



MINUTES

Commercial and Strategy Committee Meeting Tuesday, 15 November 2022

Ref: 1539883

**Minutes of Timaru District Council
Commercial and Strategy Committee Meeting
Held in the Council Chamber, Timaru District Council, King George Place, Timaru
on Tuesday, 15 November 2022 following the Community Services Committee**

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

In Attendance: Bede Carran (Chief Executive), Paul Cooper (Group Manager Environmental Services), Andrew Dixon (Group Manager Infrastructure), Beth Stewart-Wright (Director User Experience & Community Engagement), Jason Rivett (Acting Group Manager Commercial & Strategy), Erik Barnes (Acting Group Manager Engagement and Culture), Nigel Ingram (Group Manager Recreation and Cultural Services), Azoorah Ali (Chief Financial Officer), Mark Low (Strategy & Corporate Planning Manager), Stephen Doran (Communications Manager), Jacky Clarke (Governance and Executive Support Manager), Brendan Madley (Policy Advisor), Andrea Rankin (Financial Controller) and Jess Hurst (Governance and Executive Support Coordinator).

1 Apologies

Nil

2 Identification of Items of Urgent Business

No items of urgent business were received.

3 Identification of Matters of a Minor Nature

No matters of a minor nature were raised.

4 Declaration of Conflicts of Interest

No conflicts of interest were declared.

5 Chairperson's Report

5.1 Chairperson's Report

The Chairperson has attended a number of meetings including:

- Inaugural Council Meeting
- Elected Member Induction Programme
- Governor General reception event

Resolution 2022/23

Moved: Clr Peter Burt

Seconded: Clr Gavin Oliver

That the Chairperson's report be received and accepted.

Carried

6 Reports

6.1 Council Investments and Borrowing

The Chief Financial Officer spoke to the report to update the Committee on the status of Council's treasury activities at 30 September 2022, with an amendment to Note 8 (Interest Rate Risk) as the total interest rate swaps is \$71 million, not \$81 million.

Clr Booth expressed concern over Timaru District Council's debt level asking whether Council is going to go past the self-imposed threshold of 2.1 and whether this will impact on projects.

The Chief Executive confirmed that Council borrows at a cap of 2.1 times its revenue which in Year 10 of the Long Term Plan will take Council to \$300 million. Although Council will go right up to that self imposed limit, there will be no breach to the cap.

Resolution 2022/24

Moved: Mayor Nigel Bowen

Seconded: Clr Sally Parker

That the Committee receive and note the Council Investment and Borrowing report.

Carried

6.2 Financial Report for the month ending September 2022

The Chief Financial Officer spoke to the report to outline progress on implementing year two of the 2021-31 Long Term Plan (LTP) and report on the financial results for the period ended 30 September 2022. A minor amendment was noted to Point 5 of the report – that the surplus is \$1.2 million.

The forecast for the quarter will be commencing in the next month and a number of updates will be presented in the next quarter.

Members and Officers discussed the decrease in the intake of fees in waste minimisation, and the financial impact of the change of contractors.

Resolution 2022/25

Moved: Clr Sally Parker

Seconded: Mayor Nigel Bowen

That the summary financial results to 30 September 2022 be received and noted.

Carried

6.3 Preparation of Annual Plan 2023/24

The Chief Financial Officer and the Strategy & Corporate Planning Manager spoke to the report to outline the Annual Plan process and timetable, to obtain Council's confirmation of the assumptions to be used for the Annual Plan 2023/24, to outline likely variations to Year 3 of the Long Term Plan 2021-31 and potential implications, and to note the likely consultation requirements for the Annual Plan 2023/24, and the timeframes associated with these.

Discussions between Elected Members and Council Officers centred on the upcoming financial challenges Council will face regarding the delivery of a number of projects. Over the next few months the Finance department will work through the drivers and the cost pressures, with more detail being supplied to Councillors at a workshop in February. This will enable Councillors to make decisions with more fulsome information.

Resolution 2022/26

Moved: Clr Peter Burt

Seconded: Clr Michelle Pye

1. That the legislative requirements for the Annual Plan process are noted.
2. That the draft Annual Plan 2023/24 timetable is confirmed.
3. That the draft assumptions for the Annual Plan 2023/24 (Long Term Plan 2021-31) are confirmed.
4. That Council note the likely variations to the Annual Plan 2023/24.
5. That the potential consequential consultation requirements for significant or material variations to the Long Term Plan are noted.

Carried

7 Consideration of Urgent Business Items

Nil

8 Consideration of Minor Nature Matters

Nil

The Meeting closed at 1.07pm.

Minutes confirmed 31 January 2023

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Clr Peter Burt
Chairperson