

## ITEM NUMBER: 13.2

### CONFIDENTIAL REPORT

# CONFIDENTIAL MINUTES – ALWYNDOR MANAGEMENT COMMITTEE – 18 DECEMBER 2018

*Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Alwyndor Management Committee Members upon the basis that the Alwyndor Management Committee consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Alwyndor Management Committee will receive, discuss or consider:*

- b. **Information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom Alwyndor is conducting, or proposing to conduct, business, or to prejudice the commercial position of Alwyndor; and would, on balance, be contrary to the public interest.**

**Confidential Minutes of the Alwyndor Management Committee Meeting held in the Boardroom, Alwyndor Aged Care, 52 Dunrobin Road Hove on Tuesday 18 December 2018 at 6.30pm.**

**8. ITEMS IN CONFIDENCE**

**8.1 Monthly Financial Report – November 2018 (Report No: 86/18)**

**Exclusion of the Public – Section 90(3)(d) Order**

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Alwyndor Management Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager and Staff in attendance at the meeting in order to consider Report No: 86/18 Monthly Financial Report – November 2018 in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 86/18 Monthly Financial Report – November 2018 on the following grounds:
  - d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a third party of Alwyndor, in addition Alwyndor's financial position is reported as part of Council's regular budget updates.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

3. The Alwyndor Management Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Mr Bamford, Seconded Mr Chabrel

Carried

Financial reports for November 2018 are provided for review. They comprise of the Dashboard, Financial and Investment Reports.

*The General Manager advised that the indicators have been heading in the right direction and this month have reached the bottom line and is cautiously optimistic. It was noted that ACFI still isn't where we would like it to be. The committee asked for an explanation of what employee productivity means and the General Manager advised that it is the difference between the charged hours versus staff rostered/paid*

hours. Unspent funds is down and this relates directly to discharged customers and payments back to the government. The committee requested a glossary of acronyms. The General Manager explained that the workcover payment is paid on predicted salary payout for the year. Usually we receive a refund however for last year we didn't based on an unexpected increase of staff hours and unfortunately, we missed the cut-off to charge this against last years budget. Committee pleased some of the indicators are moving in the right direction. GM advised investment report - \$20m in bank - \$4m of this awaiting probate. While it sits we earn 2.8 but pay at 3.75 % interest. The GM also advised that due to staff leave, and the Christmas period we won't be able to provide the January finance report will not be circulated with the agenda but should be able to table the financials at the meeting.

#### Motion

1. That the Dashboard (Attachment 1), Financial Report (Attachment 2), and Investment Report (Attachment 3) be received and noted.
2. That the actions of the General Manager in reinvesting Term Deposits and redemption of investments be endorsed.

#### RETAIN IN CONFIDENCE - Section 91(7) Order

3. That having considered Agenda Item 8.1 Monthly Financial Report – November 2018 (Report No: 86/18) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Alwyndor Management Committee, pursuant to section 91(7) of that Act orders that the Attachments and Minutes be retained in confidence for a period of 18 months and that this order be reviewed every 12 months.

Moved Mr Bamford, Seconded Mr Cheater

Carried

#### 8.2 WiFi Coverage Upgrade – Business Case (Report No: 87/18)

##### Exclusion of the Public – Section 90(3)(d) Order

- 1 That pursuant to Section 90(2) of the Local Government Act 1999 Alwyndor Management Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager and Staff in attendance at the meeting in order to consider Report No: 87/18 WiFi Coverage Upgrade – Business Case in confidence.
2. That in accordance with Section 90(3) of the Local Government Act 1999 Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 87/18 WiFi Coverage Upgrade – Business Case on the following grounds:
  - d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial

information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a third party relating to the supply of the WiFi network.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

3. The Alwyndor Management Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Cr Chabrel, Seconded Mr Bamford

Carried

This report outlines the business case and seeks endorsement of expenditure of funds for upgrading Alwyndor's WiFi infrastructure, which is a new initiative item included in the FY 18/19 capital budget.

*There were three initiatives provided in the capital budget and this is one the General Manager agreed to provide a business case for. The Committee believe this is a good opportunity for positive communications and asked what the plans are for promoting this initiative. The General Manager advised that in order to offer product packages to residents we have to have the infrastructure is in place and wait for the NBN. The General Manager also confirmed that the NBN will be run to the premises (unlike residential where it's run to the node). The Committee sought clarity on the procurement process and the General Manager confirmed that he intends to seek three written quotes.*

Cr Lonie joined the meeting at 7.11pm

#### Motion

1. That the Alwyndor Management Committee note information provided in the business case for the WiFi coverage upgrade.
2. That the Alwyndor Management Committee endorses the capital expenditure of \$45,000 for the WiFi coverage upgrade.

#### RETAIN IN CONFIDENCE - Section 91(7) Order

3. That having considered Agenda Item 8.2 WiFi Coverage Upgrade – Business Case (Report No: 87/18) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Alwyndor, pursuant to section 91(7) of that Act orders that the Report, Attachments and Minutes be retained in confidence for a period of 24 months and that this order be reviewed every 12 months.

Moved Mr Whitford, Seconded Mr Cheater

Carried

8.3 **Operational Review Phase 2 (Report No: 88/18)**

**Exclusion of the Public – Section 90(3)(a & d) Order**

1. That pursuant to Section 90(2) of the Local Government Act 1999 Alwyndor Management Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager and Staff in attendance at the meeting in order to consider Report No: 88/18 Operational Review Phase 2 in confidence.
2. That in accordance with Section 90(3) of the Local Government Act 1999 Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 88/18 Operational Review Phase 2 on the following grounds:
  - a. pursuant to section 90(3)(a) of the Act, the information to be received, discussed or considered in relation to Report No: 88/18 Operational Review Phase 2 is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead), being Alwyndor staff.
  - d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a third party.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

3. The Alwyndor Management Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Cs Lonie, Second Cr Chabrel

Carried

Mr Kluge left the meeting 7.15

Mr Whitford left the meeting at 7.16pm

Mr Kluge re-joined the meeting at 7.17pm

Mr Whitford re-joined the meeting at 7.18pm

Mr Capes, Ms LeCornu, Ms King and Mr Grealy (via phone) joined the meeting at 7.18pm

*The General Manager introduced Ms LeCornu, Ms King and Mr Grealy to the Committee.*

### **Short Term Suspension of Meeting Procedures**

The Chairperson, Ms T Aukett with the approval of all members present suspended the meeting procedures pursuant to Regulation 20(1) of the *Local Government (Procedures at Meetings) Regulations 2013* for a period of 30 minutes (or a period sufficient to facilitate informal discussion in relation to the matters raised by the General Manager Alwyndor and will resume at the discretion of the Presiding Member.

The meeting procedures were suspended at 7.19pm

At the conclusion of the 30 minutes for the Short Term Suspension of Meeting procedures at 7.49pm the Chairperson sought leave of the meeting to extend the short term suspension for a further 30 minutes.

Leave of the meeting was granted.

Ms LeCornu, Ms King and Mr Grealy left the meeting at 8.19pm

Ms Gordon left the meeting at 8.19pm

Ms Gordon re-joined the meeting at 8.22pm

The Chairperson brought the suspension of the meeting to a close at 8.24pm.

In response to detailed reviews which have identified areas of operations that require significant adjustment, this report proposes a strategy for delivering a 'normalised' operating environment as quickly and fairly as possible, that will 'right size' Alwyndor and enable it to sustainably and safely deliver high-quality services to the community.

The strategy outlines the likely implementation costs, industrial considerations and risks for the identified solutions in the following areas:

1. Customer Liaison Team Structure
2. Executive and Corporate Structure
3. Other Saving Initiatives
4. Home Support Services Coordinator Structure
5. Ongoing Sustainability.

*The committee considered the report as presented by the General Manager.*

*The Committee acknowledged that the report addresses the sustainability as requested at the last meeting but it seems that the two separate reports have emerged with inherently different risk profiles.*

*The Committee acknowledged the short time frame available before new standards take effect on 1 July 2019. The first, and most important, issue to look at and address is risk.*

*The Committee asked if existing (residential) teams could provide oversight for home support in the short-term but the General Manager advised he doesn't believe so as it would leave a large gap in residential, and given recent changes in residential would also be disruptive.*

*The Committee acknowledged that the risk of not meeting the standards are separate from financial and sustainability risks.*

**Motion**

**That the Alwyndor Management Committee:**

1. Note the information provided in this paper;
2. In-principle agree that the General Manager apply urgent attention to meet the new quality standards with a primary focus on Home Support, including the need to restructure the home support team, and require the General Manager to provide a staged implementation plan, change management plan, risk plans and costs at the January 2019 meeting;
3. Agree that Strategic Planning will identify Alwyndor's value proposition which will inform future discussions around sustainability and a long-term ICT system replacement project.

**RETAIN IN CONFIDENCE - Section 91(7) Order**

4. That having considered Agenda Item 8.3 Report No: 88/18 Operational Review Phase 2 in confidence under section 90(2) and (3)(a & d) of the Local Government Act 1999, the Alwyndor, pursuant to section 91(7) of that Act orders that the Report and Minutes be retained in confidence for a period of 36 months and that this order be reviewed every 12 months.

Moved Cr Lonie, Seconded Cr Chabrel

Carried

CONFIRMED

17 January 2019

CHAIRPERSON