



Finance and Performance Committee

OPEN MINUTES

Minutes of a meeting of the Finance and Performance Committee held in the Reception Lounge, Auckland Town Hall, 301-305 Queen Street, Auckland on Thursday, 12 December 2013 at 9:30am.

PRESENT

Chairperson	Cr Penny Webster	
Deputy Chairperson	Cr Ross Clow	
Members	Cr Anae Arthur Anae	
	Cr Cameron Brewer	From 3.19pm, item C1
	Cr Dr Cathy Casey	
	Cr Bill Cashmore	
	Cr Linda Cooper, JP	
	Cr Chris Darby	
	Cr Alf Filipaina	
	Cr Hon Chris Fletcher, QSO	
	Cr Penny Hulse	
	Cr Denise Krum	
	Cr Mike Lee	From 10.37am, item 10, until 3.16pm, item C1
	Cr Calum Penrose	
	Cr Dick Quax	
	Cr Sharon Stewart, QSM	
	Member David Taipari	From 3.10pm, item C1
	Member John Tamihere	
	Cr Sir John Walker, KNZM, CBE	
	Cr Wayne Walker	
	Cr John Watson	
	Cr George Wood, CNZM	

APOLOGIES

Cr Mike Lee	For lateness
Cr Sir John Walker, KNZM, CBE	For lateness
Cr Penny Hulse	For lateness
Cr Linda Cooper, JP	For early departure

1 Apologies

Resolution number FIN/2013/1

MOVED by Cr CM Casey, seconded by Deputy Chairperson RI Clow:

That the apology from Councillors Mike Lee, Sir John Walker, Penny Hulse for lateness and Councillor Linda Cooper for early departure, be accepted.

CARRIED

2 Declaration of Interest

There were no declarations of interest.

3 Confirmation of Minutes

There were no minutes to confirm.

4 Petitions

There were no petitions.

5 Public Input

There was no public input.

6 Local Board Input

There was no local board input.

7 Extraordinary Business

There was no extraordinary business.

8 Notices of Motion

There were no notices of motion.

Precedence of Business

Resolution number FIN/2013/2

MOVED by Chairperson MP Webster, seconded by Deputy Chairperson RI Clow:

That the Finance and Performance Committee:

- a) **agree that C1 Monthly Budget Update – Alternative Funding be accorded precedence at this time.**

CARRIED

Secretarial Note: A verbal presentation was given regarding the Monthly Budget Update – Alternative Funding, which was part of C1 and the Chair allowed discussion on this matter in the Open section

C1 Monthly Budget Update - Alternative Funding

Resolution number FIN/2013/3

MOVED by Cr C Darby, seconded by Deputy Chairperson RI Clow:

That the Finance and Performance Committee:

- a) **receive the verbal presentation from Peter Winder regarding Alternative Funding for Transport.**

CARRIED

Cr PA Hulse left the meeting at 10.10 am.

Cr PA Hulse returned to the meeting at 10.21am.

9 Information System update

A presentation was given for this item.

A copy is attached to the official minutes and is available on the Auckland Council website.

Resolution number FIN/2013/4

MOVED by Cr LA Cooper, seconded by Cr WB Cashmore:

That the Finance and Performance Committee:

- a) **note the significant business improvement programme being delivered across council, and the key contribution information technology change is making to that programme.**

CARRIED

Attachments

A IS Update

10 Council communications and engagement

A presentation was given for this item.

A copy is attached to the official minutes and is available on the Auckland Council website.

Resolution number FIN/2013/5

MOVED by Cr CM Casey, seconded by Deputy Chairperson RI Clow:

That the Finance and Performance Committee:

- a) **receive the presentation from Wilma Falconer.**
- b) **request officers to assess alternatives to OurAuckland including an insert in local community newspapers and a new broadsheet.**
- c) **request Local Boards to provide formal and informal input into the Communications review.**

CARRIED

Attachments

A Communication and Engagement

Cr ME Lee entered the meeting at 10.37 am.

Cr LA Cooper left the meeting at 10.41 am.

Member DE Taipari left the meeting at 11.05 am.

Deputy Chairperson RI Clow left the meeting at 11.18 am.

Member DE Taipari returned to the meeting at 11.21 am.

Deputy Chairperson RI Clow returned to the meeting at 11.28 am.

11 Auckland Council Performance Report September 2013

A presentation was given for this item.

A copy is attached to the official minutes and is available on the Auckland Council website.

Resolution number FIN/2013/6

MOVED by Chairperson MP Webster, seconded by Deputy Chairperson RI Clow:

That the Finance and Performance Committee:

- a) **note the performance report for the three months ended 30 September 2013, highlighting:**
 - i) **Net favourable operating surplus variance to budget of \$16.1 million.**
 - ii) **Capital expenditure of \$62.9 million.**
- b) **note the following highlights and achievements :**
 - i) **Draft Unitary Plan approved for notification by Governing Body on 10 September and notified on 30 September 2013.**
 - ii) **Auckland Housing Accord adopted by Auckland Plan Committee on 18 September 2013.**
 - iii) **Heritage Festival: The launch of this event was held on Queens Wharf, and featured the history of Shed 10 and its restoration. The festival ran over 16 days with 245 events delivered by 180 contributors, across the region.**
 - iv) **Housing Project Office set up completed in a very short timeframe.**
 - v) **on the 26 September the Governing Body adopted the 2012/2013 annual report for the Auckland Council group. The audited report is now available for public access on Councils web site.**
 - vi) **a Memorandum of Understanding to collaboratively develop a regional litter strategy was signed by the Mayor, Keep NZ Beautiful, AMA, Kiwi Rail, Parks and I&ES managers in September.**
 - vii) **Treasury management: had positive annual review meetings with Standard and Poor's and Moody's rating agencies.**
 - viii) **Civil defence managed two weather events on 12 and 24 September, on the latter mobilizing community response volunteers and supporting residents in Northern Auckland.**

CARRIED

Attachments

A AC performance report

The meeting adjourned from 11.55am and reconvened at 12.45pm.

Councillors Anae, Quax, Hulse, Cashmore, Clow and Wood were not in attendance when the meeting reconvened.

12 Resource Consent & Building Control Activity and Performance Update

A presentation was given for this item.

A copy is attached to the official minutes and is available on the Auckland Council website.

Resolution number FIN/2013/7

MOVED by Chairperson MP Webster, seconded by Cr LA Cooper:

That the Finance and Performance Committee:

- a) **received the Resource Consent & Building Control Activity and Performance Update report.**

CARRIED

Attachments

A Resource Consent and Building Control

Cr AJ Anae left the meeting at 12.45 pm.

Cr PA Hulse left the meeting at 1.05 pm.

Cr WB Cashmore left the meeting at 1.05 pm.

Cr D Quax left the meeting at 1.10 pm.

13 Overview and update on Auckland Councils approach to borrowing

A presentation was given for this item.

A copy is attached to the official minutes and is available on the Auckland Council website.

Resolution number FIN/2013/8

MOVED by Chairperson MP Webster, seconded by Deputy Chairperson RI Clow:

That the Finance and Performance Committee:

- a) **note the presentation on Auckland Council's approach to borrowing by the Auckland Council Chief Finance Officer and Treasurer.**

CARRIED

Attachments

A Borrowing Overview

Cr AJ Anae returned to the meeting at 1.17 pm.

Cr PA Hulse returned to the meeting at 1.25 pm.

Cr CE Fletcher left the meeting at 1.30 pm.

Cr WB Cashmore returned to the meeting at 1.32 pm.

14 Approval for Eden Park Trust redocumented ASB facility as an Approved Facility under the Security Enforcement Deed

Resolution number FIN/2013/9

MOVED by Cr C Darby, seconded by Cr GS Wood:

That the Finance and Performance Committee:

- a) **approve delegation to the Chief Finance Officer to approve the Eden Park Trust re-documented ASB credit facility as an Approved Facility under the Security Enforcement Deed.**

CARRIED

15 Te Tiriti o Waitangi Audit Response Work Programme 2013/14

Resolution number FIN/2013/10

MOVED by Cr GS Wood, seconded by Cr CM Penrose:

That the Finance and Performance Committee:

- a) **approve the recommendations proposed in the 2013/14 work plan (outlined in Attachment one);**
- b) **agree that progress reporting be quarterly to the Finance and Performance Committee and use a consistent reporting format for subsequent reports over 2014/15; and**
- c) **agree that the next progress update will report on costs aligned to the 2013/14 work plan.**

CARRIED

Cr CE Fletcher returned to the meeting at 2.20 pm.

16 Quarterly Update: Business Improvements to identify Auckland Council contributions to Maori outcomes

Resolution number FIN/2013/11

MOVED by Cr GS Wood, seconded by Member DE Taipari:

That the Finance and Performance Committee:

- a) **note the progress report on contributions to Māori outcomes as recorded in financial and non-financial terms.**

CARRIED

Cr CE Brewer left the meeting at 2.20 pm.

17 Consideration of Extraordinary Items

There was no consideration of extraordinary items.

18 Procedural motion to exclude the public

Resolution number FIN/2013/12

MOVED by Cr GS Wood, seconded by Cr B Cashmore:

That the Finance and Performance Committee:

- a) **exclude the public from the following part(s) of the proceedings of this meeting.**
- b) **agree that Simon Randall, Chairperson, Maungakiekie-Tamaki Local Board, Desley Simpson, Chairperson Orakei Local Board and members of the Regional Facilities Auckland (RFA) staff and Board be permitted to remain for Confidential Item C1: Monthly Budget report after the public has been excluded, because of their knowledge of the matters, which will help the Finance and Performance Committee in its decision-making.**
- c) **agree that Kay McIntyre, Chairperson and Ann Hartley, Deputy Chairperson, Kaipatiki Local Board be permitted to remain for Confidential Item C2: Potential acquisition in Birkdale after the public has been excluded, because of their knowledge of the matters, which will help the Finance and Performance Committee in its decision-making.**

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.

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:

C1 Monthly Budget report

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). In particular, the report contains commercially sensitive information, the disclosure of which could disadvantage the council in negotiation.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

C2 Potential acquisition in Birkdale

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). In particular, the report contains information on property values.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

The text of these resolutions is made available to the public who are present at the meeting and form part of the minutes of the meeting.

CARRIED

2.25pm The public was excluded.

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available.

3.39pm The public was re-admitted.

RESTATEMENTS

It was resolved while the public was excluded:

C1 Monthly Budget report

Resolution number FIN/2013/13

MOVED by Chairperson MP Webster, seconded by Cr AJ Anae:

- k) agree not to instate c), e) or associated attachments in the open minutes.**
- a) receive the report.**
- b) note the urgent decision of the governing body of the previous term on 7 October to approve additional budget of \$62,000 for civil defense emergency generators.**
- d) approve the increase in the financial assistance facility available for the Retrofit Your Home Programme from \$6 million to \$9 million for the current financial year to meet demand.**
- f) in relation to the Auckland Art Gallery exhibition working capital account,**
 - i. note that the early repayment by Auckland War Memorial Museum of a loan was not planned for in the period covered under the Long-term Plan 2012-2022,**
 - ii. note that the funds from the repayment are not operational in nature, therefore cannot be used to offset the council's rates requirements, and**
 - iii. approve the funds being retained by Regional Facilities Auckland (RFA) for the purposes of an exhibition working capital account to be managed by RFA, and progress being reported to the CCO Governance and Monitoring Committee as part of the Statement of Intent reporting requirements.**
- g) note that, subject to approvals of Auckland Airport voting shareholders and the High Court, the return from Auckland Council Investments Limited's shareholding in Auckland Airport in 2013/14 is expected to be \$102 million due in April 2014, the full impact of which on the Auckland Council Group and any governance decisions where required will be reported back in due course.**
- h) Refer the Funding support to Auckland Sport Report to the Parks, Recreation and Sport Committee for their consideration.**
- i) approve \$2 million additional operating expenditure for Alternative Funding for Transport project in 2013/14.**
- j) agree that the council's budgets be updated to reflect the financial implications of the above decisions.**

CARRIED

C2 Potential acquisition in Birkdale

Resolution number FIN/2013/14

MOVED by Chairperson MP Webster, seconded by Cr AJ Anae:

That the Finance and Performance Committee:

- a) confirm there be no restatement of the confidential report, attachments or resolutions for the acquisition of the property in Birkdale.**

CARRIED

3.39 pm

The Chairperson thanked Members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD
AT A MEETING OF THE FINANCE AND
PERFORMANCE COMMITTEE HELD ON

DATE:.....

CHAIRPERSON:.....