

**MINUTES OF AN ORDINARY MEETING OF
THE FINANCE & PERFORMANCE
COMMITTEE HELD IN THE COUNCIL
CHAMBER**

**ON WEDNESDAY 4 JUNE 2025
COMMENCING AT 9AM**

PRESENT

Attendees: Councillor S N O H Epiha (Chair), Mayor Sam Broughton, Councillors L L Gliddon, M B Lyall, N C Reid & Ms M McKay

IN ATTENDANCE

Messrs. T Mason (Executive Director Infrastructure and Property), S Gibling (Executive Director People, Culture and Capability), R Love (Executive Director Development and Growth), M McGrath (Chief Digital Officer), N Koch (Head of Financial Control), C Warr (Horizontal Infrastructure Projects Lead), J Wood (Senior Project Manager), M Allin (Senior Project Manager), R Allen (Head of Acquisitions, Disposals and Leasing), R Steel (Performance Delivery Lead), Y Li (Transportation Asset Planning Manager), B Adhikari (Governance Coordinator)

Mesdames A Sneddon (Chief Financial Officer), D Kidd (Executive Director Community Services and Facilities), B Hammond (Head of Financial Operations), R Phillips (Commercial Manager -Property and Investments), P Swift (Senior Communications Contractor), P Ganda (Senior Communications Advisor), S O'Connor (Senior Finance Business Partner), M Mordaunt (Assistant to CDO and CFO)

The meeting was livestreamed.

The Chairperson welcomed everyone to the meeting.

APOLOGIES

Apologies for absence were received from Councillors G S F Miller, S G McInnes, P M Dean and for lateness R H Mugford, E S Mundt, D Hasson

Moved – Councillor Epiha / **Seconded** – Councillor Reid

‘That the committee receive the apologies as indicated, for information.’

IDENTIFICATION OF ANY EXTRAORDINARY BUSINESS

None.

CONFLICTS OF INTEREST

None.

PUBLIC FORUM

None.

CONFIRMATION OF MINUTES

1. **Minutes of the ordinary meeting of the Finance and Performance Committee held in the Council Chamber on Wednesday 2 April 2025**

Moved – Mayor Broughton / **Seconded** – Councillor Gliddon

'That the Finance and Performance Committee confirms the minutes of the ordinary meeting of the Committee held on Wednesday 2 April 2025.'

CARRIED

REPORTS

1. **Chairperson Report**

Chairperson's Report

The Chairperson provided a verbal report commenting on the progress made by the staff and CEO, that is it important to recognise the progress made and the good economic state of performance. The year-to-date result is good, while the DC's are behind, SDC is performing well within means through good fiscal prudence whilst still delivering to the community and no longer relying on DC's income to cover operational deficits.

Moved – Councillor Epiha / **Seconded** – Councillor Lyall

'That the Finance & Performance Committee receives the Chairperson's (verbal) report for information.'

CARRIED

'Councillor Hasson entered Chambers at 9.05am'

2. **Chief Financial Officer**

Chief Financial Officer's Report

The CFO gave a verbal report noting within the financial report, the forecast is based on 10 months actual results plus 2 months of budgeted figures. The CFO reviewed upcoming workshops including that Audit New Zealand will be on site from 22nd September. A review is currently underway of the utilisation of fleet vehicle management.

The CFO gave an update on the recent National party budget and highlighted the additional KiwiSaver deductibles will be absorbed within the annual plan. Other impacts of the budget would be in areas of health and investment but it is currently unclear how these will affect SDC.

Moved – Mayor Broughton / **Seconded** – Councillor Hasson

'That the Finance & Performance Committee receives the Chief Financial Officer's (verbal) report.'

CARRIED

3. Head of Financial Operations and Head of Financial Control *Selwyn District Council Financials for the Period to 30 April 2025*

Staff spoke to the dashboard report, highlighting key variances to revenue and expenditure. Staff commented on the recent weather event which caused approximately \$4m in road damage. Approximately 50% of the costs will be funded by NZTA, with the remainder covered by the Emergency Management budget. This will have no impact on the full year budget.

'Councillor Mundt entered Chambers at 9.12am'

The Mayor queried whether there is sufficient collection of operating expenditure now that we're not using reserves, are we in sustainable place to forecast into next year and will this be the norm for how council report?

Staff confirmed we are on track. The CE stated this is the new way of working, being accountable and having responsibility around budgets. There has been investment in staff within the financial team, and access to financial dashboards in order to see budgets in real time, this is how we see business going into the future.

The CFO and CE confirmed a Councillors' query around challenges filling personnel vacancies, this is due to the national low in certain skilled areas of the workforce, particularly development and growth. The CE commented there is a place to use consultants for hard-to-fill roles or innovative projects and use this expertise to enhance staff skills.

At the next meeting staff will provide an overview of the legal costs breakdown.

Staff clarified that the personnel expenditure is the staff costs line offset by the consultancy fees.

The CE confirmed the elected members funds is not to be distributed, these will go to fill Phils vacancy, and this was endorsed at council the previous week.

After a discussion about the long term implications of being under budget in relation to collection of Development Contributions, it was decided to provide a DC workshop prior to the next Finance & Performance meeting.

The CFO commented on the \$64m that central government have indicated is funding for transport, it is currently unknown how this will impact Selwyn.

In response to a query, the CFO stated that as noted in the LTP, most roading projects were contingent upon receiving funding.

Staff highlighted the changes made to the balance sheet report after feedback received at a previous meeting around making the report consistent with the Annual Report. Staff spoke to the balance sheet report commenting on variances.

Staff confirmed the water assets will be transferred across to the WSCCO after the end of the financial year.

A councillor queried the liquidity assessment compared to budget, asking whether we are confident that liquidity will repair itself by financial year end, as is currently under budget. Staff confirmed that within the treasury report for Audit & Risk, the treasury management policy recommends retaining 110% liquidity ratio. Cash flow is managed on a daily basis depending on operational needs and there are no concerns regarding liquidity ratio.

Ms McKay looked for clarity around the comments on the closing balance being straightlined. Staff clarified that previously when the full year budget was loaded in MagiQ, this was done by dividing the budget by 12. This calculation is not correct and will be changed for future financial budgeting.

'Councillor Lyall left the Chambers at 9.29am'

Moved – Mayor Broughton / **Seconded** – Councillor Reid

'That the Finance and Performance Committee receives for information the report – Selwyn District Council Finance and Performance Report for the period ended 30 April 2025.'

CARRIED

4. Horizontal Infrastructure Projects Lead and Capital & Projects Accountant *Organisational Projects and Performance Report*

Staff presented their report on results through to the end of April of this financial year. The report has been streamlined to show necessary information on projects and performance. Staff highlighted that a positive programme of water and transport is to be completed by the end of financial year.

Staff are currently working with the digital team on the integration of a project's module into MagiQ which feeds into APEX reporting, to provide improved forecasting. This will also expand APEX reporting in multiple year projects in order to provide clearer insights into project progress and performance metrics.

The CFO and Executive Director of Infrastructure & Property highlighted the number of projects delivered this year and thanked the team for the work done.

During discussions councillors queried the additional costs associated with the land purchased for Lincoln and Waihora Whata Rau, along with the costs associated with the repairs needed for the Lincoln Library due to weather tightness issues. The Chair confirmed these queries had been addressed by the Audit and Risk Committee. Staff confirmed the Lincoln costs were related to demolition works on site and the Whata Rau costs was the land purchased.

The Mayor congratulated the team on the work done and queried whether the decision this year to not halt projects for council decision making, whether this could be attributed by the increased delivery this year. The Executive Director Infrastructure & Property outlined the new processes that will be put in place over the next year to support the team to complete works. The CE outlined that as an Annual Plan consultation did not happen this year, there hasn't been a stop start impact on projects which has been particularly helpful this year, enabling the continued work on Long Term Plan projects.

'Councillor Lyall returned to the Chambers at 9.48am'

It was suggested that clarity within the report is needed around financial year or calendar year.

A councillor queried how ECan and Te Taumutu Rūnanga are involved in projects. Staff confirmed there is regular communications and early involvement with ECan and Te Taumutu Rūnanga including on site participation.

Moved – Councillor Mundt / **Seconded** – Councillor Lyall

'That Finance and Performance Committee receives for information the report - Organisational Projects and Performance Report for the reporting period covering YTD April 2025.'

CARRIED

5. Head of Financial Control and Capital & Projects Accountant *Development Contributions Summary Report*

Due to the incorrect report being loaded to the Diligent agenda, staff presented and spoke to the April report, which will be distributed to councillors following the meeting. Staff commented that DC spend is slightly under budget due to savings on the Ellesmere Pines project and the loss on balance is due to much lower receipt of DC's than expected.

As previously requested, a further breakdown of sewerage forecasting was provided. Developers are locking in lower rates up to 5 years before having to pay them. Revenue will increase over time as the new rate of \$12,917 per HUE comes into effect. When preparing forecasts, it is not possible to precisely predict when developers will pay Development Contributions.

A councillor queried the locking in of HUE rates by developers and whether this process needs to continue.

Staff explained this is based on the terms and conditions added to the DC policy 5-10 years ago before the high growth of the district. In the near future there will be a reform of the development levies, which will provide standardisation of charges, until that time review of the current policy and calculations will continue to ensure it is fit for purpose. The frequency of policy review and calculation will also be assessed.

Staff clarified how DC payments are triggered and this is different depending upon the type of DC i.e. reserves DC payments occurs when the land is subdivided.

Staff confirmed the interest rate is added in when calculating the rate for DC's.

A councillor commented on the risk of the DC shortfall and the borrowing this consequently requires.

Staff reviewed the PPI increase that the DC policy allows to apply, but last year's increase was minor so this wasn't applied after advice from the legal team. Staff confirmed that borrowing is currently under the at 220% debt limit set by the LTP and there isn't currently any pressure on debt limit.

It was clarified that the DC debt will be paid for by future growth.

The CFO suggested a DC briefing session will be arranged prior to the next Finance and Performance meeting.

Moved – Mayor Broughton / **Seconded** – Councillor Lyall

'That the Finance and Performance Committee receives for information the report – Summary of DC movements for the period to 28 February 2025.'

CARRIED

6. Performance Delivery Team Leader and Transportation Asset Planning Manager *Non-Financial Roding Condition Report*

Staff spoke to the report which has been provided in anticipation of NZTA transport report, highlighting the improvement of roading conditions within the district.

A councillor commented the report doesn't breakdown the split of sealed and non-sealed roads, the number of potholes on sealed and non-sealed roads, or the number of potholes repaired since the recent weather event. It was requested this information be provided for the next meeting along with the timing of when these can be expected to be repaired.

Staff noted reporting is provided via the Annual Report. Within the last quarter pothole repairs have been completed within an average time of 36 hours, this varies depending on whether it is a sealed or non-sealed road.

'Councillor Mugford entered the Chambers at 10.41am'

Staff noted the Snap, Send, Solve app has been a great tool for the public to report issues. This is a slightly longer repair response time for Snap, Send, Solve repairs as opposed to those discovered by the roading team. The roading team have worked with digital to improve the speed of transfer of the Snap, Send, Solve data to improve response times.

Staff clarified the plan for upgrading non-sealed roads is covered within the LTP for a small number of intersections to improve safety, along with a few other strategic roads that have been identified within the council activity plan for improvement.

The Mayor recommend the website transportinsights.nz for councillors to review, which compares all councils nationally and highlights the good work done by the team.

Moved – Mayor Broughton / **Seconded** – Councillor Gliddon

'That the Finance and Performance Committee receives the Selwyn District Council Roading Condition Report.'

GENERAL BUSINESS

None.

MATTERS RAISED IN PUBLIC FORUM

RESOLUTION TO EXCLUDE THE PUBLIC

Moved – Councillor Hasson / **Seconded** – Councillor Lyall

'That the public be excluded from the following proceedings of this meeting. The general subject matter to be considered while the public is excluded, the reason of passing this resolution in relation to the 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		Reasons for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution	Date information can be released
1.	Public Excluded Report-Lease Report and Investment Update	<i>Good reason to withhold exists under Section 7</i>	<i>Section 48(1)(a)</i>	

This resolution is made in reliance on Section 48(1)(a) 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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

1	Enable the local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or	Section 7(2)(h)
1	Enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or	Section 7(2)(i)

that appropriate officers remain to provide advice to the Committee.'

CARRIED

The public meeting moved into Public Excluded at 10.52am.

With no further business being discussed, the meeting closed at 11.05am.

DATED this 6th day of August 2025



A handwritten signature in blue ink, consisting of a large loop followed by a series of smaller, connected loops, is written over a horizontal line.

CHAIRPERSON

ACTIONS PUBLIC Finance & Performance

Item & meeting referred from	Action & due		Status
Investment Property report (25/10/2023)	Report on way forward	End of year, 2024	