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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 Tuesday, 9 August 2016 at 11.06am.

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#### PRESENT

<b>Chairperson</b>	Cr Penny Webster	
<b>Deputy Chairperson</b>	Cr Ross Clow	
<b>Members</b>	Cr Anae Arthur Anae	Until 2.12pm, Item 15
	Mayor Len Brown, JP	From 11.38am, Item 9, until 1.27pm, Item 12
	Cr Dr Cathy Casey	
	Cr Bill Cashmore	
	Cr Linda Cooper, JP	
	Cr Chris Darby	
	Deputy Mayor Penny Hulse	From 11.22am, Item 6.2
	Cr Denise Krum	From 11.16am, Item 6.2
	Cr Calum Penrose	
	Cr Dick Quax	From 11.11am, Item 6.1
	Cr Sharon Stewart, QSM	Until 3.11pm, Item C2
	Member David Taipari	
	Cr Sir John Walker, KNZM, CBE	From 11.08am, Item 4
	Cr Wayne Walker	From 1.57pm, Item 13
	Cr John Watson	From 11.12am, Item 6.1
	Cr George Wood, CNZM	

#### ABSENT

Cr Cameron Brewer  
 Cr Alf Filipaina  
 Cr Hon Christine Fletcher, QSO  
 Cr Mike Lee  
 Member John Tamihere

#### ALSO PRESENT

Vanessa Neeson, Chair	Henderson-Massey Local Board
Andy Baker, Chair	Franklin Local Board
Kay McIntyre, Chair	Kaipatiki Local Board
Joseph Bergin, Chair	Devonport-Takapuna Local Board

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**1 Apologies**

Resolution number FIN/2016/118

MOVED by Chairperson MP Webster, seconded by Cr CM Penrose:

**That the Finance and Performance Committee:**

- a) **accept the apologies from Crs C Brewer and AM Filipaina and Member J Tamihere for absence, Crs C Fletcher and ME Lee for absence on Council business and Deputy Mayor PA Hulse, Cr D Quax and Cr WD Walker for lateness.**

**CARRIED**

**2 Declaration of Interest**

There were no declarations of interest.

**3 Confirmation of Minutes**

Resolution number FIN/2016/119

MOVED by Cr C Casey, seconded by Deputy Chairperson R Clow:

**That the Finance and Performance Committee:**

- a) **confirm the ordinary minutes of its meeting, held on Thursday, 21 July 2016, including the confidential section, as a true and correct record.**

**CARRIED**

*Cr JG Walker entered the meeting at 11.08am.*

**4 Petitions**

There were no petitions.

**5 Public Input**

There was no public input.

**6 Local Board Input**

**6.1 Local Board Input - Andrew Baker - Franklin Local Board - 27 and 37 Tobin Street, Pukekohe**

*Cr D Quax entered the meeting at 11.11am.*

*Cr J Watson entered the meeting at 11.12am.*

Resolution number FIN/2016/120

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

**That the Finance and Performance Committee:**

- a) **receive the verbal presentation opposing the proposed disposal of 27 and 37 Tobin Street, Pukekohe and thank Andrew Baker for his attendance.**

**CARRIED**

**6.2 Local Board Input - Joseph Bergin - Devonport-Takapuna Local Board - 2 Forrest Hill Road, Forrest Hill**

*Cr DA Krum entered the meeting at 11.16am.  
Deputy Mayor PA Hulse entered the meeting at 11.22am.*

Resolution number FIN/2016/121

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

**That the Finance and Performance Committee:**

- a) **receive the presentation regarding the proposed disposal of 2 Forrest Hill Road, Forrest Hill and thank Joseph Bergin for his attendance.**

**CARRIED**

**6.3 Local Board Input - Vanessa Neeson - Henderson-Massey Local Board - Release of Hillary Commission Funding**

Vanessa Neeson, Henderson-Massey Local Board Chairperson spoke at Item 11 - Release of Hillary Commission Funding and Item C2 - Badminton Waitakere - Request to Restructure Community Loan

**7 Extraordinary Business**

The Group Chief Financial Officer notified the Committee that, following a request from Cr C Darby, she would be providing a verbal update on council's Diversified Financial Assets Portfolio under Item 17.

**8 Notices of Motion**

There were no notices of motion.

**9 Disposals Recommendation Report**

*Mayor LCM Brown entered the meeting at 11.38am.*

Note: the motion was put in parts.

Resolution number FIN/2016/122

MOVED by Cr CM Penrose, seconded by Cr W Cashmore:

**That the Finance and Performance Committee:**

- a) **reject the disposal of the land at:**
  - i) **27 Tobin Street, Pukekohe comprised of an estate in fee simple more or less being Lot 1 DP 134911 comprising approximately 363m<sup>2</sup> contained in certificate of title NA79C/588;**

**CARRIED**

Resolution number FIN/2016/123

MOVED by Cr CM Penrose, seconded by Cr W Cashmore:

**That the Finance and Performance Committee:**

- a) **reject the disposal of the land at:**
  - ii) **37 Tobin Street, Pukekohe comprised of an estate in fee simple more or less being Lot 1 DP 117297 comprising approximately 615m<sup>2</sup> contained in certificate of title NA66C/942;**

**CARRIED**

Resolution number FIN/2016/124

MOVED by Cr C Darby, seconded by Cr J Watson:

**That the Finance and Performance Committee:**

- a) **reject the disposal of the land at:**
  - iii) **2 Forrest Hill Road, Forrest Hill, being an estate in fee simple comprising approximately 650m<sup>2</sup> more or less being Section 1 SO Plan 484419 contained in computer freehold register 701352.**

The motion was put to the vote by a show of hands and was declared CARRIED by 9 votes to 7.

**CARRIED**

Resolution number FIN/2016/125

MOVED by Cr CM Penrose, seconded by Cr W Cashmore:

**That the Finance and Performance Committee:**

- a) **approve, subject to the satisfactory conclusion of any required statutory processes, the disposal of the land at:**
  - iv) **16A Glynnbrooke Street, Te Atatu South comprised of an estate in fee simple more or less being Lot 49 DP 64924 comprising approximately 1,280m<sup>2</sup> contained in certificate of title NA70A/286; and**
  - v) **part of 270 Flanagan Road, Drury comprised of an estate in fee simple more or less being Section 2 SO 66840 comprising approximately 506m<sup>2</sup> (subject to survey) contained in certificate of title NA95C/66;**
- b) **agree that final terms and conditions be approved under the appropriate delegations.**

**CARRIED**

## 10 Closure of walkway and disposal of land at Hooper Avenue, Pukekohe

Resolution number FIN/2016/126

MOVED by Cr W Cashmore, seconded by Cr CM Penrose:

**That the Finance and Performance Committee:**

- a) **approve, subject to the satisfactory conclusion of any required statutory processes, the disposal of part of the walkway land at Hooper Avenue, Pukekohe being Lot 1 DP 113049 comprising 88 m<sup>2</sup> more or less, to the adjoining owners.**

- b) approve, subject to the satisfactory conclusion of the road stopping process, the disposal of part of the walkway land at Hooper Avenue, Pukekohe, being Section 1 SO Plan 483032, comprising 65 m<sup>2</sup> more or less, to the adjoining owners.
- c) agree that final terms and conditions be approved under the appropriate delegations.

**CARRIED**

**11 Release of Hillary Commission Funding**

Vanessa Neeson, Henderson-Massey Local Board Chairperson spoke to this item.

*Cr GS Wood left the meeting at 12.13pm.*

Resolution number FIN/2016/127

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

**That the Finance and Performance Committee:**

- a) agree to the release of the residual \$2.7m Hillary Commission Community Sport funds from the special reserve account towards the implementation of the Sport and Recreation Community Access Scheme addressing the identified need in the legacy Waitakere and Auckland City Council areas and to consider the needs of the Ward boundaries at the time.

**CARRIED**

**12 Auckland Council Performance Report for the period 1 July 2015 to 30 June 2016**

*Cr GS Wood returned to the meeting at 12.18pm.*

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

*Member DE Taipari left the meeting at 1.06pm.*

*Member DE Taipari returned to the meeting at 1.17pm.*

Resolution number FIN/2016/128

MOVED by Chairperson MP Webster, seconded by Cr GS Wood:

**That the Finance and Performance Committee:**

- a) receive the Auckland Council Performance report for the period 1 July 2015 to 30 June 2016.

**CARRIED**

Note: Pursuant to Standing Order 1.8.3, Member DE Taipari requested his dissenting vote be recorded.

**Attachments**

- A 9 August 2016, Finance and Performance Committee, Item 12, Auckland Council Performance Report for the period 1 July 2015 to 30 June 2016

Mayor LCM Brown left the meeting at 1.27pm.

The meeting adjourned at 1.27pm.

The meeting reconvened at 1.57pm.

Deputy Mayor PA Hulse and Cr LA Cooper were not present.

Cr WD Walker entered the meeting at 1.57pm.

### 13 Budget Update

Kay McIntyre, Kaipatiki Local Board Chairperson was in attendance for this item.

Resolution number FIN/2016/129

MOVED by Cr C Darby, seconded by Cr J Watson:

**That the Finance and Performance Committee:**

- a) agree to delegate to the Chair of the Finance and Performance Committee and the Group Chief Financial Officer the authority to approve budget adjustments resulting from the year-end deferral process, provided that such adjustments do not adversely affect the overall budget for 2016/2017 and the outer years.
- b) approve a grant of up to \$495,000 in 2016/2017 to Puhoi Volunteer Rural Fire Force to complete the construction of its fire station, noting that any additional funds raised will reduce the council's contribution and that up to \$100,000 underwrite is committed by Auckland Rural Fire.
- c) approve an additional operational expenditure budget of \$15,000 in 2016/2017 and \$45,000 per annum thereafter, to enable the ongoing operation of the re-purposed Marlborough Park Hall as a youth facility in the Kaipātiki Local Board area.

**CARRIED**

### 14 Te Toa Takitini - year-end Māori responsiveness portfolio report

*Cr LA Cooper returned to the meeting at 2.01pm.*

*Deputy Mayor PA Hulse returned to the meeting at 2.03pm.*

Resolution number FIN/2016/130

MOVED by Chairperson MP Webster, seconded by Member DE Taipari:

**That the Finance and Performance Committee:**

- a) receive the Te Toa Takitini – year-end Māori responsiveness portfolio report.
- b) approve the 2016 /2017 Treaty Audit response programme.
- c) approve the 2016 /2017 Te Toa Takitini Māori responsiveness portfolio.

**CARRIED**

**15 Quarterly Report on Non-Rateable Property Rating Treatment**

*Cr AJ Anae left the meeting at 2.12pm.*

Resolution number FIN/2016/131

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

**That the Finance and Performance Committee:**

- a) **receive the report on the progress of the review of non-rateable land rating treatment.**

**CARRIED**

**16 Reports Pending Status Update - 9 August 2016**

Resolution number FIN/2016/132

MOVED by Cr WD Walker, seconded by Deputy Chairperson R Clow:

**That the Finance and Performance Committee:**

- a) **receive the Reports Pending Status Update report.**

**CARRIED**

**17 Consideration of Extraordinary Items**

**17.1 Update on Diversified Financial Assets Portfolio**

The Chief Financial Officer updated the Committee on the Diversified Financial Assets Portfolio.

Supporting information was tabled and is attached to the official minutes and is available on the Auckland Council website as a minutes attachment.

The Committee requested the Chief Executive to undertake a review of the Responsible Investment Policy and report to the incoming Council.

**Attachments**

- A 9 August 2016, Finance and Performance Committee, Item 17.1, Update on Diversified Financial Assets Portfolio - Auckland Council Responsible Investment Policy
- B 9 August 2016, Finance and Performance Committee, Item 17.1, Update on Diversified Financial Assets Portfolio - Environmental, Social and Governance (ESG) Investment



**18 Procedural motion to exclude the public**

Resolution number FIN/2016/133

MOVED by Chairperson MP Webster, seconded by Member DE Taipari:

**That the Finance and Performance Committee:**

**a) exclude the public from the following part(s) of the proceedings of this meeting.**

**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 AMETI Project Stage 2A Property transaction**

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.	<p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</p> <p>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).</p> <p>In particular, the report contains information concerning an ongoing negotiation between Auckland Transport and other stakeholders.</p>	<p>s48(1)(a)</p> <p>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.</p>

**C2 Badminton Waitakere - Request to Restructure Community Loan**

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.	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>In particular, the report contains information about private individuals and their dealings with Badminton Waitakere.</p>	<p>s48(1)(a)</p> <p>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.</p>

**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**

2.51pm The public was excluded.

3.15pm The public was re-admitted.

### **RESTATEMENTS**

It was resolved while the public was excluded:

#### **C1 AMETI Project Stage 2A Property transaction**

Resolution number FIN/2016/134

MOVED by Chairperson MP Webster, seconded by Cr DA Krum:

That the Finance and Performance Committee:

- f) agree that the decisions, report and attachments will remain confidential until the Chief Executive confirms that the obligation of confidentiality no longer applies.

#### **C2 Badminton Waitakere - Request to Restructure Community Loan**

Resolution number FIN/2016/135

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

That the Finance and Performance Committee:

- a) approve a guarantee of up to \$525,000 in favour of the ASB Bank Ltd, to enable Waitakere Badminton Association Inc., trading as Badminton Waitakere to consolidate and re-finance the Auckland Council loan (\$207,098), and private loans (\$316,572) into one loan with ASB Bank Ltd.
- b) require Badminton Waitakere to enter into a Guarantee Side Deed with Council recording the terms and conditions under which Auckland Council will enter into the loan guarantee arrangement with the ASB Bank Ltd.
- c) authorise the Group Chief Financial Officer (or delegate) to approve:
  - i) the final terms and conditions of the bank guarantee facility between Council and ASB Bank,
  - ii) the final terms and conditions of the Guarantee Side Deed,
  - iii) the final terms and conditions of any other agreement, existing or new, necessary to effect this transaction.
- d) agree that the decisions be restated in the open minutes and that there be no restatement of the confidential report or attachments.

3.15pm

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:**.....