



17 June 2020

Andrew Price

Via email: [fyi-request-13008-f52e72b8@requests.fyi.org.nz](mailto:fyi-request-13008-f52e72b8@requests.fyi.org.nz)

Ref: OIA #20-053  
7620455  
Stephen Woolley  
[stephen.woolley@porirua.govt.nz](mailto:stephen.woolley@porirua.govt.nz)

Dear Andrew

**Response to official information request for details of the Council's application for the Government's Wage Subsidy**

I refer to your request for official information received 3 June 2020 relating to Porirua City Council's application for the Government wage subsidy. We have processed your request under the Local Government Official Information and Meetings Act (LGOIMA) 1987.

The questions you specified have been included as headings in bold below, with our response following each heading.

***On what grounds did you apply for the Government wage subsidy for all your staff?***

Porirua City Council (PCC) applied on the rationale that PCC was eligible and met all the criteria, and we would have been remiss in our duty to ratepayers if we did not apply.

***On what date did Porirua City Council apply for the Government wage subsidy?***

PCC applied on 19 May 2020 and received the subsidy on 21 May.

***Did Porirua City Council consider using its own cash reserves before applying for this subsidy?***

PCC does not operate cash reserves, i.e. hold cash for the sake of it. It operates within its Treasury Policy and will hold sufficient cash to ensure liquidity and to meet forecast needs. It was uncertain for some time whether we would meet the government's criteria for the subsidy and our cash holdings were used to meet all our obligations to staff and suppliers.

***What cash reserves did Porirua City Council have at the time they applied for this subsidy?***

When we applied for the subsidy our cash holdings were \$27 million. This included \$10m prefunding for a repayment of debt due in the coming months. The balance relates to ensuring we have sufficient cash on hand to meet forecast operational and capital spend. Good treasury management means that you do not run your cash position down such that you become exposed to market volatility on the day significant payments are needed to be made.

Regardless of our cash position we would have been doing our ratepayers a disservice had we not applied for the subsidy. We are also aware of a number of other councils who have also applied and been paid out. The subsidy received will have an impact on the interest we pay and this will benefit all ratepayers.

If you wish to discuss this decision with us, please feel free to contact Stephen Woolley via email: [Stephen.woolley@porirua.govt.nz](mailto:Stephen.woolley@porirua.govt.nz) or phone: 04 237 1416.

Ngā mihi



Wendy Walker  
**Chief Executive**  
**Kaiwhakahaere Matua**