

From: [Grant McKenzie](#)
To: [Grace Ockwell](#)
Subject: FW: Timing of announcement of budgeted \$2m not spent - LGOIMA info request
Date: Thursday, 28 May 2015 08:39:10 a.m.

Hi Grace,

Please see below a LGOIMA request from councillor Vandervis.

My response to the request is below.

If you have any questions please give me a call.

Regards

Grant

Dear Councillor Vandervis,

In response to your query please see the comments to each point below.

1 - Who it was that asked our CFO to make that \$2 million announcement?

The finance team was asked by the chair of the Finance committee to get an update on the current year's underspend. Earlier estimates of the level of interest underspend had been supplied to all councillors on a number of occasions previously. Most recently prior to LTP this was through the finance monthly reports that went to the Finance Committee on the 4th of May on page 4.6 where the underspend on interest expense for the nine month period to March was \$1.606 million. In addition, the underspend was also referred to in two reports that were provided to council as part of the long term plan process, specifically in report 9 - paragraph 12, and in report 22- paragraph 10.

An update was requested at LTP as another month had passed since the March update figures had been prepared, and the Chair of Finance wanted to know if the April result could be made available.

2 – When did that person ask our CFO to make that \$2 million announcement?

Because the Chair of Finance had asked if the updated result was available and it was, the mayor asked the update be provided as part of the deliberations for that day so that all the Councillors had the updated information. That evening I then wrote an additional memorandum explaining the underspend in the current financial year, after this was requested by Councillor Calvert to our CEO.

3 – Whose decision was it to make the announcement at that particular time during our funding decision discussions?

The mayor's decision as the person chairing the meeting, and in order to ensure all Councillors had access to the same updated figures of the interest underspend information that had been provided in earlier reports.

If you have any questions or require further information please give me a call.

Regards

Grant

From: Lee Vandervis
Sent: Sunday, 24 May 2015 8:45 a.m.
To: Sue Bidrose; Grant McKenzie
Subject: Timing of announcement of budgeted \$2m not spent - LGOIMA info request

Dear Sue and Grant,

The timing of our CFO's announcement of the budgeted \$2m not spent half way through our last week's LTP discussions was independently questioned by myself, Cr. Calvert, and DCC watchdog Calvin Oaten.

This overbudget was characterised by Cr. Thomson as an "underspend" and by Cr. Bezett as "a fortuitous fund to dip into", and was promptly dipped into to fund Cr. Thomson's moved \$1million for International Cricket lights.

I asked CFO McKenzie in the following break why he had chosen that time immediately prior to Cr. Thomson's International Cricket light's motion to make the \$2 million announcement and he replied "Because I was asked to", which raises the further questions:

- 1 - Who it was that asked our CFO to make that \$2 million announcement?
- 2 – When did that person ask our CFO to make that \$2 million announcement?
- 3 – Whose decision was it to make the announcement at that particular time during our funding decision discussions?

Kind regards,
Cr. Vandervis