
Finance Committee

OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 23 May 2019 at 9.31am.

PRESENT

Chairperson	Cr G Mallett
Deputy Chairperson	Cr R Pascoe
Members	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
	Maangai Bella Takiari-Brame

In Attendance	Richard Briggs – Chief Executive
	David Bryant – General Manager Corporate
	Lance Vervoort – General Manager Community
	Sean Murray – General Manager Venues, Tourism and Major Events
	Chris Allen – General Manager Development
	Jen Baird – General Manager City Growth
	Sean Hickey – General Manager Strategy and Communications
	Tracey Musty – Financial Controller
	Natalie Young – PMO Manager
	Maire Porter – City Waters Manager
	Jason Harrison – Special Projects Manager
	Paul Gower – Programme Manager Assets Strategy
	Jayne Perry – Chief of Staff
	Julie Clausen – Programme Manager Strategy

Governance Staff	Rebecca Watson, Amy Viggers and Claire Guthrie – Committee Advisors
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1. Apologies

Resolved: (Cr Bunting/Cr Mallett)

That the apologies for absence from Mayor King and Deputy Mayor Gallagher, and for early departure from Cr Southgate and Maangai Takiari-Brame are accepted.

2. Confirmation of Agenda

Resolved: (Cr Mallett/Cr Casson)

That the agenda is confirmed.

3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

4. Public Forum

Mr Roger Stratford spoke to Item 12 (*Contract 15216 Supply of Library Collection Materials right of renewal*) and noted his concerns over the cost and time limitations of borrowing some library material.

5. Confirmation of the Finance Committee Minutes - Open - 9 April 2019

Resolved: (Cr Pascoe/Cr Mallett)

That the Committee confirm the Open Minutes of the Finance Committee Meeting held on 9 April 2019 as a true and correct record.

6. H3 Report - Quarter Three 1 January to 31 March 2019

The General Manager Venues, Tourism and Major Events spoke to the report, noting some of the issues and items being worked through currently, primarily being waste and sustainability, and security requirements for events.

Committee Members asked questions concerning:

- rubbish and recycling systems at events,
- availability of accommodation,
- increase in costs and responsibilities of security,
- existing EFTPOS facilities at stadia,
- year to date forecasts,
- delivery and installation of corporate boxes,
- fees paid by the Farmers Market, and
- NZ Rugby Sevens.

Staff action: *Staff undertook to clarify the figure in paragraph 2.5 of the report, being the year end operating expenditure.*

Resolved: (Cr Hamilton/Cr Bunting)

That the Finance Committee;

- a) receives the report; and
- b) requests that staff explore the feasibility of introducing EFTPOS options and facilities into stadium events and report back at the 1 August 2019 Finance Committee meeting.

7. Capital Portfolio Monitoring Report

The General Manager Development and the PMO Manager spoke to the report, noting that paragraph 2b of the report should not include the wording “May 2019 Financial Strategy Report”. They provided an overview of the current key risks, including NZTA funding.

Committee Members asked questions concerning:

- impact of the potential NZTA subsidy decision on the 10-Year Plan and timeframes to receive this,
- Te Awa Cycleway,
- WLASS professional services panel increase in rates,
- funding of cemeteries management system,
- footpath improvements and renewals deferrals and programme timeframes,
- asbestos on the Ring Road,
- capital and revenue movements,
- prioritisation by NZTA towards safety, and
- deferrals figures.

Staff action: *staff undertook to provide Committee Members with an update concerning NZTA funding via an Extraordinary Council meeting, should this be required.*

Resolved: (Cr Mallett/Cr Casson)

That the Finance Committee receives the report.

The meeting adjourned between 11.17am and 11.30am.

8. Annual Monitoring Report to 31 March 2019

The Financial Controller spoke to the report, noting there were no new emerging issues, and that the Council remains fully compliant within debt policy.

Committee Members asked questions concerning:

- variances in forecasting for vested assets,
- inclusion of strategic property in reporting,
- depreciation on, and life span of, vested assets,
- inclusion of calculations of solvency and debt ratios in reporting,
- unbudgeted work completed on Te Kowhai level rail crossing,
- costs of sending unpaid parking infringements to court, and
- increase in surplus from capital subsidy programme.

Resolved: (Cr Pascoe/Cr Mallett)

That the Finance Committee receives the report.

9. 10-Year Plan 2018-28 Non-financial Organisational Performance Reporting Quarter Three

The Programme Manager Strategy introduced the report noting that the report now included colour coding to note where there was no new data available.

Committee Members asked questions concerning the reporting of donations received.

Resolved: (Cr Mallett/Cr Tooman)

That the Finance Committee receives the report.

10. Domain Endowment Lease - Freeholding - 189 Fox Street

The report was taken as read.

Committee Members asked questions concerning where any monies received were accounted to, use of money received, inclusion of GST, and the strategic direction of endowment funds.

Resolved: (Cr Mallett/Cr Hamilton)

That the Finance Committee:

- a) approves the sale of the freehold interest described in the Schedule to the lessee for a price of \$380,000 (Three hundred and Eighty Thousand Dollars) including GST (if any); and
- b) authorises the Chief Executive to prepare and execute an Agreement for Sale and Purchase; and any other instruments required to give effect to this resolution.

SCHEDULE

All that piece of land situated in the city of Hamilton containing 675m² (more or less) being Lot 7 DPS 1200 and being all the fee simple land comprised in Certificate of Title 198604 situated at 189 Fox Street, Hamilton.

Cr Southgate dissenting.

11. Extension of Delegation for Management of 3-Year Renewals and Compliance Capital Programme (Recommendation to Council)

The Programme Manager Assets and Growth spoke to the report, noting that any changes to delegation would remain within the 3 year budget allocation and that any use of the extended delegation would be reported to the Finance Committee to ensure visibility.

Committee Members asked questions concerning the management of political pressure around projects, reporting requirements, prioritisation and identification of any identified new renewal priorities, and current delegation levels.

Resolved: (Cr Mallett/Cr Hamilton)

That the Finance committee:

- a) receives the report and;
- b) recommends the Council approve changes to the Delegations to Positions Policy as

shown in Attachment 1 to this report, to enable more flexibility in the management of the 3-Year Renewals and Compliance capital programme.

12. Contract 15216 Supply of Library Collection Materials right of renewal

The Libraries Manager and the Content and Heritage Manager spoke to the report, noting some of the figures concerning the supply of collection materials to the libraries.

Committee Members asked questions concerning contract amounts.

Resolved: (Cr Southgate/Cr Casson)

That the Finance Committee:

- a) receives the report; and
- b) approve the right of renewal to the value of \$1,500,000 for Contract No. 15216: Supply of Library Collection Materials with Wheelers Book Club LTD.

13. Resolution to Exclude the Public

Resolved: (Cr Pascoe/Cr Mallett)

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 Finance Committee Meeting Minutes - Public Excluded - 9 April 2019) 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 2019 & Debt write-offs 2018/19)	
C3. 2015-19 Fujitsu Hosting and Managed Infrastructure and Application Services Contract Value Confirmation)	

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
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 avoid the unreasonably, likely prejudice to the commercial position of a person who supplied or is the subject of the information | Section 7 (2) (b) (ii) |

The meeting moved into a Public Excluded session at 12.28pm.

The meeting was declared closed at 12.55pm.