
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, 21 September 2017 at 9.33am.

PRESENT

Chairperson	Cr Ross Clow	
Deputy Chairperson	Cr Desley Simpson, JP	
Members	Cr Dr Cathy Casey	
	Deputy Mayor Bill Cashmore	
	Cr Fa'anana Efeso Collins	
	Cr Chris Darby	
	Cr Alf Filipaina	
	Cr Hon Christine Fletcher, QSO	Until 10.55am, Item 11
	Mayor Hon Phil Goff, CNZM, JP	
	Cr Richard Hills	
	Cr Penny Hulse	
	Cr Daniel Newman, JP	
	Cr Dick Quax	From 9.52am, Item 9, until 12.53pm, Item C1
	Cr Greg Sayers	
	Cr Sharon Stewart, QSM	From 9.37am, Item 9
	IMSB Chair David Taipari	From 10.00am, Item 9
	Cr Sir John Walker, KNZM, CBE	From 9.46am, Item 9, until 11.48am, Item C1
	Cr John Watson	From 9.36am, Item 9, until 2.28pm, Item C1

ABSENT

Cr Linda Cooper
IMSB Member Terrence Hohneck
Cr Denise Lee
Cr Mike Lee
Cr Wayne Walker

IN ATTENDANCE

John Robertson, Director Regional Facilities Auckland (RFA)
Chris Brooks, Chief Executive Regional Facilities Auckland (RFA)
Simon Tran, Chief Financial Officer Regional Facilities Auckland (RFA)
Paul Brewer, Chief Operating Officer Regional Facilities Auckland (RFA)
David McConnell, Chair Auckland Tourism, Events and Economic Development (ATEED)
Nick Hill, Chief Executive Auckland Tourism, Events and Economic Development (ATEED)
Joy Buckingham, Chief Financial Officer Auckland Tourism, Events and Economic Development (ATEED)
Steve Armitage, General Manager Destination Auckland Tourism, Events and Economic Development (ATEED)
David Warburton, Chief Executive Auckland Transport (AT)
Richard Morris, Chief Financial Officer Auckland Transport (AT)
John Crawford, Chief Executive Auckland Council Investments Limited (ACIL)
Richard Aitken, Chair Panuku Development Auckland (Panuku)
Roger MacDonald, Chief Executive Panuku Development Auckland (Panuku)
Carl Gosbee, Chief Financial Officer Panuku Development Auckland (Panuku)
Margaret Devlin, Chair Watercare Services Limited (Watercare)
Raveen Jaduram, Chief Executive Watercare Services Limited (Watercare)
Brian Monk, Chief Finance Officer Watercare Services Limited (Watercare)

1 Apologies

Resolution number FIN/2017/125

MOVED by Chairperson R Clow, seconded by Deputy Chairperson D Simpson:

That the Finance and Performance Committee:

- a) **accept the apologies from Cr L Cooper, Cr D Lee and IMSB Member T Hohneck for absence, Cr W Walker for absence on council business, Cr D Quax for lateness on council business, IMSB Chair D Taipari for lateness and Cr C Fletcher, Cr D Quax and Cr Sir J Walker for early departure.**

CARRIED

2 Declaration of Interest

There were no declarations of interest.

3 Confirmation of Minutes

Resolution number FIN/2017/126

MOVED by Deputy Chairperson D Simpson, seconded by Cr R Hills:

That the Finance and Performance Committee:

- a) **confirm the ordinary minutes of its meeting, held on Tuesday, 19 September 2017, 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.

Page 4 amended at the meeting of the Finance and Performance Committee held on 24 October 2017 under Item 13: Alteration of Previous Resolution from Finance and Performance Committee 21 September 2017 - Value for Money (s17A) Review Programme

The change relates to Resolution number FIN/2017/128

Resolution number FIN/2017/1

MOVED by Cr W Walker, seconded by Deputy Mayor B Cashmore:

That the Finance and Performance Committee:

- a) revoke clause b) of the following decision carried at its 21 September 2017 meeting:

Resolution number FIN/2017/128

~~*That the Finance and Performance Committee:*~~

- ~~*b) delegate to the Value for Money programme's political oversight group authority to approve the services for future reviews as well as the associated terms of reference.*~~**

and replace with:

- b) request that the Value for Money programme's political oversight group recommend to the Finance and Performance Committee, services for future reviews as well as the associated terms of reference.

CARRIED

9 Value for Money (s17A) Review Programme

Cr J Watson entered the meeting at 9.36 am.

Cr S Stewart entered the meeting at 9.37 am.

Cr J Walker entered the meeting at 9.45 am.

Cr D Quax entered the meeting at 9.52 am.

IMSB Chair D Taipari entered the meeting at 10.00 am.

Note: Changes to the original motion were incorporated under recommendation clause a), with the agreement of the meeting.

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

That the Finance and Performance Committee:

- a) approve the selected services and the proposed Terms of Reference for the Value for Money (s17A) reviews of Group Procurement and the Parks and Open Spaces Service Management, subject to the changes agreed to at the meeting.
- b) delegate to the Finance and Performance Committee authority to approve the services for future reviews as well as the associated terms of reference in consultation with the members of the Value for Money programme's political oversight group.

Resolution number FIN/2017/127

MOVED by Chairperson R Clow, seconded by Cr C Darby, an amendment to clause b):

- b) delegate to the Value for Money programme's political oversight group authority to approve the services for future reviews as well as the associated terms of reference.

CARRIED

Note: Cr C Casey and Cr J Watson withdrew support of the substantive motion as mover and seconder.

The substantive motion was put.

Resolution number FIN/2017/128

MOVED by Chairperson R Clow, seconded by Deputy Mayor B Cashmore:

That the Finance and Performance Committee:

- a) **approve the selected services and the proposed Terms of Reference for the Value for Money (s17A) reviews of Group Procurement and the Parks and Open Spaces Service Management, subject to the changes agreed to at the meeting.**
- b) **delegate to the Value for Money programme's political oversight group authority to approve the services for future reviews as well as the associated terms of reference.**

CARRIED

Note: Pursuant to Standing Order 1.8.6, Cr D Newman requested that his dissenting vote against the inclusion of the Parks and Open Spaces Service Management review in a) above be recorded.

10 Consideration of Extraordinary Items

There was no consideration of extraordinary items.

11 Procedural motion to exclude the public

Resolution number FIN/2017/129

MOVED by Chairperson R Clow, seconded by Deputy Chairperson D Simpson:

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 Council-controlled organisations fourth quarter report for 30 June 2017

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)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. In particular, the report contains detailed information that has an impact on the financial results of the Auckland Council group as at 30 June 2017, which require final Audit New Zealand sign-off and release to the New Zealand Stock Exchange.	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 Auckland Council organisation performance report for the period 1 July 2016 to 30 June 2017

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)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. In particular, the report contains detailed financial adjustments, assumptions and judgements that have impact on the financial results of the Auckland Council group as at 30 June 2017 that require final Audit New Zealand sign-off and release to the New Zealand Stock Exchange.	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.

C3 Approval of and recommendation for adoption of the 2016/2017 Annual Report and Summary Annual Report for Auckland Council and group

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)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>In particular, the report contains detailed financial adjustments, assumptions and judgements that have impact on the financial results of the Auckland Council group as at 30 June 2017 that require final Audit New Zealand sign-off and release to the New Zealand Stock Exchange.</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>

C4 2016/2017 budget carry-forward

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)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>In particular, the report contains information that relates to the financial results of the Auckland Council group as at 30 June 2017, which require final Audit New Zealand sign-off and release to the New Zealand Stock Exchange.</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

Cr C Fletcher left the meeting at 10.55am.

10.55am 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.

4.17pm The public was re-admitted.

RESTATEMENTS

It was resolved while the public was excluded:

C1 Council-controlled organisations fourth quarter report for 30 June 2017

Resolution number FIN/2017/130

MOVED by Chairperson R Clow, seconded by Deputy Chairperson D Simpson:

That the Finance and Performance Committee:

- a) receive the fourth quarter report from the following council-controlled organisations:
 - i) Regional Facilities Auckland (RFA)
 - ii) Auckland Tourism, Events and Economic Development Limited (ATEED)
 - iii) Auckland Transport (AT)
 - iv) Auckland Council Investments Limited (ACIL)
 - v) Panuku Development Auckland (Panuku)
 - vi) Watercare Services Limited (Watercare).

Restatement:

- b) agree that the council-controlled organisations fourth quarter report for 30 June 2017 including the attachments and the accompanying presentations will remain confidential until the 2016/2017 Annual Report and Summary Annual Report has been adopted by the Governing Body at its meeting on 28 September 2017 and released to the New Zealand Stock Exchange and the public on 29 September 2017; and
- c) agree that the decisions be restated in the open minutes.

C2 Auckland Council organisation performance report for the period 1 July 2016 to 30 June 2017

Resolution number FIN/2017/131

MOVED by Chairperson R Clow, seconded by Deputy Chairperson D Simpson:

That the Finance and Performance Committee:

- a) note the Auckland Council organisation performance report for the period of 1 July 2016 to 30 June 2017.

Restatement:

- b) agree that the Auckland Council organisation performance report for the period 1 July 2016 to 30 June 2017 and the accompanying presentation will remain confidential until the 2016/2017 Annual Report and Summary Annual Report has been adopted by the Governing Body at its meeting on 28 September 2017 and released to the New Zealand Stock Exchange and the public on 29 September 2017; and
- c) agree that the decisions be restated in the open minutes.

C3 Approval of and recommendation for adoption of the 2016/2017 Annual Report and Summary Annual Report for Auckland Council and group

Resolution number FIN/2017/132

MOVED by Chairperson R Clow, seconded by Deputy Mayor B Cashmore:

That the Finance and Performance Committee:

- a) note the confirmation by the Audit and Risk Committee that the audit process has been completed satisfactorily; and
- b) agree to recommend adoption of the 2016/2017 Annual Report and Summary Annual Report to the Governing Body subject to editorial and technical changes to the document to be approved by the Group Chief Financial Officer and the Chair of the Finance and Performance Committee.
- c) note that the draft 2016/2017 Annual Report and Summary Annual Report remains confidential subject to finalisation of disclosure items, final management review and receipt of the Independent Auditor's Report.

Restatement:

- d) agree that the draft 2016/2017 Annual Report and Summary Annual Report provided as Attachments A – D will remain confidential until adoption by the Governing Body and the information is published immediately following the release of the 2016/2017 Annual Report and Summary Annual Report on 29 September 2017 to the New Zealand Stock Exchange and the public; and
- e) agree that the decisions be restated in the open minutes.

C4 2016/2017 budget carry-forward

Resolution number FIN/2017/133

MOVED by Cr C Darby, seconded by IMSB Member D Taipari:

That the Finance and Performance Committee:

- a) agree to amend the Auckland Council group capital expenditure for 2017/2018 to reflect the capital projects list in Attachment A.
- b) agree to add \$700,000 of capital expenditure for Panuku Development Auckland in 2017/2018 for SkyPath ancillary projects.
- c) agree to carry forward unspent 2016/2017 operational expenditure of \$17 million.

Restatement:

- d) agree that the 2016/2017 budget carry-forward report including the attachment will remain confidential until the 2016/2017 Annual Report and Summary Annual Report has been adopted by the Governing Body at its meeting on 28 September 2017 and released to the New Zealand Stock Exchange and the public on 29 September 2017; and
- e) agree that the decisions be restated in the open minutes.

4.17pm

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:.....