
Finance Committee

Komiti Tahua

OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton and via Audio Visual link on Tuesday 17 May 2022 at 9.30am.

PRESENT

Chairperson Cr R Pascoe

Heamana

Deputy Chairperson Cr M van Oosten

Heamana Tuarua

Members

Mayor P Southgate

Deputy Mayor G Taylor (exclusively via audio-visual link)

Cr M Gallagher

Cr R Hamilton

Cr M Donovan

Cr K Naidoo-Rauf

Cr A O'Leary (exclusively via audio-visual link)

Cr S Thomson (partially via audio-visual link)

Cr E Wilson

Cr D Macpherson

Maangai J Kana

In Attendance: David Bryant – General Manager People and Organisational Performance

Chris Allen – General Manager Development

Blair Bowcott – General Manager Growth

Tracey Musty – Finance Director

Iain Anderson – Capital Financial Lead

Governance Team: Amy Viggers – Governance Lead

Narelle Waite, Tyler Gaukrodger – Governance Advisor

1. Apologies - *Tono aroha*

Resolved: (Cr Pascoe/Cr Macpherson)

That the apologies for absence from Cr Bunting and for partial attendance from Mayor Southgate are accepted.

2. Confirmation of Agenda - *Whakatau raarangi take*

Resolved: (Cr Pascoe/Cr Wilson)

That the agenda is confirmed.

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 29 March 2022

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee confirm the Open Minutes of the Finance Committee Meeting held on 29 March 2022 as a true and correct record.

Deputy Mayor Taylor joined the meeting (9.32am) during discussion of the above item. He was present when the matter was voted on.

6. Capital Portfolio Monitoring Report

The Capital Financial Lead spoke to the report noting the proposed budget changes proposed in the report, increase to projected deferrals, Covid-19 and central government reform as the key drivers of project risk, progress on capitalisation, the cost escalation risks of Peacocke projects, and resourcing challenges related to Covid-19. He responded to questions from Members concerning the four well-beings identified in the report, growth in project deferrals and consequences of these changes to timing, cost escalation risks and capability to deliver the capital programme, cost risks concerning projects in the Peacocke programme, the project stages of work identified for deferral, Te Awa Cycleway extension's expected completion date, and cost and capacity risks for deferred projects.

Staff Action: Staff undertook to enhance the Wellbeing Considerations section of the Capital Portfolio Monitoring Report.

Staff Action: Staff undertook to provide Members with a table that indicates the status of projects on the deferral list.

Staff Action: Staff undertook to provide an updated project timeline for the Rototuna Village Transport and Open Spaces project in the Project Risk section of the August Capital Portfolio Monitoring Report.

Staff Actions: Staff undertook to provide Members with information on the Audit NZ opinion on Council's work in progress figure.

Resolved: (Cr Wilson/Cr Hamilton)

That the Finance Committee receives the report.

Cr Thomson joined the meeting (9.33am) during discussion of the above item. She was present when the matter was voted on.

Mayor Southgate retired from the meeting (10.23am) during discussion of the above item. She was not present when the matter was voted on.

7. Financial Performance & Strategy Report to 31 March 2022

The Finance Director spoke to the report noting the favourable accounting result, forecasted year-to-date and balancing the books results, effect of recruitment delays and capital deferrals on favourable results, vested assets projected to not meet budget, Development Contributions revenue decline, and favourable treasury position. Staff responded to questions from Members

concerning industrial development contributions revenue decline, future industrial land supply, the forecast variance in the balancing the books and year-end results, expected increases of infill development, and the operating revenue forecast.

Staff Action: Staff undertook to provide information to Members concerning Development Contributions revenue trends.

Resolved: (Cr Pascoe/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 32 of the 17 May 2022 Capital Portfolio Monitoring Report;
- b) approves the significant forecast adjustments as set out in paragraphs 54 to 55 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 58 to 60 of the staff report.

8. Resolution to Exclude the Public

Resolved: (Cr Pascoe/Cr Donovan)

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 29 March 2022) 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 30 April 2022 and Debt write-offs 2021/22		
C3. Direct Appointment - Provision of Audio Visual Services at H3 Venues		
C4. Customer, Technology & Transformation - Contract Renewals		

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 protect the privacy of natural persons | Section 7 (2) (a) |
| | to maintain the effective conduct of public affairs through protecting persons from improper pressure or harassment | 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) |

The meeting went into a Public Excluded session at 10.55am.

The meeting was declared Closed at 11.10am.

Minute Note 17/08/2022:

On 17/08/2022 the following resolutions were determined to be released to the public via these minutes and the quarterly update.

Direct Appointment – Provision of Audio Visual Services at H3 Venues

Resolved:

That the Finance Committee:

- a) receives the report;*
- b) approves the direct appointment of Vidcom New Zealand Limited for a contract for the provision of audio-visual services at H3 Venues for a 15-month term, from 3 August 2022 to 2 November 2023;*
- c) delegates authority to the General Manager Venues, Tourism and Major Events to finalise and execute the contract; and*
- d) notes that the decision and information in relation to this matter be released at the appropriate time, to be determined by the Chief Executive.*

Customer, Technology & Transformation – Contract Renewals

Resolved:

That the Finance Committee:

- a) receives the report;*
- b) approves the renewal of the Lexel Systems Limited contract for an additional period of 12 months to 31 July 2023 and at a value of no greater than \$70,000 based on negotiations to date;*
- c) approves the renewal of the Fujitsu NZ Limited (Cisco) contract for an additional period of 36 months to 31 August 2025 and at a value of no greater than \$255,000 based on negotiations to date;*
- d) approves the renewal of the Triplics Limited contract for an additional period of 36 months to 31 August 2026 and at a value of no greater than \$600,000 based on negotiations to date;*
- e) approves the renewal of the Ninetex Pty Limited (Promapp) contract for an additional period of 60 months to 30 June 2027 and at a value of no greater than \$720,000 based on negotiations to date;*

- f) approves the renewal of the InfoCouncil Pty Limited contract for an additional period of 60 months to 30 June 2027 and at a value of no greater than \$115,000 based on negotiations to date;*
- g) approves the renewal of the Fujitsu NZ Limited contract for an additional period of 36 months to 30 June 2025 and at a value of no greater than \$20,000, based on negotiations to date;*
- h) delegates authority to the General Manager Customer, Technology and Transformation to finalise and execute the above contracts; and*
- i) notes that the decision and information in relation to this matter be released at the appropriate time, to be determined by the Chief Executive.*