

DRAFT UNCONFIRMED MINUTES

**OF THE PERFORMANCE, AUDIT AND RISK COMMITTEE MEETING
HELD IN THE COUNCIL CHAMBER, THIRD FLOOR, OFFICE OF THE WAITAKI DISTRICT
COUNCIL , 20 THAMES STREET, OAMARU
ON TUESDAY, 29 JULY 2025 AT 9:00 AM**

PRESENT: Simon Neale (Chair), Mayor Gary Kircher, Deputy Mayor Hana Halalele, Cr Tim Blackler, Cr Brent Cowles, Cr Jeremy Holding, Cr Jim Hopkins, Cr Rebecca Ryan

IN ATTENDANCE: Paul Hope (Support Services Director)
Joanne O'Neill (Strategy, Performance & Design Director)
Amanda Nicholls (Chief Financial Officer)
Peter Keegan (People & Capability Manager)
Arlene Goss (Governance Services Lead)
Allyson Woock (Governance Services Officer)
Jason Lilley (Website & Digital Content Creator)

MEETING LIVESTREAM RECORDING: This meeting was livestreamed on Council's YouTube channel, the recording of which can be found at the following link:
<https://www.youtube.com/live/zqiWLN-HTp0?si=qyGeY2ZeWycN86y7>.

MEETING OPEN

THE CHAIR DECLARED THE MEETING OPEN AT 9:01AM AND WELCOMED EVERYONE PRESENT.

1 APOLOGIES

RESOLVED PAR 2025/040

Moved: Cr Tim Blackler
Seconded: Mayor Gary Kircher

That the apology received from Cr John McCone (for absence) be accepted.

CARRIED

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 CONFIRMATION OF PREVIOUS MEETING MINUTES

**3.1 PUBLIC MINUTES OF THE PERFORMANCE, AUDIT AND RISK COMMITTEE
MEETING HELD ON 24 JUNE 2025**

RESOLVED PAR 2025/041

Moved: Cr Jim Hopkins
Seconded: Cr Tim Blackler

That the Performance, Audit and Risk Committee confirms the public minutes of the Performance, Audit and Risk Committee Meeting held on 24 June 2025, as a true and correct record of that meeting, with minor corrections to grammar and punctuation.

CARRIED

4 DECISION REPORTS

4.1 TREASURY STRATEGY, FY 2025-2026 FIRST QUARTER

The circulated report discussed Council's proposed Treasury Strategy for the first quarter of the 2025-26 financial year, reviewed the benefits arising from Council's membership of the Local Government Funding Agency (LGFA), and considered the recommendations put forward by officers.

Chief Financial Officer Amanda Nicholls spoke to the report, noting it proposed continuing the same approach to the Treasury Strategy as previous quarters, aiming to maximise investment returns while keeping borrowing costs low. Ms Nicholls then responded to questions from committee members.

There was discussion regarding whether some of the funds sitting in Council's call account could be placed in a term deposit with higher yield. It was explained that the fund balances in the call account were kept as low as practical and only forecast to be there for a short-term period.

It was noted by the Chair that the report didn't accurately reflect the current market situation, as the OCR has been consistently decreasing since 2023, not only for the past six months as stated in the report. It was noted that the reference in the report to increased borrowing costs due to changes to the OCR over the past two years was therefore incorrect.

It was also noted that the future borrowing forecasts for the next nine years as presented in the report did not include water services capital expenditure. Following Council's decision regarding Southern Water Done Well, the forecasts are being reworked to include water services capital expenditure.

It was acknowledged work would need to be done to update the Treasury Strategy in light of reworked future borrowing forecasts, including reviewing the pros and cons of getting a credit rating and analysing borrowing limits and debt ratios. This would involve working with Bancorp.

It was suggested that Bancorp be invited to attend the next Council workshop on the Council's Water Services Delivery Plan.

RESOLVED PAR 2025/042

Moved: Member Jim Hopkins

Seconded: Deputy Mayor Hana Halalele

That the Performance, Audit and Risk Committee recommends:

That Council:

1. Adopts a Treasury Strategy for the first quarter of the 2025-26 financial year which includes:
 - a) Monitoring available cash and projecting future cash requirements
 - b) Liaising with the Local Government funding Agency (LGFA) to ensure Council's ability to function and deliver on behalf of its communities is not impeded by lack of funds
 - c) Obtaining advice and support from Bancorp Treasury Services on key projects in addition to ensuring compliance with policy limits
 - d) Investing funds considered surplus to immediate requirements based on current forecasts to best advantage to maximise returns.

CARRIED

5 MEMORANDUM REPORTS

5.1 FINANCIAL REPORT FOR QUARTER 4 FY2025

The circulated report presented the projected financial results for the 12 months ended 30 June 2025 and included explanations for variances against budget.

Chief Financial Officer Amanda Nicholls spoke to the report, emphasising the results in the report were still draft as final year end accruals and adjustments are yet to be made, and the infrastructure revaluation has not yet been accounted for.

A question was raised regarding Council's borrowing costs being higher than budgeted despite total borrowings being less than budgeted. It was explained that the timing of the borrowing was a factor. While there was less borrowing over the financial year, there was more borrowed earlier in the year than budgeted. This earlier borrowing then incurred interest costs for a longer period. Ms Nicholls offered to distribute a breakdown of the borrowing costs by month to the committee members following the meeting.

There was discussion surrounding personnel costs, including the capitalisation of salaries, the variance in recruitment costs, backfilling for staff vacancies, and contextualising these within the Transformation Programme. It was noted by the Chair that salaries and wages had increased significantly since 2020. Following questions about staff levels, People & Capability Manager Peter Keegan provided a verbal update of current FTE figures. This confirmed the significantly higher numbers were correct and it would still be some time before the benefits of Transformation flowed through.

Deputy Mayor Hana Halalele requested there be narrative around personnel costs in future reports to provide better context on the reasons for the increases.

Mayor Gary Kircher requested a report come back to the PAR Committee with updated financials on the transformation programme to understand costs and resources to date, including the use of carry forward project funding that might have been allocated by the previous Council for transformation.

Cr Rebecca Ryan left the meeting at 9:49am.

Mayor Gary Kircher left the meeting at 9:49am.

Mayor Gary Kircher returned to the meeting at 9:50am.

Cr Brent Cowles joined the meeting online via Zoom at 9:50am.

Cr Rebecca Ryan returned to the meeting at 9:51am.

RESOLVED PAR 2025/043

Moved: Mayor Gary Kircher

Seconded: Cr Jim Hopkins

1. That the Performance, Audit and Risk Committee receives and notes the information.
2. That officers bring a report to the Performance, Audit and Risk Committee detailing costs and resources allocated to the Transformation Programme.

CARRIED

5.2 TREASURY REPORT TO 30 JUNE 2025

The circulated report provided members of the committee with an overview of the Treasury function for the fourth quarter ended 30 June 2025, and the Bancorp Quarterly Treasury Dashboard Report for the same period.

The report was taken as read with no discussion, as questions had already been addressed through discussion on agenda item 5.1.

RESOLVED PAR 2025/044

Moved: Cr Tim Blackler

Seconded: Cr Rebecca Ryan

That the Performance, Audit and Risk Committee receives and notes the information.

CARRIED

5.3 HEALTH AND SAFETY UPDATE

The circulated report provided an update on the incidents reported during the period 31 March to 30 June 2025.

People & Capability Manager Peter Keegan spoke to the report and responded to questions seeking further detail about the incidents that were reported.

In response to a question regarding the airport not being included in the health and safety update despite being deemed high risk, Mr Keegan confirmed that there had been no incidents at the airport in the reporting period.

Concern was expressed regarding the increasing trend of violence and aggression towards Council staff and at Council facilities, especially where other members of the public are present and may be at risk of harm. A question was raised regarding how this will be managed now that customers are being redirected from the Council HQ building to the library and swimming pool for services, where there could be more people present.

Mr Keegan responded that this consideration was being factored into the design of a permanent kiosk solution at the library, and would inform staff training going forward. Support Services Director Paul Hope added that there was also a focus on the safety of staff who are out and about in the district and potentially isolated.

RESOLVED PAR 2025/045

Moved: Cr Jim Hopkins

Seconded: Deputy Mayor Hana Halalele

That the Performance, Audit and Risk Committee note the incidents reported between 31 March and 30 June 2025.

CARRIED

6 RESOLUTION TO EXCLUDE THE PUBLIC

RESOLVED PAR 2025/046

Moved: Cr Tim Blackler

Seconded: Cr Jim Hopkins

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 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 for the passing of this resolution
7.1 - Accounts Payable as at 30 June 2025	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>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</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	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
7.2 - Accounts Receivable as at 30 June 2025	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	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

7 PUBLIC EXCLUDED SECTION

The Public Excluded section of the meeting commenced at 10:05am.

8 RESOLUTION TO RETURN TO THE PUBLIC MEETING

RESOLVED PAR 2025/047

Moved: Cr Tim Blackler

Seconded: Cr Rebecca Ryan

That the Performance, Audit and Risk Committee resumes in open meeting and decisions made in the Public Excluded section of the meeting are confirmed and made public as and when required and considered.

CARRIED

9 MEETING CLOSE

The Chair declared the meeting closed at 10:31am.

TO BE CONFIRMED at the Performance, Audit and Risk Committee Meeting to be held on Tuesday, 26 August 2025.

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CHAIRPERSON