Finance Committee
OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, 401 Grey Street, Hamilton East on Wednesday 21 February 2018 at 10.07am.

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 K White
                        Cr K Hodge
                        Cr F Lichtwark

Staff                   C Crickett – Director, Integrated Catchment Services
                        A Saunders – Team Leader, Natural Heritage
                        J Van Rossem – Project Manager Biodiversity and Funding
                        D Thurlow – Democracy Advisor
Apologies
(Area Item 1)

The Committee received the apologies from Councillor Mahuta for absence and Councillor Livingston for lateness.

Confirmation of Agenda
(Area Item 2)

Cr Kneebone moved/Cr Hennebry seconded

FC18/18

RESOLVED
THAT the agenda of the Finance Committee of 21 February 2018 be confirmed as the business for the meeting.

The motion was put and carried (FC18/18)

Disclosures of Interest
(Area Item 3)

There were no disclosures of interest.

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

Councillor Livingston arrived at the meeting at 10.10am.

Application to the Natural Heritage Fund – Maungatautari Ecological Island Trust
(Area Item 4) (Doc # 11764966)

Project Manager Biodiversity and Funding (J van Rossem) presented the proposal for a Natural Heritage Fund grant from the Maungatautari Ecological Island Trust for the Sanctuary Mountain Maungatautari project, for consideration and decision by the Finance Committee.

In speaking to the application the Committee was advised that the proposal is for a Natural Heritage Fund grant for $1,400,000 over four years to be applied specifically to:
- Maintain the 47km predator proof fence around Sanctuary Mountain Maungatautari as an effective barrier to pest incursions
- Undertake pest surveillance activities within the fenced enclosure
- Respond to any pest incursions
- Contribute to ecological restoration programmes, including the preparation of an updated restoration plan.

Melissa Sinton and Trustee Don Scarlet from Maungatautari Ecological Island Trust spoke to the application. In speaking to the application it was noted that the increase in funding is due to the fact that the project scope has been broadened to include ongoing support for pest surveillance, pest incursion responses, maintenance of the predator proof fence and a contribution to the preparation of an ecological
restoration plan. This project delivers spectacular biodiversity values, delivers on business development and education and inspires youth, all of which are driven out of collaboration with the community, iwi, councils, and government agencies.

Melissa Sinton presented the accountability report from Maungatutari Ecological Island Trust for the period October-December 2017.

During questions, answers and related discussion Committee members raised or noted the following matters:
- In respect to the number of visitors to the Mountain, the Committee was advised that service and merchandise sales capture the numbers of people to the visitor centre but that it was not possible to measure the number of people walking over the mountain. The Trust is working on an alternate access to the southern enclosure which will enable a better level of reporting of visitors to the Mountain.
- The newly appointed Chief Executive for the Trust started at the beginning of February 2018. Mr Phil Lyons has experience in business development and fundraising.
- Discussion centred on the level of funding provided by key stakeholders. It was noted that in the past the key stakeholders contributed equal amounts, however given recent changes within the Department of Conservation structure this has not been possible. That being said, whilst the Department of Conservation are unable to contribute an equal amount, they do provide significant ‘in-kind’ contributions to support the Trust which aren’t captured in monetary terms. The Committee was further advised that the level of funding from the Waipa District Council has, and still remains at a similar level to the Waikato Regional Council. The Waipa District Council, like the Department of Conservation, provide significant in-kind contributions. Notwithstanding this, there are people within the community that are passionate about the project, one of which donated a significant amount of money that enabled the Trust to construct a radio tower on the Mountain.
- The Trust has a Finance Audit and Risk Committee made up of two independent members and three trustees which has the ability to co-opt additional members if specific expertise is required.
- The Committee congratulated the Trust on their work and acknowledged that it was good to see fence agreements with various neighbours had been signed. Discussion ensued on the outstanding agreements with adjoining landowners. The Committee was advised that a staff member is actively working with the respective landowners and the Trust is confident that the outstanding agreements will be signed relatively quickly.
- Questions were raised around the number of kiwi released, the number of chicks hatched and the monitoring undertaken in the southern enclosure.
- A member indicated that they supported the project at the current level of funding ($300,000). The reasons for not supporting the increase were due to the fact that the budget for which the funding is being sourced is not increasing, the other reason being that the Department of Conservation and the Crown should be recognising the national significance of this project and therefore should be applying an appropriate level of funding.
- A question was raised as to whether Waikato Regional Council funding should be aligned with the Waikato District Council funding cycle. In response the Team Leader Natural Heritage advised that the advantage of the cycles not being aligned enables Waikato Regional Council to mirror Waipa District Council funding. It was further noted that, from a Maungatutari Ecological Island Trust
perspective, going through the political uncertainty at the same time would not be useful for the Trust and would create a significant risk to the project.

- In speaking in support of the recommendation, Councillor Quayle noted that this is one of the most important projects in the Waikato region and is a key asset for the region. He further noted that the additional $50,000 would be significant to the Trust in that it will assist in the growth of the project.

- In speaking against the motion Councillor Hennebry felt that the Trust requires money as opposed to ‘in-kind’ contributions, because the more it grows the more money it needs to run. On the basis of financial sustainability the Councillor was unable to support the application.

- As the mover of the motion, Councillor Kneebone exercised his right of reply. In speaking in support of the recommendation he noted that $350,000 over four years was not significant by comparison to other projects of this nature.

Cr Kneebone moved/Cr Quayle seconded

FC18/19  RESOLVED

THAT the report “Application to the Natural Heritage Fund – Maungatautari Ecological Island Trust” (Doc #11764966 dated 1 February 2018) be received.

The motion was put and carried (FC18/19)

Cr Kneebone moved/Cr Quayle seconded

FC18/20  RESOLVED

THAT the Maungatautari Ecological Island Trust’s October to December Quarterly Financial Report (Appendix 3) be received.

The motion was put and carried (FC18/20)

Cr Kneebone moved/Cr Quayle seconded

FC18/21  RESOLVED

THAT the Finance Committee approve a Natural Heritage Fund grant of $1,400,000 over four years to Maungatautari Ecological Island Trust as a contribution to the maintenance of the predator proof fence, undertaking pest surveillance and pest incursion responses, and contributing to ecological restoration programmes, subject to the following:

a) the preparation of a funding deed approved by the Finance Committee; and

b) the grant to be paid in four instalments ($350,000 for each of 2018/19, 2019/20, 2020/21, 2021/22). Each instalment will be conditional upon satisfactory evaluation of annual progress reports by staff and council.

The motion was put and carried (FC18/21)

Councillor Hennebry voted against the motion

Meeting closed at 11.18am.