



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 Wednesday, 25 June 2025 at 10am. (10.01am – 4.17pm)

PRESENT

Chairperson	Bruce Robertson (1.02pm – 2.04pm)
Deputy chair	Mayor Rob Scott
Councillors	Jaspreet Boparai
	Don Byars (1.02pm – 3.34pm)
	Derek Chamberlain (10.01am – 3.58pm)
	Paul Duffy (10.08am – 4.17pm)
	Darren Frazer (1.02pm – 2.04pm)
	Sarah Greaney
	Julie Keast (10.01am – 3.51pm)
	Christine Menzies
	Tom O'Brien
	Margie Ruddenklau
	Jon Spraggon via audiovisual link
	Matt Wilson via audiovisual link

IN ATTENDANCE

Group manager finance and assurance	Anne Robson
Committee advisor	Rachael Poole

1 Apologies

An apology for lateness was received from Cr Byars who would be arriving at 1pm.
Cr Frazer made an apology as he would be leaving at 3pm.

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

That the Finance and Assurance Committee accept the apologies.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of interest

Chair Robertson stated that he has a relationship interest with item C8.4 Investment Opportunity, but that this would not impact his ability to chair this item.

4 Extraordinary/urgent items

Item C8.4 – Investment opportunity.

The reason that this was a late item was staff were waiting on additional information when the agenda was run and this report cannot wait until the next Finance and Assurance meeting as a decision for next steps is required prior to the next Finance and Assurance meeting to allow for allocation of staff resources, if required.

5 Confirmation of minutes

Resolution

Moved Chairperson Robertson, seconded Deputy chairperson Scott **and resolved:**

That the Finance and Assurance Committee confirms the minutes of the meeting held on 14 May 2025 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/25/6/29203

GM finance and assurance, Anne Robson spoke to this report and updated the Committee on any changes to the workplan.

Resolution

Moved Chairperson Robertson, seconded Cr Frazer **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.**

During the above discussion, Cr Duffy arrived at 10.08am.

7.2 B2B project update

Record No: R/25/6/27735

Project director, Jendi Paterson and chief executive advisor, Jane Parfitt spoke to this report and updated the Committee on progress with the Back Together Build (B2B) project, i

The total budget allocated for this project is \$15 million. As of the end of May the total expenditure to date stands at \$3,391,288.

The Committee have requested time with the architect which staff will coordinate.

Resolution

Moved Cr Greaney, seconded Deputy chairperson Scott

That the Finance and Assurance Committee:

- a) Receives the report titled “Henderson House refurbishment update”.**
- 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) Notes this report is for information only as it forms an update.**

7.3 Health and safety update

Record No: R/25/6/28982

Organisational health and safety manager, Dave McCone spoke to this report and updated the Committee on health and safety related events and activity from the last quarter.

Resolution

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

That the Finance and Assurance Committee:

- a) Receives the report titled “Health and safety update” dated 16 June 2025 and attached appendices.**

7.4 New Zealand Transport Agency investment audit report for the period 2021/2022 to 2023/2024

Record No: R/25/5/22012

Strategic manager transport, Hartley Hare and GM infrastructure and capital delivery, Fran Mikulicic spoke to this report and updated the Committee on the audit findings and how staff have and will address the recommendations (four) from the audit.

Resolution

Moved Cr Boparai, seconded Cr Keast **and resolved:**

That the Finance and Assurance Committee:

- a) receives the report titled “New Zealand Transport Agency investment audit report for the period 2021/2022 to 2023/2024”.**

7.5 New road maintenance contracts

Record No: R/25/6/29067

Roading engineer, Ben Whelan and Strategic manager transport, Hartley Hare sought endorsement from the committee to proceed with a report to Council supporting the development and procurement of new Roding Network Management, Operation and Maintenance Alliances in line with the outcome from the 17A Review.

While a full procurement plan needs to be worked through, it is proposed that a two-stage interactive process be in accordance with Council and NZTA procurement documents. It is also proposed to retain the provision that no single contractor can be awarded all three regions.

Resolution

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

That the Finance and Assurance Committee:

- a) **receives the report titled “New road maintenance contracts”.**
- 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) **recommends to Council to approve procurement work proceed to the tender stage for the new roading alliance maintenance contract and that the results of the tender evaluation process be reported back to Council for consideration of awarding a contract.**
- e) **request a roading workplan is created and reported on to give a better understanding of the road maintenance contracts.**

Cr Ruddenklau left the meeting at 11.09am and returned at 11.11am.

7.6 Risk management - June 2025 quarterly update

Record No: R/24/12/74711

Risk analyst, Jane Edwards spoke to this report to submit the June 2025 Quarterly Risk Management report for consideration by the Finance and Assurance Committee and seek recommendation to Council for the adoption of Council's proposed priority strategic risks, to become effective in August 2025.

Resolution

Moved Deputy chairperson Scott, seconded Cr O'Brien **and resolved:**

That the Finance and Assurance Committee:

- a) **receives the report titled "Risk management - June 2025 quarterly update ".**
- 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) **notes those risks currently assessed as of greater issue for the June 2025 quarter.**
- e) **recommends to Council the adoption of the proposed priority strategic risk areas as follows, to become effective 1 August 2025:**
 - i. **Adverse event – the risk that Council is unable to appropriately respond to the consequences of a natural or human-induced event impacting the District leading to a loss of critical service continuity**
 - ii. **Change – the risk that Council has inadequate adaptability to respond to a continuously changing environment impacting its ability to achieve the best outcomes for the District**
 - iii. **Climate response – the risk that Council fails to appropriately adapt to, or mitigate the effects of, a changing climate leading to significant financial, economic, and social impacts**
 - iv. **Cyber security – the risk that Council's systems do not have the resilience to protect information assets from cyber-attack and/or error**
 - v. **Decision making – the risk that suboptimal decision making by Council results in misalignment with community needs and/or expectations, or with statutory obligations**
 - vi. **Finance – the risk that Council fails to manage its financial sustainability impacting its ability to fund essential services and projects now and in the future**

- vii. **Health, safety, and wellbeing – the risk that Council is unable to manage the health, safety, and wellbeing of staff, contractors, and the community where reasonably practicable to do so**
- viii. **Social licence – the risk that Council fails to maintain acceptable levels of satisfaction and social licence within the community leading to a loss of mandate to act on its behalf**
- ix. **Strategic relationships – the risk that Council fails to appropriately maintain its local, regional, and national relationships impacting its ability to achieve its objectives**

7.7 Annual Plan 2025/2026 recommended adoption

Record No: R/25/5/24739

Finance development co-ordinator, Nicole Taylor and team leader communications, Chris Chilton spoke to this report and requested the Finance and Assurance committee to review the final draft of the Annual Plan 2025/2026 and recommend its adoption to Council.

The report also requests that the committee endorse and recommend that Council approve unbudgeted expenditure in 2025/2026 for new levies to fund the water services regulation activities by the Water Services Authority – Taumata Arowai.

Resolution

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

That the Finance and Assurance Committee:

- a) **receives the report titled “Annual Plan 2025/2026 recommended adoption”.**
- 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) **notes that Council confirmed the fees and charges for inclusion in the Annual Plan 2025/2026 at its meeting on 28 May 2025.**
- e) **notes that Council received the financial information for the Annual Plan 2025/2026 at its 5 March 2025 meeting, and resolved not to consult, as the plan does not contain significant or material changes from year two of the Long Term Plan 2024–2034.**
- f) **notes that the Annual Plan 2025/2026 (Attachment A) remains materially unchanged from the version considered on 5 March 2025.**

- g) **notes after considering the matters outlined in Section 100 of the Local Government Act 2002, that the Annual Plan 2025/2026 projects operating revenues that are insufficient to fully meet operating expenses to achieve a balanced operating budget and acknowledges that this is in line with Council's Long Term Plan 2024–2034 and previous policy decisions regarding the partial funding of depreciation recognising that Council remains committed to returning to a balanced budget by 2031/2032.**
- h) **recommends to Council the adoption of the Annual Plan 2025/2026 (Attachment A).**
- i) **endorses and recommends that Council approve unbudgeted expenditure for the Water Services Authority – Taumata Arowai, levies of \$131,699 (excl GST) to be funded by the interest earned on the water and wastewater development contributions.**

Cr Ruddenklau and Cr Chamberlain requested their dissenting votes be recorded.

During the above discussion Cr Duffy left the meeting at 11.25am and returned at 11.27am.

7.8 Financial Report for the period ended 30 April 2025

Record No: R/25/6/28487

Financial accountant, Jo Hooper spoke to this report and gave the Finance and Assurance Committee an overview of the financial results for the ten months to 30 April 2025.

Resolution

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

That the Finance and Assurance Committee:

- a) **receives the report titled "Financial Report for the period ended 30 April 2025"**
- b) **determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002**
- c) **acknowledges an inconsistent decision, in that Council is not currently meeting its interest rate exposure thresholds for year four to year five due to the maturity dates of some loans. Future debt funding will be aligned with the thresholds required. Noting that Council has previously agreed to consider this issue and any changes necessary as part of the Investment and Liability Policy review.**

During the above discussion Cr Wilson left the meeting at 11.51am and returned at 11.57am.

Item 7.10 was moved forward in the agenda to be the next item.

7.10 Investment and Liability Management Policy review

Record No: R/25/6/28790

Financial accountant Jo Hooper and Brett Johansen from PWC presented the draft Investment and Liability Management Policy to Finance and Assurance for its consideration and endorsement to Council for adoption.

Overall, the key changes to the policy include:

- clarifying the policy requirements, including better guidance around investment of reserves, and the borrowing controls and limits, to minimise non-compliance areas.
- increasing the maximum amount allowed in any one bank including the option of investing in SBS
- update definitions to be consistent with regulations.
- updating the reporting requirements, roles and responsibilities

Resolution

Moved Cr Ruddenklau, seconded Cr Greaney **and resolved:**

That the Finance and Assurance Committee:

- a) receives the report titled “Investment and Liability Management Policy review”.**
- 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 and recommends to Council the draft Investment and Liability Management Policy as included in attachment A**

Public excluded

Exclusion of the public: Local Government Official Information and Meetings Act 1987

Resolution

Moved Cr Keast, seconded Cr Ruddenklau **and resolved:**

That the public be excluded from the following part(s) of the proceedings of this meeting.

C8.1 Annual insurance renewal (for the year 1 July 2025 to 30 June 2026)

C8.2 Cyber security update - March 2025 to June 2025

C8.3 Water services facilities and hygiene audits

C8.4 Investment Opportunity

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
Annual insurance renewal (for the year 1 July 2025 to 30 June 2026)	s7(2)(b)(ii) - the withholding of the information is necessary 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.	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 exists.
Cyber security update - March 2025 to June 2025	s7(2)(e) - the withholding of the information is necessary to avoid prejudice to measures that prevent or mitigate material loss to members of the public. s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage.	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 exists.
Water services facilities and hygiene audits	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. s7(2)(g) - maintain legal professional privilege. s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	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 exists.
Investment Opportunity	s7(2)(b)(ii) - the withholding of the information is necessary to protect	That the public conduct of the whole or the relevant part of the

	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.	proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.
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The public were excluded at 12.32pm.

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available unless released here.

The Finance and Assurance Committee meeting was adjourned at 12.32pm and reconvened in public excluded at 1.02pm.

The Finance and Assurance meeting returned to public at 4.17pm

Moved Deputy chairperson Scott, seconded Cr Boparai and **resolved that** item 7.9 - Draft Insurance Policy is moved to a later meeting due to the late time of day.

The meeting concluded at 4.17pm.

Confirmed as a true and correct record of a meeting of the Finance and Assurance Committee held on Wednesday 25 June 2025.

DATE:

CHAIRPERSON: