

Confirmed Minutes of the meeting of the Finance, Audit and Risk Committee held in the Wellington Regional Council Chamber, 142 Wakefield Street, Wellington on Tuesday, 22 September 2009 at 9.30 am

Present

Councillors Aitken (Chairperson), Donaldson, Glensor, Greig, Kirton, and Wilde.

Also Present

Councillor Paul Bruce, Mr Stuart Henderson (Asia Pacific Risk Management), Ms Karen Young (Audit New Zealand).

Public Business

FAR 109 **Apologies**

Moved

(Cr Aitken/Cr Donaldson)

That the Committee accepts the apology for absence from Mr Hakaraia, the apology for lateness from Councillor Kirton and the apology for the early departure of Councillor Wilde from the meeting.

The motion was **CARRIED**.

Moved

(Cr Aitken/Cr Wilde)

1. *That under Standing Order 23.5, Report 09.574– Water Supply financial information 2008/9 – be added to the agenda.*
2. *The report is not on the agenda because it was not finalised until after the agenda had been prepared and order paper had been distributed.*
3. *Discussion on the matters contained in the report cannot be delayed until the next meeting because the Water Supply Annual Report needs to be approved and sent out to the customers prior to the next meeting of the Finance, Audit and Risk Committee.*

The motion was **CARRIED**.

FAR 110 **Declarations of possible conflict of interest**

There were no declarations of possible conflict of interest.

FAR 111 **Public participation**

No members of the public participated in the meeting.

FAR 112 **Confirmation of minutes of previous meeting**

Moved (Cr Donaldson./Cr Glensor)

That the Committee:

Confirms the minutes of the meeting of 11 August 2009, Report 09.484, and Report PE 09.485.

The motion was **CARRIED**.

FAR 113 **Exclusion of the Public**

Report 09.570

File: E/06/30/02

Moved (Cr Donaldson/ Cr Wilde)

That the Committee

1. *Exclude the public from the following part of the proceedings of this meeting namely:*

Treasury Management Review

The general subject of each matter to be considered while the public is excluded, the reasons 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:

<i>General subject of each matter to be considered:</i>	<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground under section 48(1) for the passing of this resolution</i>
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<i>Treasury Management Review</i>	<i>The report contains information provided by banking providers relating to interest rate margin pricing. Release of this information would be likely to prejudice their commercial position as it would reveal their pricing. In the circumstances, this is considered unreasonable given the environment financial providers operate in. Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of the meeting that would override this prejudice to their commercial position.</i>	<i>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 under section 7(2)(b)(ii) of the Local Government Official Information and Meetings Act 1987 (i.e to protect information where the making available of that information would be likely unreasonably to prejudice the commercial position of the person who supplied or is the subject of the information).</i>
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This resolution is made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as specified above.

2. Permit Stuart Henderson of Asia Pacific Risk Management to remain at this meeting, after the public has been excluded, because of his knowledge of Greater Wellington's treasury activities and relationships with its bankers. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because Mr Henderson advises the Greater Wellington on treasury matters as required.

The motion was **CARRIED**.

The public part of the meeting closed at 9.35 am.

The public part of the meeting resumed at 10.35 am.

10.35am - Councillor Wilde departed

FAR 114 **Annual Report for the year ended 30 June 2009****Report 09.555**

File: CFO/02/01/15

Karen Young from Audit New Zealand informed the Committee that the audit was substantially completed. She commended Greater Wellington's annual reporting process and commented that it had gone from strength to strength over the time that she has been involved in auditing it.

With regard to reserves, there was some discussion as to the wording of the reserve titles, (specifically reserve "gg") in the resolutions). Officers will label the reserves less ambiguously in the report to Council, so as to reflect the possible use more clearly.

*Moved**(Cr Donaldson/Cr Greig)**That the Committee:*

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Approves the following net amounts, in addition to those budgeted, being added to or deducted from the respective reserves, subject to any changes requested by the Committee*

(a)	<i>Wai Bovine TB Rate - Bov TB</i>	\$57,979
(b)	<i>Wai Rating Schemes-Catchment Awhea</i>	2,489
(c)	<i>Wai Rating Schemes-Catchment Whareama</i>	4,951
(d)	<i>Wai Rating Schemes-Catchment Homewood</i>	<i>(1,878)</i>
(e)	<i>Wai Rating Schemes-Catchment Mataikona</i>	1,512
(f)	<i>Wai Rating Schemes-Catchment Maungaraki</i>	2,251
(g)	<i>Wai Rating Schemes-Catchment Kaiwhata</i>	3,455
(h)	<i>Wai Rating Schemes-Drainage</i>	<i>(141,632)</i>
(i)	<i>Wai Shingle Royalty</i>	<i>(105,451)</i>
(j)	<i>Wai Rating Schemes-River LWVD</i>	1,001
(k)	<i>Wai Rating Schemes-River Waiohine</i>	<i>(48,238)</i>
(l)	<i>Wai Rating Schemes - Gladstone</i>	<i>(27,438)</i>
(m)	<i>Wai Rating Schemes-River Waipoua</i>	<i>(33,595)</i>
(n)	<i>Wai Rating Schemes-River Waingawa</i>	<i>(21,196)</i>
(o)	<i>Wai Rating Schemes-River Lower Tauera</i>	<i>(244)</i>
(p)	<i>Wai Rating Schemes-River Lower Whangaehu</i>	574
(q)	<i>Wai Rating Schemes-River Upper Mangatarere</i>	906
(r)	<i>Wai Rating Schemes- Te Ore Ore</i>	13,149
(s)	<i>Wai Rating Schemes - Mt Bruce</i>	6,153
(t)	<i>Kopuranga Scheme Reserve</i>	1,257
(u)	<i>Akura Nursery Reserve</i>	11,132
(v)	<i>Bioworks</i>	176,577
(w)	<i>Wairarapa Wetlands</i>	<i>(50,000)</i>
(x)	<i>River Rate Reserve-Hutt City</i>	<i>(54,342)</i>

(y)	<i>River Rate Reserve-Kapiti Coast</i>	64,361
(z)	<i>River Rate Reserve-Porirua City</i>	(8,525)
(aa)	<i>River Rate Reserve-Upper Hutt City</i>	(44,654)
(bb)	<i>River Rate Reserve-Wellington City</i>	(23,186)
(cc)	<i>Consents Management</i>	(92,257)
(dd)	<i>Wellington Flood contingency</i>	(43,000)
(ee)	<i>Wairarapa Flood contingency</i>	(150,000)
(ff)	<i>Plantation Forestry</i>	(2,558)
(gg)	<i>Finance System (SAP) Reserve</i>	1,850,000
(hh)	<i>Wgtn Regional Strategy - Grow Wellington</i>	238,767
(ii)	<i>Rebudget to 07/08-Whiteria Park Ranger Service</i>	(118,170)
(jj)	<i>Rebudget 09 - Completion of TDM review</i>	21,000
(kk)	<i>Rebudget 09 - Vehicle Replacements</i>	71,000
(ll)	<i>Rebudget 09 - Vehicle Replacements</i>	25,000
(mm)	<i>Rebudget 09 - Waiwhetu Stream restoration</i>	300,000
(nn)	<i>Rebudget 09 - QE2 - private land protection covenants</i>	100,000
(oo)	<i>Rebudget 09 - Transport Model</i>	48,750
(pp)	<i>Rebudget 09 - Chrystalls Extended stopbank</i>	22,287
(qq)	<i>Rebudget 09 - Waiwhetu flood improvements</i>	37,065
(rr)	<i>Rebudget 09 - Wairarapa Accomodation Project</i>	20,649
(ss)	<i>Rebudget 09 - Ampla Reporting System</i>	11,027
(tt)	<i>Rebudget 09 - Emergency PS Whitehead</i>	8,238
(uu)	<i>Rebudget 09 - TM Hupochloride</i>	2,891
(vv)	<i>Rebudget 09 - Karori Fault</i>	1,818
(ww)	<i>Rebudget 09 - Beacon Hill building</i>	68,962
(xx)	<i>Rebudget 09 - AQS Kapiti</i>	9,195
(yy)	<i>Rebudget 09 - WRS office</i>	65,119

4. *Adopts the Annual Report for the year ended 30 June 2009, subject to any changes requested by the Committee.*

The motion was **CARRIED**.

FAR 115 **Water Supply financial information 2008/9**

Report 09.574

File: B/21/04/12

Murray Kennedy spoke to the report. He was asked if the recent earthquake risk information for the Wellington region changed the approach to the Stuart Macaskill lakes upgrade. The Committee was informed that it would not as the new information does not change the standard required.

The Committee discussed the status of the Water Strategy.

Moved

(Cr Glensor /Cr Greig)

That the Committee recommends that Council:

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Approves the content in the Water Supply Annual Report.*

The motion was **CARRIED.**

11.10am - Councillor Kirton departed

FAR 116 **Financial report for the two months ended 31 August 2009**

Report 09.556 File: CFO/13/02/01

Moved

(Cr Donaldson /Cr Greig)

That the Committee:

1. *Receives the report.*
2. *Notes the content of the report.*

The motion was **CARRIED.**

The public part of the meeting closed at 11.35am.

CR JE AITKEN
Chairperson

Date:

The matters referred to in these minutes were considered by the Finance, Audit and Risk Committee on 22 September 2009 under public exclusion. These minutes did not require confidentiality and were considered in the public part of the meeting.

Confirmed Minutes of the public excluded part of the meeting of the Finance, Audit and Risk Committee held in the Wellington Regional Council Chamber, 142 Wakefield Street, Wellington on Tuesday, 22 September 2009 at 9.35am

Present

Councillors Aitken (Chairperson), Donaldson, Glensor, Greig, Kirton, and Wilde.

Also Present

Councillor Paul Bruce, Mr Stuart Henderson (Asia Pacific Risk Management).

Business

PEFAR 04 **Treasury Management Review**

9.40am - Councillor Kirton arrived

Barry Turfrey delivered the report.

Mr Stuart Henderson of Asia Pacific Risk Management took this time to speak to the group about the possible establishment of an investment vehicle for local government in New Zealand.

Report PE 09.554

File: G/16/22/05

Moved

(Cr Kirton /Cr Donaldson)

That the Committee:

- 1. Receives the report.*
- 2. Notes the content of the report.*

The motion was **CARRIED**.

The public excluded part of the meeting closed at 10.35am

CR JE AITKEN

Chairperson

Date