
Finance Committee

OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Tuesday 28 August 2018 at 9.30am.

PRESENT

Chairperson	Cr G Mallett
Members	Cr R Pascoe
	Mayor A King
	Deputy Mayor M Gallagher
	Cr M Bunting
	Cr J R Casson
	Cr S Henry
	Cr D Macpherson
	Cr A O'Leary
	Cr G Taylor
	Cr L Tooman
	Cr R Hamilton

In Attendance	Richard Briggs – Chief Executive
	David Bryant – General Manager Corporate
	Lance Vervoort – General Manager Community
	Sean Murray – General Manager Major Events, Venues and Tourism
	Sean Hickey – General Manager Strategy and Communications
	Chris Allen – General Manager Capital Projects
	Eeva-Liisa Wright – General Manager Infrastructure Operations
	Helen Paki – Community Business Planning Manager
	Peter Sergel – Hamilton Gardens Director
	Natasha Ryan – Key Projects Programme Manager
	Stephen Halliwell – Accounting Manager
	Sarah Wilson – Organisational Support Team Leader, Finance
	Natalie Young – PMO Manager
	Maire Porter – City waters Manager
	Bridget Morgan – Water Asset Manager
	Nigel Ward – Communication Advisor
	Paul Gower – Programme Manager, Growth and Assets
	Irene James – Finance and Commercial Director
	Matthew Bell – Rates and Revenue Manager

Phil Saunders – Principal Building Advisor
Cory Lang – Building Control Manager
Katy Nudd - Business Planning Analyst

Governance Advisor Becca Brooke – Governance Team Leader
Rebecca Watson – Committee Advisor

1. Apologies

Resolved: (Crs Mallett/Casson)

That the apologies from Crs Southgate, Taylor, and Macpherson (for lateness) are received and accepted.

2. Confirmation of Agenda

Resolved: (Crs Mallett/Bunting)

That the agenda is confirmed noting:

- that a late Public Excluded Item has been added to the agenda – (Verbal Update on Weathertight Legal Matters) for the purpose of providing Elected Members with an update; and
- that Item 10 (Weathertight Buildings) will be taken as the last item in the open section of the agenda to accommodate presenters.

3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

4. Public Forum

No members of the public wished to speak.

5. Finance Committee Meeting Minutes - Open - 22 May 2018

Resolved: (Cr Mallett/Cr Casson)

That the Committee confirms the Open Minutes of the Finance Committee meeting held on 22 May 2018 as a true and correct record.

6. Hamilton Gardens Development - Contract Variation and Budget Deferral

The Community Business Planning Manager introduced the report, noting that staff were seeking approval for deferral of capital funds and to approve a contract sum as outlined in the report.

Staff responded to questions from Elected Members concerning the reasons for the deferral, construction of the Jetty, and the plan for an Arrivals Centre.

Staff noted that the figure in the 10 Year Plan Monitoring report concerning the deferral amount noted in this report was incorrect and should be \$240,000, not \$224,000.

Resolved: (Crs Mallett/O'Leary)

That the Finance Committee:

- a) receives the report; and
- b) approves an increase to the Approved Contract Sum for Contract 16448 from \$249,210.07 to \$292,956.07; and
- c) approves deferral of \$440,000 in capital expenditure from 2017/18 to 2018/19 with \$200,000 to be spent on the completion of the current Gardens development and the remaining \$240,000 to be put towards the upgrade of the Arrival Centre in 2018/19.

7. 10-Year Plan Monitoring Report - For the year ended 30 June 2018

The Finance Manager introduced the report noting that it looked back at the past year, comparing the actual budget with the planned budget. He provided a summary of the 2017/18 financial year results as outlined in the report and stated that the results were very positive. Staff responded to questions from Elected Members concerning:

- Deferrals
- Trade waste and closed land fills
- Debt funding everyday expenses
- Deficits
- Capital delivery programme reports
- Peacockes spend
- Transfers
- End of year invoicing process/patterns
- HIF Loan costs/recording

Resolved: (Mayor King/Cr Mallett)

That the Finance Committee:

- a) receives the report; and
- b) approves capital deferrals of \$32.1m representing 42 projects are carried over into the 2018-19 financial year and are reported to the Finance Committee using a revised budget.

Crs Macpherson and Taylor joined the meeting (10.08am) during the discussion of the above item. They were present when the matter was voted on.

8. 2015-25 10 Year Plan Service Performance Report - Year 3, Quarter 4

Katy Nudd took the report as read and summarised the quarter report noting that there had been a few updates to the some of the measures since the report was written. (note changes)

Staff responded to questions from Elected Members concerning the measures/targets, and clarification on various measure figures.

Action: *Elected Members requested further information regarding the 10 Year Plan measures for the next period to be provided via an upcoming briefing, before the approval of the next annual plan.*

Resolved: (Crs Mallett/Casson)

That the Finance Committee receives the report.

9. Capital Portfolio Report

The General Manager Capital Programmes introduced Natalie Young as Project Manager for the Capital Programme Group. He outlined how future reporting for the group would look and what information would be captured. Staff responded to questions regarding the composition of the new group, costs, purpose.

Resolved: (Crs Mallett/Casson)

That the Finance Committee receives the report.

The meeting adjourned 11.07am – 11.23am.

10. HCC's Draft 2 Response to LGNZ's Three Waters Survey

The General Manager Infrastructure Operations introduced the report. They responded to questions from Elected Members regarding water standards and their review/measure, the obligations under the Treaty of Waitangi, use of plain language.

Staff noted feedback received from Elected Members in relation to the Staff submission and would incorporate agreed points.

List points and send for confirmation to EMs/staff

Elected Members requested staff organise a briefing to discuss various other matters in relation to wider waters issues for the region.

Resolved: (Crs Mallett/Pascoe)

That the Finance Committee:

- a) receives the report;
- b) approves HCC's **Draft 2** response to LGNZ's Three Waters Survey, noting the amendments outlined above;
- c) notes the approved response will be sent to LGNZ prior to its National Council meeting scheduled for 31 August 2018; and
- d) notes the approved response will be uploaded to Hamilton City Council's website.

11. H3 Group Quarter 4 and Year End Report 2017/18

The General Manager Major Events, Venues and Tourism introduced the report and Finance Director, H3. He responded to questions from Elected Members concerning specific venues, Founders Theatre debt write off, whether Claudelands has been paid off and other bigger assets reporting of.....

Elected Members requested further information in relation to depreciation and visibility of how larger assets are recorded/visible. Difference between depreciation and revaluation. GM Corporate to organise this offline.

Resolved: (Crs Mallett/Casson)

That the Finance Committee receives the report.

The meeting adjourned 12.58pm– 1.03pm

12. **Weathertight Buildings**

The Senior Building Advisor introduced the report, noting that one claim had been received since the last report. He responded to questions from Elected Members concerning why we generally had less claims than other Metro Councils, clarity on 10 year liability timeframe, insurance for claims.

Resolved: (Crs Mallett/Casson)

That the Finance Committee receives the report.

13. Resolution to Exclude the Public

Resolved: (Crs Mallett/Casson)

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. Finance Committee Minutes - Public Excluded - 22 May 2018) Good reason to withhold information exists under Section 7 Local Government	Section 48(1)(a)
C2. Waikato Rugby Union - Update) Official Information and Meetings Act 1987	
C3. Report on overdue debtors as at 31 July 2018 & Debt write-offs 2018/19)	
C4. Verbal Report – Weather Tight Legal Matters		

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 enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
Item C3.	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 C4.	To maintain legal professional privilege	Section 7 (2) (g)

The meeting went into a public excluded session at 1.17pm.