Andy Watson

**In attendance:** Mr Ross McNeil, Chief Executive  
Mr Michael Hodder, Community & Regulatory Services Group Manager  
Mr George McIrvine, Finance & Business Support Group Manager  
Ms Gaylene Prince, Community and Leisure Services Team Leader  
Ms Nardia Gower, Governance Administrator

**Tabled Documents**

<b>Item 6:</b>	Chairs report
<b>Item 9:</b>	Community housing
<b>Item 10:</b>	In-house investigations on saleability of Bulls properties

## 1 Welcome

The Chair welcomed everyone to the meeting.

## 2 Council Prayer

Cr Belsham read the Council Prayer.

## 3 Apologies/Leave of Absence

That the apology for the leave of absence from Cr Rainey and Cr Wilson was received.

His Worship the Mayor / Cr McManaway

## 4 Members' Conflict of Interest

Members were reminded of their obligation to declare any conflicts of interest they might have in respect of items on this agenda.

There was no declared conflict of interest.

## 5 Confirmation of order of business

There was no change to the order of business.

## 6 Chair's Report

Cr Belsham outlined his tabled report.

It was noted that Craig's informed Council of the return of investment from Rabobank and will continue to inform Council of further returned investments. At this stage there are no comparable high interest investments available.

**Resolved minute number**                      **17/FPE/149**                      **File Ref**                      **3-CT-14-1**

That the Chair's Report to the Finance/Performance Committee meeting on 26 October 2017 be received.

Cr Belsham / Cr McManaway. Carried

Cr Peke-Mason arrived 9:37 am.

## 7 Minutes of Previous Meeting

**Resolved minute number**                      **17/FPE/150**                      **File Ref**

That the Minutes of the Finance/Performance Committee meeting held on 28 September 2017 be taken as read and verified as an accurate and correct record of the meeting.

Cr Ash / Cr Sheridan. Carried

## 8 Progress with strategic issues

The Committee noted the commentary in the agenda.

## 9 Community housing

Ms Prince took the Committee through the tabled presentation on the analysis of Council's Community Housing with particular regard to the ten Cuba St apartments in Marton and the nine Matua St apartments in Taihape. The merits of Council's future options with these housing blocks were discussed. Highlights from the ensuing discussion by the Committee were as follows:

- A rent increase would align apartments with current market rent. Ms Prince highlighted subsidies available through Work & Income.
- Consideration was being given to a refurbishment programme.
- The return on potential sales would be reinvested in other housing options. The Committee is aware of the shortfall in affordable housing throughout the District and wider region.
- The Committee requested staff to provide further information on future options including potential disposal of assets and rebuilding, where a rebuild could be located and the level of service provided, with consideration on insulation, warmth, home health and parking. A request was made to have the options laid out over spreadsheet for clearer understanding.
- There is currently a remaining \$140k of budgeted funds for the financial year ending June 2018 for Community Housing. The Committee noted their desire to have that spent and not be in a position to carrying it forward into the 2018/19 budget.

## 10 In-house investigations on saleability of Bulls properties

Mr McNeil spoke to his tabled presentation. Identified are two Council owned sites in Bulls, as having strong potential for subdivision development.

### Walton Street Site:

Mr McNeil highlighted the minor complication with the Walton street site. There are two parcels of land that are subject to the Public Works Act.

The Committee discussions are highlighted:

- The Bulls Community fundraising group for the new community centre has secured a relocatable home for renovation and resale. Available land for this project has been identified on the Walton Street site.

- Council is yet to indicate their level of participation and risk in subdivision development.

#### Johnson Street Site:

The Committee expressed reluctance to develop the two sites simultaneously with a preference for moving forward with exploring the potential of the Walton St site and signalling intent through the Long Term Plan on development of the Johnson Street site.

<b>Resolved minute number</b>	<b>17/FPE/151</b>	<b>File Ref</b>
1	That the committee supports the development of the Walton Street and Johnson Street blocks for residential purposes and request the Chief Executive reports back to Council with options for development.	
2	That the Committee recommends to Council that Council acknowledges that the Johnson street development recognises the need to continue to provide some space for recreation.	



His Worship the Mayor / Cr McManaway. Carried

## **11 Update from subdivision working group**

No further development to date.

## **12 Financial Highlights and Commentary – September 2017**

Mr Mclrvine spoke to the memorandum noting the following highlights:

- Last month's Financial Highlights had identified \$1 million allocated to Libraries which was questioned by the Committee. Mr Mclrvine clarified that this was a consolidation of several lines including buildings and halls.
- The Committee questioned the number of mortgagors in the District and the percentage of those reflected in rates debtors. Mr Mclrvine will report back to the Committee on those figures.
- Under the Treasury Policy there are some restrictions on where Council is allowed to invest. A future report will highlight potential investment opportunities.
- Council is improving in the waste minimisation space, notwithstanding the increase in tonnage going to waste transfer stations which appears to parallel the number of house sales in the District.
- Mr Mclrvine will report the overdue trends on 'Warning to Mortgage' from past years which providing one tool in assessing the financial health of the district
- Trade waste has had a decrease in Midwest revenue.

**Resolved minute number**                      **17/FPE/152**                      **File Ref**                      **5-FR-4-1**

That the memorandum 'Financial Highlights and Commentary – September 2017 to the Finance/Performance Committee meeting on 26 October 2017 be received.

Cr McManaway / Cr Sheridan. Carried

Cr McManaway left at 10:51 – 10:54

Cr Rainey arrived at 10:55

### **13 Draft Council policy on development**

Mr Hodder spoke to the memorandum, suggesting that this policy could be used as a bespoke tool to negotiate development opportunities and allow a level of adaptability. The incentives would be on a voluntary basis to which any developer would need to sign up to benefit.

The Committee discussed the merits of the length of rates remission on subdivided property, including whether the incentives would be subject to the level of development.

Further consideration needs to be made to potential pitfalls including the manipulation of the policy for individual advantage, profiteering and requests for retrospective concession on unsold sites of current developments.

Suggested was the final policy includes the relevant sections of the Local Government Act as an appendices, giving readers clear interpretation.

**Resolved minute number**                      **17/FPE/153**                      **File Ref**                      **3-PY-1**

That the memorandum 'Policy on responding to or promoting residential, commercial, industrial or agricultural development within the Rangitikei District' be received.

Cr Sheridan / Cr Ash. Carried

### **14 Late Items**

There were no late items

### **15 Future Items for the Agenda**

A report on the Policy on responding to or promoting residential, commercial, industrial or agricultural development within the Rangitikei District.

### **16 Next Meeting**

Thursday 30 November 2017, 9.30 am

## **17 Meeting Closed**

11.28 am.

**Confirmed/Chair:** \_\_\_\_\_

**Date:**