

HUTT CITY COUNCILKOMITI RATONGA RANGATŌPŪ ME TE RAUTAKI
POLICY, FINANCE AND STRATEGY COMMITTEE

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

Wednesday 6 March 2024 commencing at 2:01 pm

PRESENT:

Cr A Mitchell (Chair)	Mayor C Barry (from 2.12pm)
Cr K Brown (from 2.05pm)	Cr B Dyer
Cr Edwards	Deputy Mayor T Lewis (Deputy Chair)
Cr K Morgan	Cr C Parkin
Cr T Stallinger	

APOLOGIES: There were no apologies.

IN ATTENDANCE:

Cr J Briggs (part meeting)
 J Miller, Chief Executive
 A Blackshaw, Director Neighbourhoods and Communities
 J Griffiths, Director Strategy and Planning
 A Geddes, Director Environment and Sustainability
 J Kingsbury, Director Economy and Development
 J Livschitz, Group Chief Financial Officer
 B Cato, Chief Legal Officer (part meeting)
 R Hardie, Head of Strategy and Policy (part meeting)
 J Lamb, Head of Business and Economy (part meeting)
 G Birse, Head of Enterprise Portfolio Management Office (part meeting)
 D Newth, Financial Accounting Manager (part meeting)
 M Randall, Senior Advisor Climate and Sustainability
 A Gordon, Senior Policy Advisor (part meeting)
 B Hodgins, Strategic Advisor (part meeting)
 Y Chung, Senior Financial Accountant (part meeting)
 T Kinsella, Financial Accountant (part meeting)
 K Stannard, Head of Democracy Services
 J Randall, Democracy Advisor

PUBLIC BUSINESS**1. OPENING FORMALITIES - KARAKIA TIMATANGA**

Whakataka te hau ki te uru	<i>Cease the winds from the west</i>
Whakataka te hau ki te tonga	<i>Cease the winds from the south</i>
Kia mākinakina ki uta	<i>Let the breeze blow over the land</i>
Kia mātaratara ki tai	<i>Let the breeze blow over the ocean</i>
E hī ake ana te atakura	<i>Let the red-tipped dawn come with a sharpened air</i>
He tio, he huka, he hau hū	<i>A touch of frost, a promise of a glorious day.</i>
Tihei mauri ora.	

2. APOLOGIES

Apologies for lateness were received from Mayor Barry and Cr Brown.

3. PUBLIC COMMENT

There was no public comment.

4. CONFLICT OF INTEREST DECLARATIONS

Deputy Chair Lewis declared a conflict of interest regarding item 5a: Seaview Marina Limited Draft Statement of Intent 2024/25 to 2026/27 and item 6: Seaview Marina Limited Six Month Report to 31 December 2023. Deputy Mayor Lewis was Council's representative on the Board of Seaview Marina Limited.

Cr Brown declared a conflict of interest regarding item 5b: Urban Plus Limited Group Draft Statement of Intent 2024/25 to 2026/27 and item 7: Urban Plus Limited Six Month Report to 31 December 2023. Cr Brown was Council's representative on the Board of Urban Plus Limited.

PRECEDENCE OF BUSINESS

In accordance with Standing Order 10.4, the Chair accorded precedence to items 6, 7 and 8 on the agenda. The order of business was as follows:

Item 6) Seaview Marina Limited Six Month Report To 31 December 2023.

Item 5a) Seaview Marina Limited Draft Statement of Intent 2024/25 to 2026/27.

Item 7) Urban Plus Limited Group Six Month Report To 31 December 2023.

Item 5b) Urban Plus Limited Group Draft Statement of Intent 2024/25 to 2026/27.

Item 8) Hutt Valley Chamber of Commerce - Six Monthly Report to 31 December 2023.

Item 5c) Adoption of Hutt City Council's Control of Animals Bylaw.

Item 9) Quarterly Performance Report - 1 October to 31 December 2023.

Item 10) Policy, Finance and Strategy Committee Forward Programme.

These items are recorded in the order in which they are listed on the Order Paper.

5. RECOMMENDATIONS TO COUNCIL | TE KAUNIHERA O TE AWA
KAIRANGI - 6 MARCH 2024

- a) Seaview Marina Limited Draft Statement of Intent 2024/25 to 2026/27

Deputy Mayor Lewis declared a conflict of interest and took no part in the discussion or voting on the matter.

Peter Steel, Board Chair of Seaview Marina Limited (SML) and Tim Lidgard, Chief Executive of SML, were in attendance for the item.

The Financial Accounting Manager elaborated on the report.

The Board Chair of SML advised that purchasing the breakwater from Council was significant for SML and would result in a reliable income. He highlighted that the additional debt from the purchase could affect the timing and amount of dividend payments.

In response to questions from members, the Financial Accounting Manager agreed to estimate the impact of the breakwater purchase on the projected annual surplus, including depreciation and interest costs. He also agreed to include the breakwater in the Development Plans in the relevant section of the draft Statement of Intent (SOI). He further agreed to add to section 7.3 of the draft SOI that lease payments currently payable to Council would cease with the planned purchase of the breakwater. He also agreed to include annual targets for reducing emissions under Performance Measures (section 7.5 of the draft SOI).

In response to questions from members, Peter Steel confirmed that SML would replace fuel-powered equipment with electric vehicles once they became available, regardless of whether the existing equipment had reached the end of its useful life. He explained that transitioning some equipment was difficult due to electric alternatives being unavailable. He mentioned that SML was working to understand its emissions and would provide more clarity in future reports.

RECOMMENDED: (Cr Mitchell/Cr Dyer)	Minute No. PFSC 24101
<i>"That the Committee recommends that Council:</i>	
(1) <i>notes the Seaview Marina (SML) Board has submitted a draft Statement of Intent (SOI) for the three years 2024/25 to 2026/27, attached as Appendix 1 to the report, in accordance with the Local Government Act 2002;</i>	
(2) <i>notes that officers have reviewed the draft SOI for compliance with the Local Government Act 2002 and provided their analysis;</i>	
(3) <i>receives the draft SOI;</i>	
(4) <i>review the draft SOI and consider if any modifications should be made;</i>	
(5) <i>provides comment for the SML Board to consider in finalising its SOI (including any modifications suggested by the Committee arising under recommendation (4))</i>	

above);

- (6) notes the SOI includes the assumed purchase of the breakwater from Council for \$3.4M, which will be funded by additional borrowings; this is subject to further decision making processes by Council and may vary; and*
- (7) agrees to a revised Return of Equity of 0.4% in 2024/25, 0.2% in 2025/26 and 0.2% in 2026/27 due to the increased costs of borrowing for the assumed purchase of the breakwater from Council."*

b) Urban Plus Limited Group Draft Statement of Intent 2024/25 to 2026/27

Cr Brown declared a conflict of interest and took no part in voting on the matter.

Pamela Bell, Board Chair of Urban Plus Limited (UPL), was in attendance for the item via audio-visual link.

The Financial Accounting Manager elaborated on the report.

In response to questions from members, the Financial Accounting Manager agreed to amend paragraph 5 in the 'Strategic Priorities' section to include an intention for more intensive housing opportunities near shopping and transport hubs wherever possible, as per Council's Medium Density Design Guide. He agreed to change the title of paragraph 5 to summarise this intent. He agreed to provide project based information with 10 year projections of surpluses/deficits on a year by year basis. He agreed to add an explanation to clarify the portfolio size.

The Board Chair of UPL highlighted that UPL's ability to deliver mixed-use housing at the scale required by Council largely depended on the progress made at Colson Street and Hollard Grove. She said this would enable UPL to keep delivering at its current low margins. She requested an opportunity to collaborate more closely with Council to mitigate the potential risks associated with these developments.

Cr Brown emphasised the importance of partnering with community housing providers. She explained that these properties were not included in the UPL portfolio but were necessary to access rental support.

The Chair asked that officers add a portfolio explanation to the draft SOI, covering UPL's properties and opportunities through its partnerships with Community Housing Providers.

RECOMMENDED: (Cr Mitchell/Cr Edwards)	Minute No. PFSC 24102
<i>"That the Committee recommends that Council:</i>	
<i>(1) notes that the Urban Plus Group (UPL) Board has submitted a draft Statement of Intent (SOI) for the three years 2024/25 - 2026/27, attached as Appendix 1 to the report, in accordance with the Local Government Act 2002;</i>	
<i>(2) notes that officers have reviewed the draft SOI for compliance with the Local Government Act 2002 and provided their analysis;</i>	
<i>(3) receives the draft SOI;</i>	
<i>(4) review the draft SOI and consider if any modifications should be made; and</i>	
<i>(5) provides comments for the UPL board to consider in finalising its SOI (including any modifications suggested by the Committee arising under recommendation (4) above)."</i>	

5. **RECOMMENDATION TO COUNCIL | TE KAUNIHERA O TE AWA
KAIRANGI - 27 MARCH 2024**

c) Adoption of Hutt City Council's Control of Animals Bylaw

The Head of Strategy and Policy elaborated on the report.

In response to a question from a member, the Senior Policy Advisor advised that due to a technical issue, only partial data on the responses from the cat owners and non-cat owners were available. However, she pointed out that both groups mostly supported the proposed bylaw.

The Chair stated that some submitters had requested more stringent restrictions on cats than was proposed in the bylaw. However, he believed the bylaw to be an important initial step.

RESOLVED: (Cr Mitchell/Cr Edwards) **Minute No. PFSC 24103**

"That the Committee:

- (1) adopts the minutes of the Hearings Subcommittee meeting held on 30 November 2023, with the exception of item 3, attached as Appendix 1 to the memorandum;*
- (2) notes the Hearings Subcommittee recommendations to amend the Control of Animals Bylaw as recorded in the deliberation's minutes attached as Appendix 1 to the memorandum; and*
- (3) notes the Statement of Proposal attached as Appendix 2 to the memorandum."*

RECOMMENDED: (Cr Mitchell/Cr Edwards)	Minute No. PFSC 24104
<i>"That the Policy Finance and Strategy Committee recommends that Council adopts the Control of Animals Bylaw attached as Appendix 3 to the memorandum noting that the bylaw will come into force on 28 March 2024."</i>	

Cr Brown joined the meeting at 2.05pm

6. SEAVIEW MARINA LIMITED SIX MONTH REPORT TO 31 DECEMBER 2023

Report No. PFSC2024/1/40 by the Financial Accountant

Deputy Mayor Lewis declared a conflict of interest and took no part in discussion or voting on the matter.

Peter Steel, Board Chair of Seaview Marina Limited (SML) and Tim Lidgard, Chief Executive of SML, were in attendance for the item.

The Senior Financial Accountant elaborated on the report.

In response to a question from a member, the Chief Executive of SML stated that the issue of the damaged tunnel house door, which was outlined in the overview section of the report, had been resolved.

RESOLVED: (Cr Mitchell/Cr Stallinger)

Minute No. PFSC 24105

"That the Committee receives the half year report from Seaview Marina Limited attached as Appendix 1 to the report."

Mayor Barry joined the meeting at 2.12pm

7. URBAN PLUS LIMITED GROUP SIX MONTH REPORT TO 31 DECEMBER 2023

Report No. PFSC2024/1/41 by the Senior Financial Accountant

Cr Brown declared a conflict of interest and took no part in voting on the matter.

Pamela Bell, Board Chair of Urban Plus Limited (UPL), was in attendance for the item via audio-visual link.

The Financial Accounting Manager elaborated on the report.

The Board Chair of UPL outlined the challenges and opportunities currently impacting the construction sector and how they might affect UPL. She said that the political and economic environment was uncertain. However, she noted the government had signalled its support for community housing providers. She invited Councillors to visit UPL's new sustainable homes.

In response to questions from members, the Board Chair of UPL agreed to provide reports on individual properties to the members to give them confidence in the properties' return on investment. She further agreed to share data on the number of responses received for the UPL Landlord Satisfaction survey. She also confirmed that green space would be included in the Hollard Grove development during a later stage of the project.

In response to a question from a member, the Chief Executive explained that the smaller

size of UPL's portfolio was due to the properties that were no longer with UPL but were now with community housing providers.

Cr Brown confirmed UPL's main objective was not to expand its portfolio. She said it was instead focused on providing quality, healthy homes to people in need, and promoting partnerships. She highlighted UPL's commitment to employment by advising that 23 apprentices were currently working on UPL developments.

RESOLVED: (Cr Mitchell/Deputy Mayor Lewis)

Minute No. PFSC 24106

"That the Committee receives the half year report from Urban Plus Limited Group attached as Appendix 1 to the report."

8. HUTT VALLEY CHAMBER OF COMMERCE - SIX MONTHLY REPORT TO 31 DECEMBER 2023

Report No. PFSC2024/1/42 by the Head of Business and Economy

Patrick McGibbon, Chief Executive of the Hutt Valley Chamber of Commerce (the Chamber), was in attendance for the item.

The Head of Business and Economy and the Chief Executive of the Chamber elaborated on the report.

In response to questions from members, the Chief Executive of the Chamber said that a proposed manufacturing academy for school students was still in the proposal stage and would depend on government funding. He added that the proposed academy would follow the same model as trades academies, with 50% funding from the government and 50% from the Wellington Trades Academy. He advised that the Chamber membership continued to increase but operated on a slim margin. He agreed to consider holding some Chamber events in Wainuiomata.

RESOLVED: (Cr Mitchell/Cr Dyer)

Minute No. PFSC 24107

"That the Committee receives and notes the Hutt Valley Chamber of Commerce report for the six months to December 2023 attached as Appendix 1 to the report."

9. QUARTERLY PERFORMANCE REPORT - 1 OCTOBER TO 31 DECEMBER 2023

Report No. PFSC2024/1/44 by the Head of Enterprise Portfolio Management Office

The Head of Enterprise Portfolio Management Office elaborated on the report.

In response to questions from members, the Head of Enterprise Portfolio Management Office explained the Community Wellbeing section of the report was to be included in the Quality of Life Survey and the Residents Satisfaction Survey from now on, because its

availability did not align with reporting periods for this Committee. She confirmed the data would be detailed enough to provide the information Councillors required.

In response to a question from a member, the Director Economy and Development explained that the funding for Tupua Horo Nuku was only confirmed late last year. He added that the funding would be reflected in the Quarterly Performance report released in July 2024.

In response to a question from a member, the Strategic Advisor agreed to report back on the large KPI variance for Wellington Water Limited (Wellington Water) attending sewerage blockages in the 2023/24 year. He further agreed to report back on why it took longer to reach the site of the blockages than it took to fix them. He advised that Wellington Water was in the process of quantifying the requirements for repairing the chlorination problem at the Waterloo Treatment Plant. He noted this would be a cost solely for Hutt City Council and no funding had been allocated in the Long Term Plan for the work. He expected officers to report back on the implications in late May – early June 2024.

In response to a question from a member, the Director Environment and Sustainability confirmed that an increase in consent fees was necessary to cover the cost of external contractors and to close the gap between income and expenditure.

RESOLVED: (Cr Mitchell/Cr Stallinger)

Minute No. PFSC 24108

"That the Committee notes and receives the Quarterly Performance Report for the period 1 October to 31 December 2023, attached as Appendix 1 to the report."

10. INFORMATION ITEM

Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance and Strategy Committee Forward Programme

Memorandum dated 22 February 2024 by the Democracy Advisor

RESOLVED: (Cr Mitchell/Deputy Mayor Lewis)

Minute No. PFSC 24109

"That the Committee receives and notes the draft forward programme for 2024 attached as Appendix 1 to the memorandum."

11. QUESTIONS

There were no questions.

12. CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA

Unuhia!	<i>Release us from the supreme sacredness of our</i>
Unuhia!	<i>To be clear and free</i>
Unuhia i te uru-tapu-nui	<i>in heart, body and soul in our continuing journey</i>
Kia wātea, kia māmā	<i>Oh Rongo, raise these words up high</i>
Te ngākau, te tinana, te wairua i te ara takatū	<i>so that we be cleansed and be free,</i>
Koia rā e Rongo whakairihia ake ki runga	<i>Yes indeed, we are free!</i>
Kia wātea, kia wātea!	<i>Good and peaceful</i>
Ae rā, kua wātea!	
Hau, pai mārire.	

There being no further business the Chair declared the meeting closed at 3.20pm.

Cr Mitchell
CHAIR

CONFIRMED as a true and correct record
Dated this 27th day of March 2024