

## **THE WEST COAST REGIONAL COUNCIL**

### **MINUTES OF THE MEETING OF THE COUNCIL HELD ON 11 FEBRUARY 2020, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOUTH, COMMENCING AT 11.07 A.M.**

#### **PRESENT:**

A. Birchfield (Chairman), S. Challenger, P. Ewen, D. Magner, B. Cummings, J. Hill, L. Coll McLaughlin

#### **IN ATTENDANCE:**

R. Mallinson (Corporate Services Manager), H. McKay (Consents & Compliance Manager), H. Mills (Planning, Science & Innovation Manager), R. Beal (Operations Director), T. Jellyman (Minutes Clerk), J. Hawes (IT Support).

#### **1. APOLOGY:**

There were no apologies.

#### **2. PUBLIC FORUM**

There was no public forum.

#### **3.1 CONFIRMATION OF MINUTES**

The Chairman asked the meeting if there were any changes to the minutes of the previous meeting. There were no changes requested.

Cr Hill referred to page 3 of the minutes and advised that Phil Rutherford is a current Councillor on Buller District Council, and not a former Councillor.

**Moved** (Challenger / Magner) *that the minutes of the Council meeting dated 10 December 2019, be confirmed as correct, with the minor amendment as above being made.*

*Carried*

#### **Matters arising**

There were no matters arising.

#### **3.1.1 CONFIRMATION OF MINUTES OF A SPECIAL COUNCIL MEETING HELD 27 JANUARY 2020**

The Chairman asked the meeting if there were any changes to the minutes. There were no changes requested.

**Moved** (Challenger / Ewen) *that the minutes of the Special Meeting dated 27 January 2020, be confirmed as correct.*

*Carried*

#### **Matters arising**

There were no matters arising.

#### **3.1.1 CONFIRMATION OF MINUTES OF A SPECIAL COUNCIL MEETING HELD 31 OCTOBER 2019**

The Chairman asked the meeting if there were any changes to the minutes. There were no changes requested.

**Moved** (Coll McLaughlin / Cummings) that *the minutes of the Special Meeting dated 31 October 2019, be confirmed as correct.*

*Carried*

### **Matters arising**

There were no matters arising.

### **REPORTS:**

#### **4.1 OPERATIONS REPORT**

R. Beal spoke to his report. He advised that an onsite meeting was held with members of the Inchbonnie Rating District last week, and it was agreed that the banks would be beefed up using approximately 10,000 tonnes of quarry waste materials. This will be at no cost to the rating district.

R. Beal advised that cross section survey work has been done in the Taramakau and Inchbonnie rating districts.

R. Beal reported that last week a temporary groyne at the sea end of the bank on the Waiho River was built to try to divert the river away from farm land as it was starting to come in behind the existing wall.

R. Beal advised that design and costs are now to hand for the extension of the Milton & Others stopbank, as the farmers in this area are keen to have additional protection. He stated once final figures for the rebuild and the insurance payout is to hand a meeting with the rating district will be arranged to progress this work.

R. Beal answered questions from Councillors.

**Moved** (Challenger / Magner) *That the report is received.*

*Carried*

#### **4.1.1 RATING DISTRICT LIAISON MEETINGS REPORT**

R. Beal spoke to this report. He advised that the classifications for the Hokitika Seawall will be going through the Long Term Plan process.

**Moved** (Challenger / Ewen)

1. *That Council receives this report.*

2. *That the rate strikes recommended be placed in the next Annual Plan.*

*Carried*

#### **4.2 CORPORATE SERVICES MANAGERS MONTHLY REPORT**

R. Mallinson spoke to his report and advised that this is the six month report up to 31 December 2019. He advised that the operating surplus for the reporting period was just under \$1.79M and included \$1.193M of Crown payments received or accrued with regard to the March 2019 flood event. He stated that this is a good financial result for the six month period. R. Mallinson reported that total revenue was \$11.13M with income including the \$1.193M Crown contributions and the VCS revenue for the six month period of \$5M DoC aerial contracts.

R. Mallinson advised that governance costs year to date don't yet include Council's share of the October 2019 territorial authority election costs. R. Mallinson reported that investment income is below budget as earnings from PCR LP for the 19/20 year. R. Mallinson answered questions from Cr Challenger relating to VCS revenue, and advised that VCS budgets are set as part of the annual process and are based on known facts relating to contracts. He advised that the VCS surplus was \$1.6M. R. Mallinson answered further questions from Councillors. It was agreed that R. Mallinson would not provide a financial report to the March meeting due to the extra work required for the annual plan budget.

R. Mallinson advised that Council's Fund Manager's, JB Were, will be making an informal workshop / presentation to Council's following the completion on the March meeting.

**Moved** (Cummings / Magner) *That the report be received.*

*Carried*

#### **4.2.1 AUDIT AND RISK COMMITTEES**

R. Mallinson spoke to this report and took it as read but advised that if Council does decide to set up this committee, they will only achieve maximum benefit if there is an independent suitably qualified external person appointed to this committee, with voting rights. R. Mallinson outlined benefits and costs, membership and frequency of meetings. Cr Magner stated that having such a committee would allow for a deeper look at issues and there is benefit in having this committee. She stated that they maybe difficulty in finding an independent person and suggested that three people are appointed initially and appoint an independent person in a few months' time. Cr Hill agreed with Cr Magner's comments, and stated that a start could be made as Grey and Buller District Councils have already done so. He suggested seeking an external Chair in the future. Cr Coll McLaughlin advised that she and other Councillor had attended the Office of the Auditor General's workshop late last year, and agrees with the establishment of this committee. She stated that the committee would be able to delve deeper into issues and will have the time and the focus for this. Cr Coll McLaughlin stated that an independent member does add value but is feels that this type of decision might be best made after a triennium when skill sets are known. She stated costs could also be a factor. Cr Coll McLaughlin asked R. Mallinson what external independent member would bring to the role. R. Mallinson responded that Councillors would be hearing a perspective that is not managements perspective, and someone serving on this committee would need to have expertise in finance, accounting, financial reporting, governance, assurance, risk management, internal controls, insurance framework, internal and external audit, asset valuations and knowledge of the local government sector. R. Mallinson clarified that he is recommending an external representative, not an external Chair. Cr Challenger agreed with the establishment of the committee but would like to have a workshop to establish the parameters of the role are. Cr Ewen and the Chairman both agreed that anyone who wishes to be on the committee could be on it. Cr Coll McLaughlin stated that it is important that following meetings, information is circulated.

**Moved** (Ewen / Coll McLaughlin)

*That Council considers whether they wish to establish a separate Audit & Risk Committee, and the Committee scope and membership of any such committee.*

*Carried*

#### **4.2.2 COUNCIL CODE OF CONDUCT**

R. Mallinson spoke to his report and advised that the Local Government Act requires Council to have a Code of Conduct in place. He explained the advantages of the Local Government New Zealand model. It was agreed that the word "consider" would be removed from the recommendation.

**Moved** (Cummings / Coll McLaughlin)

*That Council adopts the Local Government NZ Model Code of Conduct.*

*Carried*

#### **4.2.3 SIX MONTH REVIEW – 1 JULY 2019 – 31 DECEMBER 2019**

R. Beal spoke to this report and took it as read.

**Moved** (Magner / Coll McLaughlin) *That this report be received.*

*Carried*

#### **5.0 CHAIRMANS REPORT**

The Chairman spoke to his report and asked Councillors if there were any questions relating to meetings he has attended during the reporting period.

Cr Birchfield advised that the budget for the Te Tai o Poutini Plan has now been adopted and contributions are being worked through.

**Moved** (Coll McLaughlin / Magner) *That this report is received.*

*Carried*

#### **6.1 CHIEF EXECUTIVE'S REPORT**

R. Beal spoke to this report in M. Meehan's absence.

**Moved** (Challenger / Cummings) *that this report is received.*

*Carried*

**GENERAL BUSINESS**

There was no general business.

The meeting closed at 11.47 a.m.

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Chairman

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Date