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, 20 August 2019 at 9.35am.

PRESENT

Chairperson
Cr Ross Clow
Deputy Chairperson
Cr Desley Simpson, JP
Members
Cr Josephine Bartley
Cr Dr Cathy Casey
Deputy Mayor Cr Bill Cashmore
Cr Fa’anana Efeso Collins
Cr Linda Cooper, JP
Cr Chris Darby
Cr Alf Filipaina
Mayor Hon Phil Goff, CNZM, JP
Cr Richard Hills
Cr Penny Hulse
IMSB Member Tony Kake
Cr Mike Lee
Cr Daniel Newman, JP
Cr Greg Sayers
Cr Sharon Stewart, QSM
Cr Sir John Walker, KNZM, CBE
Cr John Watson
Cr Paul Young

From 9.40am, Item 5.1/5.2
From 9.51am, Item 5.1/5.2
From 9.39am, Item 5.1/5.2
From 9.50am, Item 5.1/5.2
Until 12.22pm, Item 13
From 11.39am, Item 11
Until 12.13pm, Item 12
Until 2.04pm, Item C2
From 10.26am, Item 8
Until 1.00pm, Item 13
From 9.39am, Item 5.1/5.2
From 9.47am, Item 5.1/5.2
Until 1.00pm, Item 13
Until 12.30pm, Item 13

ABSENT

Cr Hon Christine Fletcher, QSO
IMSB Chair David Taipari
IMSB Member Terrence Hohneck
Cr Wayne Walker
For absence
For absence

ALSO PRESENT

Shale Chambers, Deputy Chair, Waitematā Local Board
1 Apologies

Resolution number FIN/2019/81

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

That the Finance and Performance Committee:

a) accept the apologies from Cr R Hills for lateness, on council business; Cr A Filipaina and Cr W Walker for lateness, from Cr E Collins and Cr S Stewart for early departure, and IMSB Chair David Taipari for absence.

CARRIED

Note: Cr W Walker subsequently did not attend the meeting.

Cr E Collins and Cr S Stewart did not leave the meeting early.

2 Declaration of Interest

There were no declarations of interest.

3 Confirmation of Minutes

Resolution number FIN/2019/82

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

That the Finance and Performance Committee:

a) confirm the ordinary minutes of its meeting, held on Tuesday, 23 July 2019 as a true and correct record.

CARRIED

4 Petitions

There were no petitions.

5 Public Input

Note: Items 5.1 and 5.2 were taken together.

5.1 Public Input - Jennifer Ward - 254 Ponsonby Road, Ponsonby

Jennifer Ward addressed the committee in regard to 254 Ponsonby Road, Ponsonby and supported the officer’s recommendation to allocate up to $5.5 million of the proceeds of the sale form 200 Victoria Street West to the proposed development of a civic space at 254 Ponsonby Road, Ponsonby which is the Waitematā Local Board’s One Local Initiative.
Claudia Maran addressed the committee in regard to 254 Ponsonby Road, Ponsonby and gave a PowerPoint presentation. A copy is available on the Auckland Council website as a minutes attachment.

*Cr G Sayers joined the meeting at 9.39am.*
*Cr J Bartley joined the meeting at 9.40am.*
*Cr Sir J Walker joined the meeting at 9.47am.*
*Cr A Filipaina joined the meeting at 9.50am.*
*Cr C Casey joined the meeting at 9.51am.*
*Cr E Collins joined the meeting at 9.51am.*

Resolution number FIN/2019/83
MOVED by Chairperson R Clow, seconded by Deputy Chairperson D Simpson:

**That the Finance and Performance Committee:**

a) receive and thank Jennifer Ward and Claudia Maran for their presentations regarding 254 Ponsonby Road, Ponsonby.  

CARRIED

**Attachments**

A 20 August 2019, Finance and Performance Committee - Item 5.2 Public Input - Claudia Maran - 254 Ponsonby Road, Ponsonby - presentation

6   Local Board Input

6.1 Local Board Input - Waitemata Local Board regarding 254 Ponsonby Road, Ponsonby

Shale Chambers, Deputy Chair of the Waitematā Local Board addressed the committee regarding 254 Ponsonby Road, Ponsonby

Resolution number FIN/2019/84
MOVED by Chairperson R Clow, seconded by Mayor P Goff:

**That the Finance and Performance Committee:**

a) receive and thank Shale Chambers, Deputy Chair of the Waitematā Local Board for his presentation regarding 254 Ponsonby Road, Ponsonby.  

CARRIED

7   Extraordinary Business

There was no extraordinary business.

8   Disposal recommendations report - August 2019

*Cr D Newman joined the meeting at 10.26am.*

The meeting agreed to consider aspects of the item in the public excluded section of the meeting.
Public Excluded  
Resolution number FIN/2019/85

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

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>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>
</table>
| 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)(c)(i) – the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.  
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 discussion related to lease and income information for 200 Victoria Street West, Auckland Central. | 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. |

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
10.34am  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.

10.55am  The public was re-admitted.

8  Disposal recommendations report - August 2019 (Continued)

Note: amended wording of the original recommendation were made by staff and agreed to by the meeting.

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

That the Finance and Performance Committee:

a) approve, subject to the satisfactory conclusion of any required statutory processes the disposal of:
   i) 200 Victoria Street West, Auckland Central, comprised of an estate in fee simple being Pt Lot DP 11603 (also described as Part Allotment 23 Section 24 City of Auckland) contained in computer freehold register NA263/104 in accordance with sections 140 and 141 of the Local Government Act 2002
   ii) 15R First View Avenue, Beachlands, comprised of an estate in fee simple being Allotment 90 Parish of Maraetai contained in computer freehold register NA46A/1020;

b) approve the allocation of the proceeds of sale from 200 Victoria Street West, Auckland Central to the following projects in accordance with sections 140 and 141 of the Local Government Act 2002:
   i) up to $5.5 million to the development of a civic space at 254 Ponsonby Road, Ponsonby; and
   ii) the balance to the Victoria Street Linear Park project, Auckland Central;

c) note that the allocation of sale proceeds of up to $5.5 million for the development of a civic space at 254 Ponsonby Road is in addition to any stage one budget allocation made as part of the One Local Initiative funding process subject to the completion of the detailed business case

d) note the remaining budget for the development at 254 Ponsonby Road will be considered as part of the One Local Initiative funding process on completion of the detailed business case

e) agree that the final terms and conditions of the disposals be approved under the appropriate delegations.

The motion was taken in parts.

Resolution number FIN/2019/87

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

That the Finance and Performance Committee:

a) approve, subject to the satisfactory conclusion of any required statutory processes the disposal of:
   i) 200 Victoria Street West, Auckland Central, comprised of an estate in fee simple being Pt Lot DP 11603 (also described as Part Allotment 23 Section 24 City of Auckland) contained in computer freehold register NA263/104 in accordance with sections 140 and 141 of the Local Government Act 2002.
A division was called for, voting on which was as follows:

<table>
<thead>
<tr>
<th>For</th>
<th>Against</th>
<th>Abstained</th>
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<tbody>
<tr>
<td>Cr J Bartley</td>
<td>Cr M Lee</td>
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<td>Cr C Casey</td>
<td>Cr J Watson</td>
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<td>Deputy Mayor BC Cashmore</td>
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<td>Chairperson R Clow</td>
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<td>Cr E Collins</td>
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<td>Cr L Cooper</td>
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<td>Cr C Darby</td>
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<td>Cr A Filipaina</td>
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<td>Mayor P Goff</td>
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<td>Cr P Hulse</td>
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<td>IMSB Chair T Kake</td>
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<td>Cr D Newman</td>
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<td>Cr G Sayers</td>
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<td>Deputy Chairperson D Simpson</td>
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<td>Cr S Stewart</td>
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<td>Cr J Walker</td>
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<td>Cr P Young</td>
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The motion was declared CARRIED by 17 votes to 2.

Resolution number FIN/2019/88

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

That the Finance and Performance Committee:

a) approve, subject to the satisfactory conclusion of any required statutory processes the disposal of:

i) 15R First View Avenue, Beachlands, comprised of an estate in fee simple being Allotment 90 Parish of Maraetai contained in computer freehold register NA46A/1020;

b) approve the allocation of the proceeds of sale from 200 Victoria Street West, Auckland Central to the following projects, subject to confirmation by the Auckland Council Legal Services team that the projects identified are consistent with the purpose of the endowment pursuant to which this property was vested and are in accordance with sections 140 and 141 of the Local Government Act 2002:

i) up to $5.5 million to the development of a civic space at 254 Ponsonby Road, Ponsonby; and

ii) the balance to the Victoria Street Linear Park project, Auckland Central;

c) note that the allocation of sale proceeds of up to $5.5 million for the development of a civic space at 254 Ponsonby Road is in addition to any stage one budget allocation made as part of the One Local Initiative funding process subject to the completion of the detailed business case

d) note the remaining budget for the development at 254 Ponsonby Road will be considered as part of the One Local Initiative funding process on completion of the detailed business case

e) agree that the final terms and conditions of the disposals be approved under the appropriate delegations.

CARRIED
9 Transfer of land to Watercare Services Limited - 2 Buckley Avenue, Hobsonville

Cr C Casey left the meeting at 11.25am.
Deputy Mayor BC Cashmore left the meeting at 11.25am.

Resolution number FIN/2019/89

MOVED by Cr C Darby, seconded by Cr L Cooper:

That the Finance and Performance Committee:

a) approve, subject to the satisfactory conclusion of any required statutory processes and due diligence, the disposal at market value under section 50 of the Public Works Act 1981, the land situated at 2 Buckley Avenue, Hobsonville being 6299 square metres more or less and described as Part Lot 2 DP330629 and Lot 3 DP211237 to Watercare Services Limited for the Northern Interceptor Project upon it being vested in Auckland Council by HLC 2017 Limited under a legacy agreement with Waitākere City Council.

CARRIED

10 Disposal of land at Manukau Memorial Gardens

Cr C Casey returned to the meeting at 11.27am.

Resolution number FIN/2019/90

MOVED by Cr C Darby, seconded by Cr A Filipaina:

That the Finance and Performance Committee:

a) approve the transfer under section 50 of the Public Works Act 1981 of portions of the Manukau Memorial Gardens to the New Zealand Transport Agency for state highway improvements (for the implementation of the Southwest Gateway Programme (State Highway 20B Short Term Improvements), the land permanently required being legally described as and comprising:

i) 1071 square metres being Part of Lot 1 DP 199870, Record of Title NA128B/498;

ii) 5866 square metres being Part Lot 1 DP 201144, Record of Title NA128C/326 (limited as to parcels);

iii) 4008 square metres being Part Lot 1 DP 96646, Record of Title NA52C/540;

iv) 0211 square metres being Part Section 2 SO Plan 69950, Record of Title NA128C/193;

v) 1.1156 hectares total; and,

all areas being subject to final design and survey, shown shaded in green on Land Requirement Plans 54330–0000–DRG–NN–1655A, 1656A, 1657A & 1658A (see Attachment A to the agenda report).

b) approve the granting of an easement to the New Zealand Transport Agency under the Public Works Act 1981 for access over those portions of the Manukau Memorial Gardens being legally described as and comprising:

i) 0227 square metres (subject to survey) being Part Lot 1 DP 201144, Record of Title NA128C/326 (limited as to parcels);

ii) 2112 square metres (subject to survey) being Part Lot 1 DP 96646, Record of Title 52C/540;
iii)  0099 square metres (subject to survey) being Part Section 2 SO Plan 69950, Record of Title 128C/193;

iv)  2438 square metres total; and,

all areas being subject to final design and survey, shown shaded blue on Land Requirement Plan 504330 – 0000 – DRG – NN – 1656A, 1657A & 1658A (see Attachment A to the agenda report).

c)  approve the granting of a lease to the New Zealand Transport Agency under the Public Works Act 1981 for the duration of construction over those portions of the Manukau Memorial Gardens being legally described as and comprising:

i)  0830 square metres (subject to survey) being Part Lot 1 DP 201144, Record of Title NA128C/326 (limited) and as shown on Land Requirement Plan 504330 – 0000 – DRG – NN – 1656A;

ii) 2056 square metres (subject to survey) being Part Lot 1 DP 96646, Record of Title NA52C/540 and as shown on Land Requirement Plan 504330 – 0000 – NN – 1657A;

iii) 0037 square metres (subject to survey) being Part Section 2 SO Plan 69950, Record of Title 128C/193;

iv)  2923 square metres total; and,

all areas being subject to final design and survey, shown shaded pink on Land Requirement Plan 504330 – 0000 – DRG – NN – 1656A, 1657A & 1658A (see Attachment A to the agenda report).

d)  delegate authority to the General Manager Community Facilities, to approve the final terms and conditions of a compensation agreement with the New Zealand Transport Agency under the Public Works Act 1981.

CARRIED

11  Shareholder comments on Ports of Auckland Limited’s statement of corporate intent 2019-2022

Deputy Mayor BC Cashmore returned to the meeting at 11.28am.
Cr P Hulse left the meeting at 11.36am.
Cr R Hills joined the meeting at 11.39am.
Cr P Hulse returned to the meeting at 11.52am.
Cr G Sayers left the meeting at 12.02pm.
Cr M Lee left the meeting at 12.04pm.

Resolution number FIN/2019/91

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

That the Finance and Performance Committee:

a)  approve the shareholder feedback on the draft statement of corporate intent 2019-2022 for Ports of Auckland Limited

b)  delegate authority to the mayor to:

i)  finalise a letter to Ports of Auckland Limited setting out the shareholder feedback on the draft statement of corporate intent 2019-2022

ii)  approve any minor amendments to the shareholder feedback, if required.
c) delegate to any two of the mayor, deputy mayor and the chair of the Finance and Performance Committee, the authority to approve the final statement of corporate intent 2019-2022 for Ports of Auckland Limited, noting this delegation will expire on the day the term of office of current elected members ends.

CARRIED

12 Council Controlled Organisation Exemptions

Cr G Sayers returned to the meeting at 12.07pm.
Cr M Lee returned to the meeting at 12.08pm.

Resolution number FIN/2019/92
MOVED by Cr E Collins, seconded by Chairperson R Clow:

That the Finance and Performance Committee:

a) agree to grant council-controlled organisation exemptions under section 7(3) of the Local Government Act 2002 to the following organisations:
   i) Westhaven Marinas Limited
   ii) Westhaven (Existing Marina) Trust
   iii) Westhaven (Extension) Trust
   iv) Auckland City Water Limited
   v) Watercare Harbour Clean-up Trust
   vi) Mount Albert Grammar School Community Swimming Pool Trust
   vii) Arts Regional Trust
   viii) Highbrook Park Trust
   ix) Te Motu a Hiaroa (Puketutu Island) Governance Trust
   x) Māngere Mountain Education Trust
   on the grounds that the costs associated with meeting the Statement of Intent accountability requirements of the Local Government Act for these organisations outweigh the benefits.

b) agree to review these exemptions by September 2022, noting that these exemptions can be revoked by the council at any time.

c) agree to grant the Manukau Beautification Trust an exemption under the Local Government Act 2002 until the end of the 2019/2020 financial year.

CARRIED

The meeting adjourned at 12.13pm and reconvened at 12.19pm.
IMSB Member T Kake, Cr G Sayers and Cr J Watson were not present.
Submission to the Productivity Commission Local government funding and financing inquiry: Draft report

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.

Cr J Watson returned to the meeting at 12.21pm.
Cr A Filipaina retired from the meeting at 12.22pm.
Cr J Watson retired from the meeting at 12.30pm.
Cr G Sayers returned to the meeting at 12.32pm.

Resolution number FIN/2019/93

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

That the Finance and Performance Committee:

a) approve the submission on the New Zealand Productivity Commission Local government funding and financing inquiry Draft report (Attachment A of the agenda report).

b) delegate to the Chair of the Finance and Performance Committee and Group Chief Financial Officer to authorise any minor amendments and corrections to the submission.

CARRIED

Attachments

A 20 August 2019, Finance and Performance Committee - Item 13 Submission to the Productivity Commission Local government funding and financing inquiry: Draft report - Productivity Commission Presentation

The meeting adjourned at 1.00pm and reconvened at 1.35pm.
Cr D Newman and Cr J Walker were not present.

Budget Update - August 2019

Resolution number FIN/2019/94

MOVED by Deputy Chairperson D Simpson, seconded by Deputy Mayor BC Cashmore:

That the Finance and Performance Committee:

a) approve the allocation of $910,164 funding from the existing 2019/2020 unallocated One Local Initiative budget.

b) approve to release $489,225 from the Parnell portion of the Waitematā Local Board’s Parking Fund to the Auckland Domain Committee as recommended by the Waitematā Local Board.

c) approve the budget carry-forwards of $4.5 million for Regional Facilities Auckland and $6.5 million for Panuku Development Auckland Limited from the 2018/2019 financial year to the 2019/2020 financial year.

d) agree the City Centre Targeted Rate portfolio budget for 2019/2020 as endorsed by the Auckland City Centre Advisory Board.

CARRIED
15 **Summary of Finance and Performance Committee information memorandum and briefings, including the Forward Work Programme - 20 August 2019**

Resolution number FIN/2019/95

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

That the Finance and Performance Committee:

a) note the progress on the forward work programme

b) receive the Summary of Finance and Performance Committee information memorandum and briefings – 20 August 2019.

CARRIED

16 **Consideration of Extraordinary Items**

There was no consideration of extraordinary items.

17 **Procedural motion to exclude the public**

Resolution number FIN/2019/96

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:

<table>
<thead>
<tr>
<th>C1 Built Heritage Acquisition Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reason for passing this resolution in relation to each matter</td>
</tr>
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<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>
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</table>
C2  Reallocation of existing budget to acquire land for the extension of Manukau Memorial Gardens

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<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. In particular, the report contains budgeting and valuation information which if made public would prejudice the Council's negotiations for the acquisition of land. 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 contains budgeting and valuation information which if made public would prejudice the Council's negotiations for the acquisition of land.</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>
</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

1.42pm  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.

2.09pm  The public was re-admitted.

RESTATEMENTS

It was resolved while the public was excluded:

C1  Built Heritage Acquisition Fund

Resolution number FIN/2019/97

MOVED by Cr M Lee, seconded by Chairperson R Clow:

That the Finance and Performance Committee:

e) confirm that there be no restatement of the confidential report or the resolutions at this time.
C2 Reallocation of existing budget to acquire land for the extension of Manukau Memorial Gardens

Resolution number FIN/2019/98

MOVED by Cr E Collins, seconded by Deputy Chairperson D Simpson:

That the Finance and Performance Committee:

d) confirm that there be no restatement of the confidential report and resolutions for the funding of land for extension of the Manukau Memorial Gardens, or the resolutions of the Regional Development and Operations Committee until settlement of the purchase and only then is the resolution to be restated.

2.09pm 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 PERFORMACE COMMITTEE HELD ON

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

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