

Chairs report, August 2022

Finance & Performance Committee

Welcome to the Finance and Performance Committee meeting for August 2022.

We have an array of reports to cover off in today's order paper but most importantly is the Financial Snapshot of Council which covers through to the end of Council's financial year. A couple of high lights for me would be around the capital works program. Whilst not fully achieving what was planned for the past financial year (the reasons for these have been well explained) to achieve approximately \$22.3 million of the works program is significant in the climate we have been operating in. The other area has been in the operational budgets of Council. Whilst facing the challenges of the emergency repairs to our roading network (due to extreme weather events) and dealing with the Putorino Landfill remediation works, the budgets overall have been prudently managed. Explanation has been provided around our Subsidies and Grants actuals being below budget by a significant amount. A keen eye will need to be maintained to ensure the projects these variances relate to progress through this new financial year (Roading program LCLR projects and the Marton Rail Hub development).

There is some hefty reading in the LGFA report provided to this month's meeting. What we are seeing is a significant change in interest rates since this Council became a member of LGFA. As our borrowing is increasing to cover the delivery of some of our key projects, so too is the cost of borrowing and the impact to our ratepayers. We can only hope that the OCR is maintained to a level that is manageable for all concerned. Unfortunately, we have no control over that!

Finally, I would like to thank staff for the information provided in today's meeting. It provides valuable insight for us at a governance level. I am sure that if there is further information that this committee would feel useful to them (from a financial or performance perspective), you always have an opportunity to raise it for consideration at these meetings.

Looking forward to everyone's input into today's meeting.

Nigel Belsham

Finance & Performance Committee Chair