

HUTT CITY COUNCILFINANCE AND PERFORMANCE COMMITTEE

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

Wednesday 4 July 2018 commencing at 5.30pm

PRESENT:

Cr C Milne (Chair)	Cr C Barry
Cr G Barratt	Deputy Mayor D Bassett
Cr J Briggs	Cr MJ Cousins (until 7.25pm)
Cr S Edwards	Cr M Lulich
Cr L Sutton	Mayor WR Wallace (from 5.34pm)

APOLOGIES: An apology for lateness from Mayor Wallace was received.

IN ATTENDANCE:

Mr T Stallinger, Chief Executive
 Mr B Kibblewhite, General Manager, Corporate Services
 Mr M Reid, General Manager, City and Community Services
 (part meeting)
 Mr L Allott, Chief Information Officer
 Mr M de Haast, Chief Financial Officer
 Mr B Cato, General Counsel
 Ms E Davids, Risk and Assurance Manager
 Mr D Tyson, Health and Safety Manager
 Ms H Clegg, Minute Taker

PUBLIC BUSINESS1. **APOLOGIES**

RESOLVED: (Cr Milne/Deputy Mayor Bassett)

Minute No. FPC 18301

"That the apology for lateness received from Mayor Wallace be accepted."

2. **PUBLIC COMMENT**

There was no public comment.

3. **CONFLICT OF INTEREST DECLARATIONS**

Deputy Mayor Bassett declared a conflict of interest in item 7b) relating to TechnologyOne SaaS Governance Update and took no part in discussion or voting on the matter.

Deputy Mayor Bassett and Crs Cousins and Milne declared a conflict of interest in item 10 relating to Appointment of Directors – Seaview Marina Limited, Urban Plus Limited and Hutt City Community Facilities Trust and took no part in discussion or voting on the matter.

4. RECOMMENDATIONS TO COUNCIL - 24 July 2018

i) Remuneration and Employment Policy Amendment (18/1139)

The Chief Executive elaborated on the report.

Mayor Wallace joined the meeting at 5.34pm.

The Chair foreshadowed a motion to remove ambiguity as he believed it provided for an external source to dictate the amount of the living wage each year, regardless of Council's own remuneration process. He also believed that the Remuneration and Employment Policy (the Policy) gave an expectation for a portion of Council staff to automatically receive a pay increase each year, regardless of performance.

In response to questions from members, the Chief Executive advised that under the Policy all staff were subject to Council's remuneration process and the Policy provided that Council intends to pay the living wage each year, subject to budget availability. He added that the Policy could be reviewed if a sudden increase in the living wage occurred which had potential to negatively impact the budget. He added that it was expected for the living wage to remain in line with other market wage increase levels for the foreseeable future.

Mayor Wallace reminded members that Council had committed to paying the living wage as a minimum wage to all Council staff, as part of the Long Term Plan process. He added that a workshop had been organised concerning the living wage and the detailed process undertaken to set the figure each year.

MOVED: (Cr Milne/Cr Sutton)

That the Committee recommends that Council will pay the Living Wage of \$20.55 to staff employed by Council and thereafter ensure that Council's remuneration framework is applied to all staff.

The motion was declared LOST on the voices.

RECOMMENDED: (Cr Briggs/Cr Barratt) BY DIVISION **Minute No. FPC 18302**

"That the Committee recommends that Council adopts the revised Remuneration and Employment Policy attached as Appendix 1 to the report."

For the reason that this will make the Policy consistent with the recent Council resolution to increase minimum wages to \$20.55 (the current Living Wage) from 1 July 2018.

The motion was declared CARRIED by division with the voting as follows:

<u>For</u>	<u>Against</u>
Cr Barratt	Cr Milne
Cr Barry	Cr Sutton
Deputy Mayor Bassett	
Cr Briggs	
Cr Edwards	
Cr Lulich	
Mayor Wallace	
Total: 7	Total: 2

ii) Internal Audit Charter and Internal Audit Plan 2018-2021 (18/946)

The Risk and Assurance Manager elaborated on the report.

The General Manager, Corporate Services advised there would be a workshop, around October to allow Councillor input into the strategic direction for Urban Plus Limited, to be factored into next year's draft Statement of Intent for Urban Plus Limited.

In response to questions from members, the Risk and Assurance Manager advised that most of the additional audits outside of the programme had other sources of assurance.

RESOLVED: (Mayor Wallace/Cr Milne)

Minute No. FPC 18303

"That the Committee:

- (i) approves the Internal Audit Charter, attached as Appendix 1 to the report;*
- (ii) agrees with prioritisation of the internal audits; and*
- (iii) approves the Internal Audit Plan 2018–2021, attached as Appendix 2 to the report."*

5. **RISK AND ASSURANCE UPDATE AND OPERATIONAL RISK REPORT 2018**
(18/945)

Report No. FPC2018/3/185 by the Risk and Assurance Manager

The Risk and Assurance Manager elaborated on the report.

Mayor Wallace left the meeting at 6.31pm.

In response to a question from a member, the General Manager, Corporate Services agreed to find out why the new Events Centre was not listed as a community evacuation centre which required an emergency generator and report on any budgetary implications.

Mayor Wallace rejoined the meeting at 6.34pm.

RESOLVED: (Cr Milne/Cr Lulich)

Minute No. FPC 18304

"That the Committee:

- (i) notes the information in this report; and*
- (ii) notes the Operational Risk Profile 2018 as approved by the Strategic Leadership Team, attached as Appendix 1 to the report."*

6. **FINANCE UPDATE** (18/1068)

Report No. FPC2018/3/187 by the Budgeting and Reporting Manager

The Chief Financial Officer elaborated on the report.

In response to a question from a member, the Chief Executive advised that the Mitchell Park sale had been delayed due to the conditions of sale yet to be fully realised. He added that the resource consent had been granted that day, which should be the final condition to be fulfilled.

In response to a further question from a member, the General Manager, City and Community Services agreed to review and report back on the reasons for the under achievement of budget targets regarding swimming pools.

RESOLVED: (Cr Milne/Mayor Wallace)

Minute No. FPC 18305

"That the Committee notes Council's May 2018 year to date financial performance and the full year forecast for the year ending 30 June 2018."

7. INFORMATION ITEMS

a) Health & Safety Officer Due Diligence Report July 2017 to June 2018 (18/1084)

Report No. FPC2018/3/97 by the Health and Safety Manager

The Health and Safety Manager elaborated on the report.

In response to questions from members, the Health and Safety Manager advised that venues rented out to members of the public were only classed as workplaces, in relation to the Health and Safety at Work Act 2015, when a Council employee was present. He added that he received monthly reports from Council's main contractors on health and safety, which were reported to Council's Strategic Leadership Team (SLT) monthly. The General Manager, Corporate Services added that health and safety practises of contractors were a consideration when contracts were tendered.

Members discussed the report, the classifications used and the value of a workshop being held by the Health and Safety Manager for Councillors and SLT. The Health and Safety Manager advised that training would be held this year for Councillors relating to violence de-escalation.

Mayor Wallace left the meeting at 7.11pm.

RESOLVED: (Cr Milne/Deputy Mayor Bassett)

Minute No. FPC 18306

"That the report be noted and received."

b) TechnologyOne SaaS Governance Update (18/1086)

Report No. FPC2018/3/98 by the Chief Information Officer

Deputy Mayor Bassett declared an interest in the item and took no part in discussion or voting on the matter.

The Chief Information Officer elaborated on the report.

Mayor Wallace rejoined the meeting at 7.16pm.

RESOLVED: (Cr Milne/Mayor Wallace)

Minute No. FPC 18307

"That the report be noted and received."

c) **Finance & Performance Committee Work Programme 2018** (18/1081)

Report No. FPC2018/3/99 by the Committee Advisor

The Chief Financial Officer elaborated on the report.

In response to questions from members on the pending section of the work programme, the Chief Financial Officer agreed to remove the rate differential 10 year plan, as no further work was required. He added that the redesign of the combined rates invoices for Council and Greater Wellington Regional Council (GWRC) would seek to clearly distinguish between Council and GWRC rate charges. Changes to the combined invoice would be available from 1 July 2019, or earlier if possible.

RESOLVED: (Cr Milne/Mayor Wallace)

Minute No. FPC 18308

"That the programme be noted and received."

8. **QUESTIONS**

There were no questions.

9. **EXCLUSION OF THE PUBLIC**

RESOLVED: (Cr Barry/Mayor Wallace)

Minute No. FPC 18309

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

10. *Appointment of Directors - Seaview Marina Limited, Urban Plus Limited and Hutt City Community Facilities Trust (18/1091)*

The general subject of each matter to be considered while the public is excluded, the reason 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 are as follows:

(A)	(B)	(C)
<i>General subject of the matter to be considered.</i>	<i>Reason for passing this resolution in relation to each matter.</i>	<i>Ground under section 48(1) for the passing of this resolution.</i>
<i>Appointment of Directors - Seaview Marina Limited, Urban Plus Limited and Hutt City Community Facilities Trust.</i>	<i>The withholding of the information is necessary to protect the privacy of natural persons. (s7(2)(a)).</i>	<i>That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of</i>

*information for which
good reason for
withholding exist.*

This resolution is made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as specified in Column (B) above."

There being no further business the Chair declared the meeting closed at 7.25pm, and the non-public portion closed at 7.40pm.

Cr C Milne
CHAIR

CONFIRMED as a true and correct record
Dated this 24th day of July 2018