

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE MEETING OF THE COUNCIL HELD ON 14 OCTOBER 2014, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOUTH, COMMENCING AT 10.57 A.M.

PRESENT:

A. Robb (Chairman), P. Ewen, A. Birchfield, P. McDonnell, T. Archer, S. Challenger. N. Clementson

IN ATTENDANCE:

C. Ingle (Chief Executive Officer), R. Mallinson (Corporate Services Manager), M. Meehan (Planning & Environmental Manager), J. Adams (Consents and Compliance Manager), T. Jellyman (Minutes Clerk)

1. APOLOGIES:

There were no apologies.

2. PUBLIC FORUM

There was no public forum.

3. CONFIRMATION OF MINUTES

Moved (Clementson / Ewen) *that the minutes of the Council Meeting dated 9 September 2014, be confirmed as correct.*

Carried

Matters arising

There were no matters arising.

REPORTS:

4.1 ENGINEERING OPERATIONS REPORT

M. Meehan spoke to this report and advised that rock has been placed in the Taramakau rating district. He advised that the sacrificial bund along the coastline has been reinstated for the Mokihinui rating district. M. Meehan advised that work has also been completed in the Karamea rating district.

M. Meehan reported that he is happy with the amount of rock available in council quarries at the moment. He advised that there has not been a lot of demand for rock over the past few months. M. Meehan advised that a further 5000 tonne of rock is available from another quarry at Whataroa. This rock costs the same amount as the rock in the main Whataroa quarry. There is now over 10,000 tonne available in Whataroa at the moment.

Cr McDonnell asked how often the sacrificial bund at Mokihinui needs to be reinstated. C. Ingle responded that every few years the bund is reinstated; he said that this does not cost very much and this method works well for this location.

M. Meehan reported that the first meeting for the Buller River flood protection working group was held last night in Westport. He stated it was a successful meeting with Crs Clementson, Archer and Robb attending. M. Meehan stated that he will provide a report on this next month. He advised that the group set down a list of things they want to look at. Staff will

look at these options and each month they will be reported on. M. Meehan stated there are two clear streams to work on and these must link together. He stated the civil defence response is one; the new Group Manager for Civil Defence will be included in this group; the second is the engineering options stream. M. Meehan stated that it is important that these two streams are working together. M. Meehan stated that last night's meeting was very positive with Buller District Council colleagues also feeling positive about this project with everyone looking for a solution that will benefit Westport. Cr Robb agreed, he stated this was a very fruitful meeting with a clear understanding that a short term solution is needed for civil defence purposes and then to investigate long term solutions for flood protection for Westport. Cr Robb stated that there is a will to get something in place for Westport and to ensure that the community understands that this is quite a big issue. Cr Clementson stated that it would be good to educate the community early on this. He stated that he has fielded quite a few queries on this and it is important to get the community involved.

C. Ingle reminded councilors that the annual rating district meetings are coming up in November. M. Meehan advised that works reports and financial reports will be circulated in the next week or so. M. Meehan advised that a lot of work has been done on asset management plans and the draft bylaw.

Moved (Ewen / Archer) *that this report be received.*

Carried

4.2 CORPORATE SERVICES MANAGER'S REPORT

R. Mallinson spoke to his report and advised that this is the financial report for the first two months of the financial year. He reported that the surplus is just under \$93,000. R. Mallinson reported that the investment portfolio has continued to do well during July and August and is still performing well. R. Mallinson answered various questions from councillors. Cr Archer asked where the revenue for emergency management came from. R. Mallinson advised that the rate had been increased from \$50,000 to \$200,000 per annum and he advised the revenue for the two months was \$87,000 and this included accrued rate revenue of \$33,000 along with \$13,000 in revenue from the national conference. He stated that this revenue and revenue from the tsunami study revenue was unbudgeted.

R. Mallinson advised that he circulated the audited annual report on Friday and yesterday he emailed the audit report which is unqualified. R. Mallinson stated that the onsite audit finished four weeks ago and the past four weeks have involved a huge amount of audit follow up queries from Audit NZ. R. Mallinson stated that Audit NZ's auditing has been ratcheted up. The standards that council is being audited to have increased exponentially compared to previous years. Cr Archer expressed his concern with the complexity of the document and said most people who read the report would have trouble understanding it. Extensive discussion took place on the audit requirements with R. Mallinson explaining in detail the new requirements that have been set by Audit NZ. Cr Archer stated that the Annual Report is becoming more and more unreadable.

Moved (Archer / McDonnell)

- 1. That this report is received.*
- 2. That Audited Annual Report for the year to 30 June 2014 be adopted.*

Carried

C. Ingle stated that the new FIS reports are duplicating what council normally does with the 4, 8 and 12 month reports which end up in the annual report under the activity headings. C. Ingle advised that one possibility in making this process easier next year is to just include the FIS reports and not the activity reports. He stated that several councils are now doing this and does meet the legislative requirements. C. Ingle advised this would make the annual report a simpler document for readers. He stated that he has discussed this with the Audit Director. C. Ingle thanked R. Mallinson for his work with the annual report and audit process. Extensive discussion took place on the changes to the audit process and the heavy workload that is now involved.

4.3 CONFLICT OF INTEREST POLICY

C. Ingle spoke to this report and advised that the proposed amendments to this policy came out of this year's audit management report. He stated that we already had a 2012 Conflict of

Interest Policy, the highlighted words at the end of the report is the new part. C. Ingle advised that Audit NZ is happy with this new policy.

Moved (Clementson / Archer)

1. *That this report is received.*
2. *That the new policy on avoiding conflicts of interest be adopted.*

Carried

C. Ingle stated that he does not have a CEO's report this month as he was in the USA for most of the month. He advised that he will have a report for next month's meeting.

5.0 CHAIRMANS REPORT

Cr Robb spoke to his report and advised that he attended the Mayors and Chairs forum on Monday. Cr Robb advised that R. Mallinson will be preparing a paper on Audit and Risk Policies for the next meeting. Cr Robb stated that the process at the moment is that the council is the audit committee but this is not formally reviewed on an annual basis. R. Mallinson advised that Audit NZ is pushing for audit and risk management committees in all governance bodies. He advised that these committees are common place in larger councils. R. Mallinson stated that if this is being considered, then to be truly effective, external representation on these committees from suitably qualified people is necessary. R. Mallinson advised that an experienced local Accountant who is not an elected member of council is the best option. Cr Robb stated that this was discussed at the meeting he had with S. Tobin, Audit Director, and also at the RSG meeting. Cr Robb stated that council needs to be confident in what its policy is and what best suit this council. R. Mallinson stated that the report will summarise what council already does in helping risk management, including credit risk with overdue debtors, insurance renewals, and the private session with the auditor director which takes place each year. Cr Robb stated that the policy has not been reviewed since this council has been together. R. Mallinson advised that the Office of the Auditor General has put out guidance documents regarding audit risk committees which helps councils identify what good practice is.

Moved (Robb / McDonnell) *that this report be received.*

Carried

6.0 GENERAL BUSINESS

There was no general business

The meeting closed at 11.44 p.m.

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Chairman

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Date