



Minutes of a meeting of the
Finance Committee held in the
Council Chamber on Wednesday 23 February 2022,
commencing at 10:00 AM

Membership

Cr Hilary Calvert *(Co-Chairperson)*
Cr Kevin Malcolm *(Co-Chairperson)*
Cr Michael Deaker
Cr Alexa Forbes
Cr Carmen Hope
Cr Gary Kelliher
Cr Michael Laws
Cr Andrew Noone
Cr Gretchen Robertson
Cr Bryan Scott
Cr Kate Wilson

Welcome

Chairperson Malcolm welcomed Councillors and staff to the meeting at 10:06 am. Staff present in the Chamber included Amanda Vercoe (GM Governance, Culture and Customer), Richard Saunders (GM Regulatory and Communications) and Liz Spector (Governance Support Officer). Staff present electronically included Sarah Gardner (Chief Executive), Nick Donnelly (GM Corporate Services), Gwyneth Elsum (GM Strategy, Policy and Science), Gavin Palmer (GM Operations), Jasmin Lamorie, Sarah Munro, and Mike Roesler.

1. APOLOGIES

Chair Malcolm indicated Cr Laws would be an apology for lateness.

Resolution: Cr Hope moved, Cr Calvert seconded

That the lateness of Cr Laws be accepted.

MOTION CARRIED

Councillors present in the Chamber were Cr Calvert, Cr Hope, Cr Laws, Cr Malcolm, Cr Noone and Cr Wilson. Present electronically were Cr Deaker, Cr Forbes, Cr Kelliher, Cr Robertson and Cr Scott.

2. PUBLIC FORUM

There was no request to address the Committee under Public Forum.

3. CONFIRMATION OF AGENDA

Resolution: Cr Malcolm moved, Cr Noone seconded

That the agenda be confirmed as published.

MOTION CARRIED

4. CONFLICT OF INTEREST

No conflicts of interest were advised at this time.

5. CONFIRMATION OF MINUTES

Resolution: Cr Calvert Moved, Cr Hope Seconded

That the minutes of the (public portion of the) Finance Committee meeting held on 24 November 2021 be received and confirmed as a true and accurate record.

MOTION CARRIED

6. PRESENTATIONS

Port Otago Chief Executive Kevin Winders and CFO Stephen Connolly, and Board Chair Paul Rea and Audit Committee Chair Pat Heslin presented the Port Otago Half-Year Report electronically. Following the presentation, questions from Councillors were responded to. Chair Malcolm thanked the team for attending the meeting and moved:

Resolution FIN22-101: Cr Malcolm Moved, Cr Hope Seconded

That the Committee requests the Chair to send a letter of appreciation to the Te Raone Beach team from the Councillors.

MOTION CARRIED

7. ACTIONS

Open actions from resolutions of the Committee were reviewed.

8. MATTERS FOR CONSIDERATION

8.1. Quarterly Activity and Finance Report - 31 December 2021

The report was provided to present the Activity and Financial Performance Reports for the six-month period ended 31 December 2021. Nick Donnelly (GM Corporate Services), Jasmine Lamorie (Corporate Planning Business Partner) and Sarah Munro (Manager Finance - Reporting) were present electronically to speak to the report and respond to questions.

Ms Munro opened discussion on the paper. She noted the change to the format of the report to combine financial and activity reporting into a single report rather than two separate reports. Ms Lamorie summarised the activity performance report, noting the commentary in the report was exceptions based.

Following discussion of the Activity Report, Ms Munro reviewed the quarterly financial reports. Cr Calvert asked if staff could provide more detail about cost recovery of consents and if there was the ability to include a breakdown of what comprised consent costs, including training. GM Regulatory Richard Saunders said while he was comfortable with the amount of detail provided in the report and that consents processing is set up to correctly capture costs, he would provide more detail in future reports.

Following further discussion, Cr Calvert moved receipt of the report.

Resolution FIN22-102: Cr Calvert Moved, Cr Hope Seconded

That the Finance Committee:

- 1) **Notes** this paper and the Activity and Financial Performance Reports for the period 1 July 2021 to 31 December 2021 (quarter 2 of the 2021-22 financial year).

MOTION CARRIED

8.2. Draft Annual Plan 2022-23 and Engagement Approach

This report was provided to enable Council to achieve a draft position for adjustments to the financial forecasts contained in the Otago Regional Council Long-Term Plan 2021-31 (LTP).

Nick Donnelly (GM Corporate Services) and Mike Roesler (Manager Corporate Planning) were available electronically to speak to the report and respond to questions.

Mr Roesler summarised the report with Councillors and noted staff had made changes to the draft budgets provided to them in December 2021 to bring costs in line with an 18% increase for the next year. He also reviewed options for community engagement on the proposed budget and work programme.

Following Councillor questions and discussion of engagement options, Cr Wilson moved:

Resolution FIN22-103: Cr Wilson Moved, Cr Noone Seconded

That the Finance Committee:

- 1) **Notes** the position reached by Council at the 9 December 2021 meeting on proposed adjustments to the Long-Term Plan 2021-31 as presented in Background section of this report.
- 2) **Notes** the post 9 December 2021 proposed adjustments to the Long-Term Plan 2021-31 as presented in Discussion section of this report.

- 3) **Notes** the funding impacts of the post 9 December 2021 adjustments as summarised in this report.
- 4) **Approves** the proposed draft financial estimates and that supports the Long-term Plan year 2 work programme as a basis for engaging with the community about any further refinement that may be required to the Long-term Plan 2021-31.
- 5) **Approves** the proposed adjustments to Council's Fees and Charges.
- 6) **Agrees** the post 9 December 2021 adjustments as summarised in this report do not represent significant or material changes to the Long-term Plan 2021-31.
- 7) **Approves** Option 1 being 'targeted community engagement' as the approach Council staff will implement for engagement on the Proposed Annual Plan for 2022/23.
- 8) **Directs** staff to prepare the supporting information for community engagement and for Council's endorsement at its 23 March 2022 meeting.

MOTION CARRIED

8.3. Taieri Flood and Drainage Rates

This report was provided to report back to the Committee following a meeting of a working group to consider ways to pilot a review of the Taieri flood and drainage rates in accordance with Resolution CM21-217 made on 9 December 2021 at a meeting of Council. Nick Donnelly (GM Corporate Services) was available electronically to speak to the report and respond to questions.

Following discussion of the report,

Resolution FIN22-104: Cr Wilson Moved, Cr Calvert Seconded

That the Finance Committee:

- 1) **Notes** staff are preparing further information on benefits, exacerbators, affordability/fairness and simplicity/logic and request that this information be provided three weeks prior to the next Finance meeting in order that the working group can provide a report to the next Finance Committee meeting as to possible next steps.

MOTION CARRIED

Cr Laws joined the meeting at 12:50 pm.

Due to timing of the next meeting, at 12:50PM Chair Malcolm suggested the meeting be adjourned until the close of the previously scheduled 1PM Council Meeting.

Resolution: Cr Noone Moved, Cr Hope Seconded

That the Finance Committee be adjourned until after the end of the 1PM Council Meeting.

MOTION CARRIED

Chair Kevin Malcolm reopened the Finance Committee meeting at 6:55PM after the close of the previously scheduled Council Meeting. Chair Malcolm asked that due to the late hour, a motion be made to adjourn the meeting to 9AM the following morning, Thursday, 24 February 2022.

Resolution: Cr Calvert Moved, Cr Hope Seconded

That the meeting be adjourned to 9AM, Thursday, 24 February 2022.

MOTION CARRIED

Chair Malcolm reopened the Finance Committee meeting at 9:02AM, 24 February 2022. He noted Cr Laws was an apology for lateness.

Resolution: Cr Calvert Moved, Cr Wilson Seconded

That the apology for lateness for Cr Laws be accepted.

MOTION CARRIED

Cr Deaker, Cr Forbes, Cr Kelliher, Cr Robertson, and Cr Scott were present electronically.

8.4. EnviroSchools Programme Future Options

The report provided Council with options for potential expansion of the EnviroSchools programme within Otago to be considered as part of the 2022/23 Annual Plan process in accordance with Resolution GCE21-103 adopted on 11 August 2021 in a meeting of the Governance, Communications and Engagement Committee. Richard Saunders (GM Regulatory and Communications) and Robyn Zink (Regional Coordinator EnviroSchools) were present electronically to speak to the report and respond to questions.

Richard Saunders addressed the meeting. Mr Saunders noted if Councillors resolved to expand the programme beyond its current scope, the existing Coordinator would not have capacity to manage the additional work. Cr Wilson asked whether consideration of the programme's expansion could be discussed by the Otago Mayoral Forum. Cr Noone agreed with that suggestion, and he also asked if there were opportunities for other funding for the programme. Dr Zink said other funding opportunities had been explored with little success, and she indicated fundings of that type tended to be short-term partnerships, but the EnviroSchools programme relied on long-term relationships. Cr Calvert said it would be important to ensure the programme is equitable and available to any school wanting to participate.

Following further discussion, Cr Deaker moved:

Resolution FIN22-105: Cr Deaker Moved, Cr Hope Seconded

That the Finance Committee:

- 1) **Notes** this report.
- 2) **Considers** the options presented for inclusion in the 2023/24 Annual Plan.
- 3) **Requests** discussion of expansion of the EnviroSchools Programme be presented to the Otago Mayoral Forum by the ORC Chair for consideration at the 1 April 2022 meeting.

MOTION CARRIED

Cr Laws joined the meeting at 9:40am.

9. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution: Cr Calvert Moved, Cr Wilson Seconded

That the public be excluded from the following parts of the proceedings of this meeting under LGOIMA 48(1)(a), namely:

- Minutes of the 24 November 2021 Finance Committee meeting
- LGFA Lending

MOTION CARRIED

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:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
<p><i>Minutes of the Public-excluded portion of the 24 November 2021 Finance Committee meeting</i></p>	<p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>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 – Section 7(2)(c)(i)</p> <p>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 otherwise to damage the public interest – Section 7(2)(c)(ii)</p> <p>To avoid prejudice to measures that prevent or mitigate material loss to members of the public – Section 7(2)(e)</p> <p>To maintain legal professional privilege – Section 7(2)(g)</p> <p>To enable any local authority holding the information to carry out, without</p>	

	<p>prejudice or disadvantage, commercial activities – Section 7(2)(h) To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i) To prevent the disclosure or use of official information for improper gain or improper advantage – Section 7(2)(j)</p>	
<i>LGFA Lending</i>	<p>Section 7(2)(h) - To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities;</p> <p>Section 7(2)(i) - To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>Section 48(1)(a): Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a) 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.</p>

This resolution was made in reliance on [section 48\(1\)\(a\)](#) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by [section 6](#) or [section 7](#) of that Act or [section 6](#) or [section 7](#) or [section 9](#) of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public.

10. CLOSURE

There was no further public business and Chairperson Malcolm declared the meeting closed at 10:20AM, 24 February 2022.

 Chairperson

 Date