

Minutes of a meeting of the
Finance and Corporate Committee held in the
Council Chamber at Philip Laing House,
144 Rattray Street, Dunedin on
Wednesday 20 March 2019, commencing at 9:00 am

Membership

Cr Doug Brown

(Chairperson)

Cr Andrew Noone

(Deputy Chairperson)

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, members of the public and staff to the meeting.

1. APOLOGIES

Resolution

That the apologies for Councillor Noone be accepted for the Wednesday 20 March 2019 portion of the meeting.

Moved: Cr Brown
Seconded: Cr Woodhead
CARRIED

2. LEAVE OF ABSENCE

No leaves of absence were made.

3. ATTENDANCE

Sarah Gardner	<i>(Chief Executive)</i>
Andrew Newman	<i>(Acting GM Policy, Science and Strategy)</i>
Gavin Palmer	<i>(GM Operations)</i>
Nick Donnelly	<i>(GM Corporate Services and CFO)</i>
Sally Giddens	<i>(GM People, Culture and Communications)</i>
Mike Roesler	<i>(Manager Corporate Policy)</i>
Peter Fitzjohn	<i>(Director Stakeholder Engagement)</i>
Gerard Collings	<i>(Manager Transport)</i>
Stuart Lanham	<i>(Manager Finance)</i>
Liz Spector	<i>(Committee Secretary)</i>

4. CONFIRMATION OF AGENDA

The agenda was confirmed as tabled.

5. CONFLICT OF INTEREST

No conflicts of interest were advised.

6. PUBLIC FORUM

Ms Lana Oranje and Ms Mary McFarlane spoke about the loss of historical value to the community through building demolition and future alterations. Ms Oranje also said her quality of sleep was being negatively impacted by the noise and vibration from the newly permitted Rio cargo ships. She would like to have Port Otago review this type of ship being allowed into the port. She also requested her bedroom windows be double-glazed. Councillors thanked both speakers for their comments.

7. PRESENTATIONS

Port Otago CEO Kevin Winders and Board Chairman David Faulkner addressed the Councillors. They presented the Port Otago Interim Report for the 6-month period ended 31 December 2018 for review. Cr Woodhead raised a question about the complaints over noise and vibration from the Rio transport ships now coming into port. Mr Winders acknowledged several things have been tested to address concerns over excessive noise. He said the noise had been mitigated somewhat, but there are additional options being explored. Mr Winders said

they were mitigating the noise with changes to the ship first, then will try addressing onshore changes. He also suggested part of the reason the noise seems excessive could be because Port Chalmers is a very quiet town, especially in the evenings. He said other ports allowing these ships may naturally have more background noise, obscuring some of the sound. Cr Brown thanked Mr Winders and Mr Faulkner for the report.

8. CONFIRMATION OF MINUTES

Resolution

That the minutes of the (public portion of the) meeting held on 31 January 2019 be received and confirmed as a true and accurate record.

Moved: Cr Brown
Seconded: Cr Woodhead
CARRIED

9. ACTIONS

Status report on the resolutions of the Finance & Corporate Committee

10.1 Director's Report	31/01/2019	That the November 2018 and December 2018 payments summarised and detailed in the payments schedule, totalling \$15,189,848.05, are endorsed.	COMPLETE
11.2 Resourcing	31/01/2019	<i>That the Chief Executive provides a further report on staff location, operation, profile raising and technology to the next Finance and Corporate Committee meeting.</i>	COMPLETE

10. MATTERS FOR COUNCIL DECISION

10.1. Director's Report

Chair and Councillor Brown reviewed the staff report. No comments were made and he made a motion.

Resolution

That the Finance and Corporate Committee:

- 1) **Receive** this report.
- 2) **Endorse** the January 2019 and February 2019 payments summarised and detailed in the payments schedule, totalling \$13,278,785.41.

Moved: Cr Brown
Seconded: Cr Hope
CARRIED

10.2. Port Ownership Review

Chairman Doug Brown introduced the Port Ownership Review matter as the report's author, Nick Donnelly, GM Corporate and CFO was unable to attend the meeting. Cr Woodhead stated Port Otago is a strategic asset for the Council and he felt it was appropriate to look at options available to the Council. He said during the finalisation of the 2018 - 2028 Long Term Plan, Council indicated its ownership of Port Otago Limited and the returns generated by that ownership should be independently reviewed. Cr Woodhead said this report was provided to approve the proposed process for that review, engagement of a consultant to undertake the review and the terms of reference that the review should cover.

Cr Scott asked if a sale of part or all of ownership of Port Otago were to be considered, had obligations or opportunities been identified to which to invest proceeds of such sale. Cr Woodhead said this would only be a high-level review and details to that level was not part of the discussion. Cr Lawton suggested there was more to ownership of Port Otago than financial implications. She said ownership and voting rights provide the Council an opportunity to influence the course of the future of Port Otago for betterment of the entire community. She requested an amendment to the resolution to amend the Terms of Reference to add item 8(d)(vi), directing that each ownership model should include consideration of the social and environmental implications to the Otago Regional Council. Crs Kempton and Robertson noted their support for Cr Lawton's amendment. Cr Neill stated that while he was not opposed to a review of port ownership options, he would not be in favour of the Otago Regional Council selling down any part of the ownership of Port Otago.

Chairman Brown made a motion.

Resolution:

That the Council:

- a. **Receives** this report.
- b. **Approves** the staff report and amends the terms of reference to add item **8 (d)(vi) Each ownership model should include consideration of the social and environmental implications to the ORC.**
- c. **Approves** the proposed process and terms of reference per the addition of item **8(d)(vi).**

Moved: Cr Brown

Seconded: Cr Woodhead

CARRIED

A division was called:

Vote

For: Cr Brown, Cr Deaker, Cr Hope, Cr Kempton, Cr Neill, Cr Robertson, Cr Woodhead

Against: Cr Bell, Cr Laws, Cr Lawton, Cr Scott

Abstained: nil

The meeting was declared adjourned by Cr Brown at 11:00 a.m. and was continued at 2 p.m. 21 March 2019.

Cr Brown reconvened the meeting at 2:00 p.m., Thursday 21 March 2019.

Cr Noone now present at the meeting.

Cr Laws absent from the meeting.

Cr Woodhead left the meeting at 02:00 pm.

10.3. Clean Heat Clean Air Review

Senior Policy Analyst Sylvie Leduc addressed the Committee about the Clean Heat Clean Air programme. Cr Kempton said this is a watershed project and that it dovetails well with other warm home schemes. He asked if there could be an audit performed by the Compliance team to review outcomes.

Resolution

That the Council:

- 1) **Approves** the proposed changes to ORC's Clean Heat Clean Air programme for the period commencing April 2019 and ending June 2020.

Moved: Cr Noone
Seconded: Cr Kempton
CARRIED

11. MATTERS FOR NOTING

11.1. Financial Report for the six months to 31 December 2018

Finance Manager Stuart Lanham addressed the Councillors. He reviewed the Statement of Comprehensive Revenue and Expense along with the Statement of Financial Position for the period ended 31 December 2018. Chairman Brown thanked Mr Lanham for the report. As there were no further questions for Mr Lanham, Cr Brown asked for a motion.

Resolution

That the Council:

- 1) **Receives** this report.

Moved: Cr Deaker
Seconded: Cr Noone
CARRIED

11.2. Public Transport Update

Manager Transport Gerard Collings addressed the Councillors. He noted positive growth in the public transport network and mentioned the successful bus hub opening on Wednesday, 20 March 2019. He said the first day of services at the bus hub were today and were seamless. Mr Collings noted there would be a graduated scale-up of provided services with the bus hub

anticipated to be fully operational by Thursday, 28 March. Cr Brown thanked him for the report and asked for a motion.

Resolution

That the Committee:

- 1) ***Receives** this report.*

Moved: Cr Scott
Seconded: Cr Noone
CARRIED

11.3. Q2 :Activity Review 1 October to 31 December 2018

Manager Corporate Planning Mike Roesler and GM Corporate Services & CFO Nick Donnelly reviewed the 2nd quarter activity report with the Committee members. Mr Roesler said the document reports progress on the delivery of Council services and details how they have performed against non-financial measures and financial budgets. After a general discussion of the report, Chairman Brown asked for a motion.

Resolution

- 1) *That the Activity Review Q2 report be received.*

Moved: Cr Brown
Seconded: Cr Noone
CARRIED

11.4. Treasury Report - December 2018

Manager Finance Stuart Lanham reviewed the Treasury Report with the Committee members. A general discussion was held regarding risk reporting in relation to investments as well as a more comprehensive risk matrix. There were no questions raised about the report and Cr Brown asked for a motion:

Resolution

That the Committee:

- 1) *Receive this report.*

Moved: Cr Noone
Seconded: Cr Robertson
CARRIED

Cr Robertson left the meeting at 3:00 pm.

12. NOTICES OF MOTION

No Notices of Motion were advised.

13. RECOMMENDATIONS OF MEETINGS

13.1. Recommendations of the Audit and Risk Subcommittee - 14 March 2019 Resolution

That the recommendations of the Audit and Risk Subcommittee from the 14 March 2019 meeting be actioned.

Moved: Cr Noone
Seconded: Cr Kempton
CARRIED

14. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution

Moved: Cr Brown
Seconded: Cr Noone
CARRIED

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

Adoption of the minutes of the public excluded portion of the Finance and Corporate Committee meeting held on 31 January 2019.

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
Adoption of the minutes of the Public Excluded Finance and Corporate Meeting of 31 January 2019.	<p>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:</p> <p>(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> <p>Subject to subsection (3), a local authority may by resolution exclude</p>	Section 48(1)(a); Section 48(1)(d) 7(2)(h) 7(2)(i)

	<p>the public from the whole or any part of the proceedings of any meeting only on one or more of the following grounds:(d) that the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in any proceedings to which this paragraph applies.</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p> <p>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)</p>	
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Resolution

That the meeting resume in public session at 2:50 p.m.


Moved: Cr Brown

Seconded: Cr Noone

CARRIED

15. CLOSURE

The meeting was declared adjourned at 2:50 p.m.


 Chairperson
 1/5/2019