
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, 22 May 2014 at 9.30am.

PRESENT

Chairperson	Cr Penny Webster	
Deputy Chairperson	Cr Ross Clow	
Members	Cr Anae Arthur Anae	From 9.52am, item 6.1
	Cr Cameron Brewer	
	Mayor Len Brown, JP	From 9.42am, item 6.1, until 10.55am item 10
	Cr Dr Cathy Casey	
	Cr Bill Cashmore	
	Cr Linda Cooper, JP	From 9.53am, item 6.1
	Cr Chris Darby	
	Cr Alf Filipaina	
	Cr Chris Fletcher	From 9.43am, Item 6.1
	Cr Penny Hulse	From 9.40am, Item 6.1
	Cr Calum Penrose	
	Cr Dick Quax	Until 10.57am, item 10
	Cr Sharon Stewart, QSM	From 9.42am, Item 6.1, until 12.10pm, item 13
	Member David Taipari	
	Member John Tamihere	Until 10.56am, item 10
	Cr Sir John Walker, KNZM, CBE	
	Cr Wayne Walker	Until 12.01pm, item 13
	Cr John Watson	
	Cr George Wood, CNZM	

APOLOGIES

Cr Mike Lee	For absence (sickness)
Cr Chris Fletcher	For lateness
Cr Denise Krum	For absence
Cr Dick Quax	For early departure

1 Apologies

Resolution number FIN/2014/18

MOVED by Chairperson MP Webster, seconded by Cr WD Walker:

That the Finance and Performance Committee:

- a) **accept the apologies from Councillor Fletcher for lateness, Councillors Krum and Lee for absence and Councillor Quax for early departure.**

CARRIED

2 Declaration of Interest

There were no declarations of interest.

3 Confirmation of Minutes

Resolution number FIN/2014/19

MOVED by Deputy Chairperson RI Clow, seconded by Cr CE Brewer:

That the Finance and Performance Committee:

- a) **confirm the ordinary minutes of its meeting, held on Wednesday, 16 April 2014, including the confidential section, as a true and correct record.**

CARRIED

4 Petitions

There were no petitions.

5 Public Input

There was no public input.

6 Local Board Input

6.1 Development contribution for the development at Ngahue Reserve

Cr PA Hulse entered the meeting at 9.40 am.

Cr SL Stewart entered the meeting at 9.42 am.

Cr CE Fletcher entered the meeting at 9.43 am.

Mayor LCM Brown entered the meeting at 9.46 am.

Cr PA Hulse left the meeting at 9.47 am.

Cr AJ Anae entered the meeting at 9.52 am.

Cr LA Cooper returned to the meeting at 9.53 am.

Cr PA Hulse returned to the meeting at 9.53 am.

The Chairperson tabled a presentation regarding the stormwater component of development contribution. A copy has been placed on the official minutes and is available on the Auckland Council website as a minutes attachment.

Resolution number FIN/2014/20

MOVED by Cr CE Fletcher, seconded by Cr WD Walker:

That the Finance and Performance Committee:

- a) **thank Desley Simpson, Chairperson Orakei Local Board and Troy Churton, Orakei Local Board member, regarding the discussion on development contribution in relation to the development at Ngahue Reserve.**
- b) **request the Chief Financial Officer to review the matter and report back to the Orakei Local Board and the relevant committee.**

CARRIED

Attachments

- A Development contribution at Ngahue Reserve

Cr CE Fletcher left the meeting at 9.57 am.

7 Extraordinary Business

7.1 Extraordinary business - Skypath Heads of Agreement – Cr G Wood

Resolution number FIN/2014/21

MOVED by Cr GS Wood, seconded by Cr CE Brewer:

That the Finance and Performance Committee:

- a) **consider the matter of the Skypath Heads of Agreement as minor extraordinary business under item 14.1.**

CARRIED

8 Notices of Motion

There were no notices of motion.

9 Independent Assessment of Expenditure incurred by Auckland Council to achieve Māori Outcomes FY 2012/13

Cr CE Fletcher returned to the meeting at 10.04 am.

The report and the Independent Assessment of Expenditure incurred by Auckland Council to achieve Māori Outcomes FY 2012/13 report were tabled at the meeting. The latter report has been placed on the official minutes and the cover report is available on the Auckland Council website as a minutes attachment.

Cr J Watson left the meeting at 10.29 am.

Cr J Watson returned to the meeting at 10.32 am.

Resolution number FIN/2014/22

MOVED by Member J Tamihere, seconded by Cr AM Filipaina:

That the Finance and Performance Committee:

- a) **receive the report commissioned by the Independent Māori Statutory Board – Independent Assessment of Expenditure incurred by Auckland Council to achieve Māori Outcomes FY 2012/13.**

CARRIED

Resolution number FIN/2014/23

MOVED by Member J Tamihere, seconded by Cr AM Filipaina:

b) note the key findings of the report:

- significant under-spending on Māori related outcomes in FY2012-2013
- incomplete allocation of budgets across Council and council controlled organisations in FY2012/2013
- the budget for Māori specific expenditure for FY2013/2014 is overstated
- inaccuracies in quarterly reporting (FY2013/2014)
- Council takes a 'bottom up' approach when a 'top down' view is critical
- poor quality of reporting to Council Committees.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr AJ Anae	Cr CE Fletcher	
Cr CE Brewer	Cr D Quax	
Mayor LCM Brown	Cr SL Stewart	
Cr CM Casey	Cr JG Walker	
Cr WB Cashmore	Cr WD Walker	
Deputy Chairperson RI Clow	Cr GS Wood	
Cr LA Cooper		
Cr C Darby		
Cr AM Filipaina		
Cr PA Hulse		
Cr CM Penrose		
Member DE Taipari		
Member J Tamihere		
Cr J Watson		
Chairperson MP Webster		

The motion was declared CARRIED by 15 votes to 6.

CARRIED

Secretarial Note: Pursuant to Standing Order 3.15.5, Councillor Quax requested his vote against resolution b) be noted.

Resolution number FIN/2014/24

MOVED by Member J Tamihere, seconded by Cr AM Filipaina:

c) request Council staff to report back to the next Finance and Performance Committee meeting on the findings, and steps and actions that will be taken to address the findings, including Long-term Plan (2015-2025) planning.

CARRIED

Attachments

A 22 May 2014 Item 9 tabled report

10 Fees Framework and Expenses Policy for Appointed Members

Mayor LCM Brown left the meeting at 10.55 am.
Cr PA Hulse left the meeting at 10.55 am.
Cr LA Cooper left the meeting at 10.56 am.
Member J Tamihere left the meeting at 10.56 am.
Cr D Quax left the meeting at 10.57 am.
Cr PA Hulse returned to the meeting at 11.03 am.

Resolution number FIN/2014/25

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

That the Finance and Performance Committee:

- a) **adopt the Auckland Council Fees Framework and Expenses Policy for Appointed Members, including the proposed fees.**
- b) **approve the Code of Conduct for members appointed to Advisory Panels.**

CARRIED

Secretarial Note: Pursuant to Standing Order 3.15.5, Councillor Brewer requested his vote against the motion be recorded.

11 Disposal Recommendation Report

Cr C Darby left the meeting at 11.11 am.
Cr GS Wood left the meeting at 11.11 am.
Cr C Darby returned to the meeting at 11.14 am.
Cr GS Wood returned to the meeting at 11.15 am.
Cr LA Cooper returned to the meeting at 11.19 am.

Resolution number FIN/2014/26

MOVED by Cr CM Penrose, seconded by Cr CE Fletcher:

That the Finance and Performance Committee:

- a) **agree that subject to the satisfactory conclusion of any required statutory processes, the Finance and Performance Committee approves the disposal of the land at:**
 - i) **14 Sandstone Road, Whitford comprised of an estate in fee simple, containing 35,675m² more or less being Lot 1 DP 64475 contained in certificate of title CFR NA24C/382;**
 - ii) **Paerata Road, more or less being Part Allotment 79, Parish of Karaka, Pukekohe comprised of an estate in fee simple, containing 5691m² (limited as to parcels) contained in certificate of title NA767/242;**
 - iii) **42 Bancroft Crescent, Glendene comprised of an estate in fee simple containing 4740m² more or less being Part Lot 8 DP 75336 and Lot 9 DP 75336 contained in certificates of title NA90D/745 (Part Lot 8) and NA32A/89 (Lot 9);**
 - iv) **660 New North Road, St Lukes comprised of an estate in fee simple containing 81m² (limited as to parcels) more or less being part allotment 170 Section 10 Suburbs of Auckland contained in certificate of title CFR 589/319 and 23m² (limited as to parcels) more or less being part of Lot 16 of a subdivision of part of Allotment 170 of Section 10 of the Suburbs of Auckland contained in certificate of title CFR 561/272;**
 - v) **40 Queen Street, Papakura comprised of an estate in fee simple subject to a perpetually renewable Glasgow lease containing 944m² more or less**

being Lot 5 Deposited Plan 16908 contained in certificate of title NA15C/740;

- vi) 24 King Edward Avenue, Papakura comprised of an estate in fee simple subject to a perpetually renewable Glasgow lease containing 1012m² more or less being Lot 97 Block XI Village of Papakura contained in certificate of title NA15C/740; and
 - vii) 75 Waimahia Avenue, Weymouth comprised of an estate in fee simple containing 368m² more or less being Lot 1 Deposited Plan 309933 contained in certificate of title CFR 39153;
- b) approve the final terms and conditions under the appropriate delegations.

CARRIED

Secretarial Note: Pursuant to Standing Order 3.15.5, Councillor John Watson requested his vote against resolution a iii) be recorded.

12 Auckland Council group results for the nine months to 31 March 2014

*Cr AM Filipaina left the meeting at 11.29 am.
Cr CM Casey left the meeting at 11.29 am.
Cr CE Fletcher left the meeting at 11.29 am.
Member DE Taipari left the meeting at 11.29 am.
Cr CM Penrose left the meeting at 11.29 am.
Cr CM Casey returned to the meeting at 11.31 am.*

Resolution number FIN/2014/27

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

That the Finance and Performance Committee:

- a) receive the Auckland Council group results for the nine months to 31 March 2014 report.

CARRIED

13 Auckland Council performance report for the period 1 July 2013 to 31 March 2014

A PowerPoint presentation was provided a copy has been placed on the official minutes and is available on the Auckland Council website as a minutes attachment.

*Cr AM Filipaina returned to the meeting at 11.36 am.
Member DE Taipari returned to the meeting at 11.51 am.
Cr WD Walker left the meeting at 12.01 pm.
Cr CM Penrose returned to the meeting at 12.06 pm.
Cr CE Fletcher returned to the meeting at 12.09 pm.
Cr SL Stewart left the meeting at 12.10 pm.*

Resolution number FIN/2014/28

MOVED by Deputy Chairperson RI Clow, seconded by Cr WB Cashmore:

That the Finance and Performance Committee:

- a) note the performance report for the nine months ended 31 March 2014, highlighting:
 - i. Net favourable operating surplus variance to budget of \$55 million.
 - ii. Capital expenditure of \$322 million.
- b) note the following highlights and achievements :
 - i. The Retrofit Your Home programme is approaching the \$7 million

- assistance granted mark and requests for assistance are increasing as we move into winter.
- ii. A Seaweed Activity Hub event was run in collaboration with DoC, Auckland University and Sustainable Coastlines, at Silo Park on Sunday 2 March. The event was well attended and raised awareness of marine biodiversity, with a specific focus on threatened species such as the Little Blue Penguin.
 - iii. Devonport Wharf Boardwalk and Marine Square Upgrade - sod turning/ blessing on 14 February. Contractors are onsite for a twelve month construction programme.
 - iv. Submissions period for Proposed Auckland Unitary Plan, with significant collateral, advertising and media/social media engagement to support and encourage submissions. During March submissions on the Proposed Auckland Unitary Plan were processed and collated. 8,900+ submissions have been registered, with the final number to be confirmed late April.
 - v. Auckland Counts interactive census website is now accessible online. The site has census information specifically for Auckland at local board and Census Area Unit level. It provides interactive mapping, graphing and data export functions.
 - vi. "Dare to Explore" Summer Reading Adventure launched on 9 December and ran for six weeks, ending on 19 January 2014. The programme offered children a range of fun and discovery activities to keep them reading and learning over summer. Over 8400 children aged 5 - 13 participated, including 1,215 new library members.
 - vii. Lunar New Year - the Year of the Horse was celebrated with over 80 events across the library network and 1,557 participants. Korean activities were also featured, in addition to the traditional Chinese events.
 - viii. Libraries added two new eBook platforms just prior to Christmas. The marketing campaign 'Wherever you go take the Library with you' has been particularly successful, with 49,322 eBooks borrowed during January 2014, compared to 16,479 in January 2013.
 - ix. Waitawa Regional Park, near Kawakawa Bay, was officially opened.
 - x. Music in Parks: over the 11-week season 76 bands played in 35 concerts, attracting 30,630 people to enjoy a wide range of Auckland parks from Maraetai to Warkworth. A very well attended combined movie and music event was delivered at Papakura and a crowd in excess of 1,500 went to watch Gravity at the Auckland Regional Botanic Gardens in Manurewa.
 - xi. Lopdell House: a blessing and ribbon-cutting event, followed by a public open day, was held on Saturday 1 March to celebrate the completion of the refurbishment. Around 80 people attended the ceremony and over 1,200 visitors welcomed throughout the day.
 - xii. Long Term Plan scene-setting workshops held for staff and elected members.
 - xiii. Treasury won in the mtn-i 2013 Global & European Awards as a Global Landmark Deal for the Norwegian Bond issue in September. The Norwegian deal was also voted as Nordic Currency Bond Deal of the Year in the EuroWeek 2013 Awards.

CARRIED

Attachments

- A Auckland Council performance report for the period 1 July 2013 to 31 March 2014

14 Consideration of Extraordinary Items

14.1 Skypath Heads of Agreement

MOVED by Cr GS Wood, seconded by Cr CE Brewer:

That the Finance and Performance Committee:

- a) request that officers report on paragraph 42 of the Skypath Heads of Agreement as to the make up or details of the \$503,190 plus GST and other costs set out in the conditional funding agreement and sources of this funding.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	
Cr SL Stewart	Cr CM Casey	
Cr GS Wood	Cr WB Cashmore	
	Deputy Chairperson RI Clow	
	Cr LA Cooper	
	Cr C Darby	
	Cr AM Filipaina	
	Cr CE Fletcher	
	Cr PA Hulse	
	Cr CM Penrose	
	Member DE Taipari	
	Cr JG Walker	
	Cr J Watson	
	Chairperson MP Webster	

The division was declared LOST by 3 votes to 14.

12.36 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:.....