

MINUTES

FINANCE/PERFORMANCE COMMITTEE MEETING

Date: Thursday, 15 December 2022

Time: 9.30 am

Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Present

- Cr Fi Dalgety
- Cr Jeff Wong
- Cr Simon Loudon
- Cr Greg Maughan
- Cr Brian Carter
- Cr Jarrod Calkin
- Cr Dave Wilson
- Cr Gill Duncan
- HWTM Andy Watson

In attendance

- Mr Peter Beggs, Chief Executive
- Ms Carol Gordon, Group Manager Democracy and Planning
- Mr Dave Tombs, Group Manager Corporate Services
- Ms Karen Cowper, Executive Officer
- Ms Gaylene Prince, Group Manager of Community Services
- Ms Sharon Grant, Group Manager People and Performance
- Ms Adina Foley, Senior Project Manager - Infrastructure
- Ms Hilary Walker, Management and Systems Accountant

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1 Welcome / Prayer

The meeting was opened at 9.30am. Cr Wong read the Council prayer.

2 Apologies

Nil.

3 Public Forum

Nil.

4 Conflict of Interest Declarations

Nil.

5 Confirmation of Order of Business

As listed in Order Papers with no changes. The Chief Executive noted a stand-in Governance Administrator was taking minutes today.

6 Confirmation of Minutes

Amendments

1. Cr Calkin's attendance to be noted as an apology.
2. Addition on page 9 Item 8.1 – add "roading and Three Waters were valued at June 2022"

Resolved minute number 22/FPE/110

That the minutes of Finance/Performance Committee Meeting held on 23 November 2022 as amended be taken as read and verified as an accurate and correct record of the meeting, and that the electronic signature of the Chair of this Committee be added to the official minutes document as a formal record.

HWTM A Watson/Cr B Carter. Carried

7 Follow-up Action Items from Previous Meetings

7.1 Follow-up Action Items from Finance/Performance Meetings

Taken as read.

Resolved minute number 22/FPE/111

That the report 'Follow-up Action Items from Finance/Performance Meetings' be received.

Cr B Carter/Cr J C Calkin. Carried

8 Chair's Report

8.1 Chair's Report-December 2022

Cr Dalgety acknowledged the extensive effort by the Chief Executive and Executive Leadership Team to ensure a positive workplace culture is part of our point of difference here in the Rangitikei District Council.

Resolved minute number 22/FPE/112

That the Chair's Report – December 2022 be received

Cr F Dalgety/Cr B Carter. Carried

9 Reports for Information

9.1 Financial Snapshot - November 2022

Mr Tombs clarified that the "gross proceeds of sales was planned" is a wording anomaly to tidy up in future reports. The proceeds are still planned.

There were questions from the committee regarding emergency works "...either be debt funded or offset against underspends in other project budgets" and when this would be seen. Mr Tombs responded that some projects, near finalisation, will be able to determine whether they are under budget and then this will be notified to the committee.

Mr Beggs stated that there will be a paper going to Council later today regarding Roothing Capital Budget discussing funding and work that we were unable to deliver in last financial year. There have been changes in terms of prioritisation of roading, including roading projects that are within the LTP which may be moved or brought forward, one of those is Tutaenui Road towards the B&C Dams. Ms Foley will work with the roading team and make sure those changes are presented to the Assets & Infrastructure Committee so that elected members are aware of those changes and the logic behind them.

Mr Tombs stated there could be provisional budgets in place for emergency works for adverse weather events. There are issues with this, in that the budgeted amount may not cover all damages or costs associated with an event and that the stance from central government has not been consistent with funding of adverse weather events.

Resolved minute number 22/FPE/113

That the report 'Financial Snapshot – November 2022' be received.

Cr D Wilson/Cr J C Calkin. Carried

9.2 Future Treasury Position

The committee raised concerns regarding the impact of shared services and the result of Three Waters. Mr Beggs responded that work regarding staff has been managed by Manawatu District Council but has oversight from Mrs Grant. Regarding stranded overheads we do not know what capital assets are held by Manawatu District Council in regards to the delivery of the shared services contract. The majority of the buildings are owned Rangitikei District Council.

It was commented that Council is assuming full repayment of debt but there may be issues that this will be a decision by Treasury and suspect they will look at whether they actually claim the depreciation funding that we've attributed to these assets over time.

Mr Beggs stated he had received an email from DIA this week containing a clear statement "the enacted Water Services Entities Bill provides for DIA to have oversight of local govt organisation's significant water related decisions during the establishment period".

Resolved minute number 22/FPE/114

That the report Future Treasury Position be received.

Cr B Carter/Cr G Maughan. Carried

9.3 Treasury and Debt - November 2022

Recommendation 2 was not resolved at the last meeting and Mr Tombs recommended it be included now.

Mr Tombs confirmed that interest rates are fixed.

Mr Beggs received an email confirming Council's Better Off Funding was approved in principle for the projects requested. A big part of this was Taihape Town Hall (\$2m). Mr Beggs still needs to go through the contract and make sure Council is aware of its obligations within that funding, and this will be presented as part of the Annual Plan. No work is starting on any of those initiatives until 1 July 2023.

Resolved minute number 22/FPE/115

That the report 'Treasury and Debt – November 2022' be received.

Cr J C Calkin/Cr B Carter. Carried

Resolved minute number 22/FPE/116

Council notes in Section 2.2 the explanation why the Current Account balance as per the Treasury Management Policy has been exceeded.

Cr D Wilson/Cr S Loudon. Carried

9.4 QV Report

QV is currently transitioning into a new reporting model and staff are working with QV to develop a suitable replacement.

Resolved minute number 22/FPE/117

That the QV Report be received.

Cr B Carter/Cr J F Wong. Carried

9.5 Annual Report 21/22 Progress Update

Taken as read.

Resolved minute number 22/FPE/118

That the report 'Annual Report 2021/22 Progress Update' be received.

Cr D Wilson/Cr S Loudon. Carried

9.6 Copy: Council Paper - Proposed Changes to 2022/23 Roothing Budget

This report will be presented at Council again this afternoon.

There is a new roading contract to be negotiated next year.

There is a need to work with the current contractor to make sure they have staff resource for backlog.

Ms Foley will follow up with Manawatu District Council regarding shared services and limited resources. Programme Planning and high level contract management is done by Mr John Jones for both Councils. Actual design work and the operational side of things solely doing Rangitikei District Council work at King Street has been separated out so we are not competing.

Roothing staff, through the shared services agreement, will provide a series of projects that are consistent with the funding agreed by Waka Kotahi, and road or reseal work cannot be done without their approval.

This report is a supplementary report started in September 2022, prior to the new triennium to answer the question 'what is really our do-ability for our capital programme this year?'

Staff will report to Council on significant deviations to roading works so Elected Members are aware of changes.

Resolved minute number 22/FPE/119

That the report 'Copy: Council Paper - Proposed Changes to 2022/23 Roothing Budget' be received.

Cr J Calkin/Cr G Maughan. Carried

9.7 Public Feedback to Council - November 2022

In response to one comment noted in the report, staff reassured elected members that customers were not waiting 10 minutes to be served and were acknowledged. There is an approximate wait time of two minutes. Recently the area has been revamped to make it more welcoming.

Resolved minute number 22/FPE/120

That the Public Feedback to Council Report – November 2022 be received.

Cr J Calkin/Cr S Loudon. Carried

The meeting closed at 10.42am.

The minutes of this meeting were confirmed at the Finance/Performance Committee held on 26 January 2023.

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Chairperson