
Finance Committee

OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Tuesday 22 May 2018 at 9.30am.

PRESENT

Chairperson

Cr G Mallett

Members

Mayor A King

Cr M Bunting

Cr J R Casson

Cr S Henry

Cr D Macpherson

Cr A O’Leary

Cr P Southgate

Cr G Taylor

Cr L Tooman

Cr R Hamilton

In Attendance

David Bryant - General Manager Corporate

Sean Murray - General Manager Venues, Tourism and Major Events

Stephen Helliwell – Accounting Manager

Chris Allen – General Manager City Infrastructure

Lance Vervoort – General Manager Community

Nigel Ward – Communications Team Leader

Andrew Parsons – City Development Manager

Maire Porter – City Waters Manager

Bridget Morgan – Waters Assets Manager

Eeva-Liisa Wright – City Infrastructure Business Manager

Helen Paki – Business and Planning Manager

Julie Clausen – Programme Manager

Jen Baird – General Manager City Growth

Richard Briggs – Chief Executive

Katy Nudd – Business Planning Analyst

Matthew Bell – Rates Manager

Governance Advisor

Lee-Ann Jordan – Governance Manager

Rebecca Watson and Claire Guthrie – Committee Advisors

1. Apologies

Resolved: (Crs Mallet/Casson)

That the apologies from Deputy Mayor Gallagher and Cr Pascoe are accepted.

2. Confirmation of Agenda

Resolved: (Crs Mallett/Casson)

That the agenda is confirmed noting the following:

- Resolution to Exclude the Public is on a separate sheet of paper;
- There is a page missing from the agenda (page 104a). The page was circulated to Elected Members at the meeting and would be made available to the public after the meeting and attached to these minutes as appendix 1

3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

4. Public Forum

There were no public forum speakers.

5. Finance Committee Minutes - Open - 3 April 2018

Resolved: (Crs Mallett/Casson)

That the Committee confirms the Open Minutes of the Finance Committee Meeting held on 3 April 2018 as a true and correct record.

6. Civic Financial Services Ltd Statement of Intent and Half Yearly Report

Action: Staff undertook to report back to Committee Members with information regarding the continued financial impact of investing in Civic Financial Services.

Resolved: (Crs Macpherson/Mallett)

That the Finance Committee:

- a) receives the report; and
- b) approves the Civic Financial Services Ltd Draft Statement of Intent 2018.

7. **10-Year Plan Monitoring Report - For the nine months 31 March 2018**

The Accounting Manager spoke to the report, highlighting some of the areas and figures of interest.

Committee Members asked questions regarding:

- Variance and remissions figures
- Timing of payments of Development Contributions and vested assets
- Overview and deferrals of capital projects programmes
- Hamilton Garden targeted rates
- Purchase and use of electric vehicles by Council
- Funding the correction of river slips
- Election costs
- Contingency planning and debt capacity levels
- Expenditure and income in capital expenditure figures, particularly regarding the Museum, FMCG Stadium, VOTR and Hamilton Gardens.

Resolved: (Crs Mallett/Casson)

That the Finance Committee receives the report.

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

The Programme Manager, Strategy and Business Planning Analyst, Strategy spoke to the report, highlighting the results that are on track, and that some results needed some corrective action to get back on track.

Committee Members asked questions regarding:

- Recycling targets
- Complaints about rubbish services
- Visitation numbers to the Museum
- Targets for circulation of agendas

Resolved: (Crs Mallett/Henry)

That the Finance Committee receives the report.

9. Key Projects Monitoring Report - April 2018

The General Manager Corporate took the report as read.

Committee Members asked questions regarding:

- Clarification of risk of exceeding scope
- Timing of the opening of new Hamilton Garden areas
- Timings for the costs of Central city jetty
- Rights of First Refusal options with Hamilton Ring Road upgrade and production

Resolved: (Crs Mallett/Henry)

That the Finance Committee receives the report.

10. H3 Group Quarter 3 Report - 1 January - 31 March 2018

The General Manager, Venues, Tourism and Major Events spoke to the report, highlighting the growth in activity and the number of people that had been hosted by H3 venues over quarter 3. He also spoke to the financial summary, explaining some of the expenditure and income figures.

Committee Members asked questions regarding:

- Number of days exhibition halls at Claudelands Arena are used
- Possibility of areas being used for community or sports groups
- How often customer satisfaction surveys were undertaken
- Health and Safety figures
- Changes to the estimate for the installation of a chiller at FMG Stadium
- Availability of hotel accommodation for conferences
- Impact of social media on marketing costs and reach
- Depreciation and maintenance costs
- Replacement of Seddon Park practice wicket nets

Action: Staff undertook to provide information to Committee Members regarding the lease agreement on Seddon Park and how often the practice wicket nets will need replacing.

Resolved: (Cr Mallett/Cr Macpherson)

That the Finance Committee receives the report.

Cr Taylor left the meeting (12.20pm) during the discussion of the above item. He was not present when the matter was voted on.

11. Resolution to Exclude the Public

Resolved: (Crs Mallett/Bunting)

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 - 3 April 2018) 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 2018 & Debt write-offs 2017/18)	

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)

The meeting went into a public excluded session at 12.26pm.

The meeting was declared closed at 12.37pm.

**Capital Expenditure Variance Explanations: Variances greater than \$200k.
for the nine months ended 31 March 2018**

	YTD Variance \$000
<p>36 CE15146 - Water customer connections Higher demand of new connections than anticipated, additional expenditure is offset by increased revenue.</p>	(244)
<p>37 CE10153 - Core business applications The Document System, CM9 and Office 2016 upgrades went live 20 November 2017 and are currently closing with final invoices being processed. The ArcGIS and CityView upgrade was delayed due to architectural decisions have now been finalised and the project has commenced. The upgrade of the IPS Asset Management system is underway and while this will be completed by year end the business has agreed a go live of 31 July 2018 to accommodate year end processing. An upgrade of the SQLRS server is in progress and due to closed in April. Final projects scheduled for this financial year are commencing to complete the HR currency of the YourView staff portal and training module, the Intranet sharepoint upgrade and an upgrade of the Authority customer request application.</p>	580
<p>38 CE15155 - Mobility and eservices The upgrade of the Citizen eServices platform and the Kern Mobile application are in progress. The Asset Assessment City Waters project has been placed on hold to reassess and confirm the business case and technology options proposed for delivery. Dependant on the outcome the project may require a deferral as the delivery timeline will be impacted and cross over the financial year end.</p>	383
<p>39 CE15157 - Authority replacement This funding has been authorised to be used on the DC Funding Model, DC Assessment Tool and Growth Model. See CE 16002.</p>	801
<p>40 CE16002 - DC Funding Model, Assessment Tool & Growth Model Spend was approved by Council, the offsetting budget is CE15157 - Authority replacement.</p>	(402)