
Finance Committee

OPEN MINUTES

Minutes of a Meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 23 April 2015 at 1.30pm.

PRESENT

Chairperson: Cr R Pascoe
Deputy Chairperson: Cr G Mallett
Members: Her Worship the Mayor J Hardaker
Cr G Chesterman
Cr M Gallagher
Cr K Green
Cr D Macpherson
Cr L Tooman
Cr E Wilson
Cr P Yeung

In Attendance: Chief Executive (CE), Chief Financial Officer (CFO), General Manager Organisational Development, General Manager Performance, General Manager City Infrastructure, General Manager Events and Economic Development, City Environments Group Business Manager, Community Group Business Manager, Revenue Manager, Accounting Unit Manager, People and Capabilities Manager, Chief Information Officer, Procurement Manager, Principle Building Advisor, Strategic Property Unit Manager, Parks and Open Spaces Manager, Group Accountants and Senior Communications Advisor.

James McGillivray – Tompkins Wake Lawyers

Democracy Advisor: Ms L Preiss and Mrs J Pani

1. Apologies

Resolved: (Crs Pascoe/Chesterman)

That the apologies from Councillors Forsyth, King and O’Leary and for leaving early from Crs Green and Mallet be received and accepted.

2. Confirmation of Agenda

Resolved: (Crs Pascoe/Wilson)
That the Agenda be confirmed.

3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

4. Public Forum

Two members of the Public spoke in the Public Forum:

Kathy Moody, Hamilton Roller Skating Club spoke in relation to Item 10: New lease request at Melville Park

Ms Moody advised that the Hamilton Roller Skating Club (Skating Club) now had half of the required funding that they needed for the track. They had also applied for funding from the Lotteries Board and should be advised of the outcome by mid June.

Ms Moody emphasised the need for the speed skate track as at the moment skaters were practising in carparks at night with bad lighting and potential dangers with vehicles. She noted that the skating club currently had two national titles, a world championship title and four other world championship medals; a track was needed for skaters to practice.

The proposed track could also be used for other fitness activities including running and long boards.

Geoff Walpole spoke in relation to Item 8: 10-Year Plan Monitoring Plan, specifically Recycling Matters

Mr Walpole spoke in relation to Council's proposed change to Wheelie bins from the current green bin system that was in place. He appreciated the letter he received from Her Worship the Mayor and the assistance received from Councillors Chesterman and King.

Mr Walpole urged Council to stay with the current recycling system, as it was not efficient to change to a new system.

Cr Gallagher arrived at the Meeting at 1:35pm during the above item.

5. Finance Committee - Open Minutes - 19 February 2015

Councillor Gallagher requested that it be specifically noted in the 19 February 2015 Open Minutes that he had no conflicts of interest regarding Item 6 – Gallagher Drive Intersection.

Resolved: (Crs Chesterman/Tooman)

That the Committee confirm and adopt as a true and correct record the Open Minutes of the Finance Committee Meeting held on 19 February 2015, subject to the above being noted.

6. Finance Committee - Open Action List - 23 April 2015

The timeframe within which the Waiwhakareke development options would come back to Council, would be clarified, after the 10-Year Plan consultations were completed.

Resolved: (Crs Pascoe/Chesterman)

That the Report be received.

7. Recommended dates for reports to be presented to Finance Committee

Resolved: (Crs Pascoe/Chesterman)

That the Report be received.

8. 10-Year Plan Monitoring Report

The CFO spoke to the Report and noted a correction on page 23, paragraph 18 in that the figure corresponding to subsidies and grants should have been \$592,000. He also stated that Hamilton City Council's (HCC) Year-to-date figures were good and that both Balancing the Books and the Accounting Results were on target.

The General Managers gave updates on their areas as set out on Page 27 of the Agenda. Staff responded to questions as follows:

- Page 26 noted that penalties for rates were up. It was explained that late rate payments incurred a 10% penalty fee on the outstanding balance, but that this could be waived in certain circumstances.
- The excess nursery stock was discussed and it was stated that different options were being explored to sell the stock (Action List item).
- The financial position of the Hamilton Theatres was set out on page 55 of the Agenda and it was noted that there had been an operating deficit with the theatres for the last three years. The reason for the deficit was due to a combination of factors and the CFO was asked to consider the theatres' budget as part of the 10-year plan budget (Action List item).
- The unfavourable variance for the Customer Relationship Group was questioned and the CFO was asked to reconsider this budget as part of the 10-year plan budget (Action List item).
- The Capital projects listed on page 31 of the Agenda were discussed and it was stated that the reason for the delays was in relation to waiting on third parties.

Resolved: (Crs Pascoe/Chesterman)

That the Report and the Risk and Opportunities Schedule be received.

9. Procurement Report

It was requested that the font size of the Procurement Report (and all Reports) be of a readable size.

Resolved: (Crs Pascoe/Wilson)

That the Report be received.

10. New lease request at Melville Park

The Parks and Open Spaces Manager took the Report as read and staff responded to questions as follows:

- In relation to paragraph 38 on page 93 of the Agenda it had been determined that the track could actually be used for overflow parking if/when required.
- All public notification costs would be met by the Skating Club.
- While the proposed track was not specifically mentioned in the Parks Management Plan, it was consistent with the purposes of the plan.
- The Pooches and Parks Plan included a proposed fenced dog exercise area at Melville Park which may impact the Skating Park lease request, and this would be addressed through the consultation process.

Resolved: (Crs Chesterman/Tooman)

That:

- a) the Report be received;
- b) under s54(2) of the Reserves Act 1977, Council gives public notice of its intention to grant a new community group lease to the Hamilton City Roller Skating Club Incorporated to develop a speed skate track on Melville Park;
- c) the Finance Committee appoints Councillors Tooman, Green and O'Leary to a Hearings Panel to hear and deliberate on submissions; and
- d) The Hearings Panel report back to the Finance Committee for their decision making.

11. Te Awa River Ride Easement - Horotiu Landfill

The Parks and Open Spaces Manager took the Report as read and staff responded to questions as follows:

- The landfill site would be fenced off to exclude the public from the area. The fencing costs would be covered by Te Awa Charitable Trust and Waikato District Council. The fencing would still allow access to the River and would fit with the site.
- Passing Red would be placed on the Northern side of the area and Council would retain ownership and maintenance responsibilities. Passing Red would be installed as soon as possible, hopefully within this financial year.

Resolved: (Crs Pascoe/Gallagher)

That:

- a) the Report be received;
- b) the Finance Committee recommends to Council to grant an easement in favour of Waikato District Council, for the purpose of Te Awa River Ride over the Horotiu Landfill, subject to Council obtaining partial surrenders of existing leases and licences;
- c) Council authorises the Chief Executive to negotiate the terms of the easement and any other instrument required to give effect to this resolution; and
- d) Council retain the ownership of public artwork Passing Red.

12. Update on Weathertight Buildings

The Principal Building Advisor took the Report as read and responded to questions as follows:

- The Report stated that HCC had nine Weathertight Home claims, of which eight were active. It was also noted that a further claim had been filed.
- Claims that were eligible under the Financial Assistance Package scheme had to be filed by 23 July 2016. However, it was noted that HCC was not part of that scheme.

Resolved: (Crs Pascoe/Yeung)

That the Report be received.

13. Hamilton Gardens Development Project Progress Report

The Community Group Business Manager spoke to the Report and noted that the Project was on track. Phase 1 of the project was completed with the Tudor Garden's opening in February 2015. Project 2 still required funding of \$4.4million.

Resolved: (Crs Chesterman/Tooman)

That the Report be received.

14. Resolution to Exclude the Public

Item C3 – Six monthly Reports from the Chairs of the Council Controlled Organisations (CCO) Subcommittee External Funding Subcommittee (EFS) and Event Sponsorship Subcommittee (ESS) were discussed as follows:

CCO Subcommittee Report (Attachment 1 of the Report):

It was agreed that the CCO Subcommittee six monthly Report could be discussed in Open. The Chair of the CCO Subcommittee took the Report as read.

Resolved: (Crs Gallagher/Mallett)

That the Report from the Chairperson of the Council Controlled Organisations Subcommittee be received.

External Funding Subcommittee Report (Attachment 2 of the Report):

As the Chair of the EFS was not at the Meeting, it was decided that the EFS Chairperson's Report would be brought back to the 21 May 2015 Finance Committee Meeting.

Event Sponsorship Subcommittee Report (Attachment 3 of the Report):

As the ESS six monthly Report had a matter of some urgency to be discussed in the Public Excluded Agenda, it remained under Item C3.

However, to enable the public to hear about the Subcommittee's work it was decided that six monthly Reports should be in the Open Agenda. Accordingly, a further Open Report from the ESS would be available at the next Finance Committee Meeting on 21 May 2015.

Resolved: (Crs Mallett/Tooman)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion was 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. Finance Committee - Public Excluded Minutes - 19 February 2015) Good reason to withhold information exists under Section 7 Local Government	Section 48(1)(a)
C2. Finance Committee - Public Excluded Action List - 23 February 2015) Official Information and Meetings Act 1987	
C3. Six Monthly Report from the Chair of the Event Sponsorship Subcommittee to the Finance Committee		
C4. Report on overdue debtors as at 31 March 2015 & Bad Debts Writeoffs 2014/15		
C5. Garden Place Carpark Status Update		
C6. Development Contributions Report		
C7. Hamilton Gardens Development Project - External Funding and Sponsorship update		
C8. Future Reserve Land Purchases		
C9. Cartage Contract - CEO Delegation		

This resolution was sought 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:

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	Section 7 (2) (j)

	information for improper gain or improper advantage	
Item C3.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C4.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C5.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h) Section 7 (2) (i)
Item C6.	to enable Council to carry out negotiations to protect the privacy of natural persons	Section 7 (2) (a)
Item C7.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C8.	to protect the privacy of natural persons to enable Council to carry out negotiations	Section 7 (2) (a) Section 7 (2) (i)
Item C9.	to avoid prejudice to measures protecting the health or safety of members of the public to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (d) Section 7 (2) (h)

Cr Green retired from the Meeting at 3.00pm during the above Item.

The Meeting moved into Public Excluded between 3.20pm and 5:30pm.

The Meeting was declared closed at 5:30pm.

Confirmed:

Chairperson

Date