

FINANCE AND CORPORATE COMMITTEE AGENDA

Thursday 18 October 2018

11:00 am Council Chamber
Level 2 Philip Laing House, 144 Rattray Street, Dunedin

Membership

Cr Doug Brown	<i>(Chairperson)</i>
Cr Andrew Noone	<i>(Deputy Chairperson)</i>
Cr Graeme Bell	
Cr Michael Deaker	
Cr Carmen Hope	
Cr Trevor Kempton	
Cr Michael Laws	
Cr Ella Lawton	
Cr Sam Neill	
Cr Gretchen Robertson	
Cr Bryan Scott	
Cr Stephen Woodhead	

Disclaimer

Please note that there is an embargo on agenda items until 48 hours prior to the meeting. Reports and recommendations contained in this agenda are not to be considered as Council policy until adopted.

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1. APOLOGIES

2. LEAVE OF ABSENCE

3. ATTENDANCE

4. CONFIRMATION OF AGENDA

Note: Any additions must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

5. CONFLICT OF INTEREST

Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

6. PUBLIC FORUM

7. PRESENTATIONS

8. CONFIRMATION OF MINUTES

Recommendation

That the minutes of the (public portion of the) meeting held on 12 September 2018 be received and confirmed as a true and accurate record.

Attachments

1. Finance & Corporate Minutes - 12 September 2018 **[8.1.1]**

Minutes of a meeting of the Finance and Corporate Committee held
in the Council Chamber at Philip Laing House, Dunedin on
Wednesday 12 September 2018, commencing at 10:30 am

Membership

Cr Doug Brown	<i>(Chairperson)</i>
Cr Andrew Noone	<i>(Deputy Chairperson)</i>
Cr Graeme Bell	
Cr Michael Deaker	
Cr Carmen Hope	
Cr Trevor Kempton	
Cr Michael Laws	
Cr Ella Lawton	
Cr Sam Neill	
Cr Gretchen Robertson	
Cr Bryan Scott	
Cr Stephen Woodhead	

Welcome

Cr Brown welcomed:

- Councillors
- Port Otago Ltd Chairman, Mr David Faulkner; Chief Executive, Mr Kevin Winders and Chief Financial Officer; Mr Stephen Connelly.
- Mr Ross Black Otago Helicopter Trust Chairman, Mr Martin Dippie, Deputy Chairman; Mr Graeme Gale, Chief Pilot HeliOtago
- members of the public, speakers to public form, media and staff to the meeting.

1. APOLOGIES

The apology for Cr Neill was noted.

2. LEAVE OF ABSENCE

No Leave of Absence noted.

3. ATTENDANCE

Sarah Gardner (Chief Executive)
Nick Donnelly (Director Corporate Services)
Sian Sutton (Director Stakeholder Engagement)
Gavin Palmer (Director Engineering, Hazards and Science)
Scott MacLean (Director Environmental Monitoring and Operations)
Sally Giddens (Director People and Safety)
Ian McCabe (Executive Officer)
Lauren McDonald (Committee Secretary)
Mike Roesler (Corporate Planning Manager) - Item 11.1
Stuart Lanham (Finance Manager)

4. CONFIRMATION OF AGENDA

The agenda was confirmed as tabled.

5. CONFLICT OF INTEREST

No conflicts of interest were advised.

6. PUBLIC FORUM

Wood Building Construction

Mr Roger Hodgkinson spoke to options he considered possible for the Dowling Street site, for the proposed new ORC headquarters. He outlined the concept design for full use of the Dowling Street site, with ORC as owning their building, or as a long term tenant within a hotel build complex. He advised he was a keen advocate for wood laminated construction as a cheaper, low carbon emission build.

Cr Brown confirmed with Mr Hodgkinson that Council had withdrawn its offer to purchase the Dowling Street site.

Mr Hodgkinson answered questions of clarification from councillors.

Waverley - Belleknowes Bus Route 19

Mr Peter Dowden, Bus Users Support Group Ōtepoti-Dunedin co-president - spoke on behalf of the Bus Users Group in regard to Route 19. He commended Council for the staff recommendation that the service be scheduled to have its week day peak frequency (of 30 minutes) extended to the week day off-peak hours of operation at the end of June 2019. He advised it would assist to eliminate wastage of bus resources and allowed the capital resources to be used more efficiently. He commented that he believed (and had spoken previously to Council) that it was wrong to reduce the service, as it was against an implied statement in Regional Public Transport Plan, that this route would have 30 minute service. He acknowledged that the timetable change would occur on the completion of the bus hub but felt it would not have a negative effect to introduce the service change sooner.

A map was shown a suggested loop route for the Canongate, Russell St area to link in with Belleknowes. Mr Dowden advised that if the service was being reviewed the addition of the loop route service would be timely.

7. PRESENTATIONS

Port Otago Limited – presentation of Annual Report 2017/2018

Mr Faulkner, Chairman presented the Annual Report and outlined the key highlights as:

- Investment in keeping Port Otago Ltd staff safe
- Tax paid return on average equity 9.7%
- Record log volumes
- Container volumes increased 15% to 204,700 teu
- Te Rapa Gateway land sales of \$19 million
- Back hoe dredge Tukutai purchased

Mr Winders spoke to the operational highlights, including:

- Increased bulk, container vessel and cruise ship visits to Port Chalmers
- Staff developments and well being
- Engagement and critical risk management
- Telemetry system (ITS) software for monitoring for straddle movements
- Multi-purpose wharf extensions
- Harbourside development
- Good neighbour - supporting the community, install of 2 new noise monitors (with real time recording)
- new Port of Otago Ltd logo

Mr Faulkner and Mr Winders responded to questions from councillors.

Otago Helicopter Trust – presentation of Annual Report 2017/2018

Mr Black, Chairman outlined the highlights and matters impacting the Otago Helicopter Trust for the reporting year 2017/18, including:

- a 34% rescue mission growth
- termination of the Ministry of Health/ACC contract - 31 March 2018
- Ministry of Health tender - seeking Trust commitment of community donations
- medical equipment replacement and upgrades
- donations and bequests
- overall operational performance.

Mr Graeme Gale, Chief Pilot, HeliOtago spoke in regard to the flight paths and increased number of rescue missions and medical equipment upgrades.

Mr Black thanked Council for their ongoing support of the trust.

Mr Black and Mr Gale responded to questions from councillors.

Cr Deaker left the meeting at 12:04 pm and returned to the meeting at 12:06 pm.

8. CONFIRMATION OF MINUTES

Resolution

That the minutes of the (public portion of the) meeting held on 2 August 2018 be received and confirmed as a true and accurate record.

Moved: Cr Brown

Seconded: Cr Robertson
CARRIED

9. ACTIONS (STATUS OF COMMITTEE RESOLUTIONS)

Nil

10. MATTERS FOR COUNCIL DECISION

10.1. CS1847 Director's Report

The report informed the Finance and Corporate Committee of significant financial and corporate activity and presents account payments to the Committee for endorsement.

Resolution

- a) *That this report is received.*
- b) *That the payments summarised in the table above and detailed in the payments schedule, totalling \$7,301,001.35 be endorsed.*

Moved: Cr Woodhead

Seconded: Cr Noone
CARRIED

10.2. CS1841 Annual Return of Inactive Subsidiaries 2018

The report advised that due to the significance and profile of the Regional Services Business Unit, the Council, solely for name protection purposes, registered the following companies in April 2006:

Regional Services Limited;
Regional Pest Services Limited;
Regional Monitoring Services Limited.

Mr Donnelly confirmed the companies were inactive, and did not have constitutions and that the companies are owned 100% by the Otago Regional Council, with a share issue of 100 shares in each company. He advised it was considered important to retain these companies, to ensure that the names could be used by any other party, as the use of these names would suggest a linkage to the Otago Regional Council.

He advised that Section 214 of the Companies Act 1993 required that an Annual Return be completed for each of the above companies each year by 30 September. The Annual Return included providing information on shareholding, auditors and Annual General Meetings.

Resolution

- a) *That it shall not be necessary for Regional Services Limited to hold an Annual General Meeting under section 120 of the Companies Act 1993.*
- b) *That no auditors be appointed for Regional Services Limited under section 196 (2) of the Companies Act 1993.*
- c) *That it shall not be necessary for Regional Pest Services Limited to hold an Annual General Meeting under section 120 of the Companies Act 1993.*
- d) *That no auditors be appointed for Regional Pest Services Limited under section 196 (2) of the Companies Act 1993.*
- e) *That it shall not be necessary for Regional Monitoring Services Limited to hold an Annual General Meeting under section 120 of the Companies Act 1993.*
- f) *That no auditors be appointed for Regional Monitoring Services Limited under section 196 (2) of the Companies Act 1993.*

Moved: Cr Woodhead
Seconded: Cr Noone
CARRIED

10.3. CS1843 Wanaka Depot leasing proposal

The report outlined the discussion and resolutions from previous meetings and sought Council's agreement in principle to an arrangement to lease Council's Wanaka depot to the Alpine Lakes Research and Education Centre (ALREC) Board to facilitate the establishment of an alpine lakes research and education centre in Wanaka, and to instruct the Chief Executive to negotiate, agree and finalise the contractual details.

Cr Lawton declared a conflict of interest and sat back from the Council table.

Resolution

That the Council:

- 1) **Receives** *this report.*
- 2) **Agree** *in principle to an arrangement to lease Council's Wanaka depot to the Alpine Lakes Research and Education Centre Board to establish an alpine lakes research and education centre in Wanaka.*
- 3) **Authorise** *the Chief Executive to negotiate, agree and finalise commercial terms and conditions of lease with the Alpine Lakes Research and Education Centre Board to establish and operate an alpine lakes research and education centre in Wanaka.*

Moved: Cr Noone
Seconded: Cr Deaker
CARRIED

10.4. CS1846 Passenger Transport Update

The report provided an update on the required change to the Regional Public Transport Plan (RPTP) for the Peninsula Service, the implementation of the Dunedin Central Bus Hub, and an overview of the performance of both the Dunedin and Wakatipu public transport networks.

This report detailed the recommendations for service adjustments for the existing Waverley–Belleknowes service in Dunedin, the Lake Hayes Estate – Jacks Point service in Queenstown, and recommended Council support World Car Free Day.

Cr Noone left the meeting at 12:32 pm. returned at 12:34 pm

Peninsula Bus Service

Mr Donnelly advised that Mr David Benham, Chair of Audit and Risk Subcommittee had been requested as to act as independent commissioner to hear the public submissions. Recommendation (c) of the report was taken as a separate motion.

Resolution

- c) That the finance and corporate committee appoint an independent commissioner to hear submissions and make recommendations on all submissions on the proposed variation to Regional Public Transport Plan 2014 for the Peninsula bus route to Council.*

Moved: Cr Woodhead

Seconded: Cr Noone

CARRIED

Cr Woodhead left the meeting at 12:37 pm.

Resolution

- a) That this report be noted.*
- b) That Waverley–Belleknowes week day off peak frequency be advanced to coincide with the bus hub becoming operational, subject to the operator confirming it can meet the timing requirement.*
- d) That the Lake Hayes Estate – Jacks Point service afternoon frequency be increased to 30 minutes as soon as practicable.*
- e) That the Finance and Corporate Committee support the World Car Free Day initiative with the provision of free scheduled services on Saturday 22 September 2018.*

Moved: Cr Brown

Seconded: Cr Noone

CARRIED

11. MATTERS FOR NOTING

11.1. CS1842 12 Month Review to 30 June 2018

The report presented the Council's 12 month review of performance for the financial year 2017/18 based on the statements of service performance adopted in the 2017/18 Annual Plan.

Mr Donnelly outlined the content of the report in advance of the Annual Report to be tabled at the Council meeting on 26 September 2018.

Cr Woodhead returned to the meeting at 12:40 pm.

Discussion was held on the reasons for work programme over and under spends, progress on Civil Defence Emergency Management (CDEM) regional strategy and community response plans, budgeting of work programmes.

Cr Laws left the meeting at 12:44 pm and returned at 12:58 pm.

Resolution

a) *That the '12 Month Review to 30 June 2018' report be received.*

Moved: Cr Brown
Seconded: Cr Robertson
CARRIED

11.1. CS1839 Financial Report to 30 June 2018

The report provided a summary of the Council's provisional financial performance compared to budget for the year ended 30 June 2018, and a summary of the financial position as at that date.

Resolution

a) *That this report is received.*

Moved: Cr Brown
Seconded: Cr Robertson
CARRIED

11.2. CS1849 Property Update

The report provided a summary of the costs arising from establishing the new Council Chamber and associated work spaces at Philip Laing House, and the costs associated with most recent investigation and preliminary design for Council's principle premise replacement.

Mr Ian McCabe, Executive Officer, outlined the detail of the report and responded to questions from councillors.

Resolution

That the Committee:

1) **Receives** this report.

Moved: Cr Scott
Seconded: Cr Noone
CARRIED

11.3. CS1840 Ladies Mile - Special Housing Area

The report detailed the information on Councils involvement in the Ladies Mile Special Housing Area Housing Improvement Fund application including submissions made by Council and an update on recent meetings Council staff have been involved in.

Mr Donnelly clarified that Council had not made a submission on the Ladies Mile itself but provided feedback on the detailed business case put forward, detailing concerns around the growth projections required of public transport.

Cr Bell left the meeting at 01:18 pm.

Resolution

a) *That this report is received and noted.*

Moved: Cr Brown
Seconded: Cr Noone
CARRIED

12. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution

That the public be excluded from the following parts of the proceedings of this meeting, namely: Item 2.1 - ORC Head Office Building

Also move that Mr Ian McCabe be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of HQ building and site requirements. his knowledge, which will be of assistance in relation to the matter to be discussed.

Moved: Cr Brown
Seconded: Cr Woodhead
CARRIED

The meeting resumed in public session on the motion of Crs Brown and Noone.

13. NOTICES OF MOTION

No Notices of Motion were advised.

14. CLOSURE

The meeting was declared closed at 1:50 pm.

Chairperson

9. ACTIONS

Status report on the resolutions of the Finance and Corporate Committee.

Report	Meeting Date	Resolution	Status
10.4. - CS1846 Passenger Transport Update	12/9/18	<i>That the finance and corporate committee appoint an independent commissioner to hear submissions and make recommendations on all submissions on the proposed variation to Regional Public Transport Plan 2014 for the Peninsula bus route to Council.</i>	CLOSED. Independent Commissioner appointed, Mr David Benham, submissions heard on 18/9/18. Council adopted recommendations on 26 September 2018.

Attachments

Nil

10. MATTERS FOR COUNCIL DECISION

10.1. Director's Report

Prepared for: Finance and Corporate Committee
Activity: Governance Report
Prepared by: Nick Donnelly, Director Corporate Services
Date: 1 October 2018

1. Précis

This report informs the Finance and Corporate Committee of significant financial and corporate activity and presents account payments to the Committee for endorsement.

2. Background

Schedules of payments made are referred to the Finance and Corporate Committee for endorsement. The financial commitments and payment authorisation are made in accordance with Council's financial delegations and internal control procedures.

Payment Category	August 2018
Trade payments	4,787,632.97
Payroll	842,424.19
Total	5,630,057.16

3. Recommendation

- a) *That this report is received.*
- b) *That the payments summarised in the table above and detailed in the payments schedule, totalling \$5,630,057.15 is endorsed.*

Endorsed by: Nick Donnelly
Director Corporate Services

Attachments

Nil

11. MATTERS FOR NOTING

11.1. Treasury Report

Prepared for: Finance and Corporate Committee
Report No. CS1844
Activity: Governance Report
Prepared by: Stuart Lanham, Finance Manager
Date: 1 October 2018

1. Précis

Short term investments held by the Council are in the form of term deposits held with banking institutions and managed on the Council's behalf by a separate investment arm of the BNZ under a multi-bank arrangement.

Council also has a Managed Fund portfolio, externally managed by the Bank of New Zealand.

This report provides information on the management and performance of the Council's short-term deposits and the managed fund, for the twelve months ended 30 June 2018.

2. Short Term Investments

2.1. General Comments

The day-to-day working capital cash requirement of the Council, including forecasting cash movements in the short term based on forecast revenues and expenditure, is managed by finance staff.

Council's cash-flow in terms of receipts and payments fluctuates significantly during the year, particularly with significant revenue streams such as rates and dividends coming in at particular times, and large payments such as GST output tax collected on rates income, becoming payable at one time.

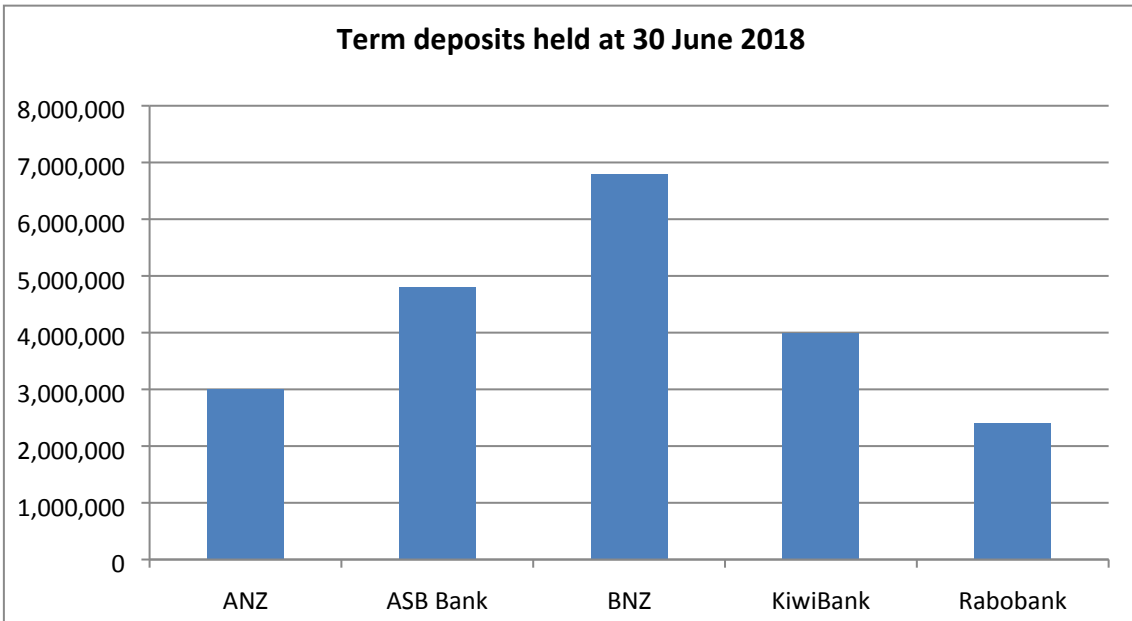
Funds surplus to immediate cash requirements are deposited into the term deposit portfolio. The BNZ seeks competitive quotes from participating banks for new deposits and places new funds accordingly, based on the quotes received and other factors to ensure the portfolio is maintained within agreed parameters.

BNZ provides monthly reports on the composition and performance of the term deposit portfolio.

2.2. Portfolio Composition

The amount held on term deposit at 30 June 2018 was \$21,000,000 comprising 18 individual deposits – ranging from \$300,000 to \$3,000,000 each.

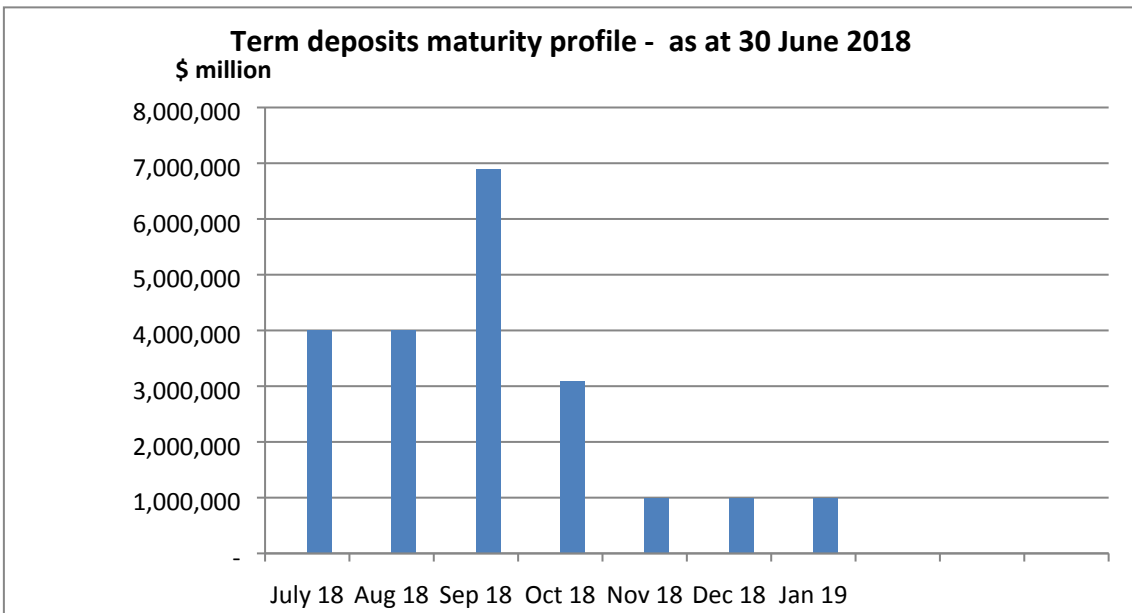
The following chart shows the total amount held with each institution at 30 June 2018.



2.3. Term Deposits – Maturity Profile

The maturity profile chart below shows the spread of maturity dates of the deposits.

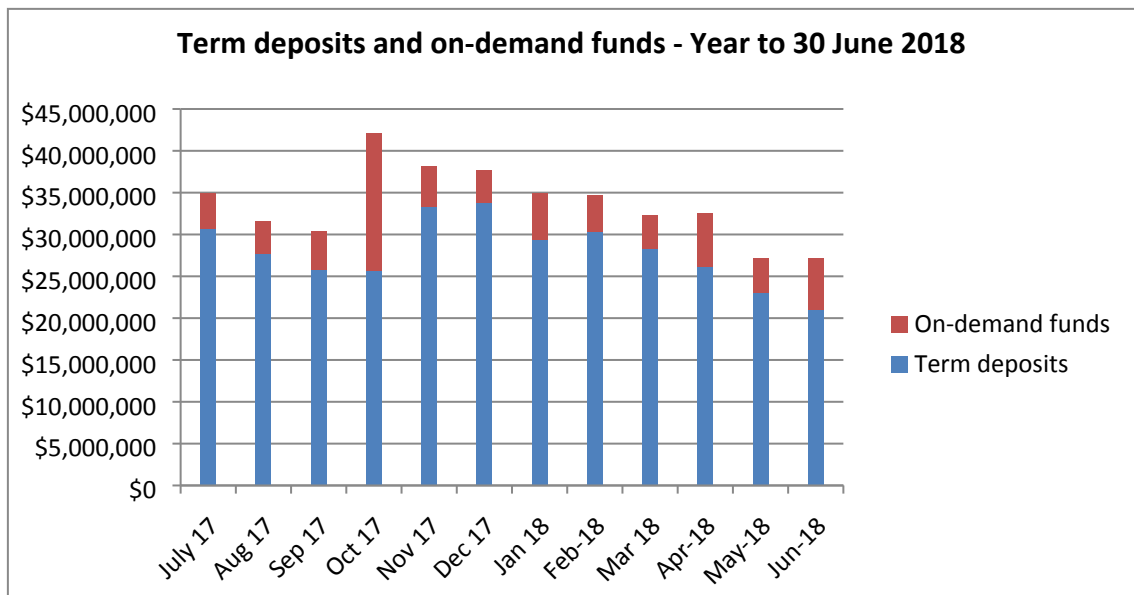
The arrangement with the BNZ ensures that sufficient amounts mature on a monthly basis, to provide funds to meet ongoing operational requirements.



2.4. Term Deposits and On-Call Funds

A sufficient amount of funds is held on-demand to meet operational day-to-day requirements of the Council. The timing of term deposit transactions and significant cash transactions necessarily results in fluctuations in both the term deposit element of total funds held and the amount held on-demand.

The chart below shows the amount held at the end of each month during the twelve months to 30 June 2018, identifying the term deposit amount and the amount held on-demand with the BNZ.

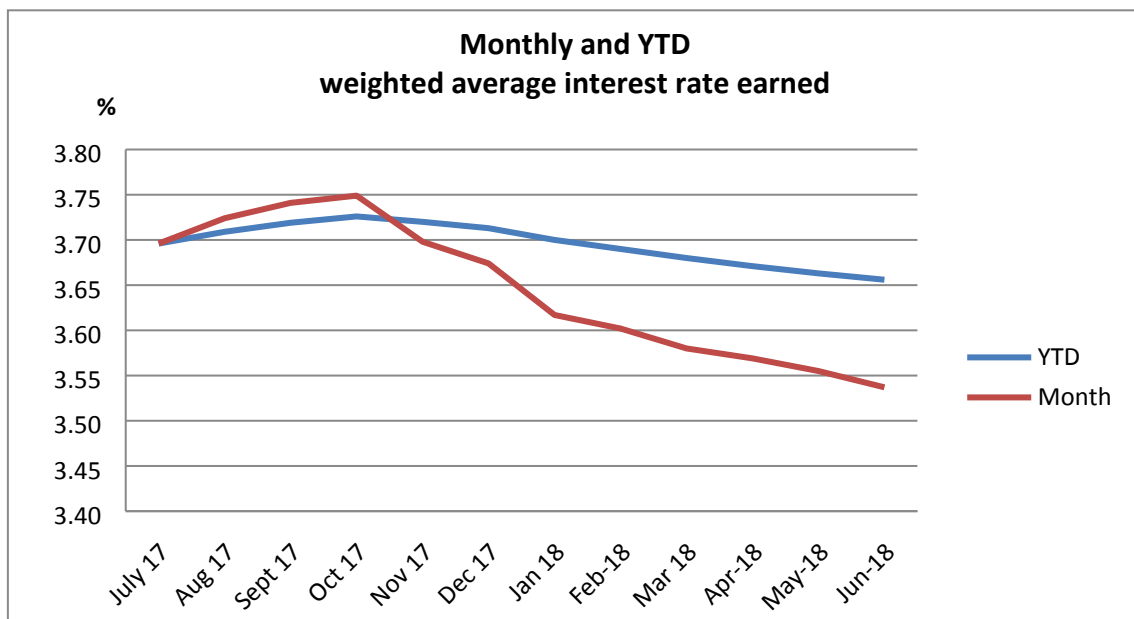


The significant amount of on-demand funds held at 31 October 2017 was due to a large amount of rate receipts being received leading up to the due date of 31 October and being placed on term deposit in early November.

2.5. Interest Earned and Interest Rates

Interest earned on bank balances and term deposits during the twelve months to 30 June 2018 amounted to \$1,069,000.

The following graph shows the monthly and year-to-date weighted average interest rates earned on term deposits during the year.



The graph shows that the monthly rates increased from 3.69% in July 2017 to 3.75% in October 2017, and then declined to 3.54% in June 2018.

The monthly fluctuations are reflected in the year-to-date line which shows the rate peaking in October 2017, and then declining over the remainder of the year.

The Official Cash Rate set by the Reserve Bank began the year at 1.75% and remained at that level throughout the twelve-month period to 30 June 2018.

3. Managed Fund Portfolio

The Council's managed fund comprises a portfolio of financial instruments managed externally by the Bank of New Zealand. The BNZ provides quarterly reports on the performance and composition of the fund.

The following information is summarised from the BNZ portfolio review for the quarterly report to June 2018.

3.1. Portfolio Performance

The BNZ portfolio report refers to returns achieved net of portfolio management fees charged to the fund.

The returns for the quarter amounted to \$950,473, or 4.76%, before tax, and 4.67% after tax.

It is noted that in regular financial reporting to Council during the year, the net after tax gain is reported within the revenue sections of the report, with the portfolio management fee being included within expenditure.

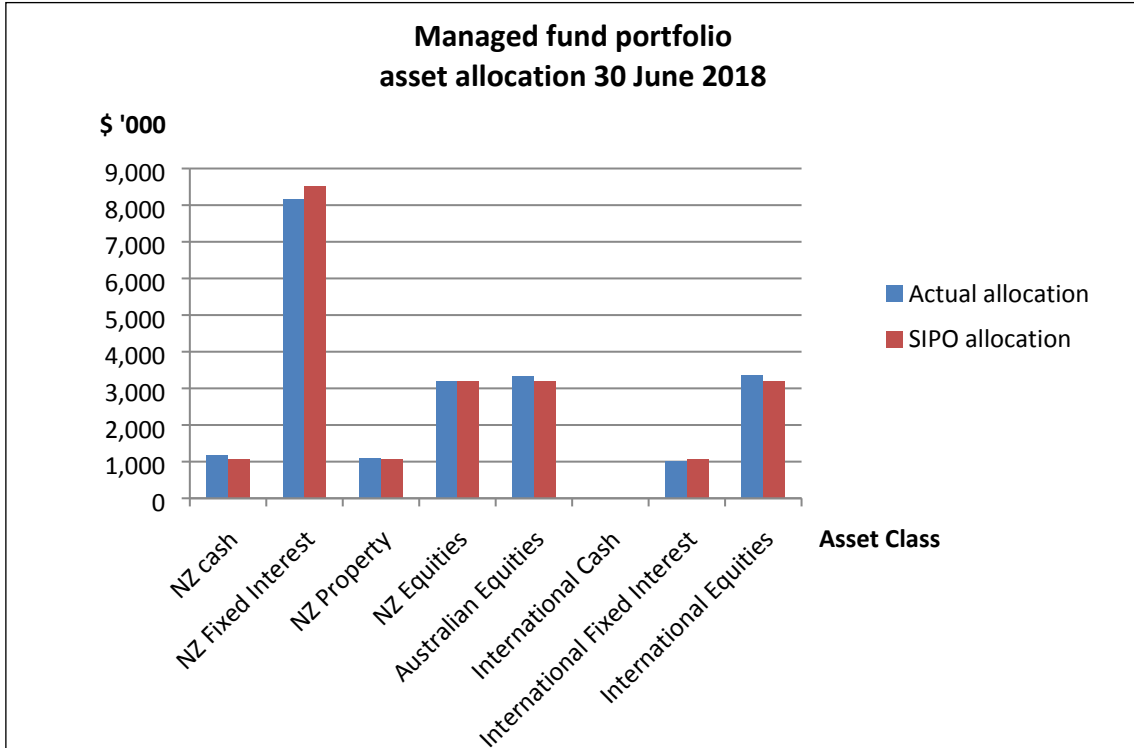
3.2. Portfolio Summary

The following table, extracted from the BNZ report, shows the valuation of the fund by asset class as at 30 June 2018 and the percentage of each asset class held. The table compares the percentage of each asset class held with the asset allocation percentage specified in the Statement of Investment Policies and Objectives (SIPO).

The variance columns show the actual variances from the SIPO allocation – in terms of the percentage and the effect on the valuation.

Managed Fund Portfolio Summary						
As at 30 June 2018						
	Actual		SIPO		Variance	
Asset class	Allocation		Allocation		over / (under)	
	Amount \$	%	Amount \$	%	Amount \$	%
NZ cash	1,172,055	5.50	1,065,537	5.00	106,518	0.50
NZ Fixed Interest	8,151,718	38.25	8,524,294	40.00	(372,576)	(1.75)
NZ Property	1,093,745	5.13	1,065,537	5.00	28,208	0.13
NZ Equities	3,182,475	14.93	3,196,610	15.00	(14,135)	(0.07)
Australian Equities	3,332,079	15.63	3,196,610	15.00	135,469	0.63
International Cash	1,173	0.01	-	0.00	1,173	0.01
International Fixed Interest	1,011,449	4.75	1,065,537	5.00	(54,088)	(0.25)
International Equities	3,366,041	15.80	3,196,610	15.00	169,431	0.80
	21,310,735	100.00	21,310,735	100.00		

The following chart graphically represents the actual asset allocation within the managed fund compared with the allocation set out in the SIPO.



4. Recommendation

a) *That this report is received.*

Endorsed by: Nick Donnelly
Director Corporate Services

Attachments

Nil

11.2. Public Transport - Update

Prepared for: Finance and Corporate Committee
Activity: Transport – Public Passenger Transport
Prepared by: Gerard Collings, Manager Support Services,
Julian Phillips, Team Leader Public Transport Dunedin,
Stephen Patience, Senior Public Transport Officer Queenstown

Date: 1 October 2018

1. Précis

This report provides an update on the Dunedin Bus Hub development and the performance of the Dunedin and Wakatipu public transport networks.

2. Dunedin Central City Bus Hub

Physical construction of the Dunedin Central Bus Hub is now well underway with work being undertaken by Fulton Hogan. Great King Street is now currently one way to allow the significant pavement work required to be undertaken. The first pavers have been laid at the corner of Great King Street / St Andrew Street and this work should accelerate once below ground works are complete. The contractor has been working with local businesses to endeavour to minimise the impact on foot traffic accessing their premises while trying to ensure that work is undertaken in a timely manner.

ORC is working closely with DCC to replace water mains in the street to reduce the risk of future disruption. Work to replace the main on the east side of the street is nearing completion and has been accommodated within the existing construction programme. ORC and DCC are currently working to understand the potential impact (if any) to the construction programme of replacing the water main on the west side of the street.

Key Project Area	Status	Comment
Overall		Construction commenced in accordance with the contract. Work is focused on the eastern side of Great King Street to ensure that the impact of that section of paving work is completed first. The contractor has experienced some on site difficulties with regard to underground services, these are being dealt with. The contractor is currently working with the Project Managers and the DCC to minimise the impact of the necessary water main work on the programme and its effect on local businesses.
Schedule (Timeline)		Contract award: 5 July 2018 Site works commenced: 16 July 2018 Contract competition date: 20 Nov 2018 Forecast completion date: 20 Nov 2018 –subject to the outcome of the water main replacement investigation and work.
Financial		Approved contract: \$4.4m Actual claimed to date: \$0.41m Variations to date: \$0.03m Forecast spend at completion: \$4.43m. Note, this value will increase once water main replacement costs are

		known. Water main replacement is to be funded by DCC.
Scope		Scope of the project is defined in the construction contract with Fulton Hogan Limited. \$34.7k of variations have been claimed to date these predominantly relate to unforeseen ground conditions and underground structures. Procurement of on ground IT equipment sits outside the construction Contract. Real time data information will be introduced in conjunction with the ticketing project. Water main replacement(s) are additional to the existing scope. These works will be funded by DCC.
Key Risks		<ul style="list-style-type: none"> • Below ground infrastructure – as with many parts of the City the definition of key underground infrastructure has been mapped. That said the specific detail can vary from that shown. The site engineer undertook an extensive review of all underground services prior to the letting of the contract however, until the excavation is complete ground conditions and unexpected services will continue to remain a risk. • Weather – remains a risk outside of Contractors control. • Business owners – the impact of the works on business owners is of critical concern to Council and the contractor. The contractor is using its best endeavours in keeping business owners informed of progress and issues as they arise. Maintaining customer access through the site is a contract requirement for the Contractor. • Safe public access – maintaining safe public access both to and through the site is critical. This provides challenges for the contractor who is constantly reviewing and monitoring public access to and through the site.
Issues		<p>H&S incident – an incident relating to a member of the public has been reported and dealt with. The contractor has been reminded of their obligations and the need for vigilance with regard to onsite health and safety.</p> <ul style="list-style-type: none"> • A kerb design issue has resulted in a small portion of kerb and channel in the vicinity of the St Andrew Street intersection having to be replaced. • Water main replacement on the east side of Great King Street is currently being investigated and is likely have implications for the construction programme.

3. Dunedin Network Performance

Dunedin network (appendix 1) is still showing growth on the relevant period from last year with Patronage showing 12% growth, and revenue showing an increase of 9% on the corresponding period of July August last year.

4. Queenstown Network Performance

Queenstown network (appendix 2) performance, allowing for seasonal monthly variations, continues to trend in a positive direction overall with patronage being up by 192% on the same month in 2017. Fare revenue is still tracking favourably in comparison to July/August 2017

5. Recommendation

- a) *That this report be received.*

Endorsed by: Nick Donnelly
Director Corporate Services

Attachments

Appendix 1 – Dunedin Public Transport Report - August 2018

Appendix 2 – Queenstown Public Transport Report - August 2018

Appendix 1 - Dunedin Public Transport Report

August 2018

Dunedin fare revenue and patronage continues to rise compared to the previous year. August shows an increase in revenue and patronage compared to July, which reflects previous year's seasonal trends. Fare Revenue from the 2018/19 financial year to date shows revenue is up by 9% for the first two months July and August. Patronage to date is also showing a 12% increase compared to the same time last year.

Fare Revenue August 2018

\$535,950

▲ 11% vs 2017

2018 Fare Revenue
financial year to date

\$986,363

▲ 9% vs 2017

Patronage August 2018

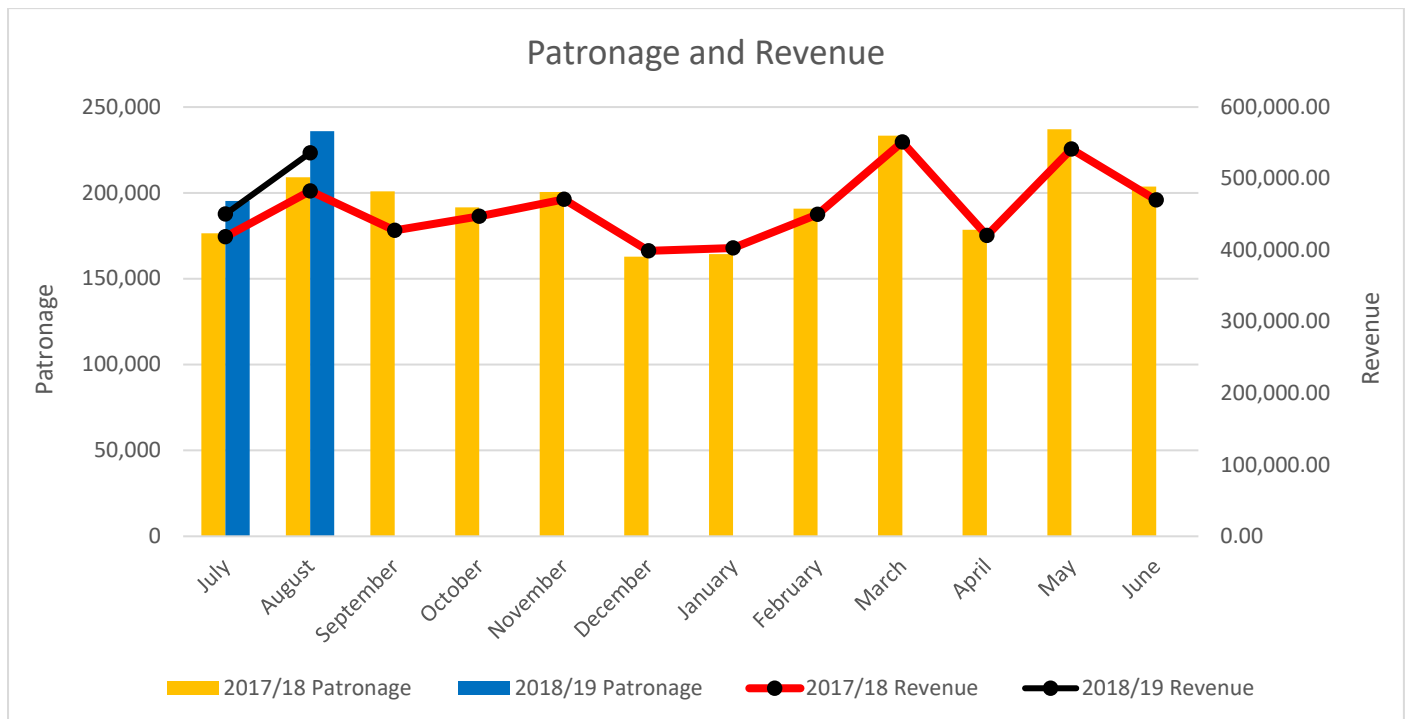
235,930

▲ 13% vs 2017

2018 Patronage
financial year to date

431,167

▲ 12% vs 2017



The graph above shows revenue and patronage for the 2018/2019 financial year (blue bar = patronage and black line = revenue) compared to the previous financial year 2017/2018. The 2018/19 financial year data for both revenue and patronage looks to be tracking clearly above the 2017/18 data for the same period.

Unit 1

- Balaclava
- Logan Park
- Concord
- Port Chalmers
- Northern services
- Peninsula

Unit 2

- St Clair
- Normanby
- Corstorphine
- Wakari
- St Clair Park
- Helensburgh

Dunedin Transitional Services

- Pine Hill
- Lookout Point
- Shiel Hill
- Opoho
- Ridge Runner

Unit 4

- Brockville/Half. Bush/St Kilda
- Waverley
- Ocean Grove
- Ross Creek
- Belleknowes
- Kenmure

Unit 5

- Mosgiel
- Mosgiel Loop
- Abbotsford

Unit 1 Revenue August 2018

\$102,638

Unit 1 Patronage

40,036

Unit 2 Revenue August 2018

\$146,335

Unit 2 Patronage

68,869

Transitional Services August 2018 Revenue

\$94,031

Unit 3 Patronage

46,206

Unit 4 Revenue August 2018

\$123,108

Unit 4 Patronage

57,128

Unit 5 Revenue August 2018

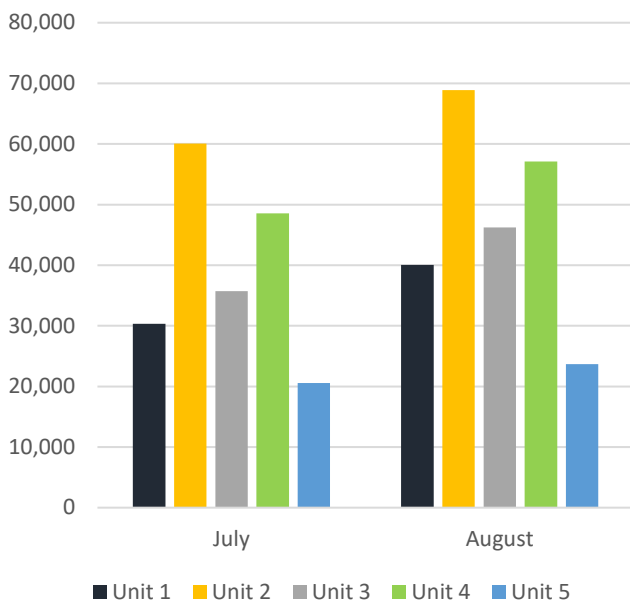
\$69,836

Unit 5 Patronage

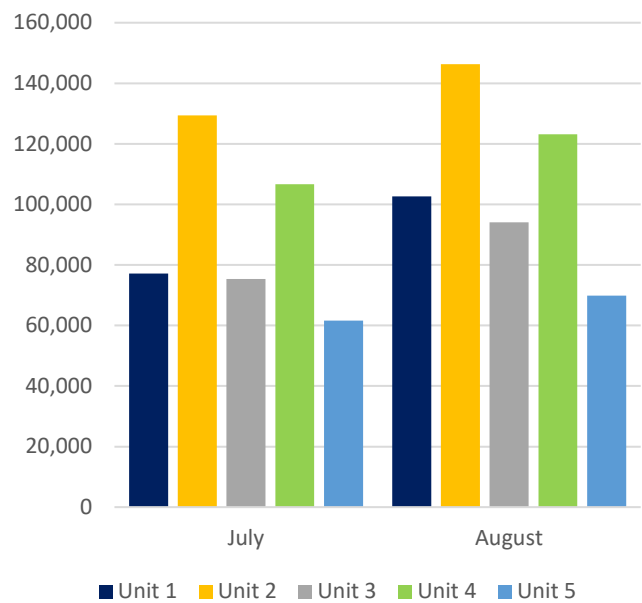
23,691

Unit revenue and patronage for all Dunedin units has increased compared to the previous month. Unit two continues to track above the other units for both revenue and patronage with Unit four following close behind.

Unit Patronage 2018



Unit Revenue 2018



Appendix 2 - Queenstown Public Transport

August 2018

Queenstown fare revenue and patronage continues to rise compared to the previous year. August shows a slight decrease in revenue and patronage compared to the previous month, following seasonal trends. Fare Revenue from the 2018/19 financial year to date shows revenue is up by 6%. Patronage for the financial year to date is also showing an 179% increase compared to July/August last year. August patronage is up by 192% from August 2017.

Fare Revenue August 2018

\$267,638

▲ 10% vs 2017

2018 Fare Revenue
financial year to date

\$549,971

▲ 6% vs 2017

Patronage August 2018

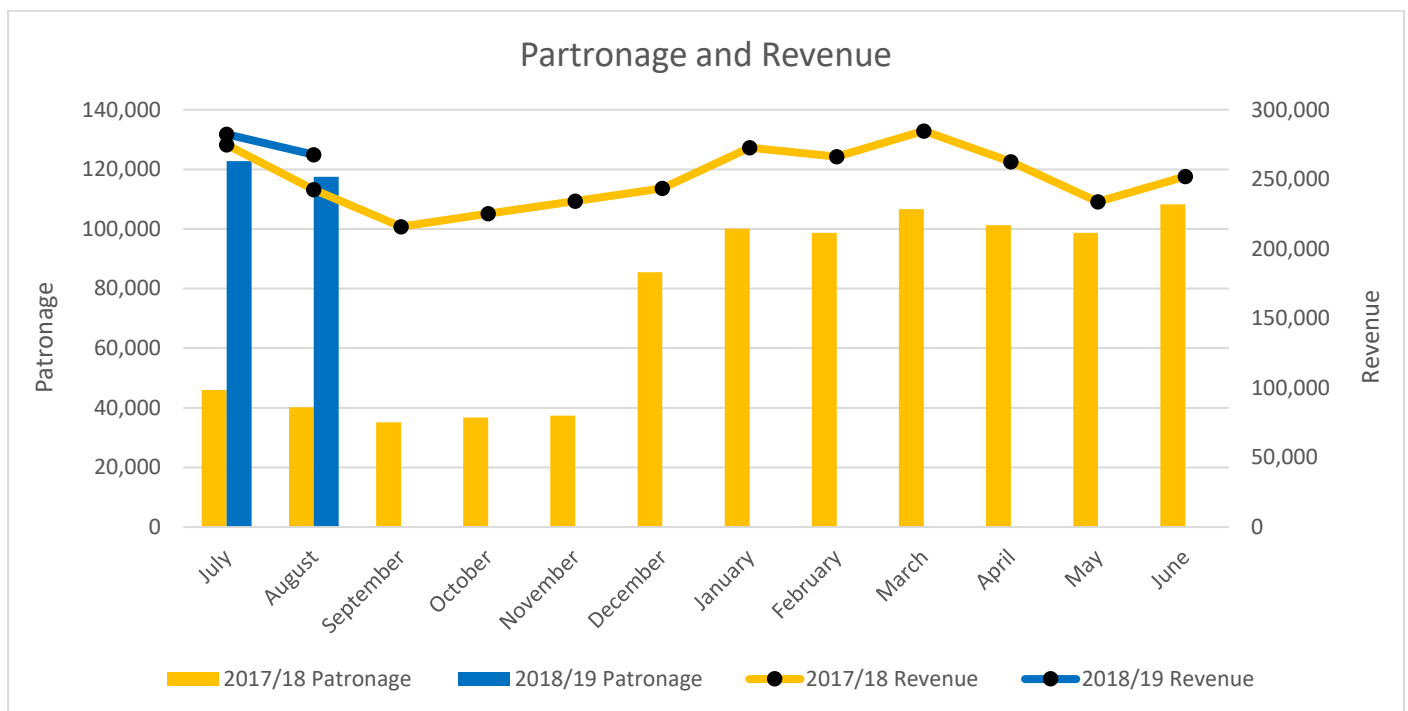
117,442

▲ 192% vs 2017

2018 Patronage
financial year to date

154,007

▲ 179% vs 2017



The graph above shows revenue and patronage for 2018/2019 compared to the previous year 2017/2018.

Unit 6

- Fernhill – Remarkables Park
- Lake Hayes – Jacks Point

Unit 7

- Arthurs Point – Arrowtown
- Kelvin Heights – Frankton Flats

Unit 6 Revenue August 2018

\$213,402

Unit 6 Patronage

92,647

Unit 7 Revenue August 2018

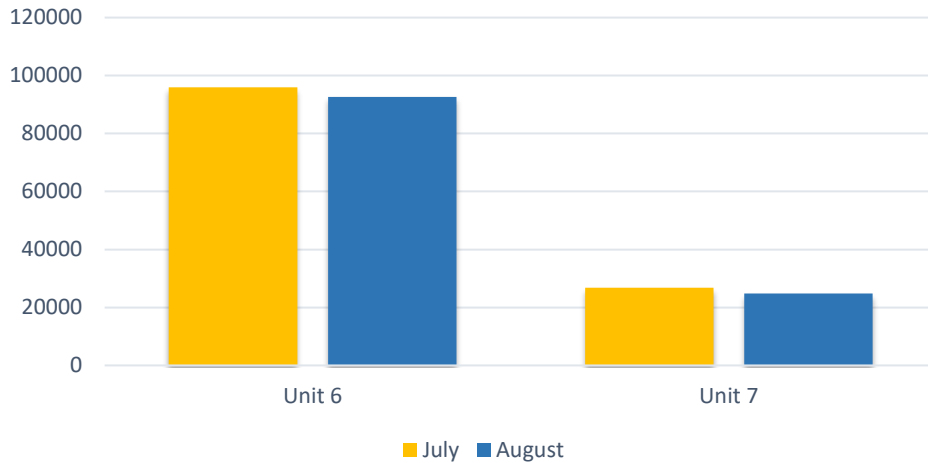
\$54,236

Unit 7 Patronage

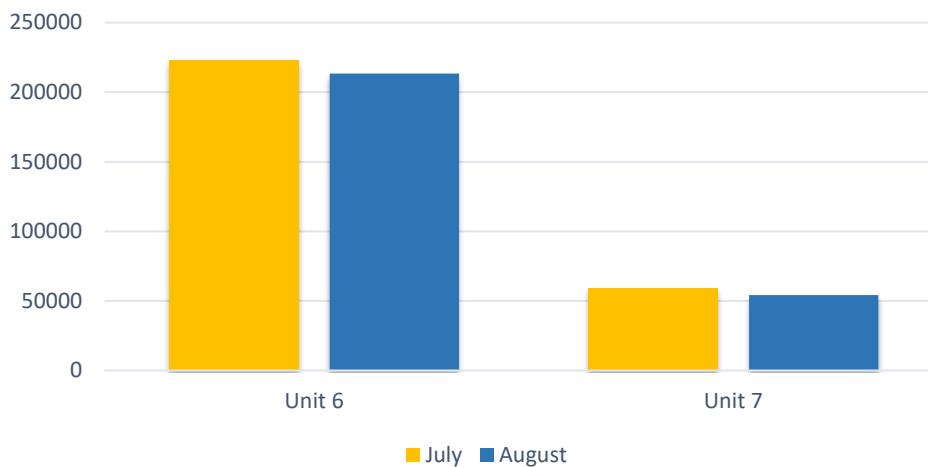
24,796

Unit revenue and patronage for Queenstown Unit 7 continues to track evenly with a very slight decrease for both units compared to July 2018. Unit 6 remains higher for both revenue and patronage.

Unit Patronage



Unit Revenue



12. NOTICES OF MOTION

13. RECOMMENDATIONS OF MEETINGS

13.1. Recommendations of the Audit and Risk Subcommittee - 19 September 2018

Recommendations of the public portion of the Audit and Risk Subcommittee meeting held on 19 September 2018, for adoption:

Matters for Noting

11.1 Risk Report - June 2018

Resolution

- a. *That this report and the attached Risk Report – June 2018 are received and noted.*

Moved: Cr Woodhead
Seconded: Cr Robertson
CARRIED

11.2 Treasury Report - June 2018

Resolution

That the report be received.

Moved: Mr Benham
Seconded: Cr Robertson
CARRIED

Attachments

Nil

14. RESOLUTION TO EXCLUDE THE PUBLIC

That the public be excluded from the following parts of the proceedings of this meeting, namely:

Recommendations of the public excluded Audit & Risk Subcommittee meeting held on 19 September 2018.

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	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
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considered		
Adoption of the recommendations of the public excluded portion of the Audit and Risk Subcommittee meeting held on 19 September 2018	<p>Good reason for withholding official information exists, for the purpose of section 5, if the making available of that information would be likely—to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial – Section 6(a)</p> <p>Good reason for withholding official information exists, for the purpose of section 5, if the making available of that information would be likely—to endanger the safety of any person – Section 6(b)</p>	Section 48(1)(a); Section 6 (a), Section 6 (b)

This resolution is 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 are as follows:

Adoption of the recommendations of the public excluded portion of the Audit and Risk Subcommittee meeting held on 19 September 2018

Good reason for withholding official information exists, for the purpose of [section 5](#), if the making available of that information would be likely—to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial – Section 6(a)

Good reason for withholding official information exists, for the purpose of [section 5](#), if the making available of that information would be likely—to endanger the safety of any person – Section 6(b)

I also move that Mrs Sarah Gardner and Mr Nick Donnelly be permitted to remain at this meeting after the public has been excluded, because of their knowledge of the matters subject to the recommendations. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to the matter because of their membership or attendance of the Audit and Risk Subcommittee.

15. CLOSURE