
Kōmiti 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 Thursday, 19 March 2020 at 10.00am.

PRESENT

Chairperson	Cr Desley Simpson, JP	
Deputy Chairperson	Cr Shane Henderson	
Members	Cr Josephine Bartley	From 10.03am, Item 6
	Cr Dr Cathy Casey	
	Deputy Mayor Cr Bill Cashmore	
	Cr Pippa Coom	
	Cr Linda Cooper, JP	
	Cr Chris Darby	From 10.03am, Item 6
	Cr Alf Filipaina	From 10.19am, Item 8
	Mayor Hon Phil Goff, CNZM, JP	
	Cr Richard Hills	
	Cr Tracy Mulholland	
	Cr Daniel Newman, JP	Until 12.48pm, Item 17.1
	Cr Greg Sayers	From 10.14am, Item 8
	IMSB Chair David Taipari	Until 12.09pm, Item 17
	Cr Wayne Walker	
	Cr John Watson	
	Cr Paul Young	

ABSENT

Members	IMSB Member Renata Blair	
	Cr Fa'anana Efeso Collins	
	Cr Angela Dalton	
	Cr Christine Fletcher	For leave of absence
	Cr Sharon Stewart, QSM	

1 Apologies

Resolution number FIN/2020/5

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

That the Finance and Performance Committee:

- a) **accept the apologies from Cr A Dalton and Cr S Stewart for absence; IMSB Member Renata Blair and Cr A Filipaina for lateness; and from IMSB Chair D Taipari for early departure.**

CARRIED

Note: Subsequent apologies were received from Cr G Sayers for lateness and Cr E Collins for absence.

An apology had been received for IMSB Member R Blair for lateness, however the meeting had concluded before Member Blair could attend.

Acknowledgement – Matthew Walker, Group Chief Financial Officer

Note: The following statement was made by the chairperson.

“As this will be Matthew Walker’s final attendance at the Finance and Performance Committee meeting, we would like to acknowledge the contribution he has made during his time with Auckland Council.

Matthew joined the council in 2013 in the Financial Strategy and Planning team and has guided the council through a period of significant growth and development, whilst ensuring prudent financial management.

Through Matthew’s stewardship, the council has been the first issuer of a green bond in New Zealand and a record \$26 billion of capital expenditure in the 2018 Long-term Plan has been agreed.

Matthew has provided clear, thoughtful, cheerful advice to this committee during the last three terms of council.”

Resolution number FIN/2020/6

MOVED by Chairperson D Simpson, seconded by Cr S Henderson:

That the Finance and Performance Committee:

- a) **acknowledge Matthew Walker’s contribution to Auckland Council and in particular, the excellent expert assistance provided to the Finance and Performance Committee as its lead officer.**
- b) **wish Matthew Walker well for his future endeavours.**

CARRIED

2 Declaration of Interest

There were no declarations of interest.

3 Confirmation of Minutes

Resolution number FIN/2020/7

MOVED by Chairperson D Simpson, seconded by Cr S Henderson:

That the Finance and Performance Committee:

- a) **confirm the ordinary minutes of its meeting, held on Tuesday, 3 December 2019, including the confidential section, and the extraordinary minutes of its meetings, held on Tuesday, 10 December 2019 and Wednesday, 12 February 2020, as a true and correct record.**

CARRIED

4 Petitions

There were no petitions.

5 Public Input

There was no public input.

6 Local Board Input

There was no local board input.

Cr J Bartley entered the meeting at 10.03am.

Cr C Darby entered the meeting at 10.03am.

7 Extraordinary Business

7.1 Extraordinary Business - Financial update on current status/COVID-19

Resolution number FIN/2020/8

MOVED by Chairperson D Simpson, seconded by Cr S Henderson:

That the Finance and Performance Committee:

- a) **consider an extraordinary item “Financial update on current status/COVID-19” under Item 17 – Consideration of Extraordinary Business, noting:**
 - i) **the reason the matter was not on the agenda is because the COVID-19 situation is changing and developing rapidly. It is important that the committee is provided with up-to-date information, and**
 - ii) **the reasons why this matter cannot be delayed until a subsequent meeting is:**
 - A) **because the COVID-19 situation is changing and developing rapidly**

CARRIED

Note: The item of extraordinary business will be considered at Item 17: Consideration of Extraordinary Business following Item 9: Auckland Council Group and Auckland Council Quarter Two Performance Report to 31 December 2019.

8 Presentation from the Eden Park Trust Board

Doug McKay, Chairman and Vicki Salmon, Trustee – Eden Park Trust Board; Nick Sautner, Chief Executive Officer and Brett Winstanley, Chief Financial Officer provided a PowerPoint presentation. A copy has been placed on the official minutes and is available on the Auckland Council website as a minutes attachment.

Cr G Sayers entered the meeting at 10.14am.

Cr A Filipaina entered the meeting at 10.19am.

Cr G Sayers left the meeting at 11.10am

Resolution number FIN/2020/9

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

That the Finance and Performance Committee:

- a) **thank the representatives of the Eden Park Trust Board for their attendance and the information provided noting the uncertainty of future financial projections due to COVID-19.**

CARRIED

Attachments

- A 19 March 2020, Finance and Performance Committee, Item 8 - Presentation from the Eden Park Trust Board - PowerPoint

9 Auckland Council Group and Auckland Council quarter two performance report to 31 December 2019

Cr G Sayers returned to the meeting at 11.20am

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.

Note: changes to the original motion, adding new clauses c) to e) were made with the agreement of the meeting.

Resolution number FIN/2020/10

MOVED by Chairperson D Simpson, seconded by Cr S Henderson:

That the Finance and Performance Committee:

- a) **receive the Auckland Council Group and Auckland Council quarterly performance report for the period ended 31 December 2019.**
- b) **receive the Auckland Council Group Interim Report for the period ended 31 December 2019**
- c) **note the fast moving COVID-19 situation**
- d) **note that the Auckland Council Group was in a strong financial position at 31 December 2019 with significant debt headroom and liquidity**
- e) **note that staff will report back to the committee as more information becomes available.**

CARRIED

Attachments

- A 19 March 2020, Finance and Performance Committee, Item 9 - Auckland Council Group and Auckland Council quarter two performance report to 31 December 2019 - PowerPoint

Note: The chairperson accorded precedence to Item 17 – Consideration of Extraordinary Business at this time.

17 Consideration of Extraordinary Items

17.1 Consideration of Extraordinary Items - Financial update on current status/COVID-19

The Director, Executive Programmes provided a verbal update to the Councillors outlining procedures and measures Auckland Council have put in place to minimise the spread of COVID-19

IMSB Chair D Taipari retired from the meeting at 12.09pm.

Cr G Sayers left the meeting at 12.25pm.

Cr G Sayers returned to the meeting at 12.43pm.

Cr J Watson left the meeting at 12.47pm.

Resolution number FIN/2020/11

MOVED by Chairperson D Simpson, seconded by Cr S Henderson:

That the Finance and Performance Committee:

- a) **receive the verbal update noting a future update will be provided at the Finance and Performance Committee meeting scheduled to be held on Thursday, 23 April 2020.**

CARRIED

The meeting adjourned at 12.48pm and reconvened at 1.20pm

Cr C Darby, Mayor P Goff, Cr D Newman, Cr G Sayers, and Cr W Walker were not present.

10 Waitematā Local Board, One Local Initiative, Ponsonby Park Detailed Business Case

This item has been withdrawn and will be considered at the Finance and Performance Committee meeting scheduled to be held on 23 April 2020.

11 MOTAT Annual Plan 2020-2021

This item has been withdrawn and will be considered at the Finance and Performance Committee meeting scheduled to be held on 23 April 2020.

12 Auckland War Memorial Museum 2020/2021 levy

This item has been withdrawn and will be considered at the Finance and Performance Committee meeting scheduled to be held on 23 April 2020.

13 Approval of the Auckland Regional Amenities Funding Levy 2020-2021

This item has been withdrawn and will be considered at the Finance and Performance Committee meeting scheduled to be held on 23 April 2020.

14 Boundary adjustment between 4-10 Mayoral Drive, Auckland and 24 Wellesley Street West, Auckland

*Mayor P Goff returned to the meeting at 1.22pm
Cr W Walker returned to the meeting at 1.22pm*

Resolution number FIN/2020/12

MOVED by Deputy Mayor BC Cashmore, seconded by Cr S Henderson:

That the Finance and Performance Committee:

- a) **approve the amalgamation of approximately 140m² of Lot 17 & Part Lot 21, DP 21520, 24 Wellesley Street West, Auckland currently contained in certificate of title NA128C/83 into the title for 4-10 Mayoral Drive, Auckland.**
- b) **amend resolution number FIN/2018/188 to include within clause a) i), a new sub-clause e) as follows: approximately 140m² of Lot 17 & Part Lot 21, DP 21520, 24 Wellesley Street West, Auckland currently contained in certificate of title NA128C/83 but which will be amalgamated into the title for 4-10 Mayoral Drive, Auckland.**

CARRIED

15 Finance and Performance Committee Forward Work Programme

Resolution number FIN/2020/13

MOVED by Chairperson D Simpson, seconded by Cr S Henderson:

That the Finance and Performance Committee:

- a) **approve the Finance and Performance Committee's forward work programme.**
- b) **agree that the Finance and Performance Committee's forward work programme be reported monthly for information and reviewed on a six-monthly basis, commencing September 2020.**

CARRIED

16 Summary of Finance and Performance Committee information memoranda and briefings, including the Forward Work Programme - 19 March 2020

Resolution number FIN/2020/14

MOVED by Chairperson D Simpson, seconded by Cr S Henderson:

That the Finance and Performance Committee:

- a) **receive the Summary of Finance and Performance Committee information memorandum and briefings as at 19 March 2020.**

CARRIED

Note: Item 17 – Consideration of Extraordinary Business was considered following Item 9 – Auckland Council Group and Auckland Council Quarter Two Performance Report to 31 December 2019.

18 Procedural motion to exclude the public

Resolution number FIN/2020/15

MOVED by Chairperson D Simpson, seconded by Cr L Cooper:

That the Finance and Performance Committee:

a) **exclude the public from the following part(s) of the proceedings of this meeting.**

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C1 Woodhill Sands Trust - Guarantee (Loan Reset Request)

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. In particular, the report contains information on the background to an on-going dispute and negotiations with objectors to the Trust's outstanding application for a new resource consent in respect of the site it owns and occupies.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

C2 Community Loans Under \$1 million

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. In particular, the report contains comments and information pertaining to the financial position of community groups, which if released may impact on the credit ratings, operational lines of credit used by the organisations in their daily activities and their ability to continue trading successfully	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

C3 Built Heritage Acquisition Fund

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	<p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>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).</p> <p>In particular, the report contains specific information on the extent of properties proposed for purchase which could affect any purchase offer.</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

The text of these resolutions is made available to the public who are present at the meeting and form part of the minutes of the meeting.

CARRIED

1.29pm 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.

1.55pm The public was re-admitted.

RESTATEMENTS

It was resolved while the public was excluded:

C1 Woodhill Sands Trust - Guarantee (Loan Reset Request)

Resolution number FIN/2020/16

MOVED by Cr L Cooper, seconded by Cr T Mulholland:

That the Finance and Performance Committee:

- d) confirm that there will be no restatement of this confidential report, attachments or resolutions for the recommendation until the Woodhill Sands Trust confirms the resource consent process has been concluded.

C2 Community Loans Under \$1 million

Resolution number FIN/2020/17

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

That the Finance and Performance Committee:

- a) approve the restructuring of the loans to the following community groups:
 - i) Herne Bay Ponsonby Rackets Inc
 - ii) Muriwai Lifeguard Amenity Services Trust
 - iii) Papakura City Football Club Inc
 - iv) Sunset Beach BMX Club Franklin Inc.
- b) approve specific terms for each restructured loan to include:
 - i) interest rate – 0% p.a., while repayments are being made, reverting to 4.5% if repayment defaults are not remedied
 - ii) term (time) shall not exceed lease/licence duration including applicable renewals
 - iii) interest arrears at 31 January 2020 to be suspended and waived if all repayments made on time; reinstated if repayment defaults are not remedied
- c) approve reducing the interest rate on the Western Area Tennis Trust loan to 0% p.a.
- d) delegate to the Group Chief Financial Officer authority to approve the final terms and conditions of each restructured loan.

Restatement

- e) confirm that there will be no restatement of this confidential report and attachments.
- f) confirm the restatement to the open minutes of the resolutions only.

C3 Built Heritage Acquisition Fund

Resolution number FIN/2020/18

MOVED by Cr A Filipaina, seconded by Cr W Walker:

That the Finance and Performance Committee:

Restatement

- b) confirm that there be no restatement of the confidential report or the resolutions at this time.

1.55pm

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:.....