



Report 08.898
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Committee Council
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Committee
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Report on the Finance, Evaluation and Risk Committee meeting held on 25 November 2008

1. Purpose

To update the Council on the meeting of the Finance, Evaluation and Risk Committee held on 25 November 2008.

2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Report

3.1 Financial report for the three months ended 30 September 2008

The Chief Financial Officer presented the report noting the following:

- Operating expenditure was running below budget, due in part to the timing of expenditure
- Interest rates are below budget with corresponding savings in finance costs
- ONTRACK have brought forward planned expenditure into the 2008/09 year, increasing Greater Wellington's contributions for the year

Councillors raised a number of issues/questions, in particular:

- Concerns in respect of lower expenditure on total mobility and maintenance in Public Transport.
- What happens to savings in finance costs due to lower interest rates?
- Where do we put our surplus funds?

In response the Chief Financial Officer noted that:

- Lower expenditure in Public Transport will be discussed at the Transport and Access Committee
- Any savings/surpluses from lower interest rates will be used to repay debt.
- Surplus funds are deposited with approved counterparties in accordance with our Treasury Management Policy.

The Committee agreed that the Council should note, with commendation, the reduction of \$1million in expenditure on Strand Park flood bank.

3.2 Financial report for the four months ended 31 October 2008

The report was presented by the Chief Financial Officer, no matters were raised by the Committee.

3.3 Insurance review

The Treasurer, Mike Timmer, presented the report. The Committee queried a couple of matters:

- Why the personal accident cover did not apply to employees/Councillors over 65 years.
- Whether the income protection insurance for senior executives is included in their remuneration package.

In response, management advised that insurance payments go to the Council not to any individual Councillor or staff member, but agreed to review the age limit for personal insurance and confirmed that income protection is included in the executives' remuneration package.

3.4 Chief Executive Update

The Chief Executive presented his quarterly update.

4. Unconfirmed minutes

The unconfirmed minutes of the Committee meeting are attached as **Attachment 1**.

5. Recommendations

That the Council:

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

Report prepared by:

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Judith Aitken
Chair,
Finance, Evaluation and Risk Committee

Barry Turfrey
Chief Financial Officer

Attachment 1: Unconfirmed minutes of Committee meeting