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## Finance and Performance Committee

### OPEN MINUTES

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Minutes of a meeting of the Finance and Performance Committee held in the Reception Lounge, Auckland Town Hall, 301-305 Queen Street, Auckland on Friday, 13 May 2016 at 9:35am.

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#### PRESENT

**Chairperson**  
**Deputy Chairperson**  
**Members**

Cr Penny Webster  
Cr Ross Clow  
Cr Anae Arthur Anae  
Cr Cameron Brewer  
Mayor Len Brown, JP  
Cr Dr Cathy Casey  
Cr Bill Cashmore  
Cr Linda Cooper, JP  
Cr Chris Darby  
Cr Alf Filipaina  
Cr Hon Christine Fletcher, QSO  
Deputy Mayor Penny Hulse  
Cr Denise Krum  
Cr Mike Lee From 9.50am, Item 10  
Cr Calum Penrose  
Cr Dick Quax  
Cr Sharon Stewart, QSM  
Member David Taipari  
Member John Tamihere From 10.11am, Item 12  
Cr Sir John Walker, KNZM, CBE  
Cr Wayne Walker  
Cr John Watson  
Cr George Wood, CNZM



**1 Apologies**

Resolution number FIN/2016/50

MOVED by Deputy Chairperson R Clow, seconded by Cr LA Cooper:

**That the Finance and Performance Committee:**

- a) **accept the apology from Member John Tamihere for lateness.**

**CARRIED**

**2 Declaration of Interest**

There were no declarations of interest.

**3 Confirmation of Minutes**

Resolution number FIN/2016/51

MOVED by Deputy Chairperson R Clow, seconded by Cr CM Penrose:

**That the Finance and Performance Committee:**

- a) **confirm the ordinary minutes of its meeting, held on Tuesday, 12 April 2016, 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**

There was no local board input.

**7 Extraordinary Business**

There was no extraordinary business.

**8 Notices of Motion**

There were no notices of motion.

**9 Annual Budget 2016/2017 - Overview to decision-making**

Resolution number FIN/2016/52

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

**That the Finance and Performance Committee:**

- a) **recommend to the Governing Body that it agree the Tūpuna Maunga Authority Operational Plan 2016/17 (Attachment A to the agenda report) and Summary of the Tūpuna Maunga Authority Operational Plan 2016/17 (Attachment B to the agenda report) for inclusion in the Annual Plan 2016/2017.**
- b) **note that other decisions required to finalise the Annual Plan 2016/2017 are set out in separate reports on this agenda.**

**CARRIED**

**10 Annual Budget 2016/2017 - local board feedback**

*Cr ME Lee joined the meeting at 9.50 am.*

Resolution number FIN/2016/53

MOVED by Cr CE Fletcher, seconded by Chairperson MP Webster:

**That, when agreeing 2016/2017 budgets, the Finance and Performance Committee:**

- a) **consider feedback from local boards on regional financial policy issues, advocacy and proposals for Business Improvement District targeted rates and local targeted rates.**

**CARRIED**

**11 Local Board budget update**

Resolution number FIN/2016/54

MOVED by Chairperson MP Webster, seconded by Cr C Darby:

**That the Finance and Performance Committee recommend that the Governing Body:**

- a) **release reserve funds of \$1,384,237 held from legacy councils.**
- b) **approve \$3.9 million of capital funding for Locally Driven Initiatives opex to capex conversion which will be sourced through local discretionary budgets.**
- c) **approve a Locally Driven Initiatives increase of \$57,230 for Great Barrier Local Board and \$29,472 for Waiheke Local Board, who have the option to negotiate their Locally Driven Initiatives funding annually with the governing body as part of the Local Board Funding Policy.**
- b) **approve the operating budget amount of \$2,096,600 in Attachment A to the agenda report to be deferred from 2015/2016 to 2016/2017.**

**CARRIED**

## 12 Final Annual Plan 2016/17 - Mayoral Proposal

Cr W Cashmore declared an interest in clause a) iii) – general rate differential for farm and lifestyle properties and took no part in discussion or voting on this matter.

*Member J Tamihere joined the meeting at 10.11 am.*

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

That the Finance and Performance Committee:

- a) recommend that the Governing Body adopt the following rates policy decisions for the Annual Plan 2016/2017:
  - i) that the UAGC be set at \$394
  - ii) that the Interim Transport Levy (targeted rate) be set to retain the status quo of a fixed charge of \$113.85 (including GST) for non-business ratepayers and \$182.85 (including GST) for business ratepayers
  - iii) that the general rate differential for farm and lifestyle properties be retained at its present level of 80 per cent of the urban residential rate
  - iv) that the Māori Freehold Land rates remission and postponement policy be amended to include remissions:
    - 1) to adjust rates to the equivalent of those that would have been charged, had the property been valued excluding any potential use that is unlikely to be achieved within Māori ownership
    - 2) to adjust rates to the equivalent of those that would have been charged, had the rateable value of the property been adjusted by 10 per cent; where properties have significant barriers to development such as owners being deceased or not succeeded to
    - 3) for marae and urupā land in excess of the two hectare limit for non-rateability
    - 4) for land returned under treaty settlement for commercial redress where the land is set aside and protected for cultural, historic or natural conservation purposes or because it is wahi tapu, or used for a marae or urupā.
  - v) that the Rates remission and postponement policy be amended to remit fixed charges on Māori Freehold Land on multiple titles used as single property
  - vi) that a two year pilot programme providing financial assistance of up to \$35,000 per property to eligible homeowners in Piha, Te Henga, Karekare and Little Oneroa catchments to replace or upgrade their failing septic tank systems be established. This will be funded by a targeted rate set from 1 July 2017
  - vii) that a targeted rate be set (at two thirds of the level set regionally for a full year recycling service) to fund a fortnightly kerbside fully commingled recycling collection in rural Franklin
  - viii) that the Brown's Bay, Glen Eden and North Harbour BIDs are extended
- b) recommend to the Governing Body that the budget for the final Annual Plan 2016/2017 be based on year two of the Long-term Plan 2015-2025, adjusted for the updates set out in the staff reports, and to incorporate the following changes and specific decisions:
  - i) Auckland Council continue its existing public transport concessions for the 2016/2017 financial year

- ii) additional funding to Auckland Transport of \$1.5 million noting that the remaining \$1.5 million estimated cost of the discontinued government subsidy to come from internal savings in Auckland Transport
  - iii) additional capital funding of \$30 million in 2016/2017 and \$20 million in 2017/2018 to Auckland Transport to support the early acquisition of land for future capital projects excluding light rail
  - iv) request Auckland Transport to work with NZTA and Kiwirail to retain the land at the Waterview Tunnel construction site until the decision on the light rail project has been progressed
  - v) Additional operating expenditure of \$150,000 to deliver town and local centre clean-ups across the region.
- c) request Auckland Transport to collect data on the usage of the SuperGoldcard and Senior Citizens card during peak periods over the next 12 months and report this back to council for further consideration of the current subsidy
- d) request the Mayor write to the Minister of Transport regarding the withdrawal of public transport subsidy for SuperGold card holders in the afternoon peak and Auckland Senior Citizen card holders expressing council's disappointment in this decision, particularly in light of the work that has been undertaken jointly to increase public transport usage
- e) recommend to the Governing Body that the Group Financial Officer be authorised to draw down up to \$100 million per annum of the Diversified Financial Asset portfolio for the 2016/2017 and 2017/2018 financial years in order to manage the debt ratios within prudent limits.
- f) request a report be brought back to the Finance and Performance Committee exploring the opportunity to:
- i) set-up a Trust structure to secure funding for, and oversee, the restoration of Whare building at Monte Cecilia park
  - ii) re-allocate \$300,000 to the Whare from the budget for a functions facility at the Pah homestead site.
- g) request that the Puketapapa Local Board's planning options for Liston Village be presented to the Auckland Development Committee for further consideration.
- h) recommend to the Governing Board that a report be brought back to the Regional Strategy and Policy Committee on the options for managing damaged headstones in closed and open cemeteries, particularly those of historic value, and that in the meantime a budget of \$50,000 be provided for 2016/17 for immediate maintenance issues.
- i) request a report be brought back to the Finance and Performance Committee on the operations of the Local Board capex fund and the concerns that have been raised by Local Boards in relation to the barriers to using this fund in a similar way to the previous Community Facilities Partnership fund, so that this can inform the next Annual Plan.
- j) request staff to expedite the work on coastal erosion so that implementation of the highest priority projects can start as soon as possible and that identified funding shortfalls be part of the consideration for the next LTP.

*Member DE Taipari left the meeting at 10.50 am.*

*Member DE Taipari returned to the meeting at 10.57 am.*

The meeting adjourned at 12.01pm.

The meeting reconvened at 12.10pm

MOVED by Cr GS Wood, seconded by Cr SL Stewart, as an amendment to clause a) i):

i) that the UAGC be set at \$500

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

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

The motion was declared LOST by 7 votes to 16.

MOVED by Cr C Brewer, seconded by Cr DA Krum, as an amendment to clause a) i):

i) that the UAGC be set at \$450

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

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

The motion was declared LOST by 7 votes to 16.

MOVED by Cr C Casey, seconded by Cr AJ Anae, as an amendment to clause a) i):

i) that the UAGC be set at \$350

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

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

The motion was declared LOST by 4 votes to 19.

Resolution number FIN/2016/55

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

**a) recommend that the Governing Body adopt the following rates policy decisions for the Annual Plan 2016/2017:**

**i) that the UAGC be set at \$394**

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

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

The motion was declared CARRIED by 16 votes to 7.

**CARRIED**

MOVED by Deputy Chairperson R Clow, seconded by Cr C Casey, as an amendment to clause a) ii):

- ii) that the interim Transport Levy (targeted rate) be set to collect 32.7 per cent of the revenue requirement from the business sector and 67.3 per cent from the non-business sector (to align with the formula for the general rates) with a fixed charge \$90 (including GST) for non-business ratepayers and based on capital value for business ratepayers.

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

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

The motion was declared LOST by 3 votes to 20.

Resolution number FIN/2016/56

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

- a) **recommend that the Governing Body adopt the following rates policy decisions for the Annual Plan 2016/2017:**
  - ii) **that the Interim Transport Levy (targeted rate) be set to retain the status quo of a fixed charge of \$113.85 (including GST) for non-business ratepayers and \$182.85 (including GST) for business ratepayers**

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

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

The motion was declared CARRIED by 15 votes to 8.

CARRIED

The meeting adjourned at 1.39pm

The meeting reconvened at 2.17pm

Resolution number FIN/2016/57

MOVED by Cr CE Fletcher, seconded by Member DE Taipari:

**That the Finance and Performance Committee:**

- a) **agree to an extension of time to allow the business of the meeting to be completed.**

CARRIED

Resolution number FIN/2016/58

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

- a) **recommend that the Governing Body adopt the following rates policy decisions for the Annual Plan 2016/2017:**
- iii) **that the general rate differential for farm and lifestyle properties be retained at its present level of 80 per cent of the urban residential rate**

CARRIED

Resolution number FIN/2016/59

MOVED by Mayor LCM Brown, seconded by Cr CE Fletcher:

**That the Finance and Performance Committee:**

- a) recommend that the Governing Body adopt the following rates policy decisions for the Annual Plan 2016/2017:
- iv) that the Māori Freehold Land rates remission and postponement policy be amended to include remissions:
- 1) to adjust rates to the equivalent of those that would have been charged, had the property been valued excluding any potential use that is unlikely to be achieved within Māori ownership
  - 2) to adjust rates to the equivalent of those that would have been charged, had the rateable value of the property been adjusted by 10 per cent; where properties have significant barriers to development such as owners being deceased or not succeeded to
  - 3) for marae and urupā land in excess of the two hectare limit for non-rateability
- and also including:
- 4) for land returned under treaty settlement for commercial redress where the land is set aside and protected for cultural, historic or natural conservation purposes or because it is wahi tapu, or used for a marae or urupā.

**CARRIED**

Note: Pursuant to Standing order 1.8.6 Cr C Darby requested his dissenting vote be recorded against clause a) iv) 4).

Resolution number FIN/2016/60

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

- a) recommend that the Governing Body adopt the following rates policy decisions for the Annual Plan 2016/2017:
- v) that the Rates remission and postponement policy be amended to remit fixed charges on Māori Freehold Land on multiple titles used as single property

**CARRIED**

Resolution number FIN/2016/61

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

- a) recommend that the Governing Body adopt the following rates policy decisions for the Annual Plan 2016/2017:
- vi) that a two year pilot programme providing financial assistance of up to \$35,000 per property to eligible homeowners in Piha, Te Henga, Karekare and Little Oneroa catchments to replace or upgrade their failing septic tank systems be established. This will be funded by a targeted rate set from 1 July 2017

**CARRIED**

Resolution number FIN/2016/62

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

- a) recommend that the Governing Body adopt the following rates policy decisions for the Annual Plan 2016/2017:
- vii) that a targeted rate be set (at two thirds of the level set regionally for a full year recycling service) to fund a fortnightly kerbside fully commingled recycling collection in rural Franklin

**CARRIED**

Resolution number FIN/2016/63

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

- a) recommend that the Governing Body adopt the following rates policy decisions for the Annual Plan 2016/2017:
- viii) that the Brown's Bay, Glen Eden and North Harbour BIDs are extended

**CARRIED**

Resolution number FIN/2016/64

MOVED by Cr C Darby, seconded by Mayor LCM Brown as an amendment to clause b) iii), as follows:

**That the Finance and Performance Committee:**

- b) recommend to the Governing Body that the budget for the final Annual Plan 2016/2017 be based on year two of the Long-term Plan 2015-2025, adjusted for the updates set out in the staff reports, and to incorporate the following changes and specific decisions:
- i) additional capital funding of up to \$30 million in 2016/2017 and up to \$20 million in 2017/2018 to Auckland Transport (AT) to support the early acquisition of land for future capital projects, excluding light rail, reminding the AT Board that Council's highest weighting priority is public transport

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

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

The motion was declared **CARRIED** by 15 votes to 8.

**CARRIED**

Resolution number FIN/2016/65

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

- b) recommend to the Governing Body that the budget for the final Annual Plan 2016/2017 be based on year two of the Long-term Plan 2015-2025, adjusted for the updates set out in the staff reports, and to incorporate the following changes and specific decisions:**
  - i) Auckland Council continue its existing public transport concessions for the 2016/2017 financial year**
  - ii) additional funding to Auckland Transport of \$1.5 million noting that the remaining \$1.5 million estimated cost of the discontinued government subsidy to come from internal savings in Auckland Transport**
  - iii) additional capital funding of up to \$30 million in 2016/2017 and up to \$20 million in 2017/2018 to Auckland Transport (AT) to support the early acquisition of land for future capital projects, excluding light rail, reminding the AT Board that Council's highest weighting priority is public transport**
  - iii) request Auckland Transport to work with NZTA and Kiwirail to retain the land at the Waterview Tunnel construction site until the decision on the light rail project has been progressed**
  - v) additional operating expenditure of \$150,000 to deliver town and local centre clean-ups across the region.**
- c) request Auckland Transport to collect data on the usage of the SuperGoldcard and Senior Citizens card during peak periods over the next 12 months and report this back to council for further consideration of the current subsidy**
- d) request the Mayor write to the Minister of Transport regarding the withdrawal of public transport subsidy for SuperGold card holders in the afternoon peak and Auckland Senior Citizen card holders expressing council's disappointment in this decision, particularly in light of the work that has been undertaken jointly to increase public transport usage**

**CARRIED**

Resolution number FIN/2016/66

MOVED by Deputy Chairperson R Clow, seconded by Member J Tamihere as an amendment to clause e) as follows:

**That the Finance and Performance Committee:**

- e) recommend to the Governing Body that the Chief Executive, Group Chief Financial Officer and chair of the Finance and Performance Committee be authorised to draw down, if required, up to \$100 million per annum of the Diversified Financial Asset portfolio for the 2016/2017 and 2017/2018 financial years in order to manage the debt ratios within prudent limits.**

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

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

The motion was declared CARRIED by 16 votes to 7.

CARRIED

The Substantive motion was put.

Resolution number FIN/2016/67

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

- e) **recommend to the Governing Body that the Chief Executive, Group Chief Financial Officer and chair of the Finance and Performance Committee be authorised to draw down, if required, up to \$100 million per annum of the Diversified Financial Asset portfolio for the 2016/2017 and 2017/2018 financial years in order to manage the debt ratios within prudent limits.**

CARRIED

MOVED by Cr C Brewer, seconded by Cr D Quax, an amendment by way of addition:

That the Finance and Performance Committee:

make available an additional \$50,000 of opex in 2016/2017 to complete the necessary early development work (including some public consultation to inform the design) and make \$200,000 of capex available in 2016/2017 to commence design, consenting and procurement for the new Meadowbank Community Centre facility.

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

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

The motion was declared LOST by 2 votes to 21.

Resolution number FIN/2016/68

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

- f) request a report be brought back to the Finance and Performance Committee exploring the opportunity to:
  - i) set-up a Trust structure to secure funding for, and oversee, the restoration of Whare building at Monte Cecilia park**
  - ii) re-allocate \$300,000 to the Whare from the budget for a functions facility at the Pah homestead site.****
- g) request that the Puketapapa Local Board's planning options for Liston Village be presented to the Auckland Development Committee for further consideration**
- h) recommend to the Governing Board that a report be brought back to the Regional Strategy and Policy Committee on the options for managing damaged headstones in closed and open cemeteries, particularly those of historic value, and that in the meantime a budget of \$50,000 be provided for 2016/17 for immediate maintenance issues.**
- i) request a report be brought back to the Finance and Performance Committee on the operations of the Local Board capex fund and the concerns that have been raised by Local Boards in relation to the barriers to using this fund in a similar way to the previous Community Facilities Partnership fund, so that this can inform the next Annual Plan.**
- j) request staff to expedite the work on coastal erosion so that implementation of the highest priority projects can start as soon as possible and that identified funding shortfalls be part of the consideration for the next LTP.**

**CARRIED**

Resolution number FIN/2016/69

MOVED by Cr DA Krum, seconded by Cr GS Wood:

**That the Finance and Performance Committee:**

- k) seek a report to the Finance and Performance Committee providing a full analysis of Auckland Council's debt headroom over the next 5 years including analysis of the four variables: opex, capex, revenue and debt**

**CARRIED**

MOVED by Cr WD Walker, seconded by Cr J Watson, as an amendment by way of addition:

That the Finance and Performance Committee:

request that regional budgets, and levels of service, for weed management across parks including local parks, be adjusted to reflect the Council's Weed Management Policy which includes objectives to minimise the use of agrichemicals, ensure public health and safety, protect and enhance the environment, and ensure best practice in weed management and vegetation control.

Note: Pursuant to Standing order 1.2.4, the Chairperson ruled the motion out of order as it was being dealt with via another political advisory group.

The substantive motion was put.

Resolution number FIN/2016/70

MOVED by Mayor LCM Brown, seconded by Chairperson MP Webster:

**That the Finance and Performance Committee:**

- a) confirm its decisions made at this meeting under Item 12: Final Annual Plan 2016/2017 – Mayoral Proposal.**

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

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

The motion was declared **CARRIED** by 13 votes to 10.

**CARRIED**

Note: Pursuant to Standing Order 1.8.6 Cr C Darby requested his dissenting vote be recorded against clause a) iv) 4).

For clarity the resolutions for this item are as follows:

That the Finance and Performance Committee:

- a) recommend that the Governing Body adopt the following rates policy decisions for the Annual Plan 2016/2017:
  - i) that the UAGC be set at \$394
  - ii) that the Interim Transport Levy (targeted rate) be set to retain the status quo of a fixed charge of \$113.85 (including GST) for non-business ratepayers and \$182.85 (including GST) for business ratepayers
  - iii) that the general rate differential for farm and lifestyle properties be retained at its present level of 80 per cent of the urban residential rate
  - iv) that the Māori Freehold Land rates remission and postponement policy be amended to include remissions:
    - 1) to adjust rates to the equivalent of those that would have been charged, had the property been valued excluding any potential use that is unlikely to be achieved within Māori ownership
    - 2) to adjust rates to the equivalent of those that would have been charged, had the rateable value of the property been adjusted by 10 per cent; where properties have significant barriers to development such as owners being deceased or not succeeded to
    - 3) for marae and urupā land in excess of the two hectare limit for non-rateabilityand also including:
    - 4) for land returned under treaty settlement for commercial redress where the land is set aside and protected for cultural, historic or natural conservation purposes or because it is wahi tapu, or used for a marae or urupā.
  - v) that the Rates remission and postponement policy be amended to remit fixed charges on Māori Freehold Land on multiple titles used as single property
  - vi) that a two year pilot programme providing financial assistance of up to \$35,000 per property to eligible homeowners in Piha, Te Henga, Karekare and Little Oneroa catchments to replace or upgrade their failing septic tank systems be established. This will be funded by a targeted rate set from 1 July 2017
  - vii) that a targeted rate be set (at two thirds of the level set regionally for a full year recycling service) to fund a fortnightly kerbside fully commingled recycling collection in rural Franklin
  - viii) that the Brown's Bay, Glen Eden and North Harbour BIDs are extended
- b) recommend to the Governing Body that the budget for the final Annual Plan 2016/2017 be based on year two of the Long-term Plan 2015-2025, adjusted for the updates set out in the staff reports, and to incorporate the following changes and specific decisions:
  - i) Auckland Council continue its existing public transport concessions for the 2016/2017 financial year
  - ii) additional funding to Auckland Transport of \$1.5 million noting that the remaining \$1.5 million estimated cost of the discontinued government subsidy to come from internal savings in Auckland Transport

- iii) additional capital funding of up to \$30 million in 2016/2017 and up to \$20 million in 2017/2018 to Auckland Transport (AT) to support the early acquisition of land for future capital projects, excluding light rail, reminding the AT Board that Council's highest weighting priority is public transport
  - iv) request Auckland Transport to work with NZTA and Kiwirail to retain the land at the Waterview Tunnel construction site until the decision on the light rail project has been progressed
  - v) additional operating expenditure of \$150,000 to deliver town and local centre clean-ups across the region.
- c) request Auckland Transport to collect data on the usage of the SuperGoldcard and Senior Citizens card during peak periods over the next 12 months and report this back to council for further consideration of the current subsidy
- d) request the Mayor write to the Minister of Transport regarding the withdrawal of public transport subsidy for SuperGold card holders in the afternoon peak and Auckland Senior Citizen card holders expressing council's disappointment in this decision, particularly in light of the work that has been undertaken jointly to increase public transport usage
- e) recommend to the Governing Body that the Chief Executive, Group Chief Financial Officer and chair of the Finance and Performance Committee be authorised to draw down, if required, up to \$100 million per annum of the Diversified Financial Asset portfolio for the 2016/2017 and 2017/2018 financial years in order to manage the debt ratios within prudent limits.
- f) request a report be brought back to the Finance and Performance Committee exploring the opportunity to:
- iii) set-up a Trust structure to secure funding for, and oversee, the restoration of Whare building at Monte Cecilia park
  - iv) re-allocate \$300,000 to the Whare from the budget for a functions facility at the Pah homestead site.
- g) request that the Puketapapa Local Board's planning options for Liston Village be presented to the Auckland Development Committee for further consideration
- h) recommend to the Governing Board that a report be brought back to the Regional Strategy and Policy Committee on the options for managing damaged headstones in closed and open cemeteries, particularly those of historic value, and that in the meantime a budget of \$50,000 be provided for 2016/17 for immediate maintenance issues.
- i) request a report be brought back to the Finance and Performance Committee on the operations of the Local Board capex fund and the concerns that have been raised by Local Boards in relation to the barriers to using this fund in a similar way to the previous Community Facilities Partnership fund, so that this can inform the next Annual Plan.
- j) request staff to expedite the work on coastal erosion so that implementation of the highest priority projects can start as soon as possible and that identified funding shortfalls be part of the consideration for the next LTP.
- k) seek a report to the Finance and Performance Committee providing a full analysis of Auckland Council's debt headroom over the next 5 years including analysis of the four variables: opex, capex, revenue and debt.

**13 Consideration of Extraordinary Items**

There was no consideration of extraordinary items.

4.15 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:**.....