
Minutes of a meeting of the Audit, Risk and Finance Committee
Held in the Council Chamber, Trafalgar Street, Civic House, Nelson
On Tuesday 26 February 2013, commencing at 9.05am

- Present: Councillors I Barker (Chairperson), G Collingwood, R Copeland and P Matheson
- In Attendance: Councillor R Reese, Chief Financial Officer (N Harrison), Executive Manager Support Services (H Kettlewell), Acting Executive Manager Community Services (R Ball), Manager Resource Consents (M Bishop), Manager Community Development (K Inwood) and Administration Adviser (L Laird)
- Apologies: His Worship the Mayor Aldo Miccio, Mr G Thomas and Councillor Copeland (for lateness)

1. Apologies

Resolved

THAT an apology be accepted from His Worship the Mayor and Mr Graeme Thomas.

Barker/Collingwood

Carried

2. Conflicts of Interest

Councillor Barker read out Standing Orders 3.49 relating to conflicts of interest and reminded Councillors to declare any conflicts with any agenda items as they arose over the course of the meeting.

3. Confirmation of Minutes – 2 October and 13 November 2012

Document number 1381616, agenda pages 4-14 refer.

Resolved

THAT the minutes of a meeting of the Audit, Risk and Finance Committee, held on 2 October and 13 November 2012, be confirmed as a true and correct record.

Matheson/Collingwood

Carried

4. **Status Report – Audit, Risk and Finance Committee**

Document number 1374515 v3, agenda pages 15-16 refer.

Resolved

THAT the Status Report – Audit, Risk and Finance Committee (1374515 v3) be received.

Matheson/Barker

Carried

5. **Finance Report for the Period Ending 31 December 2012**

Document number 1442931, agenda pages 17-37 refer.

The Chief Financial Officer, Nikki Harrison, presented the report and highlighted the key information.

The Committee discussed the report by section and asked questions relating to the variances of each budget, particularly the large variance associated with 'Environment' (page 21 of the agenda).

Attendance: Councillor Copeland joined the meeting at 9.20am

It was noted that the City Development Strategy referred to in clause 14.4 (page 24 of the agenda) is now called the Nelson Development Strategy and the report should reflect this.

The Committee discussed development contributions being \$275,000 under budget and noted that historically development contributions track over budget. The Chief Financial Officer confirmed staff were looking into this matter.

5.1 Elected members training and travel to 31 December 2012

The Chief Financial Officer noted that Councillors Reese's training budget was overstated by about \$1000 as she received a discount due to her role as a speaker at the LGNZ conference.

Councillor Barker tabled a report (1464667) on the Benchmarking Consultation Forum Conference and spoke about the upcoming Department of Internal Affairs consultation process.

In response to a question, Ms Harrison said staff had done some work on these new benchmarks and would support the SOLGM submission on this.

Resolved

THAT the report be received and the variations noted.

Matheson/Collingwood

Carried

6. Events Resource Consents Update

Document number 1431189, agenda pages 38-43 refer.

Attendance: Councillor Copeland declared an interest and took no part in the discussions and voting on the matter.

The Manager Community Development, Kath Inwood, presented the report.

The Committee discussed the report, particularly relating to the budget overspend. There was concern that the \$170,000 overspend was significant. Ms Inwood said the original allocated budget was insufficient due to the complexity of the resource consent application. Ms Inwood confirmed that the costs would be recovered from anticipated savings in the current year budget, as detailed in the report.

The Committee discussed what the resource consents would cover. Ms Inwood confirmed that all Council events would be covered as well as community events and private operators, where they fall within the specified terms of the consents.

The Committee recognised the benefit in obtaining this resource consent and agreed that there needed to be a scheme of charges, including possibly a user pays system, which could assist in recouping some of the costs.

The Acting Executive Manager, Roger Ball, said staff had initiated a review to highlight deficiencies in the process that may have caused this situation to arise. The Chief Financial Officer added that an electronic purchase order system would soon be implemented to track all commitments and highlight any issues before the invoices are sent to Council.

Resolved

THAT staff consider the direction from the Audit, Risk and Finance Committee, as discussed at the 26 February 2013 meeting, and report back to the Council with options on how to best cover the actual overspend for the events resource consent application including via user pays options and/or savings from other areas (report 1431189).

Barker/Collingwood

Carried

7. Regulatory Report for 1 October and 31 December 2012

Document number 1436826, agenda pages 44-51 refer.

The Manager Resource Consents, Mandy Bishop, joined the meeting and presented the report.

It was agreed subsequent regulatory reports would present the median results as well as the average results.

The Committee expressed concern with the results detailed in 3.8 of the report (page 45 of the agenda) relating to the decline in the number of building consents for commercial buildings.

Resolved

THAT the Regulatory Report for 1 October to 31 December 2012 (1436826) be received.

Copeland/Collingwood

Carried

8. Appointment of New Trustee for Debenture Trust Deed

Document number 1437520, agenda pages 52-54 refer.

Recommendation to Council

THAT the Council approve the appointment of Corporate Trust Limited as trustee of the Nelson City Council Debenture Trust deed signed on or about 10 December 2010;

AND THAT the Chief Executive be delegated authority to take all necessary steps to give effect to this appointment.

Matheson/Collingwood

Carried

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

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date