



Hastings District Council

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OPEN MINUTES

FINANCE AND RISK COMMITTEE

Meeting Date: **Tuesday, 11 September 2018**

**Minutes of a Meeting of the Finance and Risk Committee held on
Tuesday, 11 September 2018 at 1.00pm**

Table of Contents

<u>Item</u>	<u>Page No.</u>
Prayer	1
1. Apologies	1
2. Conflicts of Interest	2
3. Confirmation of Minutes	2
4. Non Financial Performance Report For Year Ended 30 June 2018	2
5. Draft Financial Year End Result - 30 June 2018	2
6. Summary of Recommendations from Risk and Audit Subcommittee Meeting held on 3 September 2018	4
7. Additional Business Items	5
8. Extraordinary Business Items	5

HASTINGS DISTRICT COUNCIL

MINUTES OF A MEETING OF THE FINANCE AND RISK COMMITTEE HELD IN THE COUNCIL CHAMBER, GROUND FLOOR, CIVIC ADMINISTRATION BUILDING, LYNDON ROAD EAST, HASTINGS ON TUESDAY, 11 SEPTEMBER 2018 AT 1.00PM

PRESENT: **Chair:** Councillor Travers
Mayor Hazlehurst
Councillors Dixon, Heaps, Kerr (Deputy Chair), Lawson,
Lyons, Nixon, O'Keefe, Redstone, Schollum, and Watkins

IN ATTENDANCE: Acting Chief Executive (Mr N Taylor)
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)
Strategy manager (Mr L Verhoeven)
Democratic Support Manager (Mrs J Evans)
Committee Secretary (Mrs C Hilton)

PRAYER

The karakia was led by Councillor Travers.

1. APOLOGIES

Councillor Nixon/Councillor Kerr

That apologies for absence from Councillors Harvey and Poulain be accepted.

CARRIED

LEAVE OF ABSENCE

Councillor Dixon/Councillor Schollum

That leave of absence be granted to Councillors as follows:

Councillor Watkins	13 – 14 September 2018
Councillor Kerr	1 – 5 October 2018

CARRIED

Leave of Absence had previously been granted to Councillor Barber.

2. CONFLICTS OF INTEREST

There were no declarations of conflicts of interest.

3. CONFIRMATION OF MINUTES

There were no previous minutes to confirm.

4. NON FINANCIAL PERFORMANCE REPORT FOR YEAR ENDED 30 JUNE 2018

(Document 18/799)

Councillor Kerr/Councillor Nixon

A) That the report of the Strategy Manager titled “Non Financial Performance Report For Year Ended 30 June 2018” dated 11/09/2018 be received.

CARRIED

5. DRAFT FINANCIAL YEAR END RESULT - 30 JUNE 2018

(Document 18/823)

The Financial Controller gave a power point presentation (FIN-09-3-18-294) and responded to questions from the committee.

Councillor O’Keefe joined the meeting at 1.15pm.

Councillor Schollum/Councillor Redstone

A) That the report of the Financial Controller titled “Draft Financial Year End Result - 30 June 2018” dated 11/09/2018, be received.

B) That the funds arising from the Rating Area 2 surplus for the 2017/18 financial year as recommended by the Hastings Rural Community Board be re-allocated as follows:

	2017/18
Surplus on General Rate	424,274
Landfill Surplus	284,612
	708,886
Recommended Allocation of Surplus's	
Surplus on General Rate	
A&P Society (\$25,000)	3,148
Rating Area 2 Flood & Emergency Event Reserve	421,126
	424,274
Landfill Surplus	
Rating Area 2 Flood & Emergency Event Reserve	284,612
	284,612
Total Allocation of Surplus's	708,886

C) That the rating surplus be allocated as per the following table:

	Total	Rating Area 1	Rating Area 2
Surplus on General Rate	942,713	518,439	424,274
Landfill Surplus	2,260,613	1,976,001	284,612
	3,203,326	2,494,440	708,886
Recommended Allocation of Surplus's			
Surplus on General Rate			
A&P Society	25,000	21,852	3,148
Rating Area 1 Debt Repayment (Stormwater)	496,587	496,587	-
Rating Area 2 Flood Reserve	421,126	-	421,126
	942,713	518,439	424,274
Landfill Surplus			
Water Supply Targeted Rate Account	1,090,659	1,090,659	-
Rating Area 1 Debt Repayment (Stormwater)	885,342	885,342	-
Rating Area 2 Flood Reserve	284,612	-	284,612
	2,260,613	1,976,001	284,612
Total Allocation of Surplus's	3,203,326	2,494,440	708,886

D) That the budgets as per the schedule of Carry Forwards funded by rates and loans be approved to be carried forward to the 2017/18 financial year.

E) That \$300,000 of unbudgeted loan funding be provided for in 2018/19 for Council's share of land purchased for the creation of Hawea Historical Park.

CARRIED

6. SUMMARY OF RECOMMENDATIONS FROM RISK AND AUDIT SUBCOMMITTEE MEETING HELD ON 3 SEPTEMBER 2018

(Document 18/849)

Councillor Kerr/Councillor Nixon

- A) That the report of the Chief Financial Officer titled “Summary of Recommendations from Risk and Audit Subcommittee Meeting held on 3 September 2018” dated 11/09/2018 be received.
- B) That the following recommendations from the Risk and Audit Subcommittee meeting held on 3 September 2018 be adopted:

“Item 7 – Governance Risk

- A) *That the report of the District Customer Services Manager titled “Governance Risk” dated 3/09/2018 be received.*
- B) *That the Risk and Audit Subcommittee recommends to Council that a workshop be held on the issue of governance risk and that the Chair of the Subcommittee be invited to attend.*

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) *Setting a clear direction for Council to follow to help achieve the strategic objectives defined in the Long Term Plan and meet statutory obligations.*
- ii) *Increasing certainty that strategic goals will be achieved.*

Item 9 – Enterprise Risk Management Update

- A) *That the report of the Risk and Corporate Services Manager titled “Enterprise Risk Management Update”, with minor amendments, dated 3/09/2018 be received.*
- B) *That the Risk and Audit Subcommittee recommend to Council that the updated Enterprise Risk Management Policy and Framework document, noted in “A)” above, be subsequently adopted following a council workshop.*

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) *Providing a robust framework that promotes effective and efficient*

management of risks in core business processes.

Item 10 – General Update Report and Status Of Actions

- A) That the report of the Manager Strategic Finance titled “General Update Report and Status of Actions” dated 3/09/2018 be received.***
- B) That the Risk and Audit Subcommittee recommend to the Chief Executive that a status of actions report be included on each council committee agenda and that officers investigate how best to address this request.”***

CARRIED

7. ADDITIONAL BUSINESS ITEMS

There were no additional business items.

8. EXTRAORDINARY BUSINESS ITEMS

There were no extraordinary business items.

The meeting closed at 1.47pm

Confirmed:

Chairman:

Date: