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## Komiti ā Pūtea, ā Mahi Hoki / Finance and Performance Committee

### OPEN MINUTES

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Minutes of an extraordinary meeting of the Finance and Performance Committee held in the Reception Lounge, Auckland Town Hall, 301-305 Queen Street, Auckland on Thursday, 31 May 2018 at 10.56am.

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#### PRESENT

<b>Chairperson</b>	Cr Ross Clow	
<b>Deputy Chairperson</b>	Cr Desley Simpson, JP	
<b>Members</b>	Cr Josephine Bartley	
	Cr Dr Cathy Casey	
	Deputy Mayor Bill Cashmore	
	Cr Fa'anana Efeso Collins	
	Cr Linda Cooper, JP	
	Cr Chris Darby	
	Cr Alf Filipaina	
	Cr Hon Christine Fletcher, QSO	
	Mayor Hon Phil Goff, CNZM, JP	
	Cr Richard Hills	
	IMSB Member Terrence Hohneck	Until 1.18pm, Item 9
	Cr Penny Hulse	
	Cr Mike Lee	
	Cr Daniel Newman, JP	
	Cr Greg Sayers	
	Cr Sharon Stewart, QSM	
	IMSB Chair David Taipari	
	Cr Sir John Walker, KNZM, CBE	Until 10.56am
	Cr Wayne Walker	
	Cr John Watson	

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The meeting adjourned at 10.56am and reconvened at 11.59am.

Cr Sir J Walker and Cr Newman were not present when the meeting reconvened.

## 1 Apologies

There were no apologies.

## 2 Declaration of Interest

Cr Clow declared an interest in Item 9: 10-year Budget 2018 - 2028 - Mayor's final proposal and Item 11: Local Board Budget Update regarding Monte Cecilia Park and Liston Village.

## 3 Petitions

There were no petitions.

## 4 Public Input

There was no public input.

## 5 Local Board Input

There was no local board input.

## 6 Extraordinary Business

There was no extraordinary business.

## 7 Notices of Motion

There were no notices of motion.

## 8 10-year Budget 2018-2028 – local board feedback and advocacy

*Cr A Filipaina left the meeting at 12.11 pm.*

Resolution number FIN/2018/76

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

**That the Finance and Performance Committee:**

- a) **consider feedback and advocacy from local boards when making decisions on the 10-year Budget 2018-2028.**

**CARRIED**



9 10-year Budget 2018 - 2028 - Mayor's final proposal

*Cr A Filipaina returned to the meeting at 12.15 pm.*

*Cr D Newman returned to the meeting at 12.21 pm.*

Mayor Goff spoke to the proposal.

MOVED by Mayor P Goff, seconded by Chairperson R Clow:

That the Finance and Performance Committee:

- a) recommend to the Governing Body in respect of the final long-term plan 2018-2028 (10-year budget 2018-2028) the following items as proposed in the consultation document:
  - i) the introduction of a water quality targeted rate to raise \$452 million to fund acceleration of the Water Quality Improvement Programme, set differentially on capital value with 25.8 per cent of the revenue requirement to be raised from businesses.
  - ii) the introduction of a natural environment targeted rate to raise \$311 million for environmental initiatives, including addressing Kauri dieback and targeted ecological protection set differentially on capital value with 25.8 per cent of the revenue requirement to be raised from businesses.
  - iii) the implementation of a reporting process to provide transparency and accountability over the use of the proceeds of the water quality and natural environment targeted rates.
  - iv) average general rates increases of 2.5 percent for the first two years and 3.5 percent for each year after that.
  - v) amend the rating treatment of the online accommodation sector so that business rates and the accommodation provider targeted rate are applied to properties let via web-based accommodation services depending on the number of nights booked and the location of the property as set out in the modified option b) in Attachment D to this report (that is, with an additional differential category of between 136 and 180 nights added).
- b) recommend to the Governing Body that the budget for the final 10-year budget 2018-2028 be based on the draft budget, adjusted for the updates set out in the staff reports, and to incorporate the following changes and specific decisions (refer Attachment A):

**Transport**

- i) if the Governing Body decides to adopt the Regional Fuel Tax Proposal for Auckland for submission to Ministers, agree that the Regional Fuel Tax Proposal revenue and capital investment be included in the 10-year Budget.
- ii) agree the transport budgets (including Auckland Transport and Auckland Council's interest in City Rail Link Limited) be based on the draft budgets, adjusted for the updates set out in the staff reports.

**Water**

- iii) approve the water supply, waste water and stormwater budgets based on the draft budgets, which include the Water Quality Targeted Rate funding, adjusted for the updates set out in the staff reports.

**Parks and Community**

- iv) agree the establishment of a Sport and Recreation Facilities Investment Fund with additional capital expenditure of \$100 million to create a total fund of \$120 million on the basis that each project be subject to a full business case process and be in alignment with the Sports Facilities Investment Plan (under development).

- v) agree the establishment of a Climate Change Response Fund of \$40 million for pro-active monitoring and planning and reactive response to infrastructure damage as a result of climatic events, including non-coastal slips.
- vi) agree additional operational funding of \$1 million in the next two years for the development of coastal compartment management plans and additional capital funding of \$90 million for coastal asset management.
- vii) agree additional capital funding of \$25 million for the Regional Facility Network Plan to progress the network of swimming pools.
- viii) agree additional operational funding of \$5 million for the extension of The Southern Initiative to the west Auckland areas of Whau, Henderson-Massey and Waitakere (The Western Initiative) and request that the staff work with council procurement on social procurement policy implementation and with ATEED on local economic development.
- ix) agree additional regional grants funding of \$4.3 million to increase the total of three regional funds to \$2 million per year in accordance with the Community Development and Safety Committee resolution of 17 May 2018.
- x) agree additional operational funding of \$1.4 million for the implementation of the Smoke free policy.

#### **Centres Development**

- xi) agree the centres development budgets (including Panuku Development Auckland) be based on the draft budgets, adjusted for the updates set out in the staff reports.
- xii) agree the re-phasing of the city centre programme of works and the increase in capital expenditure from the draft budget of an additional \$55 million to support Auckland hosting the America's Cup and APEC events in 2021.
- xiii) agree additional funding for the Whau Multipurpose Community Centre of \$16 million in accordance with the confidential resolution of the Environment and Community Committee of 12 September 2017.

#### **Regional Facilities Auckland**

- xiv) agree the Regional Facilities Auckland budget be based on the draft budget, adjusted for the updates set out in the staff reports, noting the following changes:
  - additional capital expenditure of \$18.7 million for renewals at the zoo
  - additional operating expenditure of \$5.7 million for transport and logistical costs associated with animal acquisition at the zoo
  - additional operating funding of \$20 million for the Auckland Art Gallery
  - additional capital funding of \$5.9 million and operational funding of \$3.6 million for facility security and visitor safety

#### **Local Boards – One Local Initiatives**

- xv) endorse the One Local Initiative budget matters as set out in the One Local Initiative report by the Chair of the Finance and Performance Committee.

#### **Māori Outcomes**

- xvi) agree additional operational funding for Māori responsiveness outcomes to be funded through the re-prioritisation of the existing draft budget.

#### **Co-governance Entities**

- xvii) agree additional capital funding of \$16.8 million and operational funding of \$6.7 million for the Tupuna Maunga Authority.

- xviii) agree additional capital funding of \$7.7 million and operational funding of \$6.6 million for the Ngati Whatua Orakei Reserves Board.
  - xix) agree additional capital funding of \$8.7 million and operational funding of \$2.8 million for Te Poari o Kaipatiki ki Kaipara (Parakai).
- Other items**
- xx) agree the transfer of the Festival of Photography operational grant of \$72,000 per annum to the Regional Arts and Culture grant programme with a transitional three-year funding agreement.
  - xxi) agree an extension of capital grant funding of \$3.7 million to Surf Lifesaving Northern Region for the development or renewal of facilities at Karioatahi, North Piha and Orewa, subject to appropriate funding agreements.
  - xxii) agree capital grant funding of \$2 million to the Auckland Marine Rescue Centre Trust for urgent repair and renewal of the building, subject to an appropriate funding agreement.
  - xxiii) agree additional operational funding of \$204,000 for each of the first three years to the Mangere Mountain Education Trust.
  - xxiv) agree a one-off operating grant of \$475,000 to the Auckland City Mission to cover building consent fees, resource consent fees and development contributions payable in respect of the redevelopment of the Hobson Street site.
  - xxv) agree operating funding of \$150,000 in an event year and \$50,000 in a non-event year (total \$1 million) to support the Sculpture in the Gardens biennial event.
  - xxvi) agree a one-off operational grant to the Hibiscus Youth Council Centre of \$100,000 for 2018/2019.
  - xxvii) request a report back to the Environment and Community Committee following a review of council's provision of financial support to youth centres including the establishment of criteria for awarding funding through the Regional Community Development and Safety grant programme.
- c) recommend to the Governing Body the adoption of the following decisions on solid waste services, targeted rates and charges:
- i) introduction of weekly pay as you throw 120 litre refuse bin collection using pre-paid bin tags for the former Auckland and Manukau city areas following introduction of the rates funded food scraps service and consequent removal of the current refuse targeted rate currently planned for 2020/2021.
  - ii) increase to the waste management targeted rate in Papakura of \$67 to fund food waste collection services for the 2018/2019 year onwards.
  - iii) increase to the waste management targeted rate in other areas of urban Auckland of \$67 to fund food waste collection services from 2020/2021 onwards, subject to further refinement based on the experience of the Papakura roll-out and subject to further consultation prior to introduction.
- d) recommend to the Governing Body the disestablishment of the Council-controlled organisation Auckland Council Investments Limited as follows:
- i) approve a shareholder directive to Auckland Council Investments Limited relating to the transfer of all assets, liabilities and obligations of Auckland Council Investments Limited (including the shares in Ports of Auckland Limited and Auckland International Airport Limited) to Auckland Council.

- ii) approve a shareholder directive to remove Auckland Council Investments Limited from the companies register following the transfer of all assets, liabilities and obligations to Auckland Council.
  - iii) adopt the draft memorandum of understanding between Auckland Council and Ports of Auckland Limited attached to Attachment F.
  - iv) recommend that the Appointments, Performance Review and Value for Money Committee adopt a revised Auckland Council Board Appointment and Remuneration Policy that includes Annex A of the draft memorandum of understanding between Auckland Council and Ports of Auckland Limited.
  - v) recommend that the Governing Body adopt relevant amendments to its Terms of Reference to reflect the transfer of the assets, liabilities and obligations of Auckland Council Investments Limited (including the transfer of shares in Ports of Auckland Limited and Auckland International Airport Limited) to Auckland Council.
  - vi) delegate to the chief executive the power to authorise any action necessary or desirable to effect the transfer of the assets, liabilities and obligations of Auckland Council Investments Limited (including the transfer of shares in Ports of Auckland Limited and Auckland International Airport Limited) to Auckland Council, and the disestablishment of Auckland Council Investments Limited.
  - vii) note the relationship principles document in respect of Auckland Council and Auckland International Airport Limited contained in Attachment F.
  - viii) note that all prior resolutions, delegations, approvals, agreements, authorisations by the Governing Body or its committees relating to Auckland Council Investments Limited now apply to Auckland Council.
  - ix) amend the budget to reflect estimated cost savings of at least \$800,000 per annum.
- e) recommend to the Governing Body that the final 10-year Budget 2018-2028 give effect to decisions made in relation to issues covered by other reports on this agenda.

It was agreed that the motion would be considered in parts.

Resolution number FIN/2018/77

MOVED by Mayor P Goff, seconded by Chairperson R Clow:

**That the Finance and Performance Committee:**

- a) **recommend to the Governing Body in respect of the final long-term plan 2018-2028 (10-year budget 2018-2028) the following items as proposed in the consultation document:**
  - i) **the introduction of a water quality targeted rate to raise \$452 million to fund acceleration of the Water Quality Improvement Programme, set differentially on capital value with 25.8 per cent of the revenue requirement to be raised from businesses.**
  - ii) **the introduction of a natural environment targeted rate to raise \$311 million for environmental initiatives, including addressing Kauri dieback and targeted ecological protection set differentially on capital value with 25.8 per cent of the revenue requirement to be raised from businesses.**
  - iii) **the implementation of a reporting process to provide transparency and accountability over the use of the proceeds of the water quality and natural environment targeted rates.**

- iv) average general rates increases of 2.5 percent for the first two years and 3.5 percent for each year after that.
- v) amend the rating treatment of the online accommodation sector so that business rates and the accommodation provider targeted rate are applied to properties let via web-based accommodation services depending on the number of nights booked and the location of the property as set out in the modified option b) in Attachment D to this report (that is, with an additional differential category of between 136 and 180 nights added).

**CARRIED**

Note: Pursuant to Standing Order 1.8.6 the following councillors requested that their dissenting votes be recorded:

- Cr C Fletcher against clause a) v)
- Cr D Newman against clause a) ii)

The meeting adjourned at 1.18pm and reconvened at 2.00pm.

Cr Lee and Member Hohneck were not present when the meeting reconvened.

Cr Clow declaration of interest in regard to clause b) xv) relating to Monte Cecilia Park and Liston Village and took no part in the voting on that matter.

Resolution number FIN/2018/78

MOVED by Cr C Darby, seconded by Cr A Filipaina an amendment by way of replacement to clause b) x) *Parks and Community*:

That the Finance and Performance Committee:

- x) agree additional operational funding of up to \$2 million for the implementation of the Smoke free policy.

**CARRIED**

Resolution number FIN/2018/79

MOVED by Cr C Fletcher, seconded by Cr D Newman as an amendment by way of addition to clause b) *Other Items*:

- xxviii) agree to a one-off funding request for an additional \$200,000 to the baseline for Citizens Advice Bureau pending a review of the Citizens Advice Bureau funding model in April, 2019 by the Environment and Community Committee noting that officers will give consideration to the distribution of the funding in a report to the committee.

**CARRIED**

Resolution number FIN/2018/80

MOVED by Cr J Bartley, seconded by Cr E Collins an amendment by way of addition to clause b) *Māori Outcomes*:

That the Finance and Performance Committee:

- xvii) note that up to \$250,000 will be made available in the 2018/19 financial year from within existing marae development capital funding for works at the Ruapotaka marae.

**CARRIED**

Note: Pursuant to Standing Order 1.8.3, Cr R Clow requested that his abstention be recorded for clause b) xvii).

*IMSB Member D Taipari left the meeting at 3.18 pm.  
IMSB Member D Taipari returned to the meeting at 3.29 pm.  
Cr C Fletcher left the meeting at 3.38 pm.*

The substantive motion for clause b) was put.

Resolution number FIN/2018/81

MOVED by Mayor P Goff, seconded by Chairperson R Clow:

**That the Finance and Performance Committee:**

- b) recommend to the Governing Body that the budget for the final 10-year budget 2018-2028 be based on the draft budget, adjusted for the updates set out in the staff reports, and to incorporate the following changes and specific decisions (refer Attachment A of the agenda report):**

**Transport**

- i) agree that the Regional Fuel Tax Proposal revenue and capital investment be included in the 10-year Budget.**
- ii) agree the transport budgets (including Auckland Transport and Auckland Council's interest in City Rail Link Limited) be based on the draft budgets, adjusted for the updates set out in the staff reports.**

**Water**

- iii) approve the water supply, waste water and stormwater budgets based on the draft budgets, which include the Water Quality Targeted Rate funding, adjusted for the updates set out in the staff reports.**

**Parks and Community**

- iv) agree the establishment of a Sport and Recreation Facilities Investment Fund with additional capital expenditure of \$100 million to create a total fund of \$120 million on the basis that each project be subject to a full business case process and be in alignment with the Sports Facilities Investment Plan (under development).**
- v) agree the establishment of a Climate Change Response Fund of \$40 million for pro-active monitoring and planning and reactive response to infrastructure damage as a result of climatic events, including non-coastal slips.**
- vi) agree additional operational funding of \$1 million in the next two years for the development of coastal compartment management plans and additional capital funding of \$90 million for coastal asset management.**
- vii) agree additional capital funding of \$25 million for the Regional Facility Network Plan to progress the network of swimming pools.**
- viii) agree additional operational funding of \$5 million for the extension of The Southern Initiative to the west Auckland areas of Whau, Henderson-Massey and Waitakere (The Western Initiative) and request that the staff work with council procurement on social procurement policy implementation and with ATEED on local economic development.**
- ix) agree additional regional grants funding of \$4.3 million to increase the total of three regional funds to \$2 million per year in accordance with the Community Development and Safety Committee resolution of 17 May 2018.**
- x) agree additional operational funding of up to \$2 million for the implementation of the Smoke free policy.**

### Centres Development

- xi) agree the centres development budgets (including Panuku Development Auckland) be based on the draft budgets, adjusted for the updates set out in the staff reports.
- xii) agree the re-phasing of the city centre programme of works and the increase in capital expenditure from the draft budget of an additional \$55 million to support Auckland hosting the America's Cup and APEC events in 2021.
- xiii) agree additional funding for the Whau Multipurpose Community Centre of \$16 million in accordance with the confidential resolution of the Environment and Community Committee of 12 September 2017.

### Regional Facilities Auckland

- xiv) agree the Regional Facilities Auckland budget be based on the draft budget, adjusted for the updates set out in the staff reports, noting the following changes:
  - additional capital expenditure of \$18.7 million for renewals at the zoo
  - additional operating expenditure of \$5.7 million for transport and logistical costs associated with animal acquisition at the zoo
  - additional operating funding of \$20 million for the Auckland Art Gallery
  - additional capital funding of \$5.9 million and operational funding of \$3.6 million for facility security and visitor safety

### Local Boards – One Local Initiatives

- xv) endorse the One Local Initiative budget matters as set out in the One Local Initiative report by the Chair of the Finance and Performance Committee.

### Māori Outcomes

- xvi) agree additional operational funding for Māori responsiveness outcomes to be funded through the re-prioritisation of the existing draft budget.
- xvii) note that up to \$250,000 will be made available in the 2018/19 financial year from within existing marae development capital funding for works at the Ruapotaka marae.

### Co-governance Entities

- xviii) agree additional capital funding of \$16.8 million and operational funding of \$6.7 million for the Tupuna Maunga Authority.
- xix) agree additional capital funding of \$7.7 million and operational funding of \$6.6 million for the Ngati Whatua Orakei Reserves Board.
- xx) agree additional capital funding of \$8.7 million and operational funding of \$2.8 million for Te Poari o Kaipatiki ki Kaipara (Parakai).

### Other items

- xxi) agree the transfer of the Festival of Photography operational grant of \$72,000 per annum to the Regional Arts and Culture grant programme with a transitional three-year funding agreement.
- xxii) agree an extension of capital grant funding of \$3.7 million to Surf Lifesaving Northern Region for the development or renewal of facilities at Karioatahi, North Piha and Orewa, subject to appropriate funding agreements.

- xxiii) agree capital grant funding of \$2 million to the Auckland Marine Rescue Centre Trust for urgent repair and renewal of the building, subject to an appropriate funding agreement.
- xxiv) agree additional operational funding of \$204,000 for each of the first three years to the Mangere Mountain Education Trust.
- xxv) agree a one-off operating grant of \$475,000 to the Auckland City Mission to cover building consent fees, resource consent fees and development contributions payable in respect of the redevelopment of the Hobson Street site.
- xxvi) agree operating funding of \$150,000 in an event year and \$50,000 in a non-event year (total \$1 million) to support the Sculpture in the Gardens biennial event.
- xxvii) agree a one-off operational grant to the Hibiscus Youth Council Centre of \$100,000 for 2018/2019.
- xxviii) request a report back to the Environment and Community Committee following a review of council's provision of financial support to youth centres including the establishment of criteria for awarding funding through the Regional Community Development and Safety grant programme.
- xxix) agree to a one-off funding request for an additional \$200,000 to the baseline for Citizens Advice Bureau pending a review of the Citizens Advice Bureau funding model in April, 2019 by the Environment and Community Committee noting that officers will give consideration to the distribution of the funding in a report to the committee.

**CARRIED**

Note: Pursuant to Standing Order 1.8.3, Cr R Clow requested that his abstention for clause b) xvii)

Note: Pursuant to Standing Order 1.8.6 the following councillors requested that their dissenting votes be recorded:

- Cr Casey - clause b) xxi)
- Cr W Walker – Accommodation Provider Targeted Rate generally

The meeting adjourned at 4.02pm and reconvened at 4.15pm.

Resolution number FIN/2018/82

MOVED by Mayor P Goff, seconded by Chairperson R Clow:

**That the Finance and Performance Committee:**

- c) recommend to the Governing Body the adoption of the following decisions on solid waste services, targeted rates and charges:
  - i) introduction of weekly pay as you throw 120 litre refuse bin collection for the former Auckland and Manukau city areas following introduction of the rates funded food scraps service and consequent removal of the current refuse targeted rate currently planned for 2020/2021.
  - ii) increase to the waste management targeted rate in Papakura of \$67 to fund food waste collection services for the 2018/2019 year onwards.

- iii) **increase to the waste management targeted rate in other areas of urban Auckland where the service is provided of \$67 to fund food waste collection services from 2020/2021 onwards, subject to further refinement based on the experience of the Papakura roll-out and subject to further consultation prior to introduction.**

**CARRIED**

Note: Pursuant to Standing Order 1.8.3, Cr J Bartley requested that her abstention be recorded.

Note: Pursuant to Standing Order 1.8.6, the following councillors requested that their dissenting votes be recorded as follows:

- Cr D Simpson against clause c)
- Cr S Stewart against clause c)
- Cr G Sayers against clause c) iii)

*Cr C Fletcher returned to the meeting at 4.37 pm.*

Resolution number FIN/2018/83

MOVED by Mayor P Goff, seconded by Chairperson R Clow:

**That the Finance and Performance Committee:**

- d) **recommend to the Governing Body the disestablishment of the Council-controlled organisation Auckland Council Investments Limited as follows:**
- i) **approve a shareholder directive to Auckland Council Investments Limited relating to the transfer of all assets, liabilities and obligations of Auckland Council Investments Limited (including the shares in Ports of Auckland Limited and Auckland International Airport Limited) to Auckland Council.**
  - ii) **approve a shareholder directive to remove Auckland Council Investments Limited from the companies register following the transfer of all assets, liabilities and obligations to Auckland Council.**
  - iii) **adopt the draft memorandum of understanding between Auckland Council and Ports of Auckland Limited attached to Attachment F of the agenda report.**
  - iv) **recommend that the Appointments, Performance Review and Value for Money Committee adopt a revised Auckland Council Board Appointment and Remuneration Policy that includes Annex A of the draft memorandum of understanding between Auckland Council and Ports of Auckland Limited.**
  - v) **recommend that the Governing Body adopt relevant amendments to its Terms of Reference to reflect the transfer of the assets, liabilities and obligations of Auckland Council Investments Limited (including the transfer of shares in Ports of Auckland Limited and Auckland International Airport Limited) to Auckland Council.**
  - vi) **delegate to the chief executive the power to authorise any action necessary or desirable to effect the transfer of the assets, liabilities and obligations of Auckland Council Investments Limited (including the transfer of shares in Ports of Auckland Limited and Auckland International Airport Limited) to Auckland Council, and the disestablishment of Auckland Council Investments Limited.**

- vii) note the relationship principles document in respect of Auckland Council and Auckland International Airport Limited contained in Attachment F of the agenda report.
- viii) note that all prior resolutions, delegations, approvals, agreements, authorisations by the Governing Body or its committees relating to Auckland Council Investments Limited now apply to Auckland Council.
- ix) amend the budget to reflect estimated cost savings of at least \$800,000 per annum.

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

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr J Bartley	Cr E Collins	
Cr C Casey	Cr C Fletcher	
Deputy Mayor BC Cashmore	Cr D Newman	
Chairperson R Clow	Cr G Sayers	
Cr L Cooper	Deputy Chairperson D Simpson	
Cr C Darby	Cr S Stewart	
Cr A Filipaina	Cr W Walker	
Mayor P Goff	Cr J Watson	
Cr R Hills		
Cr P Hulse		
IMSB Chair D Taipari		

The motion was declared CARRIED by 11 votes to 8.

CARRIED

Resolution number FIN/2018/84

MOVED by Mayor P Goff, seconded by Chairperson R Clow:

**That the Finance and Performance Committee:**

- e) recommend to the Governing Body that the final 10-year Budget 2018-2028 give effect to decisions made in relation to issues covered by other reports on this agenda.

CARRIED

## 10 Proposal for One Local Initiatives

Additional information was tabled relating to One Local Initiatives for the Manurewa Local Board and the Rodney Local Board. The information has been placed on the official minute and is available on the Auckland Council website as a minutes attachment.

Resolution number FIN/2018/85

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

**That the Finance and Performance Committee:**

- a) recommend to the Governing Body in respect of the final long-term plan 2018-2028 (10-year Budget 2018-2028) the following:
  - i) note that the transport-related One Local Initiatives are funded by other budgets: Devonport-Takapuna, Orākei, Papakura, and the transport components of Waiheke are funded in the Regional Land Transport Plan, and the Maungakiekie-Tāmaki and non-transport components of Waiheke could be self-funding, with One Local Initiatives funding earmarked as a back-up if needed

- ii) note that the sub-regional One Local Initiatives (Franklin, Henderson-Massey, Howick, Ōtara-Papatoetoe, Upper Harbour, and Whau) are recommended to be allocated funding, or earmarked funding from development and other regional budgets
- iii) agree that \$170m of funding be included in the 10-year Budget for local community One Local Initiatives, with this funding to be allocated or earmarked as set out in the staff advice in Attachment A of the agenda report and the tabled document.

**CARRIED**

**Attachments**

- A 31 May 2018 - Finance and Performance Committee, Item 10 - Proposal for One Local Initiatives, tabled information.

**11 Local Board Budget Update**

Resolution number FIN/2018/86

MOVED by Cr W Walker, seconded by Deputy Chairperson D Simpson:

**That the Finance and Performance Committee:**

- a) approve the deferral of the operating budget amount of \$3,950,180 (as detailed in Attachment A to the agenda report) from 2017/2018 to 2018/2019.

**CARRIED**

**12 Rodney Local Board Targeted Rate: Rodney Local Board Decision**

Phelan Pirrie, Deputy Chair of the Rodney Local Board addressed the meeting.

*Cr M Lee returned to the meeting at 5.06pm*

*Cr D Newman left the meeting at 5.10 pm.*

*Cr D Newman returned to the meeting at 5.25 pm.*

Resolution number FIN/2018/87

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

**That the Finance and Performance Committee:**

- a) consider the recommendation of the Rodney Local Board, which was made at its 24 May 2018 business meeting, regarding the proposal for a Rodney Local Board Transport Targeted Rate to support additional transport investment in the Rodney Local Board area.
- b) recommend to the Governing Body in respect of the final long-term plan 2018-2028 (10-year budget 2018-2028) that it:
  - i) include in the Long-term Plan 2018-2028 a Rodney Local Board Transport targeted rate of \$150 per separately used or inhabited part of a rating unit within the Rodney Local Board area to fund additional transport investments in the Rodney Local Board area
  - ii) include the additional capital and operating expenditure in the 10-year budget, noting the impact on group debt.

**CARRIED**

Note: Pursuant to Standing Order 1.8.6, Cr G Sayers requested that his dissenting vote be recorded.

### 13 Local Transport Capital Fund: options for distribution and size of the fund

Resolution number FIN/2018/88

MOVED by Cr W Walker, seconded by Cr C Fletcher:

**That the Finance and Performance Committee:**

- a) **recommend to the Governing Body in respect of the final long-term plan 2018-2028 (10-year budget 2018-2028) that:**
  - i) **the Local Boards Funding Policy allocation methodology of population (90 per cent), deprivation (five per cent) and land area (five per cent), be applied to the distribution of the local transport capital fund**
  - ii) **the inclusion of an additional \$10 million per annum (inflation adjusted) funding for the local transport capital fund in the Regional Land Transport Plan be endorsed.**

**CARRIED**

### 14 Fees, charges and other rating matters

Resolution number FIN/2018/89

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

**That the Finance and Performance Committee:**

- a) **recommend to the Governing Body in respect of the final long-term plan 2018-2028 (10-year budget 2018-2028) the following:**
  - i) **resume the Long-term Differential Strategy (LTDS) from 2018/2019 to gradually reduce the business sector share of general rates to 25.8 per cent by 2037/2038 as proposed**
  - ii) **maintain the current policy of increasing the Uniform Annual General Charge (UAGC) in line with the general rate increase as proposed**
  - iii) **expansion of the Papakura BID as proposed**
- b) **recommend to the Governing Body in respect of the final long-term plan 2018-2028 (10-year budget 2018-2028) that it adopt:**
  - i) **the introduction of a new charging regime from 1 July 2018 for Deemed Permitted Boundary Activity Notices and Permitted Plantation Forestry Activities monitoring and assessment which includes a deposit of \$400 (including GST) and council's standard hourly rates for work completed**
  - ii) **the new fees and deposits for land advisory services as detailed in Attachment A of the agenda report**
  - iii) **the waiver of fees from 1 July 2018 for the cremation of babies under 1 year old.**

**CARRIED**

Note: Consideration of Item 15 – Adoption of the Rates and Remission and Postponement Policy was considered following Item 18 – Consideration of Extraordinary Business.

## 16 Contributions Policy

Resolution number FIN/2018/90

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

**That the Finance and Performance Committee:**

- a) **agree to consult on extending the expiry date for the Contributions Policy 2015 from 30 June 2018 until 1 February 2019.**
- b) **delegate responsibility for finalising consultation material to the Chair of the Finance and Performance Committee and the Group Chief Financial Officer.**

**CARRIED**

## 17 Approval of Council-Controlled Organisation Accountability Policy

Resolution number FIN/2018/91

MOVED by Mayor P Goff, seconded by Chairperson R Clow:

**That the Finance and Performance Committee:**

- a) **approve the council-controlled organisation accountability policy as part of the Long-term Plan 2018-2028.**

**CARRIED**

## 18 Consideration of Extraordinary Items

There was no consideration of extraordinary items.

## 15 Adoption of the Rates Remission and Postponement Policy

Resolution number FIN/2018/92

MOVED by Mayor P Goff, seconded by Chairperson R Clow:

**That the Finance and Performance Committee:**

- a) **transfer the remission budget for legacy schemes to the relevant operating groups or local asset based services budgets.**
- b) **direct that current beneficiaries of (e)(i) below be automatically paid a grant equivalent to their present support (less GST for GST registered organisations) for three years on the same basis as their existing remission or postponement.**
- c) **direct officers to work with sector groups on the development of an integrated approach to council support for these community and sporting organisations including administrative requirements proportionate to the nature of the support.**
- d) **direct officers to work with the Queen Elizabeth the Second (QEII) Trust to develop options for a regional scheme for QEII covenanted land for 2019/2020.**

- e) recommend to the Governing Body in respect of the final long-term plan 2018-2028 (10-year budget 2018-2028) that it:
- i) adopts the attached Rates Remission and Postponement Policy which includes the following amendments to the existing policy:
- a. removal of the Part 3 remission schemes for natural heritage and community and sports organisations and postponement for Great Barrier Island commercial properties
  - b. postponement for Manukau Sport Clubs restricted to current applicants to expire after three years
  - c. introduction of a remission scheme for the Accommodation Provider Targeted rate
  - d. administrative amendments to the regional remission schemes.
  - e. notes that the remission of rates for miscellaneous purposes remission scheme could still apply if the criteria in that scheme are met in the 2018/19 year.

**CARRIED**

Note: Pursuant to Standing Order 1.8.6, the following councillors requested that their dissenting votes be recorded:

- Cr W Walker against clause d)
- Cr J Watson against clause d)

5.52 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:**.....