
Finance Committee

Komiti Tahua

OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton and Audio-visual Link on Thursday 10 February 2022 at 9.30am.

PRESENT

Chairperson <i>Heamana</i>	Cr R Pascoe
Deputy Chairperson <i>Heamana Tuarua</i>	Cr M van Oosten (exclusively via Audio-visual Link)
Members	Mayor P Southgate Deputy Mayor G Taylor (exclusively via Audio-visual Link) Cr M Bunting (exclusively via Audio-visual Link) Cr M Gallagher Cr R Hamilton (exclusively via Audio-visual Link) Cr M Donovan Cr K Naidoo-Rauf Cr A O'Leary (exclusively via Audio-visual Link) Cr S Thomson Cr E Wilson Cr D Macpherson Maangai J Kana (exclusively via Audio-visual Link)

In Attendance	Lance Vervoort – Chief Executive David Bryant – General Manager People and Organisational Performance Sean Murray – General Manager Venues, Tourism and Major Events Chris Allen – General Manager Development Helen Paki – General Manager Community Eeva-Liisa Wright – General Manager Infrastructure Operations Tracey Musty – Financial Controller Kay Lindsay – Business Manager Growth Chris Barton – Capital Projects Manager Iain Anderson – Capital Financial Lead Stephen Pennruscoe – Libraries Director Rebecca Whitehead – Unit Director Community Services Anita Oliver – Facilities Unit Manager Vionne de Villiers – Contract Manager
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Governance Staff	Amy Viggers – Governance Lead Narelle Waite and Tyler Gaukrodger – Governance Advisors
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1. Apologies - *Tono aroha*

Resolved: (Cr Pascoe/Cr Wilson)

That the apologies for early departure from Crs Macpherson, Naidoo-Rauf and Donovan are accepted.

2. Confirmation of Agenda - *Whakatau raarangi take*

Resolved: (Cr Pascoe/Cr Wilson)

That the agenda is confirmed.

Cr Thomson joined the meeting (9.32am) during discussion of the above item. She was present when the matter was voted on.

3. Declarations of Interest - *Tauaakii whaipanga*

No members of the Council declared a Conflict of Interest.

4. Public Forum - *AAtea koorero*

No members of the public wished to speak.

5. Confirmation of the Finance Committee Open Minutes of 14 December 2021

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee confirm the Open Minutes of the Finance Committee Meeting held on 14 December 2021 as a true and correct record.

6. Capital Portfolio Monitoring Report

The Capital Financial Lead spoke to the report, noting the request to increase the scope of Contract 188/2019 to ensure project completion and timeliness, tracking of budget changes, forecasted deferrals for the 2021/22 financial year, Annual Plan workshop, reduction in outstanding capitalisations, and provided a verbal update on January results. Staff responded to questions from Members concerning Waka Kotahi subsidies, accuracy of the deferrals forecast, Te Awa Cycleway delays and completion date, the Tristram/Collingwood intersection project, validation of developer contract increase requests, the Annual Plan workshop, Covid-19 related cost escalation, and approved contract sums.

Staff Action: *Staff undertook to provide an update to Members on the progress of Te Awa Cycleway project's.*

Resolved: (Cr Pascoe/Maangai Kana)

That the Finance Committee:

- a) receives the report; and
- b) approves an increase of the scope of Contract 188/2019 with CB Civil to include Snell Drive Pump Station upgrade works to a value of \$5.0m noting that no additional funding is required and that no increase to the current Approved Contract Sum of \$29.0m is required.

Mayor Southgate joined the meeting (9.40am) during discussion of the above item. She was present when the matter was voted on.

7. Financial Performance & Strategy Report to 30 November 2021 (*Recommendation to the Council*)

The Financial Controller spoke to the report, noting the favourable accounting result concerning the revaluations and operations and maintenance costs, Covid-19 impact on an unfavourable

forecast for balancing the books and additional operational spend. She responded to questions from Members concerning modelling for the Annual Plan, operational spend and revenue under Covid-19 restrictions, balancing the books forecast deficit, and funding for increased contract costs.

Staff Action: *Staff undertook to prepare finance modelling of the Annual Plan project options for the Annual Plan workshop.*

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee receives the report.

That the Finance Committee recommends that the Council:

- a) approves the capital movement as identified in paragraph 30 of the 10 February 2022 Capital Portfolio Monitoring Report;
- b) approves the significant forecast adjustments as set out in paragraphs 51 to 52 of the staff report; and
- c) approves the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 54 to 56 of the staff report.

8. Kōtui Library Management System Contract renewal

The Libraries Director and the Unit Director Community Services spoke to the report, noting the library management software, and the cost benefits of the Kōtui consortium. They responded to questions from Members concerning the system's capability to support a boundaryless library system, the budget's ability to cover expanding collections, capability to support remote access, cost effects of consortium membership changes, and Hamilton City Council's role in the consortium.

Resolved: (Cr Pascoe/Gallagher)

That the Finance Committee:

- a) receives the report;
- b) approves **Option 1** – Renewal of the Kōtui Library Management Service contract for a term of up to seven years (3 + 2 + 2), with a total value of \$1,322,614; and
- c) delegates authority to the Chief Executive to finalise and execute the contract.

9. Contract 15066 - HVAC & Plumbing - Cushman and Wakefield - Request to increase Approved Contract Sum

The Facilities Unit Manager and the Capital Financial Lead spoke to the staff recommendation. They responded to questions from Members concerning the contract length, contract sum and budget increase, upcoming tender for the new contract including recognition of covid-19 related air quality requirements, amalgamation of works and internal systems improvements.

Resolved: (Cr Wilson/Cr Hamilton)

That the Finance Committee:

- a) receives the report;
- b) approves an increase of the Approved Contract Sum of Contract 15066 by \$6,180,000 to a total revised Approved Contract Sum of \$14,180,000.

10. Resolution to Exclude the Public

Resolved: (Cr Wilson/Cr Gallagher)

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. Confirmation of the Finance Committee Public Excluded Minutes of 14 December 2021) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987	Section 48(1)(a)
C2. Report on overdue debtors as at 31 December 2021 and Debt write-offs 2021/22)	
C3. Information Services - Infor Limited Renewal		
C4. Information Services - Contract Renewals		
C5. Contract 859/2021 - Facilities Painting Contract		

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:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to protect the privacy of natural persons to maintain the effective conduct of public affairs through protecting persons from improper pressure or harassment	Section 7 (2) (a) Section 7 (2) (f) (ii)
Item C3.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C4.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C5.	to enable Council to carry out commercial activities without disadvantage to enable Council to carry out negotiations	Section 7 (2) (h) Section 7 (2) (i)

The meeting moved to public excluded session at 10.53am.

The meeting was declared closed at 11.35am.