

HUTT CITY COUNCILCOMMUNITY PLAN COMMITTEE

Report of a meeting held in the Council Chambers, 2nd Floor, 30 Laings Road,  
Lower Hutt on

Wednesday 28 March 2018 commencing at 5.00pm

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PRESENT:

Mayor WR Wallace (Chair)	
Cr G Barratt	Cr C Barry
Deputy Mayor D Bassett	Cr J Briggs
Cr S Edwards	Cr T Lewis
Cr M Lulich	Cr G McDonald
Cr C Milne	Cr L Sutton

APOLOGIES:

Apologies were received from Crs MJ Cousins and L Bridson.

IN ATTENDANCE:

Mr T Stallinger, Chief Executive  
 Ms K Kelly, General Manager, City Transformation  
 Mr B Kibblewhite, General Manager, Corporate Services  
 Mr M Reid, General Manager, City and Community Services  
 Mr L Allott, Chief Information Officer  
 Mr M de Haast, Chief Financial Officer  
 Mr M Mercer, Divisional Manager Community Hubs  
 Ms L Dalby, Senior Communications Adviser (part meeting)  
 Ms W Moore, Divisional Manager Strategy and Planning  
 Ms J Askin, Corporate Planner  
 Ms K Stannard, Divisional Manager, Democratic Services  
 Ms H Clegg, Minute Taker

PUBLIC BUSINESS1. APOLOGIES

RESOLVED: (Mayor Wallace/Cr Briggs)

**Minute No. CPC 18201**

*"That the apologies received from Cr MJ Cousins and Cr L Bridson be accepted and leave of absence be granted."*

2. PUBLIC COMMENT

There was no public comment.

3. CONFLICT OF INTEREST DECLARATIONS

There were no conflict of interest declarations.

4. **DRAFT RATES POSTPONEMENT POLICY FOR RESIDENTIAL RATEPAYERS AGED 65 YEARS AND OVER** (18/303)

Report No. CPC2018/2/69 by the Team Leader Rates and Debt

The Chief Financial Officer elaborated on the report.

In response to a question from a member regarding the requirement for family members to receive legal advice, the Chief Financial Officer advised that this condition was at the recommendation of the Finance and Performance Committee and provided a safeguard for Council.

In response to questions from members concerning the 18 month clause, the Chief Financial Officer explained common sense would prevail if one member of a joint family home died. He stressed that the rates postponement may only continue if the owner was an occupier. He added this would result in the proposed policy not being applicable if a family member, who did not own the property, moved into the property after the death of a parent (for example). He further added that if the surviving owner of a property was under 65 years old, common sense would also prevail.

The Chief Financial Officer reminded members that the proposed policy was being released for consultation only and that public feedback would be taken into account before reporting back to Council.

**RECOMMENDED:** (Mayor Wallace/Deputy Mayor Bassett) **Minute No. CPC 18202**

*"That the Committee recommends that Council:*

- (i) notes the draft Rates Postponement Policy for Residential Ratepayers Aged 65 Years and Over, attached as Appendix 1 to the report;*
- (ii) agrees to include the following additional policy condition and criteria to the draft Rates Postponement Policy as follows:*  
*applicant ratepayer(s), including their family members where possible, must seek independent legal and financial advice before applying for a rates postponement under this scheme;*
- (iii) agrees the final draft Rates Postponement Policy condition and criteria, including all changes resulting from recommendation (ii) above; and*
- (iv) recommends a draft Rates Postponement Policy for Residential Ratepayers Aged 65 Years and Over, to be adopted by Council for public consultation purposes."*

5. **RATES REMISSIONS FOR COMMUNITY, SPORTING AND OTHER ORGANISATIONS - MINOR CHANGES** (18/370)

Report No. CPC2018/2/71 by the Chief Financial Officer

Mr Andrew Clark, Auditor Director, Audit New Zealand was present for the item.

The Chief Financial Officer elaborated on the report.

In response to a question from a member, and after consultation with Mr Clark, the Chief Financial Officer agreed to minor amendments in relation to questions 5 and 6 contained in the draft Consultation Document.

In response to a question from a member, Mr Clark explained that any material changes to any questions would need to be carefully examined by Audit New Zealand to ensure questions remained non-leading and allowed open responses from the public.

In response to a question from a member, the General Manager, City and Community Services advised all sports clubs and communities would benefit from the changes to the proposed policy whether they belonged to a sports hub or not. He added that the changes were a direct result of community plan discussions in 2017.

Mayor Wallace reminded members that additional detailed information would be available at the June Community Plan Committee meeting including results of the public consultation.

In response to questions from members, the Chief Financial Officer agreed to provide information in regard to the difference clubs would be paying for their rates now and what they would pay under the proposed policy. He also agreed to provide information in regard to the rateable category for liquor licences.

**RECOMMENDED TO COUNCIL:** (Mayor Wallace/Deputy Mayor Bassett)

**Minute No. CPC 18203**

*"That the Committee recommends that Council:*

- (i) *notes part 1 of the Council's current Rates Remission Policy, attached as Appendix 1 to the report;*
- (ii) *agrees to include the following amendments to Part 1 – Remission for Community, Sporting and Other Organisations:*
  - (a) *qualifying organisations rated in the Community Facilities differential 1 (CF1) and 2 (CF2) category will be eligible for rates remissions under this policy;*
  - (b) *any remission granted in relation to the general rate under this policy will be 100% of the amount charged;*
- (iii) *agrees the final conditions and criteria, including all changes resulting from part (ii) above to the draft Part 1 – Remission for Community, Sporting and Other Organisations Policy; and*
- (iv) *recommends a draft Part 1 – Remission for Community, Sporting and Other Organisations policy to be adopted by the Council for public consultation purposes."*

6. **DRAFT 2018 FINANCIAL STRATEGY** (18/329)

Report No. CPC2018/2/67 by the General Manager Corporate Services

The General Manager Corporate Services elaborated on the report and tabled amendments to the draft 2018 Financial Strategy.

In response to a question from a member, the Divisional Manager Strategy and Planning advised that the population projection figures had been sourced from Statistics New Zealand and were consistently used throughout the Consultation Document.

**RECOMMENDED TO COUNCIL:** (Mayor Wallace/Cr Milne) **Minute No. CPC 18204**

*"That the Committee recommends that Council:*

- (i) notes the Financial Strategy was extensively reviewed and amended in 2017 as part of the 2017-18 Annual Plan process;*
- (ii) notes there are no changes being made to the current limits on rates increases and borrowing;*
- (iii) resolves that it is financially prudent to have an unbalanced budget in 2018-19 and 2019-20 caused by the accounting treatment of grants paid to the Community Facilities Trust (CFT) for capital works carried out by the CFT in these years; and*
- (iv) approves the proposed amendments (attached as pages 11-13 to the minutes) to the Financial Strategy attached as Appendix 2 to the report."*

For the reason that Council must approve the Financial Strategy as part of the 2018-2028 Long Term Plan process.

**MAJOR ITEM NOT ON THE AGENDA**

**RESOLVED:** (Mayor Wallace/Deputy Mayor Bassett)

**Minute No. CPC 18205**

*"That the Committee:*

- (i) notes that the matter of the Revised Draft 2018-28 Long Term Plan Budgets was not included in the agenda for the meeting, for the reason that the information was required by Audit New Zealand as notified on 28 March 2018; and*
- (ii) agrees that the recommendations be considered at this meeting for the reason that deferring this matter would not allow Council to adopt the 2018-28 Long Term Plan Consultation Document."*

6a. **REVISED DRAFT 2018-28 LONG TERM PLAN BUDGETS** (18/500)

Report No. CPC2018/2/68 by the General Manager Corporate Services

The Chief Financial Officer elaborated on the report.

Cr Barry left the meeting at 6.04pm.

The Chief Financial Officer assured members that the draft Consultation Document ('the document') had been constructed using the revised budget amounts and that before the document could be approved, all supporting documentation had to be adopted first.

Cr Barry rejoined the meeting 6.07pm.

Members discussed how the depreciation figures were calculated and the impact the new figures had on the draft budget. The General Manager, Corporate Services summarised by stating the depreciation and capital expenditure did exceed depreciation on renewal items within the key infrastructural assets and that Council did not have a funding shortfall for depreciation.

In response to a question a member, the Chief Executive agreed to review the Consultation Document process for 2019 to avoid a similar time constraint situation occurring.

In response to a question from a member, Mayor Wallace advised that the document did not include consultation on the Living Wage as the matter would be dealt with as a separate survey.

**RECOMMENDED TO COUNCIL:** (Mayor Wallace/Cr Barratt) **Minute No. CPC 18206**

*"That the Committee recommends that Council:*

- (i) notes the changes to the budgets as outlined in the officer's report; and*
- (ii) adopts the draft budgets subject to these changes."*

For the reason that Council must approve the key forecasting assumptions as part of the 2018-2028 Long Term Plan process.

7. **2018-2028 LONG TERM PLAN KEY ASSUMPTIONS** (18/330)

Report No. CPC2018/2/68 by the General Manager Corporate Services

The General Manager Corporate Services elaborated on the report. He assured members that the draft Consultation Document was based on all known key assumptions. He tabled minor amendment and elaborated on the amendments.

**RESOLVED:** (Mayor Wallace/Cr McDonald)

**Minute No. CPC 18207**

*"That the Committee recommends that Council:*

- (i) *approves the key forecasting assumptions contained in Appendix 1 to the report including minor amendments attached as pages 14-15 to the minutes; and*
- (ii) *notes the key forecasting assumptions are those that underpin the draft 2018-2028 Long Term Plan."*

For the reason that Council must approve the key forecasting assumptions as part of the 2018-2028 Long Term Plan process.

8. **DRAFT 2018-2048 INFRASTRUCTURE STRATEGY** (18/317)

Report No. CPC2018/2/72 by the Senior Policy Advisor / Economist

The Divisional Manager Strategy and Planning elaborated on the report. She highlighted minor amendments to the draft Infrastructure Strategy which were not of a material nature.

In response to a question from a member concerning the age and quality of many wastewater pipes, the Chief Executive explained many older pipes were still functioning well. He highlighted that Wellington Water Ltd would be presenting to Council concerning, amongst other matters, the wastewater pipes.

Mayor Wallace advised that the information presented by Wellington Water Ltd would provide answers to the members' questions regarding the infrastructural networks of the City.

In response to a question from a member, the General Manager, City and Community Services advised that there were numerous Asset Management Plans underpinning the Infrastructure Strategy.

**RESOLVED:** (Mayor Wallace/Cr Lewis)

**Minute No. CPC 18208**

*"That the Committee recommends that Council adopts the draft Infrastructure Strategy 2018-2048 attached as Appendix 1 to the report."*

9. **DRAFT 2018 REVENUE AND FINANCING POLICY** (18/328)

Report No. CPC2018/2/66 by the General Manager Corporate Services

The General Manager Corporate Services elaborated on the report.

**RECOMMENDED TO COUNCIL:** (Mayor Wallace/Cr Milne) **Minute No. CPC 18209**

*"That the Committee recommends that Council:*

- (i) approves the proposed amendments to the Revenue and Financing Policy attached as appendix 1 to this report;*
- (ii) notes the differential transition plan will recommence from 1 July 2018; and*
- (iii) notes the target business differential, to be achieved by 1 July 2023, is now 2.29 (previously 2.30)."*

For the reason that Council must adopt a Revenue and Financing Policy as part of the 2018-2028 Long Term Plan process.

10. **FUNDING IMPACT STATEMENT INCLUDING RATES FOR 2018-19** (18/450)

Report No. CPC2018/2/78 by the Chief Financial Officer

The Chief Financial Officer elaborated on the report. He highlighted that this was a formality as without the Funding Impact Statement being adopted by Council, the rates could not be set for the year.

**RECOMMENDED TO COUNCIL:** Mayor Wallace/Cr Barratt) **Minute No. CPC 18210**

*"That the Committee recommends that Council:*

- (i) receives and notes the draft Funding Impact Statement including Rates for 2018-19; and*
- (ii) adopts the draft Funding Impact Statement including Rates for 2018-19, for consultation purposes, attached as Appendix 1 to the report, before adopting the 2018-28 Long Term Plan Consultation Document."*

**11. TARGETED INVESTMENT FOR CHILD SWIMMING (18/417)**

Report No. CPC2018/2/74 by the Divisional Manager, Leisure Active

Mayor Wallace explained that officers had investigated a number of options for investment into a variety of swimming activities. He highlighted that the most appropriate course of action was for the Community Services Committee to assess the options and make recommendations to the Community Plan Committee.

In response to questions from a member, Mayor Wallace and the General Manager, City and Community Services assured members that all options would be fully investigated. These options included options for seeking views of the community, costs of the Magic Card including implications for the budget.

**RESOLVED:** (Mayor Wallace/Cr Sutton)

**Minute No. CPC 18211**

*"That the Committee:*

- (i) receives the information as requested; and*
- (ii) refers the item back to the Community Services Committee to assess further investment in swimming in the City and report back to the Community Plan Committee at its meeting to be held in June 2018."*

12. **2018-2028 LONG TERM PLAN CONSULTATION DOCUMENT** (18/393)

Report No. CPC2018/2/73 by the Corporate Planner

The Corporate Planner elaborated on the report and highlighted the minor amendments made to the Consultation Document ('the document') as a result of conversations with Audit New Zealand.

Mayor Wallace thanked the Corporate Planner for the work completed to date including the new opportunities to consult with the community.

In response to a question from a member, the Corporate Planner agreed to investigate whether a total figure of the rates amount could be included.

In response to a question from a member, the Chief Executive agreed to re-assess the timeframes of the Community Plan process for 2019, to enable minor edits to be included.

Mr Clark, Auditor Director, Audit New Zealand explained that the Auditor's role was to assess if the document and process met the purpose and ensured all underlying documentation was aligned. He stressed there was no time left to make changes to the document as reported to the meeting.

In response to a question from a member, Mayor Wallace advised that additional information relating to the increase in rates could be covered off in Council's communications to the community.

In response to a question from a member, the Corporate Planner agreed to distribute any minor changes which were included in the document.

**RECOMMENDED TO COUNCIL:** (Mayor Wallace/Cr Lulich) **Minute No. CPC 18212**

*"That the Committee recommends that Council:*

- (i) notes that the non-financial underlying information for the 2018-2028 Long Term Plan (LTP) was adopted by Council following the meeting of the Community Plan Committee held on 20 February 2018;*
- (ii) notes that the proposed fees and charges for 2018-2019 was adopted by Council following the meeting of the Community Plan Committee held on 20 February 2018;*
- (iii) notes that a subcommittee comprising the Mayor and Chairs of Standing Committees were appointed to provide ongoing guidance on the Consultation Document and Questionnaire;*
- (iv) notes that the Consultation Document is going through its final audit with the Office of the Auditor General and any necessary changes will be reflected in an updated version that will be circulated prior to Committee meeting;*
- (v) receives the Audit Opinion from Audit New Zealand; and*
- (vi) adopts the 2018-2028 LTP Consultation Document."*

For the reasons outlined in the report.

13.

**RECOMMENDATION TO COUNCIL** (18/378) (Mayor Wallace/Deputy Mayor Bassett)  
**Minute No. CPC 18213**

*"That the Committee recommends that Council:*

*(i) adopts the underlying information for the Proposed 2018-2028 Long Term Plan including:*

- (a) the Draft Rates Postponement Policy for Residential Ratepayers Aged 65 years and Over;*
- (b) the Rates Remissions for Community, Sporting and Other Changes;*
- (c) the Draft 2018 Financial Strategy;*
- (d) the Draft 2018-28 Long Term Plan budgets;*
- (e) the key forecasting assumptions;*
- (f) the Draft 2018-2048 Infrastructure Strategy;*
- (g) the Draft 2018 Revenue and Financial Policy; and*
- (h) the Funding Impact Statement Including Rates for 2018-19;*

*(ii) resolves that it is financially prudent to have an unbalanced budget in 2018-19 and 2019-20 caused by the accounting treatment of grants paid to the Hutt City Community Facilities Trust (CFT) for capital works carried out by the CFT in these years; and*

*(iii) adopts the Consultation Document, which includes the audit opinion, for the 2018-2028 Long Term Plan public consultation process."*

**14. QUESTIONS**

There were no questions.

There being no further business the Chair declared the meeting closed at 7.05pm.

WR Wallace  
**CHAIR**

**CONFIRMED as a true and correct record**

**Dated this 22nd day of May 2018**