
Minutes of a meeting of the Audit, Risk and Finance Committee
Held in the Council Chamber, Civic House, Trafalgar Street, Nelson
On Thursday 23 May 2013, commencing at 9.04am

Present: Councillor I Barker (Chairperson), His Worship the Mayor A Miccio, Councillors R Copeland (Deputy Chairperson), G Collingwood, P Matheson, and Mr G Thomas

In Attendance: Councillor E Davy, Chief Executive (C Hadley), Senior Accountant (T Hughes), Executive Manager Network Services (A Louverdis), Acting Executive Manager Community Services (R Ball), Executive Manager Regulatory (R Johnson), Executive Manager Kaihautu/Community Services (G Mullen), Manager Policy and Planning (N McDonald), Manager Community Relations (A Ricker), Manager Community Development (K Inwood), Manager Resource Consents (M Bishop), Acting Manager Building (Chris Wood), Administration Adviser (L Canton)

1. Interests

Councillor Copeland declared an interest regarding items relating to events.

Mr Thomas declared an interest regarding items relating to earthquake prone buildings.

2. Confirmation of Order of Business

There was no change to the order of business.

3. Confirmation of Minutes – 16 April 2013

Document number 1494361, agenda pages 4-7 refer.

Resolved

THAT the minutes of a meeting of the Audit, Risk and Finance Committee, held on 16 April 2013, be confirmed as a true and correct record.

Thomas/Matheson

Carried

4. Status Report – Audit, Risk and Finance Committee

Document number 1374515 v6, agenda page 8 refers.

Resolved

THAT the Status Report – Audit, Risk and Finance Committee (1374515 v6) be received.

His Worship the Mayor/Thomas

Carried

5. Finance Report for the Period Ending 31 March 2013

Document number 1502301, agenda pages 9-28 refer.

In response to a question, the Chief Executive advised that resource for the storm water activity would be considered in a report to the Council meeting to deliberate on submissions to the draft Annual Plan 2013/14 on 29 and 30 May. With regard to sewerage issues, she said that there was sufficient budget allocated to undertake all necessary activities.

During a discussion, it was agreed that the capital grant for the Suter Gallery was an operational expense for the Council and should therefore be referred to as a grant to the Suter for capital expenditure.

In response to a question about the programmed maintenance budget, the Chief Executive advised that Council Officers had been asked to exercise prudence with operational expenditure to ensure Council achieved the rates rise it had proposed in the draft Annual Plan 2013/14.

It was noted that, once the Nelson North Waste Water Treatment Plant issue was fully resolved, Council would receive an update on the matter.

The Committee noted that Total Rates Outstanding figure for March 2013 represented a significant increase on March 2012. It was agreed that the Council needed to be mindful of the erosion of economic drivers for Nelson City, and the impact of this on commercial activity.

With regard to the Abbreviated Balance Sheet (Attachment 6), the Chief Executive advised that the Chief Financial Officer would provide an explanation to all Councillors by email of why the Ratepayers Equity figure and the Fixed Assets figure had decreased while the Reserves figures and the Bank Term Loans figure had increased.

Resolved

THAT the Finance Report for the Period Ending 31 March 2013 (1502301) be received and the variations noted.

Copeland/Collingwood

Carried

6. Events Resource Consent Update May 2013

Document number 1499012, agenda pages 29-33 refer.

Manager Community Development, Kath Inwood, joined the meeting and presented the report. She said that since the report (1499012) had been distributed, the Memorandum of Appeal had been lodged with the Environment Court.

Ms Hughes noted a correction to 4.7 of the report (1499012), replacing the reference to the Suter Gallery with the Nelson School of Music.

In response to questions, Ms Hughes explained that rather than altering the budgets, the reallocation of funding would be reflected in actual expenditure figures, which would ensure transparency.

She added that, if the consents were treated as intangible assets and expensed over their 10 year lifespan, it would be likely that Council would be required to write off a considerable portion of the cost of the consents at the end of the 10 years. The issue was discussed with Audit New Zealand, and Council Officers considered it prudent to treat the entire cost as an expense in the first year, Ms Hughes said.

Attendance: Councillor Copeland left the room at 10.00am.

Resolved

THAT this update on the Events Resource Consents RM115245 and RM125012 be received.

Recommendation to Council

THAT the overspend on the budget for the festival activity be covered from budget savings within the District and Regional Plan activity, and the Social Heritage activity.

His Worship the Mayor/Collingwood

Carried

7. Events Resource Consents: Return on Investment

Document number 1507232, agenda pages 34-39 refer.

Manager Community Development, Kath Inwood, presented the report.

During a discussion, the Committee noted that the proposed fees were a cost effective way for event organisers to utilise the Resource Consents.

Attendance: His Worship the Mayor, A Miccio, left the meeting at 10.04am.

Resolved

THAT the Committee confirm that the consents (RM115245 and RM125012) are a Council investment for which a return should be sought;

AND THAT a fee of \$250 be charged for special events, where the event will be using the Council's Resource Consent RM125012 and Site Noise Management Plans;

AND THAT this charging regime be reviewed and reported back to the Audit, Risk and Finance Committee in 12 months;

AND THAT this report, including its recommendations, be forwarded to Council – Governance.

Matheson/Collingwood

Carried

8. Regulatory Report for 1 January to 31 March 2013

Document number 1479310, agenda pages 40-47 refer.

Manager Resource Consents, Mandy Bishop, and Acting Manager Building, Chris Wood, joined the meeting. Ms Bishop presented the report.

Attendance: Councillor Copeland returned to the meeting at 10.10am. Councillor Davy sat back from the table and did not participate in the discussion.

During a discussion about Parking Unit Performance, the Executive Manager Regulatory advised that recruitment for one Officer, and a review of how the Unit's resource was focussed, was currently underway.

In response to a further question, Mr Wood said it was anticipated that the Slope Failure Register would be complete by 31 July 2013.

It was noted that details of any street names approved should be included in future reports relating to Hearing Panel Activities.

Resolved

THAT the Regulatory Report for 1 January to 31 March 2013 (1479310) be received.

Thomas/Copeland

Carried

There being no further business the meeting ended at 10.30am.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date