

# PALMERSTON NORTH CITY COUNCIL

## Minutes of the Finance & Audit Committee Meeting Part I Public, held in the Elwood Room, Conference & Function Centre, 354 Main Street, Palmerston North on 19 August 2020, commencing at 9.01am

- Members Present:** Councillor Susan Baty (in the Chair), The Mayor (Grant Smith), Mr Stephen Armstrong and Councillors Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.
- Non Members:** Councillors Brent Barrett, Rachel Bowen, Zulfiqar Butt, Billy Meehan and Aleisha Rutherford.

### 26-20 Public Comment

Mr Brad Nieuwkoop made public comment regarding his vision to support and complement existing recreational activities in the Kahuterawa Valley, including Arapuke Forest Mountain Bike Park and Te Araroa Trail.

Plans included potentially providing high end accommodation (glamping) sites, a commercial space, a café and workshop.

Mr Nieuwkoop hoped his vision for the area would make it a recreational asset to the Manawatu and encourage both local visitors and visitors from outside the region.

Moved Susan Baty, seconded Karen Naylor.

#### The COMMITTEE RESOLVED

1. That the public comment be received for information.

Clause 26-20 above was carried 17 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford, Tangi Utikere and Mr Stephen Armstrong.

### 27-20 Confirmation of Minutes

Moved Susan Baty, seconded Karen Naylor.

#### The COMMITTEE RESOLVED

1. That the minutes of the Finance & Audit Committee meeting of 17 June 2020 Part I Public be confirmed as a true and correct record.

Clause 27-20 above was carried 16 votes to 0, with 1 abstention, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

**Abstained:**

Councillor Tangi Utikere.

**28-20**

**Human Resources and Health, Safety and Wellbeing Report**

Memorandum, presented by Alan Downes, Health Safety & Wellbeing Manager.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the memorandum entitled 'Human Resources and Health, Safety and Wellbeing Report' presented to the Finance & Audit Committee on 19 August 2020, be received.

Clause 28-20 above was carried 14 votes to 2, with 1 abstention, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Billy Meehan, Karen Naylor, Bruno Petrenas, Tangi Utikere and Mr Stephen Armstrong.

**Against:**

Councillors Brent Barrett and Lorna Johnson.

**Abstained:**

Councillor Aleisha Rutherford.

**29-20**

**S17A Review of Economic Development**

Memorandum, presented by Sheryl Bryant, General Manager - Strategy & Planning.

Moved Tangi Utikere, seconded Vaughan Dennison.

The **COMMITTEE RECOMMENDS**

1. That Council undertake a Section 17A review under the Local Government Act 2002 of Economic Development and that an unbudgeted expense of \$15,000 be approved for the review.

Clause 29-20 above was carried 17 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford, Tangi Utikere and Mr Stephen Armstrong.

**30-20 Reserve land acquisition - unbudgeted proposals - Whakarongo Lagoon and Greens Road**

Report, presented by Kathy Dever-Tod, Manager - Parks and Reserves.

Moved Karen Naylor, seconded Lorna Johnson.

The **COMMITTEE RECOMMENDS**

1. That the report entitled 'Reserve land acquisition – unbudgeted proposals – Whakarongo Lagoon and Greens Road' presented to the Finance & Audit Committee on 19 August 2020, be received.
2. That Council approve acquisition of approximately 3,300m<sup>2</sup> of part of Lot 1 DP 467810, east of the Whakarongo Lagoon, from the Etheridge family, noting that new operational funding of \$10,000 per year for three years, and \$8,000 per annum thereafter, will be required to maintain this land.
3. That subject to acquisition of the Whakarongo land being approved, Council approve utilisation of Programme 144 Urban Growth – Whakarongo – Reserve Land Purchase in the 2020/21 financial year to fund costs associated with the land acquisition, which are estimated to be \$10,000.
4. That Council approve acquisition of approximately 1.19ha, being part of Lot 1 DP 541201, adjacent to Greens Road, noting that new operational funding of \$1,600 per annum will be required to maintain the land.
5. That subject to acquisition of the Greens Road land being approved, Council approve expenditure of up to \$27,000 in the 2020/21 financial year to purchase the property.
6. That Council note that operational costs associated with land acquisitions approved by Council, as part of report entitled 'Reserve land acquisition – unbudgeted proposals – Whakarongo Lagoon and Greens Road', will be added to existing operating budgets as part of the development of the draft 2021/31 Ten Year Plan.

Clause 30-20 above was carried 17 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford, Tangi Utikere and Mr Stephen Armstrong.

The meeting adjourned at 10.28am

The meeting resumed at 10.47am

**31-20 Whakarongo Housing - Cashflow Analysis**

Memorandum, presented by Stuart McKinnon, Chief Financial Officer.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the memorandum entitled 'Whakarongo Housing – Cashflow Analysis' presented to the Finance & Audit Committee on 19 August 2020, be received for information.

Clause 31-20 above was carried 17 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford, Tangi Utikere and Mr Stephen Armstrong.

**32-20**

**Quarterly Performance and Financial Report - Quarter Ending 30 June 2020**

Memorandum, presented by Stuart McKinnon, Chief Financial Officer and Andrew Boyle, Head of Community Planning.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That the memorandum entitled 'Quarterly Performance and Financial Report – Quarter Ending 30 June 2020' presented to the Finance & Audit Committee on 19 August 2020 be received, and that Council note the following:
  - a. The June 2020 financial performance and operating performance.
  - b. The June 2020 capital expenditure programme progress together with those programmes identified as unable to be completed this financial year.
2. That Council note that the capital expenditure carry forward values in the 2020/21 Annual Budget will be increased by a net \$3,822,000 and capital revenue will increase by \$384,000.

Clause 32-20 above was carried 17 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford, Tangi Utikere and Mr Stephen Armstrong.

**33-20**

**Update of Treasury Policy (including Liability Management & Investment Policies)**

Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

Moved Karen Naylor, seconded Lorna Johnson.

The **COMMITTEE RECOMMENDS**

1. That the memorandum entitled 'Update of Treasury Policy (including Liability Management & Investment Policies)' presented to the Finance & Audit Committee on 19 August 2020, be received.
2. That the updated Treasury Policy (incorporating the Liability Management and Investment Policy pursuant to section 102 of the Local Government Act 2002) as attached to this report be adopted.
3. That it be noted Council will be reviewing the specific borrowing limits contained in clause 3.6.1 of the Policy as part of the process of developing its Financial Strategy for the 2021-31 10 Year Plan, and that if the outcome of this is that there are changes to these limits, the Policy will be updated to include them.

Clause 33-20 above was carried 17 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford, Tangi Utikere and Mr Stephen Armstrong.

**34-20**

**Treasury Report - 12 months ending 30 June 2020**

Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the memorandum entitled 'Treasury Report – 12 months ending 30 June 2020' presented to the Finance & Audit Committee on 19 August 2020, be received.
2. That the performance of Council's treasury activity for the 12 months ended 30 June 2020 be noted.

Clause 34-20 above was carried 17 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford, Tangi Utikere and Mr Stephen Armstrong.

**35-20**

**Te Huringa (ERP Ozone Replacement) Project - Business Assurance Progress Report**

Memorandum, presented by Masooma Akhter, Business Assurance Manager and Colin Anderson, Project Independent Advisor.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the memorandum entitled 'Te Huringa (ERP Ozone Replacement)

Project – Business Assurance Progress Report’ and its two appendices, presented to the Finance & Audit Committee on 19 August 2020, be received for information.

Clause 35-20 above was carried 17 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford, Tangi Utikere and Mr Stephen Armstrong.

**36-20 Committee Work Schedule**

Moved Susan Baty, seconded Patrick Handcock ONZM.

The **COMMITTEE RESOLVED**

1. That the Finance & Audit Committee receive its Work Schedule dated August 2020.

Clause 36-20 above was carried 17 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford, Tangi Utikere and Mr Stephen Armstrong.

The meeting finished at 12.30pm

Confirmed 16 September 2020

**Chairperson**