

---

## Komiti ā Pūtea, ā Mahi Hoki / 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 Tuesday, 19 March 2019 at 9.34am.

---

#### 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	
	Cr Fa'anana Efeso Collins	
	Cr Linda Cooper, JP	
	Cr Chris Darby	
	Cr Alf Filipaina	
	Cr Hon Christine Fletcher, QSO	From 10.06am, Item 8
	Mayor Hon Phil Goff, CNZM, JP	
	Cr Richard Hills	
	IMSB Member Tau Henare	
	Cr Penny Hulse	From 9.51am, Item 8
	Cr Mike Lee	From 10.03am, Item 8
	Cr Daniel Newman, JP	From 9.59am, Item 8
	Cr Greg Sayers	
	Cr Sharon Stewart, QSM	
	IMSB Chair David Taipari	From 9.38am, Item 8
	Cr Sir John Walker, KNZM, CBE	From 9.41am, Item 8, Until 5.04pm, Item 13
	Cr Wayne Walker	
	Cr John Watson	
	Cr Paul Young	

#### ABSENT

<b>Members</b>	Deputy Mayor Bill Cashmore
	IMSB Member Terrence Hohneck

---



## Acknowledgement

The meeting opened with a moment's silence to acknowledge the recent tragic events in Christchurch.

### 1 Apologies

Resolution number FIN/2019/14

MOVED by Chairperson R Clow, seconded by Cr E Collins:

**That the Finance and Performance Committee:**

- a) **accept the apology from Deputy Mayor BC Cashmore for absence on council business, IMSB Member Terrence Hohneck for absence, Cr P Hulse for late arrival, Cr D Simpson for early departure, on council business, and Cr L Cooper for early departure.**

**CARRIED**

Note: Cr D Simpson did not depart early.

### 2 Declaration of Interest

A declaration of interest was received from Cr Darby for item 13 – Eden Park Trust loan guarantee for receipt of various tickets to events from The Eden Park Trust.

### 3 Confirmation of Minutes

Resolution number FIN/2019/15

MOVED by Chairperson R Clow, seconded by Cr W Walker:

**That the Finance and Performance Committee:**

- a) **confirm the ordinary minutes of its meeting, held on Tuesday, 19 February 2019, including the confidential section, as a true and correct record.**

**CARRIED**

### 4 Petitions

There were no petitions.

### 5 Public Input

#### 5.1 Public Input - Eden Park Trust

Note: This item was considered later in the meeting.

## 6 Local Board Input

### 6.1 Local Board Input - Albert-Eden Local Board relating to Eden Park

Note: This item was considered later in the meeting.

## 7 Extraordinary Business

There was no extraordinary business.

## 8 Recommendations from Appointments, Performance Review and Value for Money Committee - Auckland Council progress on savings up to 31 December 2018

*IMSB Chair D Taipari joined the meeting at 9.38am.*

*Cr Sir J Walker joined the meeting at 9.41am.*

*Cr P Hulse joined the meeting at 9.51am.*

*Cr D Newman joined the meeting at 9.59am.*

*Cr M Lee joined the meeting at 10.03am.*

*IMSB Chair D Taipari left the meeting at 10.05am.*

*Cr C Fletcher joined the meeting at 10.06am.*

*Cr E Collins left the meeting at 10.29am.*

*IMSB Chair D Taipari returned to the meeting at 10.30am.*

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

Resolution number FIN/2019/16

MOVED by Deputy Chairperson D Simpson, seconded by Mayor P Goff:

**That the Finance and Performance Committee:**

- a) **receive the Auckland Council progress report on savings up to 31 December 2018 (included in Attachment A of the agenda report).**

**CARRIED**

### **Attachments**

- A 19 March 2019 - Finance and Performance Committee, Item 8 - Recommendations from Appointments, Performance Review and Value for Money Committee - Auckland Council progress on savings up to 31 December 2018 - PowerPoint presentation

## 9 Auckland Council Green Bond Activities and Green Bond Pledge

*Cr C Fletcher left the meeting at 10.44am*

Resolution number FIN/2019/17

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

**That the Finance and Performance Committee:**

- a) **note the update on council's green bond activities.**
- b) **endorse Auckland Council's commitment to the Green Bond Pledge.**

**CARRIED**

*Cr Fletcher returned to the meeting at 10.49am*

## 10 Approval of Auckland Regional Amenities Funding Act levy 2019-2020

*Cr E Collins returned to the meeting at 10.51am.  
IMSB Member T Henare left the meeting at 10.57am.  
Cr W Walker left the meeting at 11.02am.*

A letter from Vern Walsh, Chairperson – Auckland Regional Amenities Funding Board dated 28 February 2019 regarding the Auckland Council submission was given. A copy has been placed on the official minutes and is available on the Auckland Council website as a minutes attachment.

Resolution number FIN/2019/18

MOVED by Chairperson R Clow, seconded by Cr C Fletcher:

**That the Finance and Performance Committee:**

- a) **approve the total levy applied for by Auckland Regional Amenities Funding Board of \$15,504,500 for 2019/2020.**

**CARRIED**

### **Attachments**

- A 19 March 2019 - Finance and Performance Committee, Item10 - Approval of Auckland Regional Amenities Funding Act levy 2019-2020 - letter regarding Auckland Council submission

## 11 Approval of the Museum of Transport and Technology levy 2019/2020

*Cr W Walker returned to the meeting at 11.13am.  
IMSB Member T Henare returned to the meeting at 11.15am.*

Present for the item were Dr Lesley McTurk Chair MOTAT Board; Michael Frawley Chief Executive and Wayne Schache, General Manager Business Services. Also present were Mike Spraggon, Deputy Chair of the MOTAT Board and Steven Fox General Manager, Museum Experience.

Resolution number FIN/2019/19

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

**That the Finance and Performance Committee:**

- a) **approve the total levy applied for by the Museum of Transport and Technology of \$15,811,739 for 2019/2020.**

**CARRIED**

## 12 Approval of Auckland War Memorial Museum levy, 2019-2020

Present for the item were Jo Brosnahan, Chair - AWMM Planning Committee; David Gaimster (Chief Executive); Megan McSweeney (Director, Marketing, Communications & External Affairs); Jignasha Patel (Director, Enterprise and Finance); and Victoria Passau (Governance and Compliance Advisor)

Resolution number FIN/2019/20

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

**That the Finance and Performance Committee:**

- a) **approve the total levy applied for by the Auckland War Memorial Museum of \$32.292 million for 2019/2020, noting that this is an increase of 2.5 per cent from 2018/2019.**

**CARRIED**

**Attachments**

- A 19 March 2019 - Finance and Performance Committee, Item 12 - Approval of Auckland War Memorial Museum levy, 2019-2020 - highlights

The meeting adjourned at 11.48am and reconvened at 12.03pm.

IMSB Member T Henare, Cr G Sayers and IMSB Chair D Taipari were not present.

Megan Tyler, Chief of Strategy, provided advice on Item 13 – Eden Park trust loan guarantee stating that no discussions should take place in regard to regulatory matters at Eden Park.

## 5 Public Input

### 5.1 Public Input - Eden Park Trust

Mr Doug McKay, Chairperson of the Eden Park Trust Board ; Nick Sautner, Chief Executive Officer – Eden Park Trust Board; Brett Winstanley, Chief Financial Officer – Eden Park Trust Board and Vicki Salmon, Member – Eden Park Trust Board gave a PowerPoint presentation. Also present from the Eden Park Trust Board were Nicholas Allbrecht, Nicky Duggan and Victoria Toon.

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

*IMSB Chair D Taipari returned to the meeting at 12.04pm.*

*IMSB Member T Henare returned to the meeting at 12.04pm.*

*Cr G Sayers returned to the meeting at 12.05pm.*

Resolution number FIN/2019/21

MOVED by Cr W Walker, seconded by Chairperson R Clow:

**That the Finance and Performance Committee:**

- a) **receive and thank Mr Doug McKay, Chairperson – Eden Park Trust Board, Nick Sautner, Chief Executive Officer – Eden Park Trust Board, Brett Winstanley, Chief Financial Officer – Eden Park Trust Board, and Vicki Salmon, Member – Eden Park Trust Board, for their presentation regarding the Eden Park Trust loan guarantee.**

**CARRIED**

**Attachments**

- A 19 March 2019 - Finance and Performance Committee, Item 5.1 - Public Input - Eden Park Trust - PowerPoint presentation

## 6 Local Board Input

### 6.1 Local Board Input - Albert-Eden Local Board relating to Eden Park

Resolution number FIN/2019/22

MOVED by Cr C Fletcher, seconded by Cr S Stewart:

**That the Finance and Performance Committee:**

- a) **receive and thank Albert-Eden Local Board Chair, Peter Haynes, for his presentation regarding Eden Park.**

**CARRIED**

The meeting adjourned at 1.28pm and reconvened at 1.53pm.

Cr L Cooper, Cr A Filipaina, IMSB Member T Henare, Cr P Hulse, Cr M Lee, and IMSB Chair D Taipari and Cr P Young were not present.

## 13 Eden Park Trust loan guarantee

*Cr P Young returned to the meeting at 1.56pm.*

*Cr A Filipaina returned to the meeting at 1.57pm.*

*IMSB Member T Henare returned to the meeting at 1.57pm.*

*IMSB Chair D Taipari returned to the meeting at 1.57pm.*

*Cr L Cooper returned to the meeting at 1.57pm.*

*Cr P Hulse returned to the meeting at 1.57pm.*

*Cr M Lee returned to the meeting at 1.59pm.*

*IMSB Member T Henare left the meeting at 3.07pm.*

Note: changes were made to clause b) ii) of the original motion with the agreement of the meeting prior to the amendment being moved

MOVED by Mayor P Goff, seconded by Cr A Filipaina:

That the Finance and Performance Committee:

- a) authorise and delegate all necessary powers to the chief executive to:
  - i) reach an agreement with Eden Park Trust and ASB Bank for Auckland Council to take over the \$40 million loan from ASB Bank to Eden Park Trust together with other facilities provided by ASB Bank to Eden Park Trust before 30 September 2019.
  - ii) reach an agreement with Eden Park Trust to consolidate the loans acquired from ASB Bank and Auckland Council loans into one or more new facilities on commercial terms including:
    - A) first-ranking security over Eden Park Trust's assets
    - B) a term of up to ten years
    - C) an interest rate set at council's cost of funds plus a margin.
- b) authorise and delegate all necessary powers to the chief executive to agree a limited recourse loan to fund capital expenditure of up to \$9.8 million over a three-year period from 1 July 2019 under the following terms:
  - i) a Development Funding Agreement to be prepared documenting details of the funding to Eden Park Trust

- ii) all funding to be repayable in the event of any significant disposal of Eden Park Trust assets.
  - iii) continued security over Eden Park Trust's assets
  - iv) no interest payable.
- c) agree that the chief executives of Auckland Council, Eden Park Trust and Regional Facilities Auckland jointly prepare an operational partnering proposal to be completed by March 2020.

MOVED by Deputy Chairperson D Simpson, seconded by Cr W Walker: an amendment by way of replacement of clause b):

That the Finance and Performance Committee:

- b) authorise the chief executive to agree a grant to fund capital expenditure of up to \$9.8 million over a three-year period from 1 July 2019 under a Development Funding Agreement.

The meeting adjourned at 3.11pm and reconvened at 3.23pm.

Cr E Collins, IMSB Member T Henare, Cr G Sayers, IMSB Chair D Taipari, and Cr P Young were not present.

*IMSB Member T Henare returned to the meeting at 3.24pm.*

At 3.24pm, it was:

Resolution number FIN/2019/23

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

**That the Finance and Performance Committee:**

- a) agree pursuant to standing order 1.1.3, that an extension of time be granted, until the business of the agenda is complete.**

**CARRIED**

*Cr P Young returned to the meeting at 3.25pm.*

*Cr G Sayers returned to the meeting at 3.25pm.*

*Cr E Collins returned to the meeting at 3.26pm.*

*IMSB Chair D Taipari returned to the meeting at 3.27pm.*

MOVED by Cr C Fletcher, seconded by Cr S Stewart:

That the Finance and Performance Committee:

- a) agree that the motion under debate should now be put.



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

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

The procedural motion was declared LOST by 7 votes to 15.

Resolution number FIN/2019/24

MOVED by Deputy Chairperson D Simpson, seconded by Cr W Walker: an amendment by way of replacement of clause b):

That the Finance and Performance Committee:

- b) authorise the chief executive to agree a grant to fund capital expenditure of up to \$9.8 million over a three-year period from 1 July 2019 under a Development Funding Agreement.

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

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

The amendment was declared CARRIED by 12 votes to 10.

**CARRIED**

*Cr Sir J Walker retired from the meeting at 5.04pm.*

Resolution number FIN/2019/25

MOVED by Cr C Darby, seconded by Cr M Lee: as an amendment by way of addition:

That the Finance and Performance Committee:

- d) invite Eden Park Trust Board to report to the Finance and Performance Committee on at least a six-monthly basis to outline its performance and financial projections.
- e) initiate discussions with the Government to seek amending the Eden Park Trust Deed to appropriately align the governance of Eden Park with funding.

**CARRIED**

The substantive motion was put in parts.

Resolution number FIN/2019/26

MOVED by Mayor P Goff, seconded by Deputy Chairperson D Simpson:

**That the Finance and Performance Committee:**

- a) **authorise and delegate all necessary powers to the chief executive to:**
  - i) **reach an agreement with Eden Park Trust and ASB Bank for Auckland Council to take over the \$40 million loan from ASB Bank to Eden Park Trust together with other facilities provided by ASB Bank to Eden Park Trust before 30 September 2019.**
  - ii) **reach an agreement with Eden Park Trust to consolidate the loans acquired from ASB Bank and Auckland Council loans into one or more new facilities on commercial terms including:**
    - A) **first-ranking security over Eden Park Trust's assets**
    - B) **a term of up to ten years**
    - C) **an interest rate set at council's cost of funds plus a margin.**
- c) **agree that the chief executives of Auckland Council, Eden Park Trust and Regional Facilities Auckland jointly prepare an operational partnering proposal to be completed by March 2020.**
- d) **invite Eden Park Trust Board to report to the Finance and Performance Committee on at least a six-monthly basis to outline its performance and financial projections.**
- e) **initiate discussions with the Government to seek amending the Eden Park Trust Deed to appropriately align the governance of Eden Park with funding.**

**CARRIED**

Resolution number FIN/2019/27

MOVED by Mayor P Goff, seconded by Deputy Chairperson D Simpson:

**That the Finance and Performance Committee:**

- b) **authorise the chief executive to agree a grant to fund capital expenditure of up to \$9.8 million over a three-year period from 1 July 2019 under a Development Funding Agreement.**

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

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

The motion was declared CARRIED by 12 votes to 7.

**CARRIED**

For clarity, the resolution reads as follows:

- a) authorise and delegate all necessary powers to the chief executive to:
  - i) reach an agreement with Eden Park Trust and ASB Bank for Auckland Council to take over the \$40 million loan from ASB Bank to Eden Park Trust together with other facilities provided by ASB Bank to Eden Park Trust before 30 September 2019.
  - ii) reach an agreement with Eden Park Trust to consolidate the loans acquired from ASB Bank and Auckland Council loans into one or more new facilities on commercial terms including:
    - A) first-ranking security over Eden Park Trust's assets
    - B) a term of up to ten years
    - C) an interest rate set at council's cost of funds plus a margin.
- b) authorise the chief executive to agree a grant to fund capital expenditure of up to \$9.8 million over a three-year period from 1 July 2019 under a Development Funding Agreement.
- c) agree that the chief executives of Auckland Council, Eden Park Trust and Regional Facilities Auckland jointly prepare an operational partnering proposal to be completed by March 2020.
- d) invite Eden Park Trust Board to report to the Finance and Performance Committee on at least a six-monthly basis to outline its performance and financial projections.
- e) initiate discussions with the Government to seek amending the Eden Park Trust Deed to appropriately align the governance of Eden Park with funding.

#### 14 Finance and Performance Committee - Information Report - 19 March 2019

Resolution number FIN/2019/28

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

**That the Finance and Performance Committee:**

- a) receive the information report – 19 February 2019.

**CARRIED**

**15 Consideration of Extraordinary Items**

There was no consideration of extraordinary items.

**16 Procedural motion to exclude the public**

The public excluded item was withdrawn.

5.15pm

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:**.....