



Hastings District Council

*Civic Administration Building
Lyndon Road East, Hastings 4156*

Phone: (06) 871 5000

Fax: (06) 871 5100

www.hastingsdc.govt.nz

OPEN MINUTES

FINANCE AND MONITORING COMMITTEE

Meeting Date: Tuesday, 20 March 2018

**Minutes of a Meeting of the Finance and Monitoring Committee
held on 20 March 2018 at 1.00pm**

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HASTINGS DISTRICT COUNCIL

MINUTES OF A MEETING OF THE FINANCE AND MONITORING COMMITTEE HELD IN THE COUNCIL CHAMBER, GROUND FLOOR, CIVIC ADMINISTRATION BUILDING, LYNDON ROAD EAST, HASTINGS ON TUESDAY, 20 MARCH 2018 AT 1.00PM

PRESENT: **Chair:** Councillor Kerr
Mayor Hazlehurst
Councillors Barber, Dixon, Harvey, Lyons, Nixon,
O’Keefe, Poulain, Schollum, Travers (Deputy Chair) and
Watkins

IN ATTENDANCE: Chief Executive (Mr R McLeod)
Chief Financial Officer (Mr B Allan)
Financial Controller (Mr A Wilson)
Manager Strategic Finance (Mr B Chamberlain)
Group Manager: Asset Management (Mr C Thew)
Group Manager: Human Resources (Mrs B Bayliss)
Committee Secretary (Mrs C Hunt)

AS REQUIRED: Mr Tim Aitken, Director and Hastings District Council
Representative and Ms Cynthia Bowers, Chairperson,
Horse of the Year (Hawke’s Bay) Limited

1. APOLOGIES

Mayor Hazlehurst/Councillor Watkins

**That an apology from Councillor Heaps for absence due to Council
Business be accepted.**

CARRIED

Councillor Redstone had previously been granted leave of absence.

LEAVE OF ABSENCE

Councillor Travers/Councillor Dixon

That leave of absence be granted as follows:

Councillor O’Keefe	22 March 2018
Councillor Poulain	22 March 2018
Councillor Schollum	09-11 April 2018
Councillor Kerr	16-20 April 2018

CARRIED

2. CONFLICTS OF INTEREST

There were no declarations of conflicts of interest.

3. CONFIRMATION OF MINUTES

Councillor Lyons/Councillor Dixon

That the minutes of the Finance and Monitoring Committee Meeting held Tuesday 28 November 2017, including minutes while the public were excluded, be confirmed as a true and correct record and be adopted.

CARRIED

4. HORSE OF THE YEAR (HAWKE'S BAY) LIMITED HALF YEAR REPORT (Document 18/198)

Ms Bowers, together with Mr Aitken spoke to the Horse of the Year half yearly report. Ms Bowers advised that she would be retiring as Chairperson of the Board in March 2018

Mayor Hazlehurst on behalf of Councillors thanked Ms Bowers for her commitment and work during the last five years as Chair of the Board.

Mayor Hazlehurst/Councillor Nixon

That the report of the Manager Strategic Finance titled "Horse of the Year (Hawke's Bay) Limited Half Year Report" dated 20/03/2018 be received.

CARRIED

5. UPDATE FROM THE CHAIR OF THE RISK AND AUDIT SUBCOMMITTEE (Document 17/929)

The Chair of the Risk and Audit Subcommittee, Mr Jon Nichols was unable to attend the meeting and it was agreed that this item be deferred to a future meeting.

6. SUMMARY OF RECOMMENDATIONS FROM RISK AND AUDIT SUBCOMMITTEE MEETING HELD ON 12 FEBRUARY 2018 (Document 18/122)

Councillor Poulain withdrew from the meeting at 1.30pm.

Councillor Nixon/Councillor Watkins

A) That the report of the Chief Financial Officer titled "Summary of Recommendations from Risk and Audit Subcommittee Meeting held on 12 February 2018" dated 20/03/2018 be received.

B) That the following recommendations from the Risk and Audit Subcommittee meeting held on 12 February 2018 be adopted:

“6. ENTERPRISE RISK MANAGEMENT UPDATE”

- A) That the report of the Risk and Corporate Services Manager titled “Enterprise Risk Management Update” dated 12/02/2018 be received.**
- B) That it be recommended to Council that the strategic risk number 9 be changed from Investment Failure to Inadequate Available Funds, which is defined as a “loss of access to sufficient funds to meet Council commitments”.**
- C) That it be recommended to Council that the HDC Risk Management Policy and Framework be amended to include the methodology for the Whirinaki Water Safety Plan risk matrix as an approved variation for use only within Council Water Safety Plans.**

With the reasons for this decision being that the objective of the decision will contribute to meeting the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost-effective for households and business by:

- i) Validating risks in core business processes are effectively managed**

CARRIED

7. HAWKE'S BAY MUSEUMS TRUST HALF YEAR REPORT AND DRAFT 2018/19 STATEMENT OF INTENT
(Document 18/11)

Mayor Hazlehurst/Councillor Watkins

- A) That the report of the Manager Strategic Finance titled “Hawke's Bay Museums Trust Half Year Report and Draft 2018/19 Statement of Intent” dated 20/03/2018 be received.**
- B) That the Hawke’s Bay Museums Trust Half Year Report for the six months ended 31 December 2017 be received.**
- C) That the Hawke’s Bay Museums Trust Draft 2018/20 Statement of Intent be received and Council notes its concerns over the increase in management fees provided for.**
- D) That Council request an independent review of the management support and collection stewardship arrangements for the Hawke’s Bay Museum Trust be undertaken, prior to any consideration of an increase in the Council’s contribution to the Hawke’s Bay Museum Trust.**

CARRIED

8. HAWKES BAY LOCAL AUTHORITY SHARED SERVICES - PROPOSED CHANGE IN STRUCTURE

(Document 18/218)

Councillor Watkins/Councillor Barber

- A) That the report of the Manager Strategic Finance titled “Hawkes Bay Local Authority Shared Services - Proposed Change in Structure” dated 20/03/2018 be received.
- B) That Hawkes Bay Local Authority Shared Services Limited, as a legal entity will be dormant in the short term; with the ability for the legal entity able to be reactivated in the future.
- C) That Hawkes Bay Local Authority Shared Services Limited be exempted from being a Council Controlled Organisation under section 7(3) of the Local Government Act 2002.
- D) That the dormant status of Hawkes Bay Local Authority Shared Services Limited is effective on receipt of agreement by all members of the Board.
- E) That the decision on the dormant status of Hawkes Bay Local Authority Shared Services Limited will be determined by the majority of councils.
- F) That each Council will continue its participation in a Collaborative approach and note that each Council will actively support shared and common goal setting, decision-making, resourcing including financial contribution, staff and communication where appropriate.

With the reasons for this decision being that the objective of the decision will contribute to meeting the current and future needs of communities for local public services in a way that is most cost-effective for households and business by focusing attention and resources on further collaboration and reducing compliance costs for all the councils.

CARRIED

9. LOCAL GOVERNMENT FUNDING AGENCY - HALF YEAR REPORT TO 31 DECEMBER 2017 AND DRAFT 2018/19 STATEMENT OF INTENT

(Document 18/179)

Councillor Dixon/Councillor Harvey

- A) That the report of the Manager Strategic Finance titled “Local Government Funding Agency - Half Year Report to 31 December 2017 and Draft 2018/19 Statement of Intent” dated 20/03/2018 be received.
- B) That the New Zealand Local Government Funding Agency Limited Half Year Report to 31 December 2017 be received.

- C) That the New Zealand Local Government Funding Agency Limited Draft 2017/18 Statement of Intent be received and that Council provide any feedback to the New Zealand Local Government Agency Board.**

CARRIED

10. FINANCIAL QUARTERLY REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

(Document 18/179)

The Finance Controller, Mr Wilson displayed a powerpoint presentation (CG-14-2-00069) providing an overview of the financial result for the three months ended 31 December 2017.

Councillor Lyons/Councillor Nixon

- A) That the report of the Financial Controller titled “Financial Quarterly Report for the six months ended 31 December 2017” dated 20/03/2018 be received.**

CARRIED

11. GROWTH DEVELOPMENT INVESTMENTS - RISK ASSESSMENT

(Document 17/1054)

The Chief Financial Officer, Mr Allan displayed a coloured map (FIN-09-4-18-159) showing the current active development areas in varying states of progress.

Councillor Watkins/Councillor Travers

- A) That the report of the Chief Financial Officer titled “Growth Development Investments - Risk Assessment” dated 20/03/2018 be received.**
- B) That Council note the advice on financial risk associated with the proposed programme of infrastructure investment for growth related projects.**

With the reasons for this decision being that the objective of the decision will contribute to meeting the current and future needs of communities for good quality local infrastructure in a way that is most cost-effective for households and business by:

- i) Ensuring that Council is aware of the risks associated with the implementation of the infrastructure required to enable the adopted growth sequencing to occur in the most cost effective way.**

CARRIED

12. ADDITIONAL BUSINESS ITEMS

There were no additional business items.

13. EXTRAORDINARY BUSINESS ITEMS

There were no extraordinary business items.

The meeting closed at 2.20pm

Confirmed:

Chairman:

Date: