
Minutes of a meeting of the Audit, Risk and Finance Committee
Held in the Council Chamber, Civic House, Trafalgar Street, Nelson
On Tuesday 20 August 2013, commencing at 9.00am

Present: Councillors I Barker (Chairperson), G Collingwood, R Copeland and P Matheson, and Mr Graeme Thomas

In Attendance: Councillors E Davy and R Reese, Chief Executive (C Hadley), Executive Manager Support Services/Acting Executive Manager Community Services (H Kettlewell), Acting Chief Financial Officer (T Hughes), Executive Manager Regulatory (R Johnson), Executive Manager Network Services (A Louverdis), Executive Manager Kaihautū/Community Relations (G Mullen), Manager Community Relations (A Ricker), Manager Administration (P Langley), Manager Resource Consents (M Bishop), Manager Building (M Brown), and Administration Adviser (E-J Ruthven)

Apology: His Worship the Mayor (A Miccio)

1. Apologies

Resolved

THAT the apology from His Worship the Mayor be received and accepted.

Collingwood/Thomas

Carried

2. Interests

There were no updates to the Interests Register, and no conflicts of interest with any agenda items were declared.

3. Confirmation of Order of Business

There was no change to the order of business.

Attendance: Councillor Copeland joined the meeting at 9.03am

4. Confirmation of Minutes – 23 July 2013

Document number 1560966, agenda pages 4-7 refer.

Resolved

THAT the minutes of a meeting of the Audit, Risk and Finance Committee, held on 23 July 2013, be confirmed as a true and correct record.

Collingwood/Barker

Carried

5. Status Report – Audit, Risk and Finance Committee

There was no status report.

6. Finance Report for the Period Ending 30 June 2013

Document number 1567112, agenda pages 8-31 refer.

6.1 Bad Debt Write-Offs

In response to a question, it was clarified that bad debt figures would be included in the end of year final accounts in the draft Annual Report.

6.2 Transport – Parking Revenue

There was a discussion regarding the drop in parking revenue, during which possible reasons for this were suggested.

6.3 Water

In response to a question, the Chief Executive clarified that the surplus in this activity resulted from the fact that the December 2011 rainfall event had led to a deficit being budgeted for, which had not transpired.

6.4 Stormwater

In response to a question, the Chief Executive explained that lower stormwater rates this financial year was as a result of a decrease in finance costs associated with this activity.

6.5 Flood Protection

In response to a question, Acting Chief Financial Officer, Tracey Hughes, explained that the budget variances noted in this activity occurred as the figures in previous monthly reports were not seasonalised, and that financial year-end processes resulted in costs being assigned to where they should lie.

A suggestion as made that the incoming Council could consider requesting that regular financial reporting figures be seasonalised, to remove significant variations at the end of the financial year.

6.6 Environment

In response to a question, Ms Hughes explained that solid waste budgeting had been influenced by solid waste trends throughout New Zealand, but that the Nelson results indicated that residents were recycling more and sending less solid waste to the landfill.

6.7 Social - Festivals

Ms Hughes explained that a processing error had led to \$91,000 of Festivals activity budget being accidentally omitted from Council's accounting system, and that this had resulted in a \$44,000 surplus in this area.

The committee noted that Festivals income appeared to be tracking in a positive manner, but requested a comprehensive report regarding Festivals income to be brought to Council as soon as possible.

6.8 Economic

In response to a question, Acting Executive Manager Community Services/Executive Manager Support Services, Hugh Kettlewell, explained that underspends in the contestable fund and Sister Cities area resulted from objectives being met without the budgeted spend being required.

6.9 Capital Expenditure

In response to a question, the Chief Executive clarified that discussions relating to strategic property purchases would continue to be held at full Council meetings.

In response to a further question, Ms Hughes explained that the line beginning 'Reserve Development', through to 'hockey turf' in the 'Significant variances against budget' column of Attachment 2 related to the Parks and Active Recreation activity.

6.10 Elected Members Training and Travel

Ms Hughes noted that the correct title of Attachment 10 was 'elected members training and travel up to 30 June 2013', rather than 31 December 2012.

A suggestion was made that the incoming Council should consider requesting this report information in a different format, to distinguish expenses incurred when acting in a representative role for Council, such as at Local Government zone meetings, from expenses involved with individual training opportunities.

Resolved

THAT the Finance Report for the Period Ending 30 June 2013 (1567112) and its attachments (1566367, 1568231, 1545455, 1234107 and 1560321) be received.

Collingwood/Copeland

Carried

7. Statutory and Internal Compliance Reporting Review for Reporting Period Ending 30 June 2013

Document number 1560781, agenda pages 32-60 refer.

Resolved

THAT the report Statutory and Internal Compliance Reporting Review for Reporting Period Ending 30 June 2013 (1560781) and its attachments (1561431 and 1561556) be received;

AND THAT the Committee note the progress made on identifying and reducing risks associated with non-compliance to date.

Collingwood/Thomas

Carried

8. Regulatory Report for 1 April to 30 June 2013

Document number 1556352, agenda pages 61-70 refer.

Resolved

THAT report Regulatory Report for 1 April to 30 June 2013 (1556352) be received.

Collingwood/Copeland

Carried

9. Corporate Risk Management Progress Report

Document number 1516356, agenda pages 71-78 refer.

Resolved

THAT the report Corporate Risk Management Progress Report (1516356) be received.

Matheson/Copeland

Carried

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10. Future Governance Arrangements

Document number 1574119, agenda pages 79-81 refer.

There was general agreement that the matters raised in this report should be forwarded to the incoming Council for consideration.

Resolved

THAT the report Future Governance Arrangements (1574119) for the Audit, Risk and Finance Committee be forwarded to the incoming Council for consideration.

Matheson/Collingwood

Carried

11. Final Committee Meeting of Triennium

It was noted that this was the final Audit, Risk and Finance Committee meeting of the triennium. Mr Thomas thanked Committee members, and paid tribute to Councillor Collingwood, noting that she was the only Committee member not standing in the forthcoming election. The Chair also thanked Mr Thomas, noting the contribution he had made to the Committee over the triennium.

There being no further business the meeting ended at 10.26am.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date