



MINUTES

Commercial and Strategy Committee Meeting

Tuesday, 19 November 2024

Ref: 1723790

**Minutes of Timaru District Council
Commercial and Strategy Committee Meeting
Held in the Council Chamber, Timaru District Council, King George Place, Timaru
on Tuesday, 19 November 2024 following the Community Services Committee**

Present: Peter Burt (Chairperson), Allan Booth (Deputy Chairperson), , Gavin Oliver, Sally Parker, Stu Piddington, Michelle Pye, Owen Jackson, Stacey Scott, Scott Shannon

In Attendance: Nigel Trainor (Chief Executive), Paul Cooper (Group Manager Environmental Services), Andrew Dixon (Group Manager Infrastructure), Nicole Timney (Group Manager Property), Beth Stewart (Group Manager Community Services), Andrea McAlister (Acting Group Manager Engagement & Culture), Steph Forde (Corporate and Strategic Planner), Stephen Doran (Group Manager Corporate and Communication), Brendan Madley (Senior Policy Advisor), Stephen Compton (Minutes)

1 Apologies

1.1 Apologies Received

Resolution 2024/34

Moved: Cllr Peter Burt

Seconded: Cllr Owen Jackson

That the apology of Mayor Nigel Bowen be received and accepted.

Carried

2 Public Forum

There were no public forum items.

3 Identification of Items of Urgent Business

No items of urgent business were received.

4 Identification of Matters of a Minor Nature

No matters of a minor nature were raised.

5 Declaration of Conflicts of Interest

No conflicts of interest were declared.

6 Chairperson's Report

6.1 Presentation of Chairperson's Report

From the time up until this meeting the Chair of the Commercial and Strategy Committee reported the following engagements:

- Participated in a Licensing hearing and follow up ruling outcomes
- Workshop for the future of the performing arts
- Citizenship Ceremony
- Council Meeting
- Community Housing Discussion
- TDHL meeting and new office visit.
- VT meeting
- Extraordinary Council Meeting - Tenders and procurement - Aorangi Stadium

Resolution 2024/35

Moved: Clr Peter Burt

Seconded: Clr Scott Shannon

That the Commercial and Strategy Committee receive and note the Chairperson's Report.

Carried

7 Confirmation of Minutes

7.1 Minutes of the Commercial and Strategy Committee Meeting held on 8 October 2024

Resolution 2024/36

Moved: Clr Scott Shannon

Seconded: Clr Michelle Pye

That the Minutes of the Commercial and Strategy Committee Meeting held on 8 October 2024 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

Carried

8 Reports

8.1 Actions Register Update

The purpose of this report is to provide the Commercial and Strategy Committee with an update on the status of the action requests raised by councillors at previous Commercial and Strategy Committee meetings.

The Chair noted the management plan for the reserve was handled as per the Infrastructure Committee Meeting. Officers were asked to provide timing of when this will be brought forward to Council

It was agreed to remove the Prime Port Grant action, and that the chair advised there was a paper on Chrome platers coming to council in February 2025.

Resolution 2024/37

Moved: Clr Peter Burt

Seconded: Clr Michelle Pye

That the Commercial and Strategy Committee receives and notes the updates to the Actions Register.

Carried

8.2 Timaru District Holdings Limited Accession to Local Government Funding Agency

To seek a resolution from the Commercial and Strategy Committee to enable Council to co-sign the three Deeds necessary for Timaru District Holdings Limited (TDHL) to join and borrow from the Local Government Funding Agency (LGFA), and authorise the two elected members to execute these deeds.

The Group Manager Corporate and Communications spoke to the report this was a follow up paper to the earlier decision to enable TDHL to accession to the LGFA to refinance its existing loans and this is the procedural part of it, where we go ahead with the declaration which requires two elected members to sign on behalf of the Council.

There was discussion over how the dead would be used, which debts would be refinanced first and an acknowledgement of the technical questions that had been answered as part of the process.

Resolution 2024/38

Moved: Clr Allan Booth

Seconded: Clr Michelle Pye

That the Commercial and Strategy Committee considers and decides whether to make a resolution for Council to co-sign:

1. TDHL's Accession Deed to the Multi-issuer Deed
2. TDHL's Accession Deed to the Notes Subscription Deed
3. Deed of Priority and Subordination

4. And that these three Deeds may be executed by two elected members on behalf of Council, subject to any minor amendments cleared by Council and TDHL's legal advisors.

Carried

8.3 Environment Canterbury Rates Charges Briefing

The purpose of this report is to provide the Commercial and Strategy Committee with an update on the progress of resolving the Environment Canterbury Rates Charges Issue.

The report was presented by the Finance Manager and Group Manager Corporate and Communications. It was noted that the work had been completed and the invoices will go out with an amended invoice one, which will clearly show the credited amount and the corrected charge which will go out with instalment two. To save on postage, they will go out together.

There was discussion over where the fault for the error lay, and the steps being put in place for it not to happen again.

It was noted by the chair that the Mayor had requested a trial of two separate invoices for clarification and protect TDC Reputation.

The GM Corporate and Communications noted that this may be challenging as TDC are the invoicing body, but they were looking at a redesign of the invoices to better clarify the charges.

There was further discussion on whether the cost of providing billing for ECan was being recovered, or we could ask for more. It was noted that the agreement was made on a regional basis and that as we were posting out bills any way it is more efficient to do it this way, and that the best way to contain costs would be for people to switch to email billing.

Resolution 2024/39

Moved: Cllr Sally Parker

Seconded: Cllr Stacey Scott

That the Commercial and Strategy Committee receives and notes the update on the Environment Canterbury Rates Charges Briefing.

Carried

8.4 Financial Report October 2024

The purpose of this report is to outline progress on implementing year three of the 2024-34 Long Term Plan (LTP) and report on the financial results for the period ended 31 October 2024.

The purpose of this report is to outline progress on implementing year three of the 2024-2034 Long Term Plan (LTP) and report on the financial results for the period ended 31 October 2024.

The Senior Finance Business Partner presented the report and noted the current position showing better results than budgeted, which is \$226K deficit against a budgeted deficit of \$1.7m, due to decrease in other expenses, caused by decreasing carbon credits, Subsidised Rooding is favourable variance as well and economic development. Capex is also lower than budgeted and the reason being subsidised Theatre, Stadium and subsidised Rooding as well

It was noted that subsidised rooding was a timing issue and noted the phase Rooding budget better as there are seasons which aren't matching.

There was discussion of the likelihood of grant income meeting the forecast, where finance costs were sitting that made them no match the forecast and that if the overcharged rates had been accounted for.

There was further discussion about the efficiency saving lines in the budget, and waste costs being over on both OpEx and CapEx. It was noted that they are currently running at a \$1.6m surplus.

There was also discussion over the categorisation of the Peel Forest grant from Central Government, and whether forestry revenue was ring fenced. This was confirmed as the income goes towards replanting to meet our carbon credit obligations.

GM Infrastructure noted that the plan is to focus on natives, as carbon credits around exotics (e.g. pine) are in doubt, the government are talking about removing that, so native only to future proof us, and it is lower maintenance as well.

There was a query as to the effect on long term revenue, if the natives weren't harvestable. It was noted that the lowered operating costs would match loss of revenue, and noted we do not have the economies of scale as Council owns a number of small blocks. Further noted we have banked the carbon credits, and if we don't replant, we lose them.

There was discussion regarding miscoding of personnel costs in Water Supply, and whether the Year to Date includes depreciation. It was noted it doesn't go through the cashflow as it's not cash.

There was a request for clarification around the approval costs for project capital cost, vs budget.

It was noted that this report is presented as the CapEx is based on Work orders, created after the activities are ready to spend the money in order to create the Purchase Orders. So when the budget is prepared there are no work orders yet in the system, what you see is just the number at the top which is just Cap Ex which can have quite a few different work orders

Noted that some of these numbers are carried over from previous years, and report should have a title of 23/24 carry overs and identify what is being done this year and that council intends to manage carry-overs through the existing budget as well.

Resolution 2024/40

Moved: Cllr Scott Shannon

Seconded: Cllr Michelle Pye

That the summary financial results to 31 October 2024 be received and noted.

Carried

8.5 Council Investments and Borrowing

To update Council on the status of Council's treasury activities at 30 September 2024.

The Finance Manager spoke to the report.

Resolution 2024/41

Moved: Cllr Allan Booth

Seconded: Cllr Owen Jackson

That the Commercial and Strategy Committee receives and notes the quarterly Council Investments and Borrowing report.

Carried

8.6 Bad Debts Written Off as at 30 September 2024

This report outlines the work Council Officers undertake to write off bad debts, the amount and details of these debts.

The chair expressed thanks for the clarity of the report.

Resolution 2024/42

Moved: Clr Allan Booth

Seconded: Clr Owen Jackson

That the Commercial and Strategy Committee receive and note the report Bad Debts Written Off as at 30 September 2024.

Carried

9 Consideration of Urgent Business Items

No items of urgent business were received.

10 Consideration of Minor Nature Matters

No matters of a minor nature were raised.

11 Public Forum Items Requiring Consideration

There were no public forum items.

12 Exclusion of the Public

Resolution 2024/43

Moved: Clr Gavin Oliver

Seconded: Clr Stacey Scott

That the public be excluded from—

- *(b)the following parts of the proceedings of this meeting, namely,—

13.1 Bad Debts Written Off as at 30 September 2024

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	Plain English Reason
13.1 - Bad Debts Written Off as at 30 September 2024	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy, including the privacy of deceased persons
Carried		

Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

- “(4)Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof)—
 - (a)shall be available to any member of the public who is present; and
 - (b)shall form part of the minutes of the local authority.”

13 Public Excluded Reports**13.1 Bad Debts Written Off as at 30 September 2024****14 Readmittance of the Public****Resolution 2024/44**

Moved: Clr Peter Burt

Seconded: Clr Gavin Oliver

That the meeting moves out of Closed Meeting into Open Meeting at 1.46pm.

Carried

The Meeting closed at 1.47pm.

Minutes confirmed 18 February 2025

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Chairperson