Tira Kāwana / Governing Body
OPEN MINUTES

Minutes of a meeting of the Governing Body held in the Reception Lounge, Auckland Town Hall, 301-305 Queen Street, Auckland on Wednesday, 27 June 2018 at 9.33am.

PRESENT

Mayor
Hon Phil Goff, CNZM, JP
Deputy Mayor
Bill Cashmore
Councillors
Cr Josephine Bartley
Cr Dr Cathy Casey
Cr Ross Clow
Cr Fa’anana Efeso Collins
Cr Linda Cooper, JP
Cr Chris Darby
Cr Alf Filipaina
Cr Hon Christine Fletcher, QSO
Cr Richard Hills
Cr Penny Hulse
Cr Mike Lee
Cr Daniel Newman, JP
Cr Greg Sayers
Cr Desley Simpson, JP
Cr Sharon Stewart, QSM
Cr Mike Lee
Cr Greg Sayers

ABSENT

Cr John Walker
For leave of absence
Cr Wayne Walker
For leave of absence
1 **Affirmation**

His Worship the Mayor read the affirmation.

2 **Apologies**

*Cr C Fletcher entered the meeting at 9.34 am.*

Resolution number GB/2018/92

MOVED by Mayor P Goff, seconded by Cr L Cooper:

**That the Governing Body:**

a) accept the apologies from Cr C Darby and Cr A Filipaina for lateness on council business, Cr P Hulse for lateness and Cr M Lee for early departure.

CARRIED

3 **Declaration of Interest**

There were no declarations of interest.

*Cr C Darby entered the meeting at 9.35 am.*

*Cr G Sayers entered the meeting at 9.35 am.*

4 **Confirmation of Minutes**

Resolution number GB/2018/93

MOVED by Mayor P Goff, seconded by Cr D Simpson:

**That the Governing Body:**

a) confirm the ordinary minutes of its meeting, held on Thursday, 24 May 2018, including the confidential section, and the extraordinary minutes of its meeting, held on Thursday, 31 May 2018, as a true and correct record.

CARRIED

5 **Petitions**

There were no petitions.

6 **Public Input**

There was no public input.

7 **Local Board Input**

There was no local board input.
8 **Extraordinary Business**

There was no extraordinary business.

9 **Notices of Motion**

There were no notices of motion.

10 **Independent Maori Statutory Board - proposed funding agreement for the 2018/2019 financial year**

*Cr P Hulse entered the meeting at 9.41 am.*
*Cr E Collins entered the meeting at 9.42 am.*

Resolution number GB/2018/94

MOVED by Mayor P Goff, seconded by Deputy Mayor BC Cashmore:

**That the Governing Body:**

a) **approve the 2018/2019 funding agreement between Auckland Council and the Independent Māori Statutory Board, which comprises a total direct funding of $3.003 million (opex).**

b) **approve that variations to the 2018/2019 funding agreement between Auckland Council and the Independent Māori Statutory Board of no more than $50,000 in the financial year can be agreed between the chief executive of Auckland Council and the chief executive of the Independent Māori Statutory Board, subject to budget being available to cover the variations.**

c) **note that following approval of the proposed funding by the Governing Body, the 2018/2019 funding agreement between Auckland Council and the Independent Māori Statutory Board will be prepared and signed by the mayor and council’s chief executive and the chair and chief executive of the Independent Māori Statutory Board.**

CARRIED

11 **Report back to the Local Government Commission on recommendations arising from reorganisation proposals for North Rodney and Waiheke**

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

*Cr R Clow left the meeting at 10.14 am.*
*Cr A Filipaina entered the meeting at 10.20 am.*

Resolution number GB/2018/95

MOVED by Mayor P Goff, seconded by Cr G Sayers:

**That the Governing Body:**

a) **approve the response (Attachment B of the agenda report) to the recommendations of the Local Government Commission set out in its report “Enhancing local government for Aucklanders”**.

CARRIED

**Attachments**

A 27 June 2018, Governing Body: Item 11 - Report back to the Local Government Commission on recommendations arising from reorganisation proposals for North Rodney and Waiheke, minor edits made to the response after the agenda was printed
12 **Extension of the Contributions Policy 2015**

Resolution number GB/2018/96

MOVED by Mayor P Goff, seconded by Deputy Mayor BC Cashmore:

That the Governing Body:

a) agree to extend the Contributions Policy 2015 until 31 January 2019 or earlier if a new policy is adopted before 31 January 2019.

**CARRIED**

13 **Maungauika - transfer of administration**

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

_Cr M Lee left the meeting at 10.37 am._

Resolution number GB/2018/97

MOVED by Cr C Darby, seconded by Cr R Hills:

That the Governing Body:

a) agree Auckland Council be responsible for the routine management of Maungauika/North Head in the same manner as for other tūpuna maunga administered by the Tūpuna Maunga Authority.

b) delegate to the mayor to provide notice in writing to the Minister of Conservation on behalf of Auckland Council to give effect to this resolution.

**CARRIED**

**Attachments**

A 27 June 2018, Governing Body: Item 13: Maungauika - transfer of administration, Devonport-Takapuna Local Board resolution 19 June 2018

14 **Recommendations from the Appointments, Performance Review and Value for Money Committee - Value for Money (s17A) Review programme**

_Cr R Clow returned to the meeting at 11.01 am._

Resolution number GB/2018/98

MOVED by Cr D Simpson, seconded by Mayor P Goff:

That the Governing Body:

a) approve the recommendations contained in the Group Procurement Value for Money (s17A) Review 2018 report included in Attachment A of the agenda report and as follows:

i) design and implement a procurement operating model to effectively enable the Group Procurement Policy and participation from the council and all its council-controlled organisations. It is anticipated that this will include:

- key guiding principles
- mandate to participate and use
- consideration of appropriate operating models including centres of expertise and other shared arrangements
• an agreed position on what procurement activities and spend categories should be collaborative Group procurement and which should be the responsibility of each entity
• an agreed approach to develop procurement capability across the Group
• an assessment of the most effective way to procure infrastructure
• a plan for optimising duplicated functions such as contract management, spend analysis, reporting, technology, learning and development
• a standard approach to monitoring, measuring and reporting

ii) design and implement a consistent, Group-wide Supplier Relationship Management framework for identifying and managing key strategic supplier relationships, and consider assigning ownership of these to the Group’s executive teams

iii) design and implement a consistent, Group-wide procurement risk management framework for identifying, assessing and treating risks to allow the most appropriate procurement and financing approach to be adopted. This would acknowledge each entity’s differing risk profiles and governance structures.

iv) require all entities in the Group to establish an annual hard savings target for procurement and include this in the long-term plan budget, to be implemented by 30 June 2018 including:
• requiring Procurement to deliver this target, with a minimum of 4:1 return on the level of investment in procurement
• developing an annual Group sourcing plan
• implement a Group procurement strategy and operating model
• regularly reporting on progress.

CARRIED

15  **Chief Executive's Employment Review**

Resolution number GB/2018/99

MOVED by Cr C Fletcher, seconded by Cr D Simpson:

**That the Governing Body:**

a) note that the Appointments, Performance Review and Value for Money Committee will present its recommendations to the Governing Body on the outcome of the chief executive’s employment review in the confidential agenda of today’s meeting

b) note that subject to the decisions of the Governing Body, in consultation with the chief executive, a public statement will be made as soon as practicable.

CARRIED
16  **Summary of Governing Body information memos and briefings - 27 June 2018**

Resolution number GB/2018/100

MOVED by Mayor P Goff, seconded by Deputy Mayor BC Cashmore:

That the Governing Body:

a) receive the Summary of Governing Body information memos and briefings – 27 June 2018.

CARRIED

17  **Consideration of Extraordinary Items**

There was no consideration of extraordinary items.

18  **Procedural motion to exclude the public**

Resolution number GB/2018/101

MOVED by Cr C Darby, seconded by Deputy Mayor BC Cashmore:

That the Governing Body:

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:

<table>
<thead>
<tr>
<th>C1</th>
<th>Acquisition of land for open space - Glen Eden</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reason for passing this resolution in relation to each matter</td>
<td>Particular interest(s) protected (where applicable)</td>
</tr>
<tr>
<td>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.</td>
<td>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. 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). In particular, the report identifies land that council seeks to acquire for open space purposes.</td>
</tr>
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</table>
## C2 CONFIDENTIAL: Chief Executive's Employment Review

<table>
<thead>
<tr>
<th>Reason for passing this resolution in relation to each matter</th>
<th>Particular interest(s) protected (where applicable)</th>
<th>Ground(s) under section 48(1) for the passing of this resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>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.</td>
<td>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</td>
<td>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.</td>
</tr>
<tr>
<td>In particular, the Committee will discuss the performance of the Chief Executive, which may include past performance and future expectations, terms and conditions of employment, remuneration and future performance objectives.</td>
<td>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).</td>
<td></td>
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</tbody>
</table>

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**

11.12am  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.

12.34pm  The public was re-admitted.

### RESTATEMENTS

It was resolved while the public was excluded:

**C1 Acquisition of land for open space - Glen Eden**

Resolution number GB/2018/102

MOVED by Cr L Cooper, seconded by Cr P Hulse:

That the Governing Body:

Restatement

e) confirm that there be no restatement of this confidential report, attachments or resolutions for the acquisition of land for public open space at Glen Eden until settlement of the purchase. Only then is the resolution to be restated.
C2 CONFIDENTIAL: Chief Executive’s Employment Review

Resolution number GB/2018/103

MOVED by Mayor P Goff, seconded by Cr C Fletcher:
That the Governing Body:

Chief executive’s employment review

a) note that the Auckland Council chief executive’s employment contract expires on 31 December 2018

b) note that under the Local Government Act 2002, Auckland Council can either extend the chief executive’s contract by up to a further two years or advertise a vacancy

c) note that Auckland Council is required to undertake an employment review of the chief executive, as detailed in Schedule 7 of the Local Government Act 2002, and that this task was delegated to the Appointments, Performance Review and Value for Money Committee

d) note that the Appointments, Performance Review and Value for Money Committee has completed a review of the chief executive’s employment under clause 35 of Schedule 7 of the Local Government Act 2002 and in doing so has assessed the matters in clause 35(2), and recommends that the chief executive’s employment contract is extended for a period of two years from the date of expiry of Mr Town’s current contract

e) agree to:
   i) appoint the incumbent Chief Executive, Mr Stephen Town, for a second term of two years from the date of expiry of the first term being 31 December 2018.

f) delegate to the mayor, the deputy mayor and the deputy chair, Appointments, Performance Review and Value for Money Committee, supported by the director people and performance, the council’s power to finalise the chief executive’s employment contract extension, consistent with the general terms and conditions of the chief executive’s current employment contract

g) agree that the Appointments, Performance Review and Value for Money Committee will present revised performance objectives for the chief executive for the Governing Body’s approval by September 2018

h) agree that the Mayor will announce on behalf of the Governing Body:
   i) the appointment of Mr Town as chief executive for a contract extension period of two years from 1 January 2019 to 31 December 2020

Chief executive’s remuneration review

i) note that the Appointments, Performance Review and Value for Money Committee has completed a review of the chief executive’s remuneration and recommends the following changes to the chief executive’s remuneration:
   i) a base salary of $677,669.90
   ii) the employers’ KiwiSaver contribution of $20,330.10

j) agree that any remuneration changes will take effect from 1 July 2018:
   i) a base salary of $677,669.90
   ii) the employers’ KiwiSaver contribution of $20,330.10

k) acknowledge and thank Stephen Town for providing stable and competent leadership of Auckland Council and congratulate him on his achievements to date
Restatement

I) agree that this report, attachment and resolutions will remain confidential until the matters contained in this report have been agreed between the Governing Body and the chief executive.

Note: Pursuant to Standing order 1.8.3, the following councilors requested their dissenting votes be recorded:

- Cr G Sayers
- Cr D Simpson against clause j)
- Cr S Stewart
- Cr J Watson

Attachments

A 27 June 2018, Governing Body: Item C2 - Chief Executive's Employment Review, Report and attachments

12.34 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 GOVERNING BODY HELD ON

DATE:........................................................................................................

CHAIRPERSON:..................................................................................