
Finance Committee

Komita 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 Tuesday 29 March 2022 at 9.32am.

PRESENT

Chairperson Cr R Pascoe
Heamana

Deputy Chairperson Cr M van Oosten
Heamana Tuarua

Members Mayor P Southgate (exclusively via audio-visual link)
Deputy Mayor G Taylor (exclusively via audio-visual link)
Cr M Bunting
Cr M Gallagher (exclusively via audio-visual link)
Cr M Donovan
Cr K Naidoo-Rauf (exclusively via audio-visual link)
Cr A O'Leary (exclusively via audio-visual link)
Cr S Thomson (exclusively via audio-visual link)
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
Chris Allen – General Manager Development
Tracey Musty – Financial Controller
Iain Anderson – Capital Financial Lead
Julie Clausen – Unit Manager Strategy and Corporate Planning
Katy Nudd – Business Planning Analyst
Tania Hermann – Group Business Manager Infrastructure Operations
Andrew Michl – Local Government Funding Agency

Governance Staff Amy Viggers – Governance Lead
Narelle Waite – Governance Advisor
Melanie Hill – Governance and Elected Member Support Coordinator

1. **Apologies - *Tono aroha***

Resolved: (Cr Pascoe/Cr Macpherson)

That the apologies for absence from Cr Hamilton, and for early departure Crs O'Leary and Pascoe are accepted.

2. Confirmation of Agenda - *Whakatau raarangi take*

Resolved: (Cr Pascoe/Cr Bunting)

That the agenda is confirmed.

3. Declarations of Interest - *Tauaakii whaipaaanga*

No members of the Committee 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 10 February 2022

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee confirm the Open Minutes of the Finance Committee Meeting held on 10 February 2022 as a true and correct record.

6. Chair's Report

The Chair spoke to the report, noting the draft Annual Plan and the ongoing Council meeting. He responded to questions from Members concerning the adjourned Council Annual Plan meeting, inflation adjustments on co-funded capital projects, the Annual Plan process, and the procurement policy.

Staff Action: *Staff undertook to organise an Elected Member Briefing concerning the procurement principles prior to a report being brought to Council.*

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee receives the report.

7. Capital Portfolio Monitoring Report

The Capital Financial Lead spoke to the report, noting changes to the overall capital budgets, the Budget Detail attachments provided to show budget changes, work in progress, project risks, and project cost increase in the 2021/22 financial year. He responded to questions from Members concerning cost effect of deferrals, market predictions for cost escalation, budget contingency calculations, city growth and waters connections, play space project delays, Covid-19 related efficiencies, and market competition in the construction sector and opportunities for collaboration to mitigate this risk.

Staff Action: *Staff undertook to bring information to a future Strategic Growth Committee concerning growth impacts on waters connections.*

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee receives the report.

Cr O'Leary retired from the meeting (10.32am) during discussion of the above item. She was not present when the matter was voted on.

8. Financial Performance & Strategy Report to 31 January 2022 (Recommendation to the Council)

The Financial Controller spoke to the report noting the favourable accounting and balancing the books results, revaluation gains in the accounting result, forecast balancing the books deficit, and the January non-compliance in the Counterparty credit risk measure. She responded to questions from Members concerning the forecasted balancing the books deficit and inflations effect, and the increase in operational expenditure costs.

Resolved: (Cr Pascoe/Cr Bunting)

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 29 March 2022 Capital Portfolio Monitoring Report;
- b) approves the significant forecast adjustments as set out in paragraphs 55 to 56 of this 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 this report.

Cr Wilson noted concerns regarding the technical issues affecting the meeting and requested the meeting adjourn to address the issues.

9. Non-Financial Service Performance Report

The Business Planning Analyst took the report as read, noting the outstanding measures and measures predicted to be achieved. Staff responded to questions from Members concerning the timing for members to receive the next six-monthly update, comparison to last year's results, setting performance targets, comparison to other Councils, rubbish and recycling results, street maintenance, quality of life survey and results by suburb, and the Covid-19 response framework effects on transportation performance results.

Staff Action: *Staff undertook to provided information to Members concerning the calculation of transport performance measures considering the effects of Covid-19.*

Resolved: (Cr Donovan/Cr Bunting)

That the Finance Committee:

- a) receives the report
- b) notes that the next six-monthly update will be presented as part of the 2021/22 Annual Report.

The meeting was adjourned from 11.16am to 11.35am.

10. New Zealand Local Government Funding Agency - Half Year Report 31 December 2021 and Statement of Intent 2022/23

Andrew Michl (Local Government Funding Agency) provided a presentation, noting the financial effects of conflict in Europe, recent feedback survey, membership, LGFA purpose redirection, amendment to performance targets, and succession planning. He responded to questions from Members concerning CCO membership, lending, and supporting diversity in the agency.

Resolved: (Mayor Southgate/Maangai Kana)

That the Finance Committee:

- a) receives the half year report; and
- b) approves the New Zealand Local Government Funding Agency draft Statement of Intent 2022/23.

11. Resolution to Exclude the Public

Resolved: (Cr van Oosten/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 10 February 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 28 February 2022 and Debt write-offs 2021/22		
C3. Rototuna Village: Public Realm Construction Contract Award		
C4. Municipal Pool Demolition and Site Restoration Delegation		
C5. CON00000830/2021 Toilet and Changing Room Design and Construction		
C6. Information Services - Spiker Software Solutions Limited		
C7. Information Services - 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:

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	Section 7 (2) (h)
Item C6.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C7.	to enable Council to carry out negotiations	Section 7 (2) (i)

The meeting went into Public Excluded session at 11.53am.

The meeting was declared closed at 2.12pm.

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.

Information Services - Spiker Software Solutions Limited

Resolved:

That the Finance Committee:

- a) receives the report;*
- b) approves the renewal of the Spiker Software Solutions Limited contract for an additional period to 30 April 2022 at a value of no greater than \$260,000 based on negotiations to date;*
- c) delegates authority to the General Manager Customer, Technology and Transformation 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.*

Information Services - Contract Renewals

Resolved:

That the Finance Committee:

- a) receives the report;*
- b) approves the renewal of the Diligent Board Member Services NZ Limited contract for an additional period of 60 months to 30 June 2027 and at a value of no greater than \$400,000 based on negotiations to date;*
- c) approves the renewal of the Monsido Pty Limited contract for an additional period of 60 months to 14 May 2027 and at a value of no greater than \$98,000, based on negotiations to date;*

- d) approves the renewal of the Objective Corporation Limited contract for an additional period of 60 months to 30 June 2027 and at a value of no greater than \$291,000, based on negotiations to date;*
- e) approves the renewal of the Kaon Security Limited contract for an additional period of 60 months to 30 May 2027 and at a value of no greater than \$40,000, based on negotiations to date;*
- f) approves the renewal of the Dove Communications Limited contract for an additional period of 60 months to 30 June 2027 and at a value of no greater than \$70,000, based on negotiations to date;*
- g) approves the renewal of the Leap Thought Limited contract for an additional period of 7 months to 31 December 2022 and at a value of no greater than \$50,000, 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.*