

MINUTES OF THE FINANCE REGULATORY AND BUSINESS SUPPORT OF THE GREY DISTRICT COUNCIL

Held in Council Chambers, 105 Tainui Street, Greymouth
on Wednesday 1 February 2023 commencing at 2.00pm

PRESENT: Cr Rex MacDonald (Chair)
Mayor Tania Gibson, Councillor Allan Gibson, Councillor Kate Kennedy, Councillor Robert Mallinson, Councillor Tim Mora, Kaiwhakahaere Francois Tumahai

IN ATTENDANCE: Paul Morris (Chief Executive), Aaron Haymes (Group Manager Operations), David Codyre (Acting Group Manager Strategy, Policy & Corporate Support), Tracy Fitzgerald (Finance Manager), Michael McEnaney (Environmental Planning Manager), Trish Jellyman (Democracy Advisor), Megan Bourke (Communications Officer)

1 APOLOGIES AND DECLARATIONS OF INTEREST

1.1 APOLOGIES

APOLOGY

Moved: Cr Rex MacDonald

Seconded: Cr Tania Gibson

That the apology received from Cr Jack O'Connor and Kaiwhakahaere Francois Tumahai (for lateness) be accepted and leave of absence granted.

Carried Unanimously

Nil

1.2 UPDATES TO THE INTERESTS REGISTER

There were no updates to the Interest Register.

1.3 IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA

There were no declarations of interest.

1.4 NOTIFICATION OF LATE ITEMS

There were no late items.

2 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

2.1 CONFIRMATION OF THE FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 5 DECEMBER 2022

COMMITTEE RESOLUTION FRABS 23/02/001

Moved: Cr Allan Gibson
Seconded: Mayor Tania Gibson

That the minutes of the Finance Regulatory and Business Support Committee held on 5 December 2022 be confirmed as true and correct.

Carried Unanimously

3 AGENDA ITEMS

3.1 COMMUNITY COMPASS - QUARTERLY REPORT TO 30 SEPTEMBER 2022

Justin Lester, (from Dot loves Data) joined the meeting via Zoom and shared his screen. Mr Lester took the meeting through his report and highlighted various sections. Mr Lester answered questions from Councillors regarding matters in the report.

Cr Mallinson queried why was this matter is on the agenda and not just circulated. The AGMSPCS advised that item is part of the LTP process and is helpful for Elected Members to understand issues. The CE advised that Council has access to all this information and third parties including police provide this information. Discussion took place on the possible need to invest more in social housing. Cr Mora commented that deprivation relates to crime and he is concerned as to how Council can help communities, as Council may need to consider how it sets rates. Cr Kennedy commented that a new census is starting soon, and this should provide better data. Her Worship expressed concern with the area that is classed as Nelson Creek and much this area covers. The CE offered to run a workshop to step Councillors through this process and to provide background information. It was confirmed that crime rates are obtained from the Police.

The AGMSPCS advised that this report will be presented to this committee quarterly.

COMMITTEE RESOLUTION FRABS 23/02/002

Moved: Cr Rex MacDonald
Seconded: Mayor Tania Gibson

1. That the Finance Regulatory and Business Support Committee receive the report.

Carried Unanimously

3.2 2022 NZ ETS OBLIGATION

The Acting Group Manager Strategy Policy & Corporate Support (AGMSPCS) spoke to this report and took it as read. He provided further clarification on funding and how this fits with the Annual Plan process, what happens if Council has a deficit or a surplus and how this is managed. The Chairman noted that Council will not be loan funding this. The AGMSPCS answered questions relating to demolition waste, the disposal of this, and fees and charges. Cr Gibson stated that the public need to be made aware of the potential cost increases. The AGMSPCS advised that Council is also impacted by running a boiler at the WRC and for every ton of coal purchased, Council pays a surcharge for the ETS.

Her Worship clarified that the new dump at Taylorville is not owned by Council, but said that building waste must go to a certified tip / dump. Her Worship is concerned about the financial impact on ratepayers and the potential for more fly tipping if costs continue to increase, and that Council needs to look at waste strategies. The AGMSPCS explained the ways that carbon credits could previously be purchased. Cr Mora stated that as the price goes up, Council may need to consider subsidies and work on waste minimisation to avoid fly tipping. The AGMSPCS advised that this time around there is a need to go outside Council's budget and approval is required for this. Cr Gibson queried as to whether the possibility of planting trees

could be offset. The CE explained that Council would need to join the ETS, he outlined the process involved to do this. Cr Kennedy spoke of projects like Aromahana Sanctuary and other environmental projects, she asked if Council has enough Council owned land to cover this. The Chairman stated that is a matter for the annual plan process. Her Worship spoke of the upcoming stocktake of Council owned land that may be used. The CE explained the Reserves Act and advised changes cannot be made to reserves uses. Further discussion took place on carbon credits and the liability around selling and harvesting and replanting.

COMMITTEE RESOLUTION FRABS 23/02/003

Moved: Cr Rex MacDonald

Seconded: Cr Allan Gibson

1. That the report be received
2. That the Finance Regulatory and Business Support Committee approve the purchase of 3,853 Carbon Credits to satisfy its 2022 NZ ETS obligations.
3. Approve the Chief Executive to sign the agreement on behalf of the Council.

Carried Unanimously

3.3 CARBON CREDIT FORWARD CONTRACTS

The AGMSPCS spoke to this report and took it as read. He advised that by locking into a formal contract this locks Council into an agreed price and gives certainty, and by June this year Council will have 75% of its requirement.

The AGMSPCS explained the table on page 26 of the agenda, and answered questions. Cr Mora queried that as it is election year, could there be more changes to the ETS scheme in view of this. The CE commented that Council needs to ensure that it has flexibility around renewals. It was noted that the market is very new and is expected to continue to go up. The AGMSPCS spoke of pricing and what has happened over the last 3 – 4 years, along with Government's efforts to work around climate change. The CE advised that there was a time when European carbon came onto the market which drove the price down, but there was an issue with how valid these carbon credits were as there was no way of checking where and how they are generated. Her Worship stated that some education around the ETS would be helpful and would be beneficial to all as this is very important. The CE confirmed that any contracts he enters into will be reported back to this Committee.

COMMITTEE RESOLUTION FRABS 23/02/004

Moved: Cr Rex MacDonald

Seconded: Cr Tania Gibson

COMMITTEE RESOLUTION

1. That the report be received.
2. That the Finance Regulatory and Business Support Committee resolve to authorise Council officers to enter into carbon credit forward contracts; and
3. The Chief Executive be delegated authority to sign carbon forward contracts in excess of their financial delegation but within the policy limits of the Council's Carbon Management Policy.

Carried Unanimously

3.4 PROPOSED CHANGE TO OPENING HOURS AT 105 TAINUI STREET

The AGMSPCS spoke to this report and took it as read. He stated that the current opening hours are 8:00am – 5:00pm Monday to Friday but this looking to change to 8:30am to 4:30pm. He gave examples of the opening hours of other Councils. Her Worship stated that she is concerned that Council is moving towards to a more Customer Focussed Council, and she feels that tradespeople come in early in the morning to deal with staff. The CE commented that often people use the phone to speak with the building team. He stated that the evidence shows very little foot traffic in the mornings. The CE confirmed this will not reduce service and staff are still available at 8:00am. Cr Mora asked when this is to be implemented. The AGMSPCS advised that a change project plan will be put in place, this will be communicated, and the change will be put in place in around three months' time. Cr Kennedy asked what has driven the change. The AGMSPCS responded that there are issues around staff sickness, unavailability of key staff at this time which places pressure on the finance team along with concerns around health and safety. Cr Mallinson stated that he supports this as it is not out of line with what other Council's are doing around the region. He also feels that security is a big issue. It was agreed that a trial period is not required but the community must be given adequate notice. Her Worship stated she is happy with moving away from the 8:30am opening but feels people may be disappointed that Council is not staying open until 5:00pm. Cr Kennedy agreed with Her Worship. It was confirmed that there has been no request for a late night opening.

COMMITTEE RESOLUTION FRABS 23/02/005

Moved: Cr Robert Mallinson

Seconded: Cr Tim Mora

1. That the report be received.
2. That the Finance Regulatory and Business Support Committee approve the change in opening hours of 105 Tainui Street to 8.30am to 4.30pm on weekdays excluding public holidays.

Against Her Worship

Against Cr Kennedy

Carried

3.5 LGOIMA REQUESTS RECEIVED BETWEEN 20 NOVEMBER 2022 AND 31 DECEMBER 2022

The CE took this report as read and stated that this is based on information normally provided. He drew attention to a new line in the report for late responses that are not completed with 20 working days. He stated that the important matter to note is the turnaround. There are four requests completed outside of the 20 day legislated timeframe. The CE advised that Council does ask for an extension of time if there is a complex request that requires more time. Cr Gibson commented that he thought there would have been more media requests.

COMMITTEE RESOLUTION FRABS 23/02/006

Moved: Cr Rex MacDonald

Seconded: Cr Tim Mora

1. That the Finance Regulatory and Business Support Committee receive the report.

Carried Unanimously

3.6 COUNCIL FINANCIAL REPORT FOR THE 6 MONTHS ENDING 31 DECEMBER 2022

The AGMSPCS spoke to this report and stated this is the half yearly report.

Cr Mallinson asked if there is a systemic underbudgeting problem. The AGMSPCS responded that the budget was based on the LTP year 2. He stated that there has not been a scientific approach to budgeting to date. He gave the example of IT where there is a capital budget of \$27,000 for the year across three years which equate to \$1,000 per staff member over three years. He stated that there are some areas where the budget is not sufficient. Cr Mallinson requested that the financial performance table on page 38 placed higher up in the report. The CE agree to make this change. The GMSPCS explained future changes to this report. The Chairman thanked the AGMSPCS for putting a process in place and providing information in a timely manner and noted that the financial information is now only a month behind as previously it has been around six months behind. It was confirmed that inflation has been a huge contributing factor to the financial performance.

COMMITTEE RESOLUTION FRABS 23/02/007

Moved: Cr Rex MacDonald

Seconded: Cr Robert Mallinson

1. That the Finance Regulatory and Business Support Committee receives the report.

Carried Unanimously

4 IN COMMITTEE ITEMS

COMMITTEE RESOLUTION FRABS 23/02/008

Moved: Cr Rex MacDonald

Seconded: Cr Tania Gibson

That the Finance Regulatory and Business Support Committee resolves to exclude the public on the grounds contained in Section 48(1) of the Local Government Official Information and Meetings Act:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
4.1 - CONFIRMATION OF IN COMMITTEE MINUTES OF FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 5 DECEMBER 2022	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 s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority	s48(1)(a)(i) - the public conduct of 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 under section 6 or section 7

Carried Unanimously

5 SUB-COMMITTEE RESUME IN OPEN MEETING

CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING.

The meeting concluded at 3.21pm

Confirmed

R MacDonald

Chairperson

____/____/____

Date

UNCONFIRMED