



# FINANCE COMMITTEE

## Open Minutes

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Meeting Date: Tuesday 6 August 2019

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Time: 3pm – 3.32pm

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Venue Council Chamber  
Hawke's Bay Regional Council  
159 Dalton Street  
Napier

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Present Councillor Wise (In the Chair), Councillors Boag, Brosnan,  
Hague, Jeffery, McGrath, Price, Tapine, Taylor and Wright

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In Attendance Chief Executive, Director Corporate Services, Director City  
Services, Director City Strategy, Chief Financial Officer,  
Manager Sport and Recreation, Manager Property, Community  
Services Senior Advisor Policy, Manager Communications and  
Marketing

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Administration Governance Team

## Apologies

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Councillors Price / Boag

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That the apologies from Mayor Dalton, Acting Mayor White and Councillor Dallimore be accepted.

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Carried

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## Conflicts of interest

Nil

## Public forum

Nil

## Announcements by the Chairperson

Nil

## Announcements by the management

Nil

## Confirmation of minutes

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Councillors Hague / Wright

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That the Minutes of the meeting held on 25 June 2019 were taken as a true and accurate record of the meeting.

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Carried

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# AGENDA ITEMS

## 1. BAY SKATE FEES AND CHARGES - SUPPORTING INFORMATION

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<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	785059
<i>Reporting Officer/s &amp; Unit:</i>	Glenn Lucas, Manager Sport & Recreation

### 1.1 Purpose of Report

The purpose of this report is to provide the rationale for the proposed fees and charges increases for Bay Skate for the 2019/20 financial year.

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#### At the Meeting

The Manager Sport and Recreation spoke to the report. As part of the completed Bay Skate revenue review a list of strategies were developed for implementation in the next year and a half, one of these is proposed membership and rink hire price increases to reduce the likelihood of a financial impact on rate payers. This needs to be balanced with the risk of reduced membership as a result of price increases.

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

- Four months into the new financial year revenue at Bay Skate is steadily growing. With no price increase the minimum target could be met; although, revenue should ideally reach higher than the minimum target.
  - Bay Skate didn't recover costs in the past financial year due to unsuccessful outdoor movie events, also some ramps were unable to be used for a significant period.
  - The rate increase will generate an extra \$4000 over the financial year.
  - The 'Lick This' ice cream shop's rent is income for Bay Skate.
  - The large flat area is mainly used on weekends by skate boarders. The intention is to develop this space further.
  - The Napier Sharks use the Bay Skate facility for training. They would struggle with a rent increase and the rink area would require upgrading before an increased hire fee could be justified. Upgrading this area is in the asset development plan.
  - Increase in prices may affect membership, but this is hard to predict.
  - Bay Skate staff actively interact with customers to ascertain what is working well at the facility and what would make it more attractive. The Manager of Bay Skate is exploring ideas to generate more income, also to make the facility more accessible to people with financial and physical limitations.
  - A concession card with free entry's for members is under consideration and Council is partway through implementing at a joint sport and recreation system between Bay Skate and the Aquatic Centre.
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- Once a plan is developed for birthday party events it will be brought back to the Committee to review.

Following questions and discussion, Councillors agreed that they were not prepared to increase the fees and charges at this time and a substitute motion was proposed in order to reconsider the matter at a later date.

It was noted that when this matter is brought back to Committee, Councillors would like to see some modelling on how a reduction in price per visit would impact on demand included in the report.

#### **Officers' recommendation**

That the Finance Committee:

- a. Note that the proposed fee increase are proposed as part of a wider piece of work to increase revenue generated by Bay Skate and therefore minimise the impact to ratepayers.
- b. Approve the Bay Skate fees and charges increased as per the fees and charges proposal.

#### **Substitute Motion**

##### **Committee's recommendation**

Councillors Wright / Tapine

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That the Finance Committee:

- a. Agree that the proposed fee increases for Bay Skate are parked and reviewed again in eight months to a year's time, as part of the next Annual Plan, to ensure they are in line with the Financial Strategy.

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Carried

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# PUBLIC EXCLUDED ITEMS

Councillors Hague / Taylor

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

1. Property Sales
2. Parking Property Acquisition

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:

<b>General subject of each matter to be considered.</b>	<b>Reason for passing this resolution in relation to each matter.</b>	<b>Ground(s) under section 48(1) to the passing of this resolution.</b>
1. Property Sales	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.
2. Parking Property Acquisition	7(2)(b)(ii) 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	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

	7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities  7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	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.
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The meeting moved into committee at 3.32pm

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

Chairperson .....

Date of approval .....