



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

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FINANCE COMMITTEE

Open Agenda

Meeting Date: Tuesday 2 April 2019

Time: 3.00pm

Venue: Graeme Lowe Stand Corporate Lounge 2
McLean Park
Latham Street
Napier

Committee Members Councillor Wise (In the Chair), Mayor Dalton, Councillors Boag, Brosnan, Dallimore, Hague, Jeffery, McGrath, Price, Tapine, Taylor, White and Wright

Officer Responsible Director Corporate Services

Administration Governance Team

Next Finance Committee Meeting
Tuesday 14 May 2019

ORDER OF BUSINESS

Apologies

Nil

Conflicts of interest

Public forum

Nil

Announcements by the Mayor

Announcements by the Chairperson

Announcements by the management

Confirmation of minutes

That the Minutes of the Finance Committee meeting held on Tuesday, 27 November 2018 be taken as a true and accurate record of the meeting.31

Agenda items

- 1 Hawke's Bay Airport Ltd Half Year Report to 31 December 20183
- 2 Elected Members' Remuneration - 2019 Information Update.....22
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Public Excluded

Nil

AGENDA ITEMS

1. HAWKE'S BAY AIRPORT LTD HALF YEAR REPORT TO 31 DECEMBER 2018

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	714397
<i>Reporting Officer/s & Unit:</i>	Caroline Thomson, Chief Financial Officer

1.1 Purpose of Report

To receive the half year report to shareholders from Hawke's Bay Airport Limited to 31 December 2018.

Officer's Recommendation

The Finance Committee:

- a. Receive the Hawke's Bay Airport Limited half year report to shareholders, to December 2018.

Chairperson's Recommendation

That the Council resolve that the officer's recommendation be adopted.

1.2 Background Summary

Section 66 of the Local Government Act 2002 requires that a Council-controlled organisation must report to Council each half year. However, Section 65 requires regular monitoring of performance of a Council Controlled Organisation.

The Hawke's Bay Airport Limited is a Council-controlled organisation. It is a company incorporated under the Companies Act and is owned by the Crown, Hastings District Council and Napier City Council. Napier City Council has a 26% shareholding.

The Company produces separate annual accounts. No payments are made by Napier City Council to the Company and there is no financial provision included in Council budgets. The Napier City Council share in the Company is included in its annual financial statements as an investment, valued using the equity method of accounting.

In accordance with Part 5, Section 65 of the Local Government Act 2002, Napier City Council has a responsibility to regularly undertake performance monitoring of the Hawke's Bay Airport Limited. The half yearly report to shareholders to 31 December 2017 has been received from Hawke's Bay Airport Limited for Council's information.

1.3 Issues

No issues.

1.4 Significance and Engagement

N/A

1.5 Implications

Financial

N/A

Social & Policy

N/A

Risk

N/A

1.6 Attachments

A HBAL Half Year Report to 31 December 2018 [↓](#)

HAWKE'S BAY AIRPORT LIMITED INTERIM REPORT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2018



Hawke's Bay Airport Limited Directory

Directors

Tony Porter (Chairman)
Sarah Park (Chair of the Audit and
Finance Committee)
Wendie Harvey
Taine Randell

Chief Executive

Stuart Ainslie (appointed March 2018)

Chief Financial Officer

Jeanette Yule (appointed September 2017)

Operations Manager

Gareth Mentzer (appointed January 2018)

Commercial Manager

Dean Smith

Registered Office

Terminal Building
Hawke's Bay Airport
111 Main North Road
PO Box 721
NAPIER 4140

Bankers

ANZ Bank New Zealand Ltd

Solicitors

Willis Legal
Kensington Swan

Auditors

Staples Rodway Hawke's Bay
Partnership on behalf of the Auditor General

HAWKE'S BAY AIRPORT LTD
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Hawke's Bay Airport Limited

Report to Shareholders

for the Half Year ending 31 December 2018

We report against our Statement of Intent targets which include continued growth in Passenger Numbers, Revenue and Profitability and other activities in accordance with our stated strategic framework.

Financial Performance Highlights

- Total passenger movements for the half year were 380,323 which represents a 7.3% increase on the same period last year, and 21,181 passengers over the budgeted amount for the period. Total Revenue for the period of \$3.871m was 16.7% above budget and 14.8% ahead of the same period the year prior.
- The primary driver of revenue growth was aviation revenue up 18.9%, due to the 12.7% agreed increase in landing charges applicable from 1 July 018, combined with an increased in scheduled landings. This passenger growth also correlates to an increase in car parking revenue of 6.3% over the prior year.
- Total expenditure for the half year was 26.3% ahead of the same period last year and predominantly reflects an increase in costs aligned with supporting business growth, specifically consultancy fees and remuneration costs due to the creation of new roles.
- Due to the above factors, EBITDA for the half year at \$2.120m was 24.9% above budget, and 6.7% above the same period in the prior year.
- Profit after Tax for the period at \$1.008m was \$0.272m (36.9%) above budget and 8% higher than the same period in the prior year.
- Bank borrowings of \$7.990m as at 31 December primarily relates to the Terminal redevelopment project which is underway. The airport continued to invest in infrastructure, in line with its strategic plan, with total capital investment of \$4.2m for the half year.
- Return on Equity of 6.4% is in line with the same period for the prior year and exceeds budget of 4.3%.
- A record fully imputed dividend of \$0.577m was paid during the period, representing 40% of FY2018 Net Profit after Tax.

1. Performance Highlights & Other Activity

1.1 Terminal Development Project and supporting Infrastructure

Stage 1 of the new Terminal Expansion was completed during December 2018 for a soft opening of the new baggage arrivals space to the public which was successfully achieved in mid-January 2019. The upgrade to the project approved by Major Shareholder resolution during mid 2018 has enabled more effective staging of the construction allowing the stage 1 delivery eight months ahead of programme. Excellent progress is being made on Stage 2 with part of the existing building under demolition and steel erection well underway. Completion of this stage is expected by August 2019.

1.2 Airport Access & Internal Airport Road Infrastructure

The final connection of the Airport Link Road to State Highway 2 was completed during September 2018. Additional works have been completed by the airport company to integrate the Airport Link Road into the existing airport internal roads. Tender Evaluation has been completed for a new Car Park Access Equipment, related civil works and Payment system. Procurement and installation are expected to be completed by Q4.

1.3 Commercial Activity

Agreement has been reached with car-rental companies to increase from 2% to 4.5% for a 4.5year term on existing concession rates. The new charges are payable from January 2019. Taxi Fees have been increased from \$4 to \$5 effective from January 2018. Work has commenced to develop new retail concession opportunities in the expanded terminal. Napier City Council provided planning consent for five new external advertising sites on the entry to the airport.

1.4 Safety Management

A wildlife hazard management plan was developed in conjunction with an external specialist noting that bird strike activity has been identified as a key risk. Work on developing the CAA regulated Safety Management System is on programme.

1.5 People & Organisation

A review of completed of the existing organisational resulted in the disestablishment of an Infrastructure Manager role and the recruitment of a new Technical Works Coordinator and Airport Planner. The new roles are aligned with the revised strategic plan to enhance capacity and capability. The commencement of a project to insource Rescue Fire Fighting capability has commenced based on several key risks identified with the reliance on external resources. A 2.5% remuneration increase was awarded to all staff back dated to August 2018 in line with a recent review.

1.6 Noise Contours – Private Plan Change Submission

To ensure the Airport can continue to accommodate growth, the Airport is seeking to update its current noise contours in the Napier City Council District Plan. Following public consultation, the proposed plan change was lodged with the Napier City Council in December.

2. New Business Development

2.1 Airport Masterplan

With the appointment of an Airport Planner work has commenced on the development of the 20 Year Airport Masterplan and consultation programme a key strategic focus area. A short-term commercial partnership with Christchurch International Airport has been entered to provide aeronautical forecasting services to underpin the masterplan review.

To ensure that the Airport can continue to accommodate growth in aircraft movements, the Airport is seeking to update its current noise contours in the Napier City Council District Plan. The approach proposed by the Airport is consistent with New Zealand Standard 6805:1992 *Airport Noise Management and Land Use Planning*. This effort continues in alignment with the Airport Masterplan.

A submission was made to the Provincial Growth Fund for HBAL to undertake a feasibility study for the development of Hawkes Bay Air-freight

2.2 Property Development

With the Airport Masterplan Development Work commencing, proposed changes via the Private Plan Change Submission to the Napier City Council District Plan have been placed on hold.

The aim was to enable a broader range of permitted land use activities on the business park.

The Business Park development has been reviewed as part of the broader Property strategy and the Airport is exploring an Airport Designation in line with the Resource Management Act (RMA) to provide the appropriate planning framework to optimise the commercial scope of land use at the airport as well as facilitating additional regional economic growth.

New Property Development Agreements are underway for two new aviation related hangers which align with the Airports development objectives. The construction of these new hangars is expected to commence during Q4 FY 18/19

3. Financial Reports

Our unaudited Interim Financial Results to 31 December 2018 are included in this report. It includes more detailed analysis of the Company's financial performance compared to its Statement of Intent objectives (Budget), as well as a Summary of Financial Performance, Statement of Movements in Equity, Summary of Financial Position, Statement of Cash Flows, Accounting Policies and Notes to the Accounts.

4. Looking Forward

A full review of the company's existing strategic framework was undertaken during the period with a refocusing of the business's Vision, Mission, Values and Strategic Imperatives. The revised strategy is underpinned by the five strategic pillars indicated below.



These will inform the development of HBAL's business plans and will be summarised in the 2019/20 Statement of Intent.

Key Areas of Focus

The terminal redevelopment, car parking improvement project and Masterplan will be the primary focus for the company over the coming period. There will also be a continued commitment to participate in consultation on the proposed revisions to the Napier City Council district plan in relation to both the airport's noise contours and airport designation under the RMA – both of which are considered key strategic enablers for future growth of the airport business.

During Q2 the Airport will commence bi-annual Airport Service Quality surveys as part of our customer service focus.

Over 35 local volunteers have been engaged as Airport Ambassadors to provide customer support and friendly welcome to Hawkes bay Region.



Tony Porter
Chairman, Hawke's Bay Airport Limited
[Enclosed: Statement of Service Performance and an Financial Statements for the Half Year Ending 31 December 2018]

Hawkes's Bay Airport Ltd
For The Six Months Ended 31 December 2018

Financial Performance vs SOI Objectives

	THIS YEAR				LAST YEAR			BUDGET
	HY Actual HY 2018/19	HY Budget FY 2018/19	Variance \$	Variance %	HY Actual HY 2017/18	Variance \$	Variance %	Budget FY 2018/19
Passenger Numbers	380,323	359,142	21,181	5.9%	354,565	25,758	7.3%	705,598
FINANCIAL PERFORMANCE (\$)								
Revenue								
Aviation	2,461,101	1,763,162	697,939	39.6%	2,069,482	391,619	18.9%	3,473,520
Carparking	1,140,996	1,202,592	- 61,596	-5.1%	1,073,206	67,791	6.3%	2,079,921
Business Park	178,598	189,882	- 11,284	-5.9%	144,892	33,706	23.3%	328,181
Other Revenue	90,343	160,994	- 70,651	-43.9%	85,063	5,280	6.2%	752,001
TOTAL REVENUE	3,871,038	3,316,630	554,408	16.7%	3,372,642	498,396	14.8%	6,633,623
Operating Expenses	1,751,052	1,619,007	132,045	8.2%	1,386,084	364,968	26.3%	3,238,014
EBITDA	2,119,986	1,697,623	422,363	24.9%	1,986,558	133,428	6.7%	3,395,609
Depreciation & Amortisation	693,122	584,444	108,678	18.6%	664,600	28,522	4.3%	1,260,656
Interest Income	107	-	107		351	- 245	-69.6%	-
Interest Paid (charged to P&L)	-	90,408	- 90,408	-100.0%	23,554	- 23,554	-100.0%	297,696
Profit before Tax	1,426,971	1,022,771	404,200	39.5%	1,298,755	128,215	9.9%	1,837,257
Tax	418,664	286,376	132,288	46.2%	365,326	53,339	14.6%	514,331
PROFIT AFTER TAX	1,008,307	736,395	271,912	36.9%	933,430	74,877	8.0%	1,322,926
FINANCIAL POSITION (\$)								
Total Assets	44,731,889	43,708,435	1,023,454		36,877,004	7,854,885		48,608,000
Debt	7,989,601	6,524,738	1,464,863		792,281	7,197,321		10,636,000
Shareholders Funds	30,576,381	30,557,467	18,914		29,571,914	1,004,467		31,144,000
CASHFLOW SUMMARY (\$)								
Net Operating Cashflow	1,531,548	1,384,760	146,788		1,166,585	364,963		2,831,000
Capital Expenditure	4,997,380	5,557,375	- 559,995		1,882,082	3,115,298		11,105,000
Dividend	576,492	593,537	- 17,045		651,737	- 75,245		529,000
FINANCIAL METRICS								
Return on Equity	6.4%	4.3%			6.4%	0.0%		4.3%
Net Gearing Ratio	0.0%	22.2%			0.0%	0.0%		22.2%
Shareholders Funds/Total Net Assets	68.4%	69.9%			80.2%	-11.8%		64%

Hawkes's Bay Airport Ltd
For The Six Months Ended 31 December 2018

Summary of Financial Performance

	HBAL Unaudited 6 months to 31-Dec-18	HBAL Unaudited 6 months to 31-Dec-17	HBAL Audited Year to 30-Jun-18
Aviation	2,461,101	1,825,383	4,014,956
Carparking	1,140,996	1,402,367	2,102,473
Business Park	178,598	144,892	367,104
Other Revenue	90,343		164,634
Total revenue	3,871,038	3,372,642	6,649,167
Operating Expenses	(1,751,052)	(1,386,084)	-3,041,665
Operating profit before financing costs and depreciation	2,119,986	1,986,558	3,607,502
Depreciation	(693,122)	(664,600)	(1,396,041)
Finance Income	107	351	948
Finance expense	-	(23,554)	(71,701)
Profit before income tax	1,426,971	1,298,755	2,140,708
Income tax	(418,664)	(365,326)	(695,733)
Profit for the period	1,008,307	933,430	1,444,975
Deferred Tax on Revaluation	-	-	96,372
Total Comprehensive Income	1,008,307	933,430	1,541,347

The accompanying notes form an integral part of these financial statements

Hawkes's Bay Airport Ltd
For The Six Months Ended 31 December 2018

Statement of Movements in Equity

	HBAL Unaudited 6 months to 31-Dec-18	HBAL Unaudited 6 months to 31-Dec-17	HBAL Audited Year to 30-Jun-18
Equity at beginning of year	30,144,567	29,290,220	29,290,220
Profit for period	1,008,307	933,430	1,444,975
Revaluation of property, plant & equipment	-	-	96,372
Distributions to Shareholders	(576,492)	(651,737)	(687,001)
Closing equity	<u>30,576,382</u>	<u>29,571,913</u>	<u>30,144,567</u>

The accompanying notes form an integral part of these financial statements

Hawkes's Bay Airport Ltd
For The Six Months Ended 31 December 2018

Summary of Financial Position

	HBAL Unaudited 6 months to 31-Dec-18	HBAL Unaudited 6 months to 31-Dec-17	HBAL Audited Year to 30-Jun-18
Assets			
Property, plant and equipment	39,242,233	31,511,155	34,912,723
Investment property	4,455,230	4,586,182	4,535,317
Intangibles	2,135	2,032	3,384
Total non-current assets	43,699,598	36,099,369	39,451,424
Trade and other receivables	833,827	657,021	797,455
Cash and cash equivalents	198,464	120,614	277,979
Total current assets	1,032,291	777,635	1,075,434
Total Assets	44,731,889	36,877,004	40,526,858
Equity			
Issued capital	13,789,155	13,789,155	13,789,155
Retained earnings	8,062,897	6,810,614	7,631,082
Revaluation reserve	8,724,330	8,972,145	8,724,329
Total equity	30,576,381	29,571,914	30,144,566
Liabilities			
Deferred tax liability	3,530,185	3,895,849	3,577,996
Rentals in advance	1,137,797	1,222,038	1,180,264
Interest bearing loans and borrowings	7,989,601	792,281	4,026,792
Total non-current liabilities	12,657,583	5,910,168	8,785,052
Trade and other payables	1,456,331	1,383,833	1,549,249
Employee benefits	41,593	11,089	47,992
Total current liabilities	1,497,925	1,394,922	1,597,241
Total liabilities	14,155,508	7,305,090	10,382,292
Total equity and liabilities	44,731,889	36,877,004	40,526,858

The accompanying notes form an integral part of these financial statements

Hawkes's Bay Airport Ltd
For The Six Months Ended 31 December 2018

Statement of Cash Flows

	HBAL Unaudited 6 months to 31-Dec-18	HBAL Unaudited 6 months to 31-Dec-17	HBAL Audited Year to 30-Jun-18
Cash flows from operating activities			
Cash was provided from:			
Revenues	3,443,637	3,014,695	6,540,467
Interest received	107	351	949
Goods & Service Tax (Net)	339,691	(148,303)	(41,071)
	<u>3,783,434</u>	<u>2,866,743</u>	<u>6,500,345</u>
Cash was disbursed to:			
Suppliers and employees	(1,566,291)	(1,091,749)	(3,303,211)
Interest paid	(83,759)	(23,554)	(46,636)
Income tax paid	(601,836)	(584,856)	(1,462,704)
	<u>(2,251,886)</u>	<u>(1,700,159)</u>	<u>(4,812,551)</u>
Net cash flows from operating activities	<u>1,531,548</u>	<u>1,166,585</u>	<u>1,687,793</u>
Cash flows from investing activities			
Cash was disbursed to:			
Capital works	(4,997,380)	(1,882,082)	(5,445,173)
Net cash flows from investing activities	<u>(4,997,380)</u>	<u>(1,882,082)</u>	<u>(5,445,173)</u>
Cash flows from financing activities			
Cash was disbursed to:			
Borrowings	3,962,809	-	4,026,792
	<u>3,962,809</u>	<u>0</u>	<u>4,026,792</u>
Cash was disbursed to:			
Dividends paid	(576,492)	(651,737)	(687,001)
Debt drawdown/(repayment)	0	792,281	-
	<u>(576,492)</u>	<u>140,544</u>	<u>(687,001)</u>
Net cash flows from financing activities	<u>3,386,317</u>	<u>140,544</u>	<u>3,339,791</u>
Net increase/(decrease) in cash held	<u>(79,516)</u>	<u>(574,954)</u>	<u>(417,589)</u>
Add opening cash brought forward	277,979	695,568	695,568
Closing cash carried forward	<u>198,463</u>	<u>120,614</u>	<u>277,979</u>

The accompanying notes form an integral part of these financial statements

Accounting Policies

For the period ending 31 December 2018

Significant accounting policies

Reporting Entity

Hawke's Bay Airport Limited is a company incorporated in New Zealand under the Companies Act 1993 and is owned by the Crown: 50%, Napier City Council: 26%, Hastings District Council: 24%.

The company is domiciled in New Zealand and its principal place of business is 111 Main North Road, Westshore, Napier. The company operates the Hawke's Bay Airport.

Hawke's Bay Airport Limited is defined as a Council-controlled organisation pursuant to Part 5 of the Local Government Act 2002.

The financial statements have been prepared as required by the Local Government Act 2002 and in accordance with all applicable financial reporting standards and other generally accepted accounting practices in New Zealand. They comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate to profit oriented entities applying the Reduced Disclosure Regime.

Measurement Base

The financial statements have been prepared on a going concern basis in accordance with historical cost concepts as modified by the revaluation of certain assets and liabilities as identified in specific accounting policies below.

Presentation Currency

These Financial Statements are presented in New Zealand dollars (\$), which is the functional currency of the company, rounded to the nearest dollar.

Critical Accounting Estimates, Assumptions and Judgements

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management has exercised its judgment on the impairment assessment of Investment Property, and in the assessment of the recoverable amounts of Capital Work in Progress.

Accounting Policies

For the period ending 31 December 2018

Particular accounting policies

1 Revenues

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the company's activities. Revenue is shown net of Goods and Services Tax (if applicable), returns, rebates and discounts. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and when specific criteria have been met for each of the company's activities. Revenues consist mainly of landing charges, car parking fees, terminal and leased land rentals and concessions. Lease income is recognised on a straight line basis over the term of the lease.

2 Trade and Other Receivables

Trade and other receivables are stated at net realisable value after provision for doubtful debts.

3 Taxation

Income tax expense

Income tax on profits for the period comprises current tax, deferred tax and any adjustment for tax payable in previous periods. Income tax is recognised in profit or loss as tax expense except when it relates to items credited directly to equity, in which case it is recorded in other comprehensive income.

Current tax

Current tax is the expected tax payable on the income for the period based on tax rates and tax laws which are enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax arises by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the equivalent amounts used for tax purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the assets or liabilities giving rise to them are realised or settled.

Deferred tax assets, including those related to the tax effect of income tax losses available to be carried forward are recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses can be realised. Deferred tax assets are reviewed each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4 Cash Flow Statement

The following definitions have been used for the preparation of the Statement of Cash Flows:

Cash and cash equivalents: Cash and cash equivalents are cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Operating activities: Transactions and other events that are not investing or financing activities.

Investing activities: Activities relating to the acquisition, holding and disposal of non-current assets and of investments, such as securities, not falling within the definition of cash.

Financing activities: Activities which result in changes in the size and composition of the capital structure of the Company, both equity and debt not falling within the definition of cash.

Accounting Policies

For the period ending 31 December 2018

Particular accounting policies (continued)

5 Valuation of Property, Plant and Equipment

Property, Plant and Equipment

In 2015 Property plant and equipment was revalued from their original cost when the assets were acquired from the Hawke's Bay Airport Authority on 1 July 2009.

The revaluations were completed by independent valuers and who have assessed the fair value of the assets. Any revaluation increment was credited to the revaluation reserve and included in other comprehensive income, except to the extent that it reversed a previous decrease of the same asset previously recognised within net profit in the statement of comprehensive income, in which case the increase is recognised within net profit in the statement of comprehensive income.

Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement, and the depreciation based on the original cost is transferred from the revaluation reserve to retained earnings.

Property, plant and equipment comprises airfield and other infrastructure, car parks, buildings and equipment.

Assets under construction

The cost of assets under construction is recorded at incurred cost as at balance date.

Disposal of property plant and equipment

When an item of plant property and equipment is disposed of any gain or loss is recognised in the profit or loss calculated at the difference between the sale price and the carrying value of the asset.

Cyclical maintenance upgrades

Significant expenditure involving renewal of runway surface components is capitalised and subject to depreciation at the appropriate rates.

6 Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, including transaction costs. Costs include all expenditure relating to infrastructure development and construction. Investment property is depreciated using the cost model allowed under NZ IAS 40. Investment properties include all aspects of the business park development adjacent to the airport.

Accounting Policies

For the period ending 31 December 2018

Particular accounting policies (continued)

7 Depreciation

Depreciation is charged on a straight-line basis to write off the cost or value of property, plant and equipment and investment property over their expected economic lives.

The principal depreciation rates are as follows:

Airfield Infrastructure: Base	0.71% to 5.56%
Surface	6.67% to 10.00%
Business Park Infrastructure	0.00% to 10.00%
Buildings	2.50% to 10.00%
Plant & Equipment	2.90% to 40.00%
Car Park & Roading	1.67% to 5.00%
Fencing	5.00% to 15.00%
Lighting	4.00% to 10.00%
Furniture & Fittings	10.00%
Office Equipment	30.00%

8 Intangibles

Intangibles comprise computer software that is not an integral part of the related hardware. This software has either been purchased or developed internally and is initially recorded at cost. Subsequent costs are included in the software's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The costs of maintaining the software are charged to profit or loss. Software is amortised over three years using the straight line method.

9 Financial Instruments Recognition and Measurement

Financial instruments are initially measured at fair value plus transactions costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are stated at amortised cost using the effective interest rate method less accumulated impairment losses. Trade and other receivables and cash and cash equivalents listed in the Company's statement of financial position are classified as loans and receivables.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation. Trade and other payables, employee benefits and borrowings are classified as financial liabilities.

10 Impairment Testing Of Assets

At each reporting date, the Company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

Accounting Policies

For the period ending 31 December 2018

Particular accounting policies (continued)

11 GST

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

12 Leases

The Company only has operating leases.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

Operating lease payments are recognised as an expense on a straight line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. In the event that leases incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight line basis.

13 Changes in Accounting Policies

There have been no changes in accounting policies in the reported periods.

Notes to the Interim Report
For the period ending 31 December 2018

1. PROPERTY, PLANT AND EQUIPMENT

	Historical cost 30/06/18	Revaluation 30/06/18	Balance 30/06/18	Additions	Depreciation	Disposals
Cost or Valuation	\$	\$	\$	\$	\$	\$
Land and Land Improvements	2,344,515	3,222,847	5,567,362	-	-	-
Airport Infrastructure & Buildings	20,453,735	6,377,774	26,831,509	-	-	-
Other	1,316,791	-	1,316,791	-	-	-
Capital Work in Progress	5,299,250	-	5,299,250	4,941,347	-	-
	<u>29,414,291</u>	<u>9,600,621</u>	<u>39,014,912</u>	<u>4,941,347</u>	<u>-</u>	<u>-</u>
Accumulated Depreciation	\$	\$	\$	\$	\$	\$
Land and Land Improvements	42,109	(29,413)	12,696	-	747	-
Airport Infrastructure & Buildings	5,388,210	(2,254,493)	3,133,717	-	569,126	-
Other	955,776	-	955,776	-	41,965	-
Capital Work in Progress	-	-	-	-	-	-
	<u>6,386,095</u>	<u>(2,283,906)</u>	<u>4,102,189</u>	<u>-</u>	<u>611,838</u>	<u>-</u>
Net Book Value	\$	\$	\$	\$	\$	\$
Land and Land Improvements	2,302,406	3,252,260	5,554,666	-	(747)	-
Airport Infrastructure & Buildings	15,065,525	8,632,267	23,697,792	-	(569,126)	-
Other	361,015	-	361,015	-	(41,965)	-
Capital Work in Progress	5,299,250	-	5,299,250	4,941,347	-	-
	<u>23,028,196</u>	<u>11,884,527</u>	<u>34,912,723</u>	<u>4,941,347</u>	<u>(611,838)</u>	<u>-</u>

2. INVESTMENT PROPERTY

	Balance 30/06/18	Additions	Depreciation	Disposals	Balance 31/12/18
Cost	\$	\$	\$	\$	\$
Land and land improvements	2,977,203	-	-	-	2,977,203
Business Park Infrastructure and Buildings	2,875,214	-	-	-	2,875,214
Capital Work in Progress	145,270	133	-	-	145,403
	<u>5,997,687</u>	<u>133</u>	<u>-</u>	<u>-</u>	<u>5,852,417</u>
Accumulated Depreciation	\$	\$	\$	\$	\$
Land and land improvements	228,887	-	16,948	-	245,835
Business Park Infrastructure and Buildings	1,233,483	-	63,272	-	1,296,755
Capital Work in Progress	-	-	-	-	-
	<u>1,462,370</u>	<u>-</u>	<u>80,219</u>	<u>-</u>	<u>1,542,589</u>
Net Book Value	\$	\$	\$	\$	\$
Land and land improvements	2,748,316	-	(16,948)	-	2,731,368
Business Park Infrastructure and Buildings	1,641,731	-	(63,272)	-	1,578,459
Capital Work in Progress	145,270	133	-	-	145,403
	<u>4,535,317</u>	<u>133</u>	<u>(80,219)</u>	<u>-</u>	<u>4,455,231</u>
Less Provision for Impairment	-	-	-	-	-
	<u>4,535,317</u>	<u>133</u>	<u>(80,219)</u>	<u>-</u>	<u>4,455,231</u>

2. ELECTED MEMBERS' REMUNERATION - 2019 INFORMATION UPDATE

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	713356
<i>Reporting Officer/s & Unit:</i>	Devorah Nicuarta-Smith, Team Leader Governance

2.1 Purpose of Report

To present to Council an information update on the 2019 process provided by the Remuneration Authority, the national body charged with matters in relation to elected members' remuneration.

Officer's Recommendation

The Finance Committee:

- a. Receive the information update on the 2019 elected members' remuneration process provided by the national Remuneration Authority.

Chairperson's Recommendation

That the Council resolve that the officer's recommendation be adopted.

2.2 Background Summary

In 2018, the Remuneration Authority ('the Authority') advised of changes to be made to the approach to elected members' remuneration following a two year review and consultation process with Councils.

An updated communication has now been received from the Authority which provides greater clarity on the new process such as it impacts for the 2019/20 year and following the 2019 Local Government Elections.

2.3 Issues

Following the review, the Authority implemented phase one of three stages to its approach – an adjusted remuneration allocation based on the resizing and ranking of Councils based on an expanded number of criteria from previous years.

They also signalled that there would be a move from the existing "partial pool" approach (whereby the Authority determines base councillor pay but each council has a pool to "top up" remuneration for councillors holding positions of responsibility) to a full pool approach.

This new approach, which takes effect following this year's election, means that each council is allocated a pool related to the ranking of the council on the new size index, and then the incoming council proposes to the Authority the councillor base pay and the additional pay for positions of responsibility.

The Authority have set a minimum base pay level which applies to all councils, but many councils may choose to set the base pay above this as part of their allocation process.

It should be noted that the total pool does not apply to the remuneration of Mayors (or Regional Chairs or community board members where those exist). The Authority will continue to set remuneration for these positions directly.

At the end of June 2019, the Authority will release its determination which will be presented in two parts in recognition of the election year. The Authority has provided its proposed remuneration allocation for Part 1 (1 July 2019 to day of official election result declaration), and total councillor pool for Part 2 (day after official election result declaration and onwards) in advance of their final determination to aid councils in preparing for the budgetary implications of the change.

It should be noted that these figures may change as the Authority works towards their final determination.

Proposed 2019/20 Determination Part 1

Effective from 1 July 2019 up to and including the day the official result of the 2019 election of members for the Council is declared.

Napier City Council	
Office	Annual Remuneration (\$)
Mayor	136,176
Deputy Mayor	54,698
Committee Chairperson (4)	52,156
Deputy Committee Chairperson (4)	48,570
Councillor	45,413

Current (2018/19) annual remuneration for comparison:

Napier City Council	
Office	Annual Remuneration (\$)
Mayor	131,514
Deputy Mayor	51,085
Committee Chairperson (4)	48,711
Deputy Committee Chairperson (4)	45,361
Councillor	42,413

Proposed 2019/20 Determination Part 2

Effective from the day after the date on which the official result of the 2019 election of members for the council is declared.

Napier City Council	
Office	Annual Remuneration (\$)
Mayor	145,500
Councillor Minimum Allowable Remuneration	43,142
<i>Pool to be allocated</i>	<i>705,096</i>

Post- Election Allocation Process

Change to proposed approach outlined in 2018

In 2018 the Authority suggested that each outgoing council would be asked to consider the quantum of the pool allocated and let them know prior to July 2019 how they proposed that the pool be distributed following the election. They acknowledged that incoming councils might need to change those proposals and said that provision could be made for that. However, on further reflection and after some feedback, the Authority have decided not to ask outgoing councils to make a proposal and the sole responsibility for this will now sit with the incoming Council.

How the pool will work

The pool approach will start after the 2019 local government election and, following that, each council will be allocated a pool at the beginning of each triennium.

The dollar amount of the annual pool being considered for Napier City council is outlined in the green table above – this may change as the Authority works towards its determination in June 2019, but is a useful ball park figure for budgetary purposes.

The pool will cover remuneration for councillors only. Mayor and regional council chair remuneration will continue to be set by the Authority, as will remuneration for community boards for the time being.

In the remaining two years of the triennium the Authority will make Determinations that may include adjustments based on a narrower set of indicators relevant at the time, but will not resize the councils.

Timeline

- By 1 July 2019: Council will be advised of the exact dollar figure of the full councillor pool to apply from the day after the election result is declared.
- 1 July 2019: The July 1 Determination will include the minimum base councillor remuneration for your council following the election. It will also include the

revised remuneration for the Mayor to take effect from the day after the date on which the official result is declared.

- By 20 November 2019: Incoming councils will decide on the distribution of the pool and will send their proposals to the Authority.

Important considerations in this process are:

- Base councillor remuneration must NOT be set below the minimum prescribed in Part 2 of the July 1 2019 Determination, but can certainly be higher if it fits within the pool.
- Positions that a council decides to remunerate may include those on outside groups to which a councillor has been formally appointed by a councils - i.e. the remuneration is not necessarily solely attached to official council committees. Councillors are expected to be involved in a variety of community and cross-council groups as part of their basic role but, in some cases, if the extra work involved is extraordinary it can be recognised in remuneration.
- Any remuneration for councillors serving as directors on CCOs should be paid directly by the company and will not fall within the ambit of the councillor pool.
- Councils MUST spend the whole of the pool allocated. The quantum for each council has been set by the Authority following a comprehensive review of the relative size of workloads of all councils and it would be unfair to elected members to withhold any of the available remuneration.
- The pool does not apply to non-elected people who are appointed to be members or chairs of council committees. The Authority cannot legally prescribe remuneration of payments for non-elected people.
- Councils may distribute the pool using ratios rather than dollar figures. For example, they may decide that a committee chair should be paid 1.5 times that of a councillor without additional responsibilities. A calculation tool has been provided should Council choose this approach.
- Mid-December 2019: The Authority will check the proposals of all councils and send the assembled list to the Parliamentary Council Office for inclusion into a formal amending Determination.

Their aim is to have the first amending Determination published by mid-December so councils can incorporate the new figures into their pre-Christmas payroll runs.

It is important to note that all amending Determinations related to the councillor pool will be backdated so that the confirmed final level of base remuneration will take effect from the day after the date on which the official result of the 2019 election was declared by public notice and remuneration for positions of responsibility from the day after the council formally votes to confirm the recommendation.

- By 18 December 2019: If the information is not submitted on time to include in the first amending Determination, it will have to wait for a further amendment which the Authority anticipates will be in late January 2020 at the earliest, and most likely February 2020.

Other notes

The Authority will be consulting on the issue of potential childcare subsidy for elected members in 2019, and are currently concluding an updated approach to community boards.

2.4 Significance and Engagement

As the Mayor's total remuneration, and the total pool from which councillor remuneration is allocated, are both set by the Remuneration Authority at a national level, this matter does not trigger our Significance and Engagement Policy, and no consultation of other kinds are required.

2.5 Implications

Financial

Council must budget appropriately to meet the expectations on elected member remuneration outlined by the Authority.

Social & Policy

N/A

Risk

N/A

2.6 Options

The options available to Council are as follows:

- a. To receive the updated information from the Remuneration Authority in relation to elected members' remuneration.

2.7 Development of Preferred Option

To receive the updated information from the Remuneration Authority in relation to elected members' remuneration.

2.8 Attachments

Nil

3. QUARTERLY REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

<i>Type of Report:</i>	Legal
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	711016
<i>Reporting Officer/s & Unit:</i>	Caroline Thomson, Chief Financial Officer

3.1 Purpose of Report

To consider the Quarterly Report for the six months ended 31 December 2018.

Officer's Recommendation

That the Finance Committee:

- a. Receive the Quarterly Report for the six months ended 31 December 2018.

Chairperson's Recommendation

That Council resolve that the officer's recommendation be adopted.

3.2 Background Summary

The Quarterly Report summarises the Council's progress in the second quarter of 2018/19 towards fulfilling the intentions outlined in the Annual Plan. Quarterly performance is assessed against income, total operating expenditure, and capital expenditure.

3.3 Issues

No issues.

3.4 Significance and Consultation

N/A

3.5 Implications

Financial

N/A

Social & Policy

N/A

Risk

N/A

3.6 Attachments

- A Quarterly Report for the six months ended 31 December 2018 (*Under Separate Cover*)

4. CONSENT TO LAND BEING DECLARED ROAD

Type of Report:	Legal
Legal Reference:	Public Works Act 1981
Document ID:	715741
Reporting Officer/s & Unit:	Jenny Martin, Property and Facilities Officer

4.1 Purpose of Report

Seek approval by Council under the Public Works Act to consent to the land at 243 Awatoto Road be declared road.

Officer's Recommendation

The Finance Committee:

- a. Recommends that Council Resolve:
 - i. That in accordance with the provisions of Section 114(2) of the Public Works Act 1981, to consent to the land described in the Schedule hereto to be declared road and vested in the Napier City Council.

SCHEDULE

Hawkes Bay land District – Napier City

Area (hectares)	Legal Description	Part of Record Of Title
0.0039	Section 1 SO Plan 531110	651679

Chairperson's Recommendation

That the Council resolve that the officer's recommendation be adopted.

4.2 Background Summary

In early 2017 it was identified that the fence on the corner of the property at 243 Awatoto Road needed to be moved back from the legal boundary to enable better sight for drivers. Council officers consulted with the owners of the property who agreed to this. The fence was subsequently moved further back into their property.

Section 1 of the attached SO Plan 531110 shows the area of land taken. Compensation has been agreed with the owners.

In order to finalise matters it is now necessary to obtain the appropriate declaration.

4.3 Issues

There are no issues.

4.4 Significance and Engagement

Not applicable.

4.5 Implications**Financial**

Finance for the compensation is available with the current Road Asset budget.

Social & Policy

Not applicable.

Risk

Not applicable.

4.6 Options

The options available to Council are as follows:

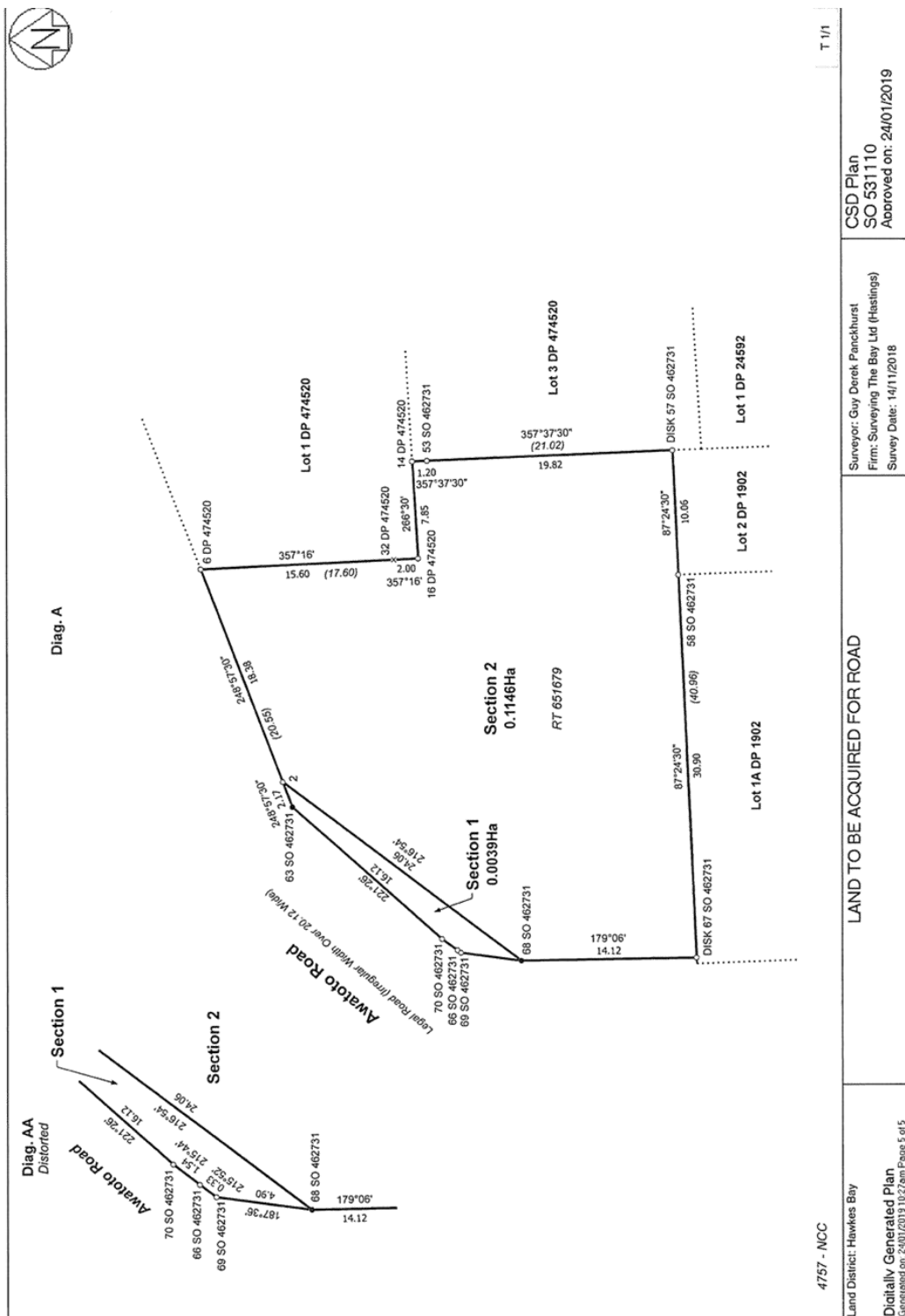
- a. (Preferred option): That Council, in accordance with the provisions of Section 114(2) of the Public Works Act 1981 resolves to consent to the land described in the Schedule hereto to be declared road and vested in the Napier City Council.
- b. That Council declines, in accordance with the provisions of Section 114(2) of the Public Works Act 1981 to consent to the land described in the Schedule hereto to be declared road and vested in the Napier City Council.

4.7 Development of Preferred Option

Option A is the preferred option.

4.8 Attachments

A 243 Awatoto Road SO Plan [↓](#)



FINANCE COMMITTEE

Open Minutes

Meeting Date:	Tuesday 27 November 2018
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Time:	3.00pm-3.37pm
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Venue	Council Chamber Hawke's Bay Regional Council 159 Dalton Street Napier
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Present	Mayor Dalton, Councillor Wise (In the Chair), Councillors Boag, Brosnan, Dallimore, Hague, Jeffery, McGrath, Price, Tapine, Taylor, White and Wright
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In Attendance	Chief Executive, Chief Financial Officer, Director Community Services [from 3.05pm], Director Infrastructure Services, Director City Strategy, Manager Communications and Marketing, Manager Community Strategies, Libraries Manager, National Aquarium of New Zealand Director, Community Advisor
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Administration	Governance Team
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Apologies

Nil

Conflicts of interest

Councillor Wright in relation to Agenda Item 5.

Public forum

Steph Kennard – Napier Business Inc.

Steph Kennard provided an update to Council on the activities and events undertaken by Napier Business Inc. for the year.

In response to questions from Councillors the following points were clarified:

- The fashion parade occurs twice a year, in spring and autumn.
- As the cruise ship season is now starting, the effectiveness of security in the CBD will be monitored closely by both Napier Business Inc. and Council officers.
- Next year the Napier Business Inc. plan to review CBD boundary lines and the targeted levy charged to members.

Announcements by the Mayor

The Mayor invited Councillors to attend the blessing of the Māori Pou and other significant artefacts around the airport at 4am on Sunday, 2 December 2018.

Announcements by the Chairperson

Nil

Announcements by the management

The Chief Executive introduced the new National Aquarium of New Zealand Director to Council.

Confirmation of minutes

Councillors Hague / Price

That the Minutes of the meeting held on 16 October 2018 were taken as a true and accurate record of the meeting.

Carried

Questions from Councillors for Further Action

Item	Requestor	Action
5	Cr White	Has development in the surrounding areas been considered when looking at the ground lease arrangement for Taradale Park, and have the Parks and Reserves team been consulted?
5	Cr Boag	How many other kindergartens in Napier have ground leases and when are they due?

AGENDA ITEMS

1. THREE WATERS REVIEW

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	667489
<i>Reporting Officer/s & Unit:</i>	Wayne Jack, Chief Executive

1.1 Purpose of Report

This report seeks Council approval to develop a regional business case assessing options to improve the management of drinking water, storm water and wastewater ("Three Waters") in the Hawkes Bay region and in doing so, address Central Government concerns associated with these activities. This review will develop recommendations for performance improvements to our Regional Three Waters systems with a view to guiding Central Governments Three Waters strategy.

At the Meeting

The Chief Executive provided an update to Councillors on central government's current position on the three waters review, addressing the LGNZ position paper received a few weeks ago as well as the Cabinet paper released last week.

It was noted that Council officers have been in close contact with the Department of Internal Affairs regarding our review, and there is potential for them to support the next phase in terms of what we come out with. However, we need to undertake a robust process first, considering all options and identifying what the specific risks and challenges are in Hawke's Bay.

In response to questions from Councillors, the following points were clarified:

- Mandatory aggregation means taking current three waters service delivery from the local authorities across New Zealand and bringing them together into an unknown number of agencies to deliver three waters services.
- Other Councils are now also preparing business cases in relation to three waters.
- Council is looking for some direction from this review as to what the best delivery model is to manage the challenges and risks that we have across the region.
- Under a mandatory aggregation system community ownership of our waters could be lost but more importantly the ability to have a say on what is a community priority would be impacted.
- Collaboration models can sometimes mean increased costs but they can also result in a better service and reduce risk; it is important to focus on the outcomes.

Committee's recommendation

Mayor Dalton / Councillor Taylor

That the Finance Committee:

- a. Endorse the development of a regional business case on Three Waters management.
- b. Note the cost of the review is apportioned across the Hawkes Bay Councils as follows:
 - 35% NCC, 35% HDC, 15% HBRC, 7.5% WDC, 7.5% CHBDC
- c. That a **DECISION OF COUNCIL** is required urgently to enable the review to be commenced and completed within the required timeframe.

Carried

Council Resolution Councillors Price / Wright

That the Finance Committee:

- a. Endorse the development of a regional business case on Three Waters management.
- b. Note the cost of the review is apportioned across the Hawkes Bay Councils as follows:
 - 35% NCC, 35% HDC, 15% HBRC, 7.5% WDC, 7.5% CHBDC

Carried

2. DISTRICT PLAN REVIEW FUNDING OPTIONS

Type of Report: Operational

Legal Reference: Local Government Act 2002

Document ID: 669135

Reporting Officer/s & Unit: Paulina Wilhelm, Manager City Development

2.1 Purpose of Report

The purpose of this report is to allow the use of the funds available in the Financial Contributions Special Fund to enable the production of Structure Plans and other work streams for servicing development in Napier. The Structure Plans will inform any future rezoning decision for the Napier District Plan and enable the city to grow.

At the Meeting

It was agreed that this should have been addressed through the Long Term Plan. Council officers confirmed they have taken learnings from this and will ensure in future that costs of this nature are captured in the appropriate planning processes.

Committee's recommendation

Councillors Jeffery / Wright

That the Finance Committee:

- a. Approve \$1.2m from the Financial Contributions Special Fund to fund the District Plan Review work programme which will allow future city growth.

Carried

3. BUDGETS TO BE CARRIED FORWARD TO 2018/19

Type of Report: Operational

Legal Reference: Local Government Act 2002

Document ID: 637309

Reporting Officer/s & Unit: Caroline Thomson, Chief Financial Officer

3.1 Purpose of Report

To seek Council approval to carry forward budgets into 2018/19.

At the Meeting

In response to questions from Councillors, officers confirmed that this is a very good result in relation to past trends.

Committee's recommendation

Councillor Wright / Mayor Dalton

That the Finance Committee:

- a. Approve carrying forward budgeted expenditure of \$3,796,408 from 2017/18 into 2018/19.

Carried

4. RATING OUTTURN SURPLUS 2017/18

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	637305
<i>Reporting Officer/s & Unit:</i>	Caroline Thomson, Chief Financial Officer

4.1 Purpose of Report

To report on the Rating Account to 30 June 2018, and to approve allocations from the Rating Surplus

At the Meeting

In response to questions from Councillors, management confirmed that where Council holds funds allocated to activities at present is appropriate. It was noted that requests to fund projects out of Capital Reserve funds can be made by asking Council officers to prepare a report to Council; the Capital Reserves Fund is used to fund one-off activities.

Committee's recommendation

Mayor Dalton / Councillor Taylor

That the Finance Committee:

- a. Approve transferring the 2017/18 net rating surplus of \$926,578 to the Capital Reserve Account where it is available for future commitments.

Carried

5. LEASES OF RESERVE - NAPIER FREE KINDERGARTEN ASSOCIATION INCORPORATED

<i>Type of Report:</i>	Legal
<i>Legal Reference:</i>	Reserves Act 1977
<i>Document ID:</i>	665671
<i>Reporting Officer/s & Unit:</i>	Bryan Faulknor, Manager Property Jenny Martin, Property and Facilities Officer

5.1 Purpose of Report

To obtain a Council decision to enter into three new ground leases with the Napier Free Kindergarten Association Incorporated for the Taradale Kindergarten, Greenmeadows Kindergarten and Marewa Kindergarten.

At the Meeting

In response to questions from Councillors, officers will follow up on the following points:

- Has development in the surrounding areas been considered when looking at the ground lease arrangement for Taradale Park, and have the Parks and Reserves team been consulted?
- How many other kindergartens in Napier have ground leases and when are they due?

Committee's recommendation

Councillors Brosnan / Hague

That the Finance Committee:

- Recommend that Council resolve to enter into a new ground lease with the Napier Free Kindergarten Association Incorporated for the Taradale Kindergarten, Greenmeadows Kindergarten and the Marewa Kindergarten each for a term of 15 years with one 15-year right of renewal.

Due to an expressed conflict of interest, Councillor Wright did not participate in the discussion or vote on this agenda item.

Carried

6. FIRE HYDRANT USE POLICY 2018

Type of Report:	Operational
Legal Reference:	N/A
Document ID:	662412
Reporting Officer/s & Unit:	Anze Lencek, Water Quality Lead

6.1 Purpose of Report

To seek Council approval of the proposed Fire Hydrant Use Policy 2018.

At the Meeting

Councillors acknowledged the importance of this Policy being adopted.

Committee's recommendation

Councillors Price / White

That the Finance Committee:

- Adopt the Fire Hydrant Use Policy 2018.

Carried

PUBLIC EXCLUDED ITEMS

Mayor Dalton / Councillor Hague

That the public be excluded from the following parts of the proceedings of this meeting, namely:

1. Land Sale

Carried

The general subject of each matter to be considered while the public was excluded, the reasons 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 were as follows:

General subject of each matter to be considered.	Reason for passing this resolution in relation to each matter.	Ground(s) under section 48(1) to the passing of this resolution.
1. Land Sale	7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.

The meeting moved into committee at 3.37pm.

Approved and adopted as a true and accurate record of the meeting.

Chairperson

Date of approval