Finance Committee
OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, 401 Grey Street, Hamilton East on 8 December 2017 at 10.00am.

Chairperson           Cr J Hennebry
Deputy Chairperson    Cr H Vercoe
Present               Cr D Minogue
                      Cr S Kneebone
                      Cr B Quayle

Ex-officio            Cr A Livingston

In Attendance         Cr F Lichtwark

Staff                 C Crickett – Director Integrated Catchment Management
                      J van Rossem – Project Manager Biodiversity
                      D Thurlow – Democracy Advisor

Doc # 11477316
Apologies
(Agenda Item 1)

There were no apologies.

Confirmation of Agenda
(Agenda Item 2)

Cr Minogue moved/Cr Vercoe seconded

FC17/85
RESOLVED
THAT the agenda of the Finance Committee of 8 December 2017 be confirmed as the business for the meeting.

The motion was put and carried (FC17/85)

Disclosures of Interest
(Agenda Item 3)

There were no disclosures of interest.

SECTION A: (UNDER DELEGATION FOR THE INFORMATION OF COUNCIL)

Maungatautari Ecological Island Trust – Briefing on Proposed Elements of a Natural Heritage Fund Application
(Agenda Item 4) (Doc # 11463641)

Project Manager, Biodiversity and Funding (J van Rossem) and Team Leader Natural Heritage (A Saunders) outlined the Maungatautari Ecological Island Trust’s intentions for a Natural Heritage Fund application it is preparing and sought feedback from the Committee concerning its expectations.

Melissa Sinton, Maungatautari Ecological Island Trust Acting General Manager spoke to the funding application that it intends to put forward noting that it will be on the same basis as previous years. The funding sought will support on-going pest monitoring, maintenance of the fence and effective response to pest incursions within the fence.

During questions, answers and related discussion Committee members raised or noted the following matters:
- It was proposed that there be a reduced level of reporting required by the Maungatautari Ecological Island Trust from quarterly to annually. Further to that, it was suggested that reporting be rationalised to ensure it is fit for purpose with the respective funders to avoid duplication. A member was happy with a reduced amount of reporting, however felt that it was important to see quarterly reporting on the cash flow.
- The Committee thanked the Trust for its work and all of its voluntary efforts.
- Given the Council are fully aware of the work being undertaken by the Trust and the Trust’s record of accomplishment, and to save any undue work for the Trust, a question was raised around what further detail the Trust needs to supply in order to give Council sufficient information to allow Council to make a considered decision. Staff advised that given that the Trust are seeking funding similar to what is existing ($300,000) and based on the fact that this request is
significantly higher than other requests, it was felt that it would be beneficial to seek feedback about what Council would like to see in the application from the Committee prior to submitting a formal application.

- It was noted that the funding criteria for the Natural Heritage Fund had been adjusted by Council to anticipate multi-year funding applications such as Maungatautari Ecological Island Trust.
- An amount of approximately $750,000 is collected from the general rate annually for the Natural Heritage Fund; the funds that are not spent within the financial year are moved into the reserve account.
- The Committee requested that staff provide details on the levels of funding provided by other regional councils for projects like Maungatautari Ecological Island Trust for protection and preserving biodiversity.
- Staff advised that the Maungatautari Ecological Island Trust has been identified as the key site to receive kakapo.

Cr Kneebone moved/Cr Minogue seconded

FC17/86

RESOLVED

THAT the report ‘Maungatautari Ecological Island Trust – Briefing on proposed elements of a Natural Heritage Fund Application’ (Doc # 11463641 dated 27 November 2017) be received.

The motion was put and carried (FC17/86)

Natural Heritage Fund Proposals – Mahakirau Forest Estate, Tongariro Natural History Society and Waikato Raupatu River Trust/Nikau Whanau Trust

(Agenda Item 5) (Doc # 11289694)

Project Manager, Biodiversity and Funding (J van Rossem) presented three proposals for Natural Heritage Fund grants for consideration and decision by the Finance Committee.

Cr Hennebry moved/Cr Kneebone seconded

FC17/87

RESOLVED

That the report “Natural Heritage Fund Proposals – Mahakirau Forest Estate, Tongariro Natural History Society and Waikato Raupatu River Trust/Nikau Whanau Trust” (Doc #11289694 dated 21 November 2017) be received.

The motion was put and carried (FC17/87)

Waikato Raupatu River Trust/Nikau Whanau Trust

Gerry Kessels (Kessels Ecology) and Tawera Nikau (Nikau Whanau Trust) spoke to the request from the Waikato Raupatu River Trust/Nikau Whanau Trust for a Natural Heritage Fund grant of $84,000 as a contribution to the purchase of 13.06ha of the Matahuru Wetland. Two valuation reports for the land at 105 Waikare Road, Waerenga have been supplied with the application - for the large wetland block (11.7 hectares) and a smaller pasture block (1.36 hectares) respectively. The large wetland block is valued at $120,000 and the smaller block is valued at $48,000, totalling $168,000. Two primary funding schemes have been identified as options for the purchase of the land. These are the Waikato Regional Council Natural Heritage Fund
and the Department of Conservation Nature Heritage Fund. In an effort to promote the collaborative nature of the Matahuru Wetland restoration, the applicant is seeking funding from both organisations to encourage the project to be a joint venture between DOC, WRC, Waikato- Tainui and the Matahuru-Papakainga Marae. Hence, this application is for $84,000, which is half of the total purchase price (excluding GST) for both blocks.

During questions, answers and related discussion Committee members raised or noted the following matters:
- It was noted that there is the potential to create habitat which has been lost in the past.
- In relation to the challenges that koi carp present with respect to sediment around the riparian margins, Waikato Raupatu River Trust/Nikau Whanau Trust advised that they are applying for a harvesting licence to mitigate these pest fish and are looking at opportunities in the market for koi carp fertiliser. Notwithstanding this, staff advised that Council is in the process of developing a Pest Fish Management Plan. Further to that, the Waikato River Authority have acknowledged that the clean up of the Waikato River cannot be achieved without the issue of koi carp being addressed.
- In respect to the valuation of the land in question, the speakers advised that this valuation was carried out independently.
- The Committee thanked the speakers and commended the Waikato Raupatu River Trust/Nikau Whanau Trust for their great work.
- The Committee supported the request from the Waikato Raupatu River Trust/Nikau Whanau Trust for a Natural Heritage Fund grant of $84,000 as a contribution to the purchase of 13.06ha of the Matahuru Wetland.

Cr Kneebone moved/Cr Quayle seconded

RESOLVED
That the Finance Committee approve a Natural Heritage Fund grant of $84,000 to Waikato Raupatu River Trust/Nikau Whanau Trust as a contribution to the purchase of 13.06ha of the Matahuru Wetland, subject to preparation of a funding deed approved by Legal Services.

The motion was put and carried (FC17/88)

Tongariro Natural History Society

Nick Singers and Kiri Te Whano from the Tongariro Natural History Society spoke to their application for a Natural Heritage Fund grant of $126,750 over three years to Project Tongariro. This funding application is for 67.9% of the total cost of the project, to help fund contractor costs for weed control, fencing supplies, project management and plant propagation costs. The shortfall of $60,000 in funding is the subject of a pending funding application to the DOC Community Fund. The Department of Corrections and Rongomai Marae are also providing considerable in-kind labour to the project. Upon completion, this project will result in indigenous vegetation dominating this area and improving the connectivity between the Kaimanawa Forest Park and the Te Matapuna wetland. The grant to be paid in four instalments (Year 1: $41,500; Year 2: $41,250; Year 3: $44,000). Each instalment will be conditional upon satisfactory evaluation of annual progress reports by staff.

During questions, answers and related discussion Committee members raised or noted the following matters:
- The applicant advised that they have applied to the Department of Conservation for the shortfall of $60,000 for which they will hear if they were successful or not in December 2017.
- The Committee were in support of the work a Natural Heritage Fund grant of $126,750 over three years to Project Tongariro, the grant to be paid in four instalments (Year 1: $41,500; Year 2: $41,250; Year 3: $44,000).

Cr Kneebone moved/Cr Minogue seconded

**RESOLVED**

That the Finance Committee approve a Natural Heritage Fund grant of $126,750 over three years to Project Tongariro, subject to the following conditions:

a) the preparation of a funding deed approved by Legal Services; and
b) the grant to be paid in four instalments (Year 1: $41,500; Year 2: $41,250; Year 3: $44,000). Each instalment will be conditional upon satisfactory evaluation of annual progress reports by staff.

The motion was put and carried (FC17/89)

**Mahakirau Forest Estate Inc.**

Jude and Tim Hooson from the Mahakirau Forest Estate spoke to their application for a Natural Heritage Fund grant of $154,990 to Mahakirau Forest Estate Society Incorporated for a predator control programme within the 600 hectare Mahakirau Forest Estate. There are two parts to this project. The first part is a result of the collaboration between Mahakirau Forest Estate and the Department of Conservation around achieving sustained, near zero predator levels with the forest estate so that it becomes translocation-ready by 2021. The second part is to build community understanding of how to amplify the effects of a community led conservation project to achieve an integrated catchment impact at landscape-scale from the Mahakirau headwaters to Whitianga Harbour. This also includes the wider objective of using the Mahakirau project as a blueprint for other similar initiatives and to facilitate the linking of neighbouring Coromandel conservation groups.

This funding application relates to the predator control (first part) of the project. MFESI has been undertaking, and steadily upscaling predator control since 2001. The programme is well recognised for its high degree of professionalism and whilst substantially self-funded by the community, multi-agency partnerships have been formed with funding support from WRC (through the Small Scale Community Initiatives Fund), DOC (through the former Biodiversity Condition Fund), Kiwis for Kiwi and QEII. During 2017, MFESI has collaborated with DOC and WRC on the extended Papakai Ecological Area 1080 operational programme. Their intention is to build and upscale their existing trap and bait station infrastructure within the estate over the next four years to ensure strong defensive buffer zones against re-infestation rates and a concentration of effort against predators where endangered species have been recorded. The grant to be paid in four instalments (Year 1: $49,550; Year 2: $34,090; Year 3: $35,150; Year 4: $36,200). Each instalment will be conditional upon satisfactory evaluation of annual progress reports by staff.

Councillor Livingston left the meeting at 11.54am.
During questions, answers and related discussion Committee members raised or noted the following matters:
- Council is very appreciative of the work carried out by the group.
- In regard to Predator Free 2050, a member questioned the role that the Mahakirau Forest Estate Society sees itself playing. In response, the applicants advised that Predator Free 2050 is about uniting individual efforts in to a bigger collaborative effort. Predator Free 2050 has made the group think about other funding opportunities and other partners to support a predator free Hauraki Coromandel. This project has been a pilot for scaling up, growing and expanding projects in a collaborative manner.
- A number of questions were raised with the applicants on behalf of a Councillor who was unable to attend the meeting. Questions raised were around the pest control techniques and monitoring. The applicants indicated that they were happy to speak with the Councillor following the meeting.
- The Committee supported the Natural Heritage Fund grant of $154,990 to Mahakirau Forest Estate Society Incorporated for a predator control programme within the 600 hectare Mahakirau Forest Estate to be paid in four instalments (Year 1: $49,550; Year 2: $34,090; Year 3: $35,150; Year 4: $36,200).

FC17/90

RESOLVED

That the Finance Committee approve a Natural Heritage Fund grant of $154,990 to Mahakirau Forest Estate Society Incorporated for a predator control programme within the 600 hectare Mahakirau Forest Estate, subject to the following conditions:

a) the preparation of a funding deed approved by Legal Services; and
b) the grant to be paid in four instalments (Year 1: $49,550; Year 2: $34,090; Year 3: $35,150; Year 4: $36,200). Each instalment will be conditional upon satisfactory evaluation of annual progress reports by staff.

The motion was put and carried (FC17/90)

Meeting closed at 12.06pm