

Minutes of the Finance and Governance Committee Meeting held in Council Meeting Room One, Bay of Plenty Regional Council, 5 Quay Street, Whakatane on Tuesday, 14 September 2010 commencing at 11.00 am.

Present:

Chairman: I Noble

Deputy Chairman: J Nees

Councillors: T Eru, R Ford, J Mansell, P Sherry, A von Dadelszen

Ex Officio: Chairman J Cronin (Bay of Plenty Regional Council)

In Attendance: E Grogan (Group Manager Water Management), M Macleod (Acting Chief Executive), W Murray (Group Manager Land Management), B Trott (Group Manager Corporate Services), J Warnes (Finance Manager), R Feist (Senior Planner), L Thompson (Senior Communications Advisor), S Cubbon (Committee Administrator)

1 Adjournment

The Committee Chairman opened the meeting at 11.00 am. and called for an adjournment to enable members to take refreshments following a previous meeting.

Resolved

That the Finance and Governance Committee:

- 1 Adjourns the meeting at 11.00 am.**

**Noble/Nees
CARRIED**

The meeting reconvened at 11.20 am.

2 Resolution to exclude the public

THAT the public be excluded from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

2.1 **Investment Performance Report for the month ended 31 July 2010**

2.2 **Investment Performance Report for the month ended 31 August 2010**

2.3 **Risk Mitigation for the Investment Portfolio**

Reason

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.

Grounds

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information the public disclosure of which would be contrary to the provisions of a specified enactment.

2.4 **Update – Trade Debtors as at 30 June 2010**

Reason

That the public conduct of the whole or relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.

Grounds

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

2.5 **Group Managers' Report**

Reason

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to maintain legal professional privilege.

Grounds

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

**Noble/von Dadelszen
CARRIED**

Adjournment

The meeting was adjourned for lunch at the conclusion of the public excluded reports, and reconvened at 1.10 p.m.

3 Subcommittee Minutes and Workshop Reports

3.1 Finance and Governance Committee Workshop - 16 July 2010

Members expressed their appreciation of the presentation by Mr Stimpson at the workshop and the Group Manager Corporate Services, Brian Trott provided further information on issues that had arisen during the workshop.

Resolved

That the Finance and Governance Committee:

- 1 Confirms the report of the Workshop held on 16 July 2010 as a true and correct record.**

**Noble/Nees
CARRIED**

4 Reports

4.1 Investment Fund spending on Infrastructure Projects as at 30 June 2010

The report provided the Committee with a biannual breakdown of the Investment Infrastructure Fund spending on infrastructure projects. This included the ongoing spending and subsequent capital repayments which, under the binding ruling, were to be made available to future infrastructure projects. Brian Trott noted the intention was to keep members informed of spending in the current period, the balance of funds spent in previous periods, and the budgeted future use of funds.

Resolved

That the Finance and Governance Committee under its delegated authority:

- 1 Receives the report, Investment Fund spending on Infrastructure Projects as at 30 June 2010.**

**Noble/Eru
CARRIED**

4.2 Draft Annual Report for the year ended 30 June 2010

The Group Manager Corporate Services presented the un-audited Draft Annual Report for the year ended 30 June 2010. He noted it was a compliance document that provided an overview of the Bay of Plenty Regional Council's achievements, activity performance and financial results for 2009/10. Changes between the financial results presented in the fourth Quarterly Performance Report and Draft Annual Report were included in the report.

Clarification was requested on particular points. Mr Trott was able to answer most questions, and agreed to provide answers to others at a later date.

Members wished to acknowledge to staff that this was a very good report, delivered on time and to a very high standard.

Resolved

That the Finance and Governance Committee under its delegated authority:

- 1 Receives the report, Draft Annual Report for the year ended 30 June 2010.**
- 2 Congratulates the Finance team for the production of an excellent and timely report.**

**Cronin/Noble
CARRIED**

4.3 Biannual report on Councillors' meeting attendances and expenditure

The report put forward the proposed layout for the biannual presentation of Councillors' meeting attendances and expenditure to Council as required by the Sensitive Expenditure – Elected Members policy. Members noted the meeting register included Quayside attendances and, as that was a separate entity, requested that the column be deleted.

Resolved

That the Finance and Governance Committee under its delegated authority:

- 1 Receives the report, 'Biannual report on Councillors' meeting attendances and expenditure'.**

**Noble/Nees
CARRIED**

4.4 Contracting Report 2009-2010 follow up

The report provided the Committee with responses to questions raised at the previous meeting about the Contracting Report 2009-2010.

Members considered that the relevant contracting report for each committee should be included in their agenda as well as being reported back to Finance and Governance Committee in its consolidated form.

Resolved

That the Finance and Governance Committee under its delegated authority:

- 1 Receives the report, Contracting Report 2009-2010 follow up.**
- 2 Directs that contracting reports relevant to individual committees be included as information only reports in their agenda.**

**Noble/Ford
CARRIED**

4.5 **Rotorua Hot Swap Financial Assistance - Application Approval**

The report requested that the Finance and Governance Committee recommend to Council that staff be delegated to approve applications in respect of the Hot Swap Financial Assistance packages, a key part of implementing the Rotorua Air Quality Action Plan 2009. The maximum amount that could be applied for was \$4,000 excluding GST and clearly within delegated authority, but because targeted rates would be used for repayment it was considered appropriate to seek specific delegations from Council.

Resolved

That the Finance and Governance Committee under its delegated authority:

- 1 Receives the report, Rotorua Hot Swap Financial Assistance - Application Approval.**
- 2 Confirms that the significance of the decision has been assessed as LOW, and under Section 79 of the Local Government Act 2002 (LGA) confirms that in light of the level of significance of the decision it does not require: (a) Further identification and assessment of different options under section 77 LGA; (b) Further investigation or consideration of community views under section 78 LGA; (c) Any further written record of the manner in which section 77 and section 78 matters have been addressed.**

That the Finance and Governance Committee recommend that the Regional Council:

- 1 Receives the report, Rotorua Hot Swap Financial Assistance - Application Approval.**
- 2 Delegate authority on a retrospective basis from 16th August 2010 to the following positions to approve applications under the "Rotorua Hot Swap Financial Assistance" package: Group Manager Corporate Services, Finance Manager and Asset Accountant.**

**Cronin/Mansell
CARRIED**

4.6 **Finance and Governance Committee Work Schedule**

The list of reports that would be presented to meetings in the new triennium was presented by Brian Trott.

Resolved

That the Finance and Governance Committee under its delegated authority:

- 1 Receives the report, Finance and Governance Committee Work Schedule.**

**Cronin/Noble
CARRIED**

Attendance

Councillor Eru left the meeting at 1.55 pm.

4.7 Local Government Cost Index

The Business and Economic Research Limited (BERL) report 'Local Government Cost Index for New Zealand' based on the cost of structures of New Zealand's local governments was presented.

Resolved

That the Finance and Governance Committee under its delegated authority:

- 1 Receives the report, Local Government Cost Index.**

**Cronin/Nees
CARRIED**

4.8 Donation to the Canterbury Mayoral Relief Fund

Group Manager Land Management, Warwick Murray presented the report recommending the Finance and Governance Committee considered the donation of funds to the Canterbury Mayoral Earthquake Relief Fund following the recent disaster in that region. Members noted their wish to support a fellow regional community in managing genuine hardship suffered as a result of the earthquake. They acknowledged that it was quite likely the Bay of Plenty region would one day have to deal with the aftermath of a major natural disaster, and the community would greatly appreciate support from other areas should this happen.

The Committee were advised that Bay of Plenty Civil Defence Emergency Management had already made an offer of staff assistance and CDEM Manager, Greg Wilson, and Manager, Terry Wynyard were already in Christchurch. Council had also offered the assistance of Rivers and Drainage engineers but that had not been taken up at this point.

A donation of \$100,000 was considered appropriate, however members expressed serious concern about money being handed out for welfare without justification. Discussion led to agreement that the amount be granted to the regional council, Environment Canterbury, to be used to assist with the reinstatement of infrastructure.

Resolved

That the Finance and Governance Committee under its delegated authority:

- 1 Receives the report, Donation to the Canterbury Mayoral Earthquake Relief Fund.**
- 2 Agrees to the Regional Council making a grant of \$100,000 to the Canterbury Regional Council to reinstate infrastructure following the recent earthquake.**

Confirms that the significance of the decision has been assessed as MEDIUM, and under Section 79 of the Local Government Act 2002 (LGA) confirms that in light of the level of significance of the decision it does not require: (a) Further identification and assessment of different options under section 77 LGA; (b) Further investigation or consideration of community views under section 78 LGA; (c) Any further written record of the manner in which section 77 and section 78 matters have been addressed.

**Von Dadelszen/Cronin
CARRIED**

4.9 Announcement from the Committee Chairman

Committee Chairman Ian Noble expressed his appreciation of the cooperation he had received from members of the Committee in the triennium and he looked forward to working with them all in the future.

Members thanked Mr Noble for his chairmanship over the past three years, and registered their appreciation for the support of staff.

The meeting closed at 2.15 p.m.