
Council Controlled Organisations Subcommittee

OPEN MINUTES

Minutes of a meeting of the Council Controlled Organisations Subcommittee held in Committee Room 1, Level 1, Municipal Building, Garden Place, Hamilton on Monday 30 November 2015 at 4.00pm.

PRESENT

Chairperson	Cr G Mallett
Members	Her Worship the Mayor J Hardaker Cr A King Cr R Pascoe
In Attendance:	Sean Murray – Director H3 and Events Paul Conder – Acting General Manager Corporate Blair Bowcott – Executive Director Special Projects Stuart Gordon – Chief Executive Officer, Innovation Waikato Ltd Group
Committee Advisor	Ian Loiterton – Committee Advisor

1. Apologies

Resolved: (Crs Mallett/Pascoe)

That the apologies from Councillor Yeung be received and accepted.

2. Confirmation of Agenda

Resolved: (Crs Mallett/Pascoe)

The Committee to confirm the agenda.

3. Declarations of Interest

No members of the Committee declared a Conflict of Interest.

4. Council Controlled Organisations Subcommittee – Open Minutes – 21 October 2015 and 13 November 2015

The following correction was noted: remove action point listed under Item 12.

Resolved: (Crs Mallett/Pascoe)

That the Subcommittee confirm and adopt as a true and correct record the Open Minutes of the Council Controlled Organisations Subcommittee Meeting held on 21 October 2015, with the above change noted.

Resolved: (Crs Pascoe/Mallett)

That the Subcommittee confirm and adopt as a true and correct record the Open Minutes of the Council Controlled Organisations Subcommittee Meeting held on 13 November 2015.

5. Council Controlled Organisations Subcommittee Action List – Open – 30 November 2015

It was noted that the comments against Item 2 in the action list related to Item 3 and vice versa.

Resolved: (Crs Mallett/Pascoe)

That the Report be received.

6. Innovation Waikato Ltd and Subsidiaries – Annual Report 2015

The Chief Executive Officer of Innovation Waikato Ltd (IWL) Group, Stuart Gordon spoke to the New Zealand Food Innovation (Waikato) Ltd Annual Report 2015. In addition, he tabled a document and responded to questions.

- **Loans**
For accounting purposes, loans that had originally been made to IWL Group had been realigned to the entities which had expended the funds e.g. to New Zealand Food Innovation (Waikato) Ltd.
- **Non-current liabilities**
'Deferred tax liabilities' and 'Deferred income' that related to a new building asset had been accounted for over the life of the asset (25 years); while 'Other loans' were incurring no interest, with the principal to be paid after June 2016.
- **Equity to Debt ratio**
New Zealand Food Innovation (Waikato) Ltd was operating at an equity to debt ratio of approximately 43%; the Board aimed to improve this to around 55% in the 2016/17 financial year, through the pay down of debt.
- **Directors' fees**
Directors' fees were stated to be \$49,000 per annum, noting that:
 - Director positions had previously been the same appointments across the IWL Group and its subsidiaries; but that
 - Director appointments were now made separately for each company within the IWL Group, so as to select Directors with relevant skills and knowledge.
- **Staff**
There were a total of 16 staff employed by New Zealand Food Innovation (Waikato) Ltd, including 0.5FTE of the CEO's position allocated to the company.

Resolved: (Crs Mallett/Pascoe)

That the Report be received.

7. Resolution to Exclude the Public

Resolved: (Crs Mallett/King)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each 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 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
C1. Council Organisations Subcommittee Meeting - Public Excluded Minutes - 21 October 2015	Controlled) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Council Organisations Subcommittee Action List - Public Excluded - 30 November 2015	Controlled)	
C3. Council Organisations - Letters of Expectation	Controlled	
C4. Innovation Waikato Ltd - Constitution and letter of expectation		

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 which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

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| Item C1. | to prevent the disclosure or use of official information for improper gain or improper advantage | Section 7 (2) (j) |
| Item C2. | to prevent the disclosure or use of official information for improper gain or improper advantage | Section 7 (2) (j) |
| Item C3. | to enable Council to carry out commercial activities without disadvantage | Section 7 (2) (h) |
| Item C4. | to enable Council to carry out negotiations | Section 7 (2) (i) |

The Meeting moved into Public Excluded session (4.36pm – 7.11pm).

The Meeting was declared closed at 7.11pm.