



Finance and Assurance Committee

OPEN MINUTES

UNCONFIRMED

Minutes of a meeting of Finance and Assurance Committee held in the Council Chamber, Level 2, 20 Don Street, Invercargill on 16 Oct 2024 at 9.30am. (9.30am – 9.31am, 12.49pm – 2.38pm)

PRESENT

Chairperson	Mr Bruce Robertson (external member)
Deputy Chairperson	Mayor Rob Scott (12.49pm – 2.27pm)
Councillors	Jaspreet Boparai (via audiovisual link)
	Don Byars
	Derek Chamberlain
	Paul Duffy
	Darren Frazer
	Sarah Greaney (via audio visual link) (12.49pm - 2.07pm, 2.09pm – 2.38pm)
	Julie Keast
	Christine Menzies
	Tom O'Brien
	Margie Ruddenklau (12.52pm – 2.38pm)
	Jon Spraggon
	Matt Wilson (9.30am – 12.30pm)

APOLOGIES

Matt Wilson (12.49pm – 2.38pm)

IN ATTENDANCE

Group manager finance and assurance	Anne Robson
Committee advisor	Rachael Poole

Deputy Chair Scott opened the meeting and adjourned the meeting at 9.31am to allow the Council meeting to take place.

Moved Deputy chairperson Scott, seconded Deputy Mayor Menzies and **resolved:**

That Finance and Assurance Committee adjourns the meeting.

Chair Robertson resumed the Finance and Assurance meeting at 12.49pm and welcomed everyone to the meeting.

Councillor Ruddenklau was not present when the meeting reconvened.

1 Apologies

There was an apology from Councillor Wilson who was not present when the meeting reconvened at 12.49pm.

Moved Chairperson Robertson, seconded Deputy Mayor Menzies and **resolved:**

That the Finance and Assurance Committee accept the apology.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of interest

There were no conflicts of interest declared.

4 Extraordinary/urgent items

There were no extraordinary/urgent items.

5 Confirmation of minutes

Resolution

Moved Chairperson Robertson, seconded Cr O'Brien **and resolved:**

That the Finance and Assurance Committee confirms the minutes of the meeting held on 4 September 2024 as a true and correct record of that meeting.

6 Public participation

There was no public participation

Reports

7.1 Finance and Assurance Committee work plan for the year ended 30 June 2025

Record No: R/24/10/63952

GM finance and assurance, Anne Robson spoke to this report and moved the timetable for the annual plan report, financial monthly report and internal audit reports have moved into this meeting. The procurement plan report has moved to December at this stage, but this is still being finalised.

Resolution

Moved Chairperson Robertson, seconded Cr Spraggon **and resolved:**

That the Finance and Assurance Committee:

- a) receives the report titled “Finance and Assurance Committee work plan for the year ended 30 June 2025”**
- b) Notes amendments made to the workplan.**

Councillor Ruddenklau arrived at 12.52pm.

7.2 Internal Audit Terms of Reference - Review of the Request for Service System and the audit of the Stewart Island/Rakiura Visitor Levy

Record No: R/24/10/63041

GM finance and assurance, Anne Robson and Melissa Wilson from Deloitte spoke to this report and explained that this report was to consider and agree the terms of reference for the sixth and seventh internal audits planned, relating to the audit of the Stewart Island/Rakiura Visitor Levy and a review of the request for service system.

Deloitte have respectfully requested an increase to the fee for the review of the request for service system, due to multiple systems being used in Council to record requests. As such we are seeking approval of up to an additional \$9,000 to be funded from the District Operations Reserve, if required.

In regards to the request for service system audit, looking at the feedback loop and ensuring that the RFS have been closed well, meaning the customer is happy with the result and the request has been completed in a timely and satisfactory manner.

Chair Robertson asked if the Stewart Island Visitor Levy audit has been completed before, Cr Keast responded that it hasn't but, is welcomed. Operators will be notified that the audit is being undertaken and give them dates and ask for them to participate if requested.

Resolution

Moved Deputy chairperson Scott, seconded Cr Keast **and resolved:**

That the Finance and Assurance Committee:

- a) **receives the report titled “Internal Audit Terms of Reference - Review of the Request for Service System and the audit of the Stewart Island/Rakiura Visitor Levy” dated 11 October 2024.**
- b) **determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **approves the internal audit terms of reference for the audit of the Stewart Island/Rakiura Visitor Levy and the review of the Request for Service system attached to this report.**
- e) **recommends to Council the approval of up to an additional \$9,000 plus GST to complete the audit of the Request for Service system funded from the District Operations Reserve, if required.**

7.3 Annual dog control report.

Record No: R/24/10/64189

GM regulatory services, Adrian Humphries spoke to this report and explained that this is a requirement under the Dog Control Act legislation to report the statistics back to the committee and the information forms part of the national statistics on dogs that is publicly released.

This year more infringement notices have been issued, targeting those owners who historically continually break the rules. Usually these owners have been sent up to five infringement notices.

Resolution

Moved Cr Ruddenklau, seconded Deputy chairperson Scott **and resolved:**

That the Finance and Assurance Committee:

- a) **receives the report titled “Annual dog control report.” which was submitted to the Department of Internal Affairs.**

7.4 Financial Report for the period ended 31 August 2024

Record No: R/24/10/63540

Project accountant, Jo Hooper spoke to this report. An additional section added on treasury as requested previously. CAPEX report will be phased and will be included at the next Committee meeting.

Chair asked about the negative cashflow, this relates to the delay of the first rates instalment due to the Long Term Plan delay and this will correct itself in the next report.

Chair Robertson directed the committee to the key indicators within the report and our interest rate is out of policy in years four, five and six, staff will investigate ways to bring this back into policy closer to these dates.

Resolution

Moved Chairperson Robertson, seconded Cr Frazer **and resolved:**

That the Finance and Assurance Committee:

- a) **Receives the report titled "Financial Report for the period ended 31 August 2024".**
- b) **Acknowledges an inconsistent decision, in that Council is not currently meeting its interest rate exposure thresholds for year four to year six due to the repayment of debt. Future debt will be tailored to align with the thresholds required.**
- c) **Recommends Council consider this issue and any changes necessary when the Investment and Liability Policy is next reviewed.**

7.5 Draft unaudited Annual Report 2023/2024

Record No: R/24/10/62011

Corporate performance lead, Robyn Laidlaw presented this report and asked the Finance and Assurance committee (the committee) to provide feedback and endorse the release of the draft annual report (annual report) for the year ended 30 June 2024 for audit.

Deloitte are scheduled to undertake their audit fieldwork from 14 October to 15 November.

GM finance and assurance, Anne Robson spoke to the financials in the draft Annual Report and summarised the main financial areas of the report.

Ms Robertson will do a reconciliation on the liabilities showing in the Annual Report and send this to Councillors.

Resolution

Moved Chairperson Robertson, seconded Cr O'Brien **and resolved:**

That the Finance and Assurance Committee:

- a) **Receives the report titled "Draft unaudited Annual Report 2023/2024" dated 11 October 2024.**
- b) **Determines that this matter or decision be recognised as significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Endorses the draft unaudited annual report for the year ended 30 June 2024, including any amendments agreed at this meeting.**
- e) **Approves the release of the draft unaudited annual report for the year ended 30 June 2024 for audit, including any agreed amendments from this meeting.**
- f) **Agrees to delegate authority to the Chief Executive and the Chair Finance and Assurance to approve any further amendments to the draft unaudited annual report for the year ended 30 June 2024 subsequent to this meeting, and prior to providing the draft to Council's auditors.**

During the above discussion Councillor Greaney left the meeting at 2.07pm and returned at 2.09pm.

7.6 Analysis of Actual Results to Forecast for the year ended 30 June 2024

Record No: R/24/10/63653

Project accountant, Jo Hooper and systems accountant Matthew Denton spoke to this report and outlined the main variances and the reasons for them to the Committee.

Resolution

Moved Deputy Mayor Menzies, seconded Cr Keast **and resolved:**

That the Finance and Assurance Committee:

- a) **Receives the report titled "Analysis of Actual Results to Forecast for the year ended 30 June 2024" dated 11 October 2024.**

7.7 Annual Plan 2025/2026 - Project timetable key dates

Record No: R/24/10/62013

Corporate performance lead, Robyn Laidlaw spoke to this report and was seeking the approval of the Finance and Assurance Committee (the committee) for the Annual Plan 2025/2026 project timetable.

The project timetable outlines the key milestones to ensure that the Annual Plan is ready for approval by 30 June 2025.

Staff were seeking approval for the proposed project plan, as detailed in the body of this report, noting a proposed change to a Committee and Council meeting dates in February 2025.

Resolution

Moved Cr Frazer, seconded Deputy Mayor Menzies **and resolved:**

That the Finance and Assurance Committee:

- a) Receives the report titled “Annual Plan 2025/2026 - Project timetable key dates” dated 11 October 2024.**
- b) Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) Approves the key dates for the Annual Plan 2025/2026 as follows:**

Community Board workshops	7 Nov to 25 Nov 2024	
Council workshop to discuss draft Annual Plan	Nov 2024	Date to be confirmed
Community board meetings - recommend variances and rates to Council	3 to 17 Dec 2024	
Council meeting to receive the draft local and district budgets for Annual Plan 2025/2026	29 Jan 2025	
Finance and Assurance Committee to recommend adoption of consultation document (if required)	12 Feb 2025	Change of meeting date
Council meeting to consider and adopt budgets (and consultation document if required)	19 Feb 2025	Change of meeting date
Public consultation (if required)	06 March to 07 April 2025	

Council to hear annual plan submissions and deliberations (if required)	15 and 16 April	Two days if required
Council workshop or Finance and Assurance Committee meeting – Draft plan for review	14 May 2025	
Finance and Assurance meeting to recommend adoption of Annual Plan	11 June 2025	
Council meeting - Adoption Annual Plan	25 June 2025	

- e) **Requests staff make date changes for Finance and Assurance Committee and Council meetings as follows,**
- **Reschedule the Council meeting at 9.30am on Wednesday 12 February 2025 to 9.30am on Wednesday 19 February 2025.**
 - **Reschedule the Finance and Assurance meeting at 9.30am on Wednesday 19 February 2025 to 9.30am on Wednesday 12 February 2025.**

During the above discussion Deputy Chair Scott left the meeting at 2.27pm.

7.8 Draft Accounting Policies for the 2025/2026 Annual Plan

Record No: R/24/10/63659

Project accountant, Jo Hooper spoke to this report and asked the Committee to endorse the draft accounting policies to be used to compile the 2025/2026 Annual plan, which will be adopted in June 2025.

Resolution

Moved Chairperson Robertson, seconded Cr Keast **and resolved:**

That the Finance and Assurance Committee:

- a) **Receives the report titled “Draft Accounting Policies for the 2025/2026 Annual Plan” dated 11 October 2024.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Endorses the accounting policies detailed in Attachment A (of the officer’s report) for use in the 2025/2026 Annual plan.**

7.9 Changes to Significant Forecasting Assumptions for the Annual Plan 2025-2026

Record No: R/24/10/62547

Corporate performance lead Robyn Laidlaw and GM finance and assurance, Anne Robson spoke to this report and explained that the purpose of the report was to review and recommend to Council the changes to the significant forecasting assumptions from the 2024-34 Long Term Plan to be used to support the Annual Plan 2025/2026, which will be adopted in June 2025.

Resolution

Moved Chairperson Robertson, seconded Cr Duffy **and resolved:**

That the Finance and Assurance Committee:

- a) **Receives the report titled "Changes to Significant Forecasting Assumptions for the Annual Plan 2025-2026" dated 06 September 2023.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Endorses the following changes to the 2024-34 Long Term Plan assumptions**
 - **Interest on borrowings at 4.91%**
 - **Forestry assets, will be based on the latest forest management and harvest plan.**
 - **The emissions trading scheme will be held at the quantity and value as at the 30 June 2024**
- e) **Endorses other relevant wording changes to the 2024-34 Long Term Plan assumptions to enable relevance to this 2025-26 Annual Plan**
- f) **Notes that any new information arising between now and the adoption of the Annual Plan 2025-2026 that may impact the significant forecasting assumptions noted in Attachment A will be presented to the Committee and Council for consideration and endorsement**

The meeting concluded at 2.38pm

Confirmed as a true and correct record of a meeting of the Finance and Assurance Committee held on 16 October 2024.

DATE:.....

CHAIRPERSON:.....