

A G E N D A

Council

**Council Chambers
36 Weld Street
Hokitika**

**Thursday
26 March 2015
commencing at 9.00 am**

His Worship the Mayor, M.T. Havill (**Chairperson**)
Cr. J.H. Butzbach, Cr. P.M. Cox, Cr. M.S. Dawson, Cr. D.G. Hope,
Cr. L.J. Martin, Cr. M.D. Montagu, Cr. C.A. van Beek

COUNCIL MEETING

NOTICE IS HEREBY GIVEN THAT AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL WILL BE HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 26 MARCH 2015 COMMENCING AT 9.00 AM

Tanya Winter
Chief Executive

23 March 2015

COUNCIL VISION

Westland District Council will facilitate the development of communities within its district through delivery of sound infrastructure, policy and regulation.

This will be achieved by:

- Involving the community and stakeholders.
- Delivering core services that meet community expectations and demonstrate value and quality.
- Proudly promoting, protecting and leveraging our historic, environmental and natural resource base to enhance lifestyle and opportunity for future generations.

Purpose:

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
- (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses

1. MEMBERS PRESENT AND APOLOGIES:

1.1 Apologies

1.2 Interest Register

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Council Meeting – 2 December 2014 (Pages 5-10)

2.1.2 Council Meeting – 26 February 2015 (Pages 11-21)

2.2 Minutes and Reports to be Received

2.2.1 Minutes of the Public Excluded Portion of the Westland District Council Ordinary Meeting held on 26 February 2015.

(Refer Public Excluded Minutes)

3. PUBLIC FORUM

The public forum section will commence at the start of the meeting.

4. BUSINESS

4.1 Mayor's Report

4.2 Update from Councillors

4.3 Exempt Council Controlled Organisations (Pages 22-25)

Morning Tea 10:30am

4.4 Executive Committee – Revised Terms of Reference (Pages 26-34)

4.5 Revised West Coast Triennial Agreement 2013-16 (Pages 35-41)

Lunch at 12 noon

4.6 Financial Performance: Ytd January 2015 (Pages 42-51)

5. MATTERS TO BE CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

5.1 Minutes

5.2 Trustee: Primary Health Organisation

The general subject of the matters to be considered while the public are 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:

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
5.1	Minutes	Confidential Minutes	Good reasons to withhold exists under Section 7	Section 48(1(a))
5.2	Trustee: Primary Health Organisation	Confidential Report	Good reasons to withhold exists under Section 7	Section 48(1(a))

**Date of Next Ordinary Council Meeting
23 April 2015
Council Chambers**

MINUTES OF A MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON TUESDAY 2 DECEMBER 2014 COMMENCING AT 9.03 AM

1. MEMBERS PRESENT AND APOLOGIES

His Worship the Mayor, M.T. Havill (Chairperson until 11.48 am).

Deputy Mayor P.M. Cox (Chairperson from 11.48 am)

Cr. J.H. Butzbach (from 9.19 am), Cr. D.G. Hope, Cr. A.R. Keenan, Cr. L.J. Martin,
Cr M.D. Montagu, Cr. C.A. van Beek.

1.1 Apologies

Cr J.H. Butzbach for lateness, Cr M.S. Dawson.

1.2 Also in Attendance

T.L. Winter, Chief Executive; G. Borg, Group Manager: Corporate Services;
D.M. Maitland, Executive Assistant; S. Halliwell, Consultant.

2. BUSINESS

2.1 Rating Review Submissions

Council were in receipt of 136 submissions on the Westland District Council's Rating Review 2014. Verbal submissions were then heard from the following:

i) **Stan Naylor**

Submission: Oppose the proposal.

- A recent communication in the paper would have resulted in more people coming along to the meeting.
- Concern regarding the rating proposal.
- First submission is in regard to waste management. Residents in Brickfield buy a septic tank, then have to get a soakpit installed.
- Supported paying for costs associated with the District Library.

- There are no streetlights or footpaths in Brickfield.
- Concerned regarding stormwater discharge, particularly after a high rainfall. Stagnant water remains on both sides of the road.
- Concerned regarding the rates increase.

ii) Linda Murphy

Submission: Oppose the proposal.

- Concerned regarding a 65% increase in rates.
- Ratepayers in the rural residential or small holdings sector are unlikely to generate significant income from their land but will subsidise those with that ability under the proposal.
- Westland District Council are the guardians of that land.
- Object to some of the language used in the rating review proposal.

Cr Butzbach attended the meeting at 9.19 am.

iii) Dorothy Watson

Submission: Oppose the proposal.

- Concerned regarding the ability to pay rates, particularly those people who are on a pension.
- Concerned regarding the amount of rates that neighbouring properties pay in Hampden and Stafford Streets.

His Worship the Mayor asked the Group Manager: Corporate Services to look at the individual property, then then at the group of properties around Mrs Watson's house and get back to Mrs Watson.

iv) David Cooper, Senior Policy Adviser, Federated Farmers of New Zealand

Submission: Largely support Council's preferred option.

- Supports the consultation process that Council has been through, with the pre-consultation meeting and stakeholders.
- Largely supportive of Council's options.
- Disagree where the differentials should be set for the rural properties.
- Noted that pre-2013, the rating approach that was listed in 2012, was based on a very considered approach. Essentially we support all aspects, but a differential for rural residential properties should be set.

- Understand there are concerns from rural/residential ratepayers particularly. The amount they are paying does not reflect the services.

v) Monty and Hazel Hook

Submission: Oppose the proposal.

- Property is currently zoned rural.
- Object to being joined in with the proposed larger Hokitika town area.
- The cost of servicing their block is not met by Council.
- Strongly object to the proposed increase.

His Worship the Mayor advised that the rural/residential rate is where there was the largest rates movement and there possibly needs to be a fourth category that needs to reflect those things.

vi) Pete Mason

Submission: Support the proposal

- Mr. Mason presented a map for viewing of the Beach Street area, particularly his two sections. The land has no title, it cannot have a legal valuation.
- Unformed legal road has the same legal status as formed legal road.
- It is illegal to charge rates on formed legal road and therefore illegal to charge rates on unformed legal road.
- The West Coast Regional Council has zero rated the two pieces of land.
- None of the landowners on the beach side of Revell Street pay rates for occupying the unformed legal road between their freehold properties and the beach.
- That the formula used for calculating rates based on capital value rather than land value does not distribute the rates fairly (31 Beach Street and 19 Beach Street, Hokitika).

vii) Dan Lane

Submission: Oppose the proposal.

- Opposed in the change to the way the rates will be calculated.
- Two rural properties will increase \$300.00 per year.

- Queried why Council are changing the rating system.
- Oppose capital value system and oppose the commercial rate.

viii) Murray Stewart

Submission: Neutral to the proposal.

- Would like Council to go back to the system that Council used to have.
- The rural sector is paying for the debt servicing that the Council is trying to get ahead of. The real service that the rural sector gets is roading and the local share of the roading is a lot less than the percentage of rates.
- Queried why a rural ratepayer is paying three times as much as those in town.

ix) Rob Caldwell, Chief Executive, Westpower Limited

Submission: Oppose the proposal.

- Concerned the preferred option of capital value rating will create a liability that will require Westpower to pass the charges back through the same ratepayers.
- Concerned that Council has not rated its own utilities.
- Noted that a land based system would more fairly reflect the service consumed by utility network assets.

x) Hugh Cameron

Submission: Oppose the proposal.

- Capital value rating whether it is fair or not, depends on your point of view.
- Capital value rating does not reflect the ability to pay.
- Referenced Hamilton City Council changing to capital value rating; noting that the rates increase was going to be spread over a number of years.
- Queried if Council is going to spread the transition over 5-10 years.

xi) John and Gwenda Alloway

Submission: Oppose the proposal.

- Newcomers to the District, on a fixed income, in the rural area. Concerned regarding the ability to pay rates, particularly those people who are on a pension.
- Asked that Council consider a smaller rates increase spread over a few years.
- Concerned regarding the waste management rates as they pay to dispose of their rubbish.

xii) Logan Skinner

Submission: Oppose the proposal.

- In principle, support the Council trying to simplify the rating allocation system.
- In principle, support the move from land value to capital value.
- Cannot support the proposal in its current format.
- Cited a property in Whataroa on a farm that has a farmstay attached to it.
- Queried why a farm is not considered a commercial activity by Council.

xiii) Ben Gaia, Gaia Trees

Submission: Oppose the proposal.

- Asked that the Ruatapu community water supply be protected, and that the fire hydrants be reinstated. Noted that the area has been tarsealed where the pipes have been dug up.
- Concern regarding the increase in rates.
- Concern regarding the goldmine at Ruatapu.

His Worship the Mayor requested background information on the Ruatapu Water Supply.

The meeting adjourned for morning tea at 11.13 am and reconvened at 11.32 am.

The Mayor and Councillors then went through the written submissions.

His Worship the Mayor left the meeting at 11.48 am.

MEETING CLOSED AT 11.55 AM

Confirmed by:

Mike Havill
Mayor

Date

Confirmed by:

Cr Pauline Cox
Deputy Mayor

Date

MINUTES OF AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 26 FEBRUARY 2015 COMMENCING AT 9.00 AM

1. MEMBERS PRESENT AND APOLOGIES

His Worship the Mayor, M.T. Havill (**Chairperson**)

Deputy Mayor P.M. Cox

Cr. J.H. Butzbach, Cr. M.S. Dawson, Cr. D.G. Hope, Cr. L.J. Martin, Cr M.D. Montagu, Cr. C.A. van Beek.

1.1 Apologies

Nil.

Staff in Attendance

T.L. Winter, Chief Executive; P.G. Anderson, Operations Manager; D.B. Blight, Community Development Advisor; G. Borg, Group Manager: Corporate Services; P. Cannell, Engineer – Water Services; J. Ebenhoh, Group Manager: Planning, Community and Environment; S. Eyre, Property and Projects Supervisor; V. Goel, Group Manager: District Assets; K. Jury, Corporate Planner; D.M. Maitland, Executive Assistant.

1.2 Interest Register

The Interest Register was circulated and amendments were noted.

It was noted that the register is to be referred to in future Agendas and Minutes as "Interest Register".

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Council Meeting – 2 December 2014

Councillors asked that these Minutes be deferred to the 26 March 2015 Council Meeting to enable them to be checked with regard to the consideration of written submissions.

2.1.2 Extraordinary Council Meeting – 24 December 2014

The Councillors that attended the meeting on the 24 December 2014 advised that the resolution in the Minutes of the 24 December 2014 was incorrect.

Moved Cr Martin, seconded Cr Montagu and **Resolved** that the Minutes of the Extraordinary Council Meeting held on the 24 December 2014 be amended as follows:

Page 14 – Item 3.1.2

“Council resolves that the Cascade-Hollyford Road is a legal road in terms of the definition of road specified in Section 315 of the Local Government Act 1974.”.

2.1.3 Ordinary Council Meeting – 29 January 2015

Moved Cr Dawson, seconded Cr Montagu and **Resolved** that the Minutes of the Ordinary Council Meeting, held on the 29 January 2015, be confirmed as a true and correct record of the meeting.

2.1.4 Council Meeting – 17 February 2015

Moved Cr Butzbach, seconded Cr Cox and **Resolved** that the Minutes of the Council Meeting, held on the 17 February 2015 be confirmed as a true and correct record of the meeting subject to the following amendment:

Page 23 - Item 2.

“The Chairperson advised that submitters have been granted an extension of time to present their verbal submission to Council.”

2.2 Minutes and Reports to be Received

2.2.1 Minutes of the Public Excluded Portion of the Westland District Council Ordinary Meeting held on 29 January 2015.

(Refer Public Excluded Minutes)

3. PUBLIC FORUM

The following members of the public attended the Public Forum Section of the meeting:

3.1 Michael Keenan

- Discussed the West Coast Wilderness Trail and asked that the section from Hokitika to Ross be opened at Labour Weekend October 2015 to coincide with the 150th Celebrations.

3.2 Trevor Jones, Principal, Westland High School – Westland Community Sports Facility.

Cr Dawson declared a conflict around MDI Funding and accordingly left the meeting.

Cr Martin declared a relationship with members of the public with regard to the MDI applications.

Trevor Jones, Principal, Westland High School and Mark Hall, MSH Architects Ltd provided a presentation on the Westland Community Sports Facility and also tabled preliminary feasibility diagrams.

The Kapa Haka group from Westland High School then provided entertainment.

3.3 Nicole Smith – Hokitika Netball Centre and South Westland Netball Club

Read out a verbal submission in support of the Westland Community Sports Facility on behalf of Addie Keast, President, Hokitika Netball Centre, and also Emma Cornish, South Westland Netball Club.

3.5 Whakataerangi White, Westland High School Kapa Haka Group

Read out a verbal submission in support of the Westland Community Sports Facility on behalf of the Westland High School Kapa Haka Group.

3.6 Tegan Cook – West Coast Badminton and Hokitika Badminton Club

Read out a verbal submission in support of the Westland Community Sports Facility on behalf of Scott Baird, President, West Coast Badminton, and also Kay Mitchell, Club President, Hokitika Badminton Club.

3.7 Meg Theron and Eli Davis – Westland Basketball Association

Read out a verbal submission in support of the Westland Community Sports Facility on behalf of Peter McDonnell, President, Westland Basketball Association.

3.8 Alex Warburn-Maloney – Hokitika Junior Tennis Club

Read out a verbal submission in support of the Westland Community Sports Facility on behalf of the Hokitika Junior Tennis Club.

3.9 Phoebe Wilson – Hokitika Volleyball Competition

Read out a verbal submission in support of the Westland Community Sports Facility on behalf of Hokitika Volleyball.

3.10 Shannon Minehan, Student Body, Westland High School

Read out a verbal submission in support of the Westland Community Sports Facility on behalf of the Westland High School Student Body.

3.11 Jenny Keogan, WHS Parent

Read out a verbal submission in support of the Westland Community Sports Facility.

3.12 Carol Martin, Westland High School Board of Trustees

Noted apologies from Rosie McGrath, Active West Coast and Coastal Pathway Group, and Claire Robinson, Community and Public Health.

Read out a verbal submission in support of the Westland Community Sports Facility.

3.13 Lyall Delore – President, Hokitika-Westland Returned and Services Association

Read out a verbal submission in support of the Hokitika-Westland Returned and Services Association MDI application.

3.14 Des McEnaney, St John Haast Station

Read out a verbal submission in support of the St John Haast Station Facility MDI application.

3.15 Jenny Pitama, Canterbury Westland Kindergarten Association Kidsfirst Kindergartens

Read out a verbal submission in support of the Canterbury Westland Kindergarten Association Kidsfirst Kindergartens MDI application.

3.16 Charlie McBeath, Ross Community Hall Enhancement

Read out a verbal submission in support of the Ross Community Hall Enhancement MDI application.

3.17 Bev Manera, Ross

Endorsed the submission from Charlie McBeath with regard to the Ross Hall roof.

3.18 Judy Madigan, Ross

Advised that the people of Ross will support the re-roof of the Ross Community Hall and the kitchen at no cost to the Westland District ratepayers as they would like to use the endowment fund.

His Worship the Mayor thanked those in attendance for their presentations to Council.

The meeting adjourned for morning tea at 10.30 am and reconvened at 11.14 am.

4. BUSINESS

Cr Dawson returned to the meeting.

4.1 Mayor's Report

- Regional Economic Development Plan.
- A Citizenship Ceremony was held on the 25 February 2015 and 9 attendees undertook their form of allegiance.

4.2 Update from Councillors

i) Deputy Mayor Cox

- Relay for Life. Thanked all the volunteers who helped out.
- Attended Council Workshops and Meetings.

ii) Cr Martin

- Relay for Life. Thanked all the volunteers who helped out.
- Attended Council Workshops and Meetings.

iii) Cr Butzbach

- Relay for Life. Thanked all the volunteers who helped out.
- Attended Council Workshops and Meetings.
- Attended the Enterprise Hokitika meeting.

iv) Cr Montagu

- Ross Hall.

v) Cr Hope

- Haast Promotions Group –work has continued on the Denis Road walking track at Haast.

vi) Cr van Beek

- Attended meeting of the Hokitika Seawall Rating Committee.
- Attended Council Workshops and Meetings.
- Attended the Kumara Residents Trust Meeting.

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that the verbal reports from the Mayor and Councillors be received.

4.3 Ross Memorial Hall Roofing Options

The Group Manager: District Assets and the Property and Projects Supervisor spoke to this item.

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that:

1. The Chief Executive be instructed to commission a structural assessment of the Ross Community Hall with a report to come back to the 26 March 2015 Council Meeting; and
2. Council notes that this is unbudgeted expenditure for the 2014-2015 financial year.

4.4 Major District Initiative Applications

Cr Dawson declared an interest and left the meeting.

The Community Development Advisor spoke to this report and advised that there was an amendment to Table 1 on Page 37 “St John’s/DHB Facility at Haast \$188,610”.

Moved Cr Martin, seconded Cr Montagu and **Resolved** that Priority 1 is the Ross Community Hall Enhancement at \$90,000.

Moved Cr Hope, seconded Cr Martin and **Resolved** that Priority 2 is the Hokitika-Westland RSA Proposal Facility up to \$400,000

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that Priority 3 is Westland High School, no monetary figure attached, noting that feedback will be sought through the Long Term Plan 2015-25.

Moved Cr van Beek seconded Cr Montagu and **Resolved** that Kidsfirst Kindergarten be removed from the MDI Funding to be considered in the Long Term Plan 2015-25.

Cr Butzbach recorded his vote against the motion.

Moved Cr Butzbach, seconded Cr Hope and **Resolved** that St John’s/DHB Facility at Haast be removed from the MDI Funding to be considered in the Long Term Plan 2015-25.

Moved Cr Martin, seconded Deputy Mayor Cox and **Resolved** that the Westland High School Gym Upgrade be a leading item for consideration in the Consultation Document for Council’s Long Term Plan 2015-25.

The meeting adjourned at 12.15 pm and reconvened at 12.27 pm.

The following items were then taken out of order to the Agenda papers.

4.6 CCO Review - Outcome of the Special Consultative Procedure

Moved Cr Hope, seconded Cr van Beek that:

1. Council adopts the proposal as attached as Appendix 1.
2. Council instructs the Chief Executive to undertake the required steps to implement the new CCO structure on page 5 of **Appendix 1**.
3. Provision for the new CCO structure be included in Council's Long Term Plan 2015-25.

*The motion was lost.
Cr Martin recorded his vote against the motion.*

The meeting adjourned for lunch at 12.54 pm and reconvened at 1.41 pm.

4.5 Q2 Report: 2014/2015.

The Group Manager: Corporate Services spoke to this report and noted the amendments to the LTP Target 2014/15 Page 49 of the report with regard to percentages.

Moved Cr Montagu, seconded Cr Butzbach and **Resolved** that Council receive the Q2 Report 2014-2015.

4.7 New Stopbank at Waiho River, Franz Josef: West Coast Regional Council Proposal and Westland District Council Submission

Moved Cr Hope, seconded Deputy Mayor Cox and **Resolved** that Council has reviewed the draft submission and that this be sent to the West Coast Regional Council without changes.

6. MATTERS TO BE CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'

Moved Cr Dawson, seconded Cr Martin and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 2.28 pm.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

6.1 Minutes

6.2 Ross Cemetery Report

6.3 Hokitika Water Treatment Plant Upgrade - Intake Works

6.4 Fitzherbert Street Pumping Main Upgrade Contract

The general subject of the matters to be considered while the public are 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:

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
6.1	Minutes	Confidential Minutes	Good reasons to withhold exists under Section 7	Section 48(1)(a)
6.2	Ross Cemetery Report	Confidential Report	Good reasons to withhold exists under Section 7	Section 48(1)(a)
6.3	Hokitika Water Treatment Plant Upgrade - Intake Works	Confidential Report	Good reasons to withhold exists under Section 7	Section 48(1)(a)
6.4	Fitzherbert Street Pumping Main Upgrade Contract	Confidential Report	Good reasons to withhold exists under Section 7	Section 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) 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 relevant part of the proceedings of the meeting in public are as follows:

No.	Item	Section
6.1 & 6.2	Protection of privacy of natural persons/organisations.	Section 7(2)(a)
6.3 & 6.4	Protect information where the making available of the information would be likely unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information.	Section 7(2)(b)(ii)

Moved Cr Dawson, seconded Cr Martin and **Resolved** that the business conducted in the “Public Excluded Section” be confirmed and accordingly the meeting went back to the open part of the meeting at 2.40 pm.

5. ADMINISTRATIVE RESOLUTIONS

Moved Cr Montagu, seconded Cr Butzbach and **Resolved** that Council confirm its Seal being affixed to the following documents:

5.1 Warrant of Appointment: Alex John DUNN (Resource Management Planner):

- An Officer pursuant to Section 174 of the Local Government Act 2002.
- An Officer under the Westland District Council Bylaws.
- An Enforcement Officer pursuant to Section 38 of the Resource Management Act 1991, including the power of entry pursuant to Sections 332 and 333 of the Resource Management Act 1991.

5.2 Warrant of Appointment: Wayne Harry KNIGHTBRIDGE (Environmental Health/Regulatory Officer):

- District Environmental Health Officer pursuant to s.28 Health Act 1956
- Local Authority Inspector pursuant to s.2 Food Act 1981
- Food Act Officer and/or accredited auditor to Ministry of Primary Industries pursuant to Food Act 2014
- Chief Licensing Inspector (or Licensing Inspector) pursuant to s.197 Sale and Supply of Alcohol Act 2012
- Litter Control Officer pursuant to s.5 Litter Act 1979
- Enforcement Officer and District Hazardous Substances Officer pursuant to s.98 and s.100 – Hazardous Substances and New Organisms Act 1996
- Officer under Housing Improvement Regulations 1947
- Enforcement Officer pursuant to s.38 – Resource Management Act 1991
- Authorised Officer pursuant to s.332 and s.333 – Resource Management Act
- Authorised Officer pursuant to s.174 – Local Government Act 2002
- Enforcement Officer pursuant to s.177 – Local Government Act 2002 for all offences under this Act, all offences against bylaw made under this Act and all infringement offences provided for by regulations made under s.259 of this Act
- Inspector and Authorised Officer to enforce Westland District Council Bylaws.
- Dog Control Officer and/or Dog Control Ranger pursuant to s.11 and s.12 of Dog Control Act 1996
- Officer under s.63 of Impounding Act 1955

5.3 Warrant of Appointment: Vernon Noel MORRIS (Emergency Management Officer):

- An Officer pursuant to Section 174 of the Local Government Act 2002.
- An Officer under the Westland District Council Bylaws.
- An Officer under Sections 78 and 79 of the Civil Defence and Emergency Management Act 2002.

MEETING CLOSED AT 2.41 PM

Confirmed by:

Mike Havill
Mayor

Date

Next Meeting:
26 March 2015 – Ordinary Council Meeting.

Report



DATE: 26 March 2015

TO: Mayor and Councillors

FROM: Group Manager: Corporate Services

EXEMPT COUNCIL CONTROLLED ORGANISATIONS

1 SUMMARY

- 1.1 The purpose of this report is for Council to consider the formal classification of those organisations in which it has a controlling interest but for which there is no clear benefit to retaining Council Controlled Organisation [CCO] status.
- 1.2 This issue arises from a requirement for Council to organise its activities and interests in the most effective and efficient structure.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council exempts the following entities from classification as CCOs for the purposes of Section 6 of the Local Government Act 2002 [LGA]:
 - 1.4.1 Tourism West Coast
 - 1.4.2 West Coast Rural Fire Authority
 - 1.4.3 Westland Nature Trust

2 BACKGROUND

- 2.1 In conjunction with Grey District Council and Buller District Council, Westland District Council exercises a controlling interest in Tourism West Coast and West Coast Rural Fire Authority through its ability to appoint representatives.

- 2.2 All of the trustees of Westland Nature Trust are appointed by Council.
- 2.3 Consequently these entities are by default classified as CCOs for the purposes of the LGA; which imposes several conditions on both Council and the entities, including:
 - 2.3.1 S64: Statement of intent
 - 2.3.2 S65: Performance monitoring
 - 2.3.3 S66: Half year report
 - 2.3.4 S67: Full year report
 - 2.3.5 S69: Audit of the financial statements
- 2.4 Tourism West Coast and West Coast Rural Fire Authority were previously exempted by Council under Section 7 of the LGA.
- 2.5 Westland Nature Trust was constituted in September 2004 but has, except for acting in a governance capacity for the West Coast Wilderness Trail project, been inactive in recent years. Nevertheless it was not previously exempted from CCO requirements.

3 CURRENT SITUATION

- 3.1 Section 7(6) of the LGA requires Council to undertake a review of such decisions at a minimum of three year intervals.
- 3.2 Section 7 provides that a local authority may exempt a small organisation that is not a council-controlled trading organisation after having taken account of the following matters:
 - 3.2.1 the nature and scope of the activities provided by the organisation
 - 3.2.2 the costs and benefits, if an exemption is granted, to the local authority, the council-controlled organisation, and the community
- 3.3 Each entity would qualify for exemption under this section.
- 3.4 Tourism West Coast and West Coast Rural Fire Authority have continued as exempt entities for a number of years. They each provide valued community services throughout the Region, with nominal ratepayer input.
- 3.5 Although Westland Nature Trust has no assets, liabilities, income or expenditure, it remains subject to audit and the other requirements of Part 5 of the LGA.
- 3.6 It annually breaches these requirements by not producing a statement of intent and hence failing to report on its performance against its objectives. This was noted in Audit New Zealand's letter to management on the audit of the Trust for the year ended 30 June 2014.

3.7 The audit fee for the Trust for the year ended 30 June 2014 was \$1,708 excluding GST.

3.8 Audit New Zealand has confirmed that exemption from CCO status would eliminate the requirement for an audit of Westland Nature Trust.

4 OPTIONS

4.1 Do nothing

4.2 Grant exemption to only one or two of the entities

4.3 Grant exemption to all three entities

5 SIGNIFICANCE AND ENGAGEMENT

5.1 This matter is of low significance. The decision involved is administrative and affects neither the constitution of these entities nor the activities they perform.

5.2 Minimal engagement is required. Where Council exercises joint control with its neighbouring territorial authorities, officers have consulted with their peers and a consensus has been agreed.

5.3 Audit New Zealand's letter to management was addressed to the Chairman and contained the recommendation that the Trust seeks an exemption from Council. This matter was raised at the Trust meeting on 19 March and it was agreed that this process was appropriate.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

6.1 Option 1: Do nothing:

The entities would revert to and continue as CCOs. This would invoke an unnecessary administrative burden as referred to in 2.3. Westland Nature Trust would continue to incur audit fees despite being inactive.

6.2 Option 2: Grant exemption to only one or two of the entities:

Each entity would be similarly burdened by the statutory requirements of CCO status.

6.3 Option 3: Grant exemption to all three entities:

The entities would continue to perform their current services and Council would retain the same level of control in each, without the additional burden

of the reporting requirements of the LGA. A small cost saving would be realised in the form of audit fees in respect of Westland Nature Trust.

7 PREFERRED OPTION AND REASONS

- 7.1 Option 3: Grant exemption to all three entities is the preferred option because it enables Council to maintain its relationships with these entities in the most efficient manner, without imposing additional requirements that add no value or assurance.

8 RECOMMENDATIONS

- A) **THAT** Council exempts Tourism West Coast, West Coast Rural Fire Authority and Westland Nature Trust from classification as CCOs for the purposes of Section 6 of the Local Government Act 2002.
- B) **THAT** Council instructs the Chief Executive to notify Audit New Zealand of the exemption granted to Westland Nature Trust to ensure the audit requirement of the Trust's annual financial statements has been removed.
- C) **THAT** Council undertakes to review this decision no later than March 2018, pursuant to section 7(6) of the Local Government Act 2002

Gary Borg

Group Manager: Corporate Services

Report



DATE: 26 March 2015

TO: Mayor and Councillors

FROM: Chief Executive

EXECUTIVE COMMITTEE – REVISED TERMS OF REFERENCE

1 SUMMARY

- 1.1 The purpose of this report is to review the terms of reference for the Executive Committee.
- 1.2 This issue arises from a request by Council to review the terms of reference, particularly the membership and quorum provisions.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 The report concludes by recommending that Council adopts the revised Terms of Reference for the Executive Committee attached as **Appendix 1**.

2 BACKGROUND

- 2.1 Council established the Executive Committee on 28 November 2013 after the local body election. Councillor Dawson was appointed Chairperson by the Mayor using the new Mayoral powers under the Local Government Act, with Deputy Mayor Pauline Cox and Mayor Mike Havill as members.
- 2.2 The quorum for meetings of the Committee is two members.
- 2.3 The Committee has met formally 3 times since it was established.

3 CURRENT SITUATION

- 3.1 Council has reviewed the membership of this Committee and expressed a wish to expand the membership and amend the rules for a quorum.
- 3.2 [Schedule 7](#) of the LGA details the legislative framework under which committees of Council must operate. The membership of a committee must be 3 or more with a quorum being 2 members.
- 3.3 It should be noted that under Clause 19(2) of Schedule 7 "*A member of a local authority, or of a committee of a local authority, has, unless lawfully excluded, the right to attend any meeting of the local authority or committee.*"
- 3.4 A copy of the current terms of reference for the Committee is attached as **Appendix 1** with changes made in red using track changes.

4 OPTIONS

- 4.1 Option 1: Adopt the revised Terms of Reference attached as **Appendix 1**.
- 4.2 Option 2: Amend then adopt the revised Terms of Reference.
- 4.3 Option 3: Don't adopt the revised Terms of Reference (the status quo would remain).

5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 The adoption of a revised terms of reference is administrative and therefore deemed to be of low significance.
- 5.2 Consultation on this matter is not required.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 The changes outlined in **Appendix 1** reflect the direction Council has provided to the Chief Executive.
- 6.2 As long as the provisions in Schedule 7 of the LGA are observed Council is at liberty to make changes by formal resolution to the membership and delegations of the Executive Committee.
- 6.3 Should Council adopt the new terms of reference there is a potential financial impact in terms of mileage paid to elected members who attend meetings. This is difficult to quantify as it depends on the number of

meetings held and who chooses to attend. This extra cost is expected to be minimal.

- 6.4 Now that this matter has come before Council, elected members may be of a mind to amend some other parts of the terms of reference. This option is available under Option 2.
- 6.5 Option 3 would mean that the revised terms of reference are not adopted. Under this option the status quo remains. This is also a legitimate course of action.

7 PREFERRED OPTION AND REASONS

- 7.1 While Council staff do not have a preferred option the option that reflects the request of Council is Option 1.
- 7.2 Choosing this option means that all elected members are now members of the Executive Committee and have the same opportunity to participate and make decisions in accordance with the powers outlined in the terms of reference.

8 RECOMMENDATIONS

- A) **THAT** Council adopts the revised Term of Reference for the Executive Committee attached as **Appendix 1**.
- B) **THAT** the revised Terms of Reference for the Executive Committee be added to Part III of the Delegations Manual – “Delegations to Standing Committees” to replace the current terms of reference.

Tanya Winter
Chief Executive

Appendix 1: Terms of Reference for the Executive Committee

Appendix 1

TERMS OF REFERENCE FOR THE EXECUTIVE COMMITTEE

REPORTING TO: Council

CONSTITUTION: ~~Mayor, Deputy Mayor and One member appointed by the Mayor as Chairperson (Cr Dawson)~~
Cr Dawson (Chairperson)
All other elected members

MEETING FREQUENCY: As required.

QUORUM: ~~Two~~ Chairperson and any three members.

OBJECTIVE:

1. To enable Council to carry out its statutory and contractual responsibilities as employer of the Chief Executive.
2. To implement Council policies and processes for the selection, appointment and remuneration of directors to Council Controlled Organisations and trustees to Council Organisations.
3. To maintain an on-going liaison with Boards of Directors of Council-Controlled Organisations in regard to Council's interest as a shareholder.
4. To undertake the role of Audit Committee.
5. To undertake the role of Risk Management Committee.
6. To determine matters within the authority of Council where the urgency of those matters precludes an Extraordinary Meeting of the full Council.

SCOPE OF ACTIVITY:

Employment of Chief Executive

1. All matters arising under Section 42 and Clauses 33, 34, 35 and 36 of Schedule 7 of the Local Government Act 2002.

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2. All matters arising from Council's employment agreement with the Chief Executive, including but not limited to the conduct of performance reviews and remuneration reviews.

Appointment of Directors and Trustees

3. All matters pertaining to the selection, appointment and remuneration of directors to Council-controlled organisations and trustees to Council organisations, in accordance with Council's Policy on Appointment and Remuneration of Directors.

Audit and Risk Committee

4. All matters pertaining to good practice for Audit and Risk committees, including consideration of the following matters.

(a) Internal Control Framework

- i. Review whether management's approach to maintaining an effective internal control framework is sound and effective.
- ii. Review whether management has taken steps to embed a culture that is committed to probity and ethical behaviour.
- iii. Review whether there are appropriate systems, processes and controls in place prevent, detect and effectively investigate fraud.

(b) Internal Reporting

- i. Consider the processes for ensuring the completeness and quality of financial and operational information being provided to the Council.
- ii. Seek advice periodically from internal and external auditors regarding the completeness and quality of financial and operational information that is provided to the Council.

(c) External Reporting and Accountability

- i. Agree the appropriateness of the Council's existing accounting policies and principles and any proposed change.
- ii. Enquire of internal and external auditors for any information that affects the quality and clarity of the Council's financial statements and statements of service performance, and assess whether appropriate action has been taken by management in response to the above.

- iii. Satisfy itself that the financial statements and statements of service performance are supported by appropriate management signoff on the statements and on the adequacy of the systems of internal control (i.e. letters of representation), and recommend signing of the financial statements by the Chief Executive/Mayor and adoption of the Annual Report or Long Term Plan.
- iv. Confirm that processes are in place to ensure that financial information included in the entity's Annual Report and Long Term Plan is consistent with the signed financial statements.

(d) Risk Management

- i. Review whether management has in place a current and comprehensive risk management framework and associated procedures for effective identification and management of the Council's significant risks.
- ii. Review Council's annual insurance renewal and ensure the appropriateness of the level of self-insured risk.
- iii. Consider whether appropriate action is being taken by Management to mitigate Council's significant risks.

(e) Internal Audit

- i. Review and approve the internal audit coverage and annual work plans, ensuring these plans are based on the Council's risk profile.
- ii. Review the adequacy of management's implementation of internal audit recommendations.
- iii. Review the internal audit charter to ensure appropriate organisational structures, authority, access, independence, resourcing and reporting arrangements are in place.

(f) External Audit

- i. At the start of each audit, confirm the terms of the engagement, including the nature and scope of the audit, timetable and fees, with the external auditor.
- ii. Receive the external audit report(s) and review action to be taken by management on significant issues and audit recommendations raised within.

iii. Conduct a members-only session (i.e. without any management present) with external audit to discuss any matters that the auditors wish to bring to the Committee's attention and/or any issues of independence.

iv. Consider any recommendation by management that the Office of the Auditor-General replace the external auditor.

(g) Compliance with Legislation, Standards and Good Practice Guidelines

i. Review the effectiveness of the system for monitoring the Council's compliance with laws (including governance legislation, regulations and associated government policies), with Council's own standards, and Good Practice Guidelines as applicable.

Emergency Powers

5. All matters within the authority of Council, other than those reserved to Council under s.48 and Sch. 7 of the Local Government Act 2002.

POWER TO ACT:

Employment of Chief Executive

(a) To decide all matters arising under s.42 and Cl. 33, 34, 35 and 36 of Sch. 7 of the Local Government Act 2002 and all matters arising from Council's employment agreement with the Chief Executive, except for:

- (i) The appointment of a Chief Executive; and
- (ii) The re-appointment of a Chief Executive for a second term under Cl. 34 Sch. 7 of the Local Government Act 2002; and
- (iii) The termination of employment of the Chief Executive.

(b) In undertaking performance reviews, whilst the process for undertaking the review is at the Committee's discretion; the Committee must:

- (i) Seek the views of all Councillors, prior to assessing the Chief Executive's performance review.
- (ii) Seek the advice of an independent employment advisor, at least annually, on good practice, in undertaking a review.

- (c) In undertaking a remuneration review the Committee must seek the advice of an independent employment advisor, on good practice, in undertaking a review.

Appointment of Directors and Trustees

- (d) All matters pertaining to the selection, appointment and remuneration of directors to Council Controlled Organisations and trustees to Council Organisations, except for the appointments of directors and trustees.
- (e) All matters are to be in accordance with Council adopted policy on Appointment and Remuneration of Directors.

Emergency Powers

- (f) To decide all matters within the authority of Council where urgency precludes convening an Extraordinary meeting of the full Council, except for those matters reserved to Council under s.48 and Sch. 7 of the Local Government Act 2002.

Other

- (g) Approve Executive Committee meeting minutes.
- (h) Appoint sub committees with written terms of reference, resolved by the Committee.

POWER TO RECOMMEND

Employment of Chief Executive

- (a) The appointment of the Chief Executive;
- (b) The re-appointment of a Chief Executive for a second term under Cl. 34 Sch. 7 of the Local Government Act 2002.
- (c) The termination of employment of the Chief Executive.

Appointment of Directors and Trustees

- (d) Appointees for directors to Council Controlled organisations and trustees to Council organisations that meet the requirements of s.57 of the Local Government Act 2002.

Council Controlled Organisations

- (e) Any matters pertaining to Council's interest as a shareholder in Council Controlled Organisations, including:

- i. Consideration of Statements of Intent
- ii. Review of six monthly and annual performance against the statements of intent.
- iii. Consideration of major transactions.
- iv. Consideration of major transactions, acquisitions and disposals.

| ADOPTED: 26 March 2015

Report



DATE: 26 March 2015

TO: Mayor and Councillors

FROM: Chief Executive

REVISED WEST COAST TRIENNIAL AGREEMENT 2013-16

1 SUMMARY

- 1.1 The purpose of this report is for Council to adopt a revised 2013-16 West Coast Triennial Agreement (“the Agreement”).
- 1.2 This issue arises from agreement at the Mayors and Chairs Forum that the Agreement be updated to include the new Local Government Act (LGA) provisions plus the requirements of the Resource Management Act (RMA) schedule 1, clause 3A, and that this be ratified by all West Coast Councils.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council adopts the revised 2013-16 West Coast Triennial Agreement attached as **Appendix 1**.

2 BACKGROUND

- 2.1 The Local Government Act 2002 places certain requirements on Councils after the local body elections. Adopting a triennial agreement is one of these, and Westland District Council adopted the 2013-16 West Coast Triennial Agreement at its meeting on 30 January 2014.
- 2.2 The document includes protocols for communication and co-ordination, and a statement of the process for consultation on proposals for new regional council activities.

- 2.3 Since the Agreement was adopted amendments have been made to the LGA. Provisions in the RMA have also now been included in the Agreement. The latter was overlooked inadvertently in the current Agreement.

3 CURRENT SITUATION

- 3.1 The West Coast Regional Council have provided an amended version of the Agreement and this is attached as **Appendix 1**. This document has been presented to the West Coast Mayors and Chairs Forum with all supporting the new provisions.
- 3.2 The two sections that have been included reflect two pieces of legislation:
- 3.2.1 Page 2 of the Agreement includes a section on “A Commitment to Working Together Collaboratively.” This is in keeping with the new s.15 of the LGA.
- 3.2.2 Page 3 of the Agreement includes a section on “Regional Policy Statement (RPS) Review”. This section states how the Regional Council will consult with district councils on the RPS. As the RPS review process is already underway this section describes retrospectively how the Regional Council has consulted with district councils to date, and outlines the opportunities for input throughout the rest of the review process. This is in keeping with schedule 1, clause 3A of the RMA.
- 3.3 West Coast Regional Council and Grey District have already adopted the revised Agreement.

4 OPTIONS

- 4.1 **Option 1:** Adopt the revised triennial agreement as attached.
- 4.2 **Option 2:** Don’t adopt the agreement.
- 4.3 **Option 3:** Amend the agreement.

5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 This matter is one of legislative compliance and as such is deemed to be of low significance.
- 5.2 Consultation is not required for this decision.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 Council already complies with the LGA by having a Triennial Agreement in place. This revised version is updated to comply with one new piece of legislation and to recognise a clause in the RMA that was not included in the current agreement.
- 6.2 Adopting the revised Agreement provides a formal indication to the other West Coast councils that Westland District Council supports the changes to this document. This is a high level intention only and does not commit Council to anything more.
- 6.3 If Council chooses not to adopt the Agreement, it would need to give a clear explanation to the other councils as to why it has decided not to.
- 6.4 If Council chooses to amend the Agreement, the changes would need to be notified to the other councils and a process of discussion and negotiation with them would be required.
- 6.5 There are no financial implications to this decision.

7 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is **Option 1**. This would mean that Council is party to an up to date Agreement that reflects the new provisions in the LGA and existing clauses in the RMA.

8 RECOMMENDATION

- A) **THAT** Council adopts the revised 2013-16 West Coast Triennial Agreement attached as **Appendix 1**.

Tanya Winter
Chief Executive

Appendix 1: Revised 2013-16 West Coast Triennial Agreement

2014 – 2016 West Coast Triennial Agreement

Our Purpose

This triennial agreement has been prepared in accordance with and to satisfy the requirements of s14,15 &16 of the Local Government Act 2002.

The parties to this agreement commit to working for the good governance of their towns, district or region by acting collaboratively and ensuring that issues in common are determined in a manner that is inclusive and avoids unnecessary duplication.

This agreement will ensure appropriate levels of consultation and co-ordination are maintained between the local authorities of this region, and between individual local authorities as might be notified.

The Agreement

The parties:

- Buller District Council
- Grey District Council
- Westland District Council
- West Coast Regional Council

agree to work in good faith together for the good governance of their localities and the region. As signatories to this agreement each local authority will ensure:

- Early notification to affected local authorities, through the distribution of draft documentation, of major policy discussions which may have implications beyond the boundaries of the decision making authority. This specifically includes the further development of consultation policies and policies on significance;
- The application of a 'no surprises' policy whereby early notice will be given over disagreements between local authorities concerning policy or programmes before key public announcements are made;
- The parties agree to refrain from expressing criticism of each other publicly, through the media or any other form. While it is accepted that disagreements will occur from time to time, it is preferable to deal with the issues by open discussion between the parties rather than via the media;
- Opportunities for involvement by affected local authorities in the development of policies or plans that have inter-jurisdictional or cross boundary implications, including the identification of outcomes and priorities;
- That where practicable processes for engaging with communities and agencies in order to identify community outcomes, and prioritise those outcomes, are undertaken jointly or in a collaborative manner which avoids unnecessary duplication; and

- Opportunities for other local authorities, whether party to this agreement or not, to work jointly on the development of strategies and plans for the achievement of identified outcomes and priorities.

Scope and Issues

The parties agree that, in addition to the general obligations under this agreement to consult, the local authorities will meet together to develop common approaches on the following issues identified as priorities for the region:

- Economic development;
- Emergency management and disaster recovery, including lifelines;
- Natural hazards;
- Shared services;
- Regional Transport planning and road safety;
- Waste management;
- Rural fire (this is an issue for the territorial authorities only).

A Commitment to Working Together Collaboratively

The parties agree to, through the regular Mayors' and Chair forum, work together collaboratively and cooperatively as a means to improve effectiveness and efficiency and to, in particular:

- Identify, deliver and fund facilities or services that benefit more than one district;
- Develop and implement joint governance arrangements and associated terms of reference;
- Maintain this commitment, and in the event of one of the parties taking a decision that is inconsistent with this commitment, such party shall advise the other parties of the inconsistent decision and the reasons for it.

This section reflects the new section 15 of the Local Government Act and all parties will, through the Mayors' and Chair forum, annually review their compliance with this provision.

Significant New Activities Proposed by the West Coast Regional Council

The parties agree that should the West Coast Regional Council or its Council Controlled Organisations wish to undertake a significant new activity or undertake an activity currently undertaken or proposed to be undertaken by one or more of the other parties, the West Coast Regional Council will consult with the other parties as required by s16 of the Local Government Act 2002.

Form

Consultation in relation to this agreement will take the following forms:

- A forum, of Mayors and the regional council Chairman, and their Chief Executive Officers will occur at least once every ~~six~~ three months to review the performance of the agreement and discuss any other topical issues where a collaborative approach may add value;
- Meetings between staff as necessary to achieve communication and co-ordination on issues identified in the agreement.

Servicing

The parties agree that responsibility for servicing this agreement shall be shared, with responsibility passing from local authority to local authority following the triennial election. Servicing involves:

- Providing those secretarial services required; and
- Acting as a media and communications contact (including the provision of information to the public on request) in relation to matters covered in the agreement.

The West Coast Regional Council will be the local authority responsible for servicing this agreement from 2013 – 2016.

Regional Policy Statement (RPS) Review

The regional council became aware of clause 3A of the Resource Management Act (RMA) in November 2014. Clause 3A RMA specifically requires content in this Triennial Agreement - specifically an agreement on a consultation process with the district councils regarding any RPS review or change process. Although this triennial agreement was not reviewed to include this section prior to RPS consultation commencing, it now describes the consultation that occurred, retrospectively. This section was included in December 2014, prior to the RPS being formally notified for public submissions.

When the West Coast Regional Council commenced a review of its Regional Policy Statement it was made clear at the Mayors and Chairs forum that the regional council was committed to ensuring the views and interests of the three district councils in the region were thoroughly considered, particularly given the RMA now requires district plans to 'give effect to' policies within an RPS.

The Regional Policy Statement review commenced with a discussion document circulated in November 2013, and the district councils were all invited to comment on it. In December 2013 the Council held an economic summit and invited all elected members of the district councils to attend. At this summit the regional council Chairman again invited feedback on the RPS discussion document.

Following the discussion document feedback, the regional council then prepared a draft RPS for consultation, under clause 3 of the first schedule of the RMA. The regional council Chairman spoke about the draft RPS with all three district councils, at their ordinary meetings, in early 2014. Councillors were all asked to: "Please ensure that we are not proposing anything in the RPS that conflicts with direction of the District Council". Feedback has since been received by all three district councils and is currently being worked into the next version of the RPS, to be notified formally for public submissions in early 2015.

The Mayors of the three district councils all agree that the consultation process described above was fit for purpose and they also acknowledge they may make submissions and further submissions on the RPS when it is formally notified in 2015.

Agreement to Review

The parties agree to review the terms of this agreement within 4 (four) weeks of a request by one of the parties made in writing to the local authority delegated responsibility to service this Agreement.

Resolving Disagreement

In the event of a disagreement over the terms of this agreement the parties agree to refer the issue of disagreement to arbitration for non-binding resolution. If no agreement on an arbitrator is forthcoming a mediator will be appointed by the president of the Westland District Law Society.

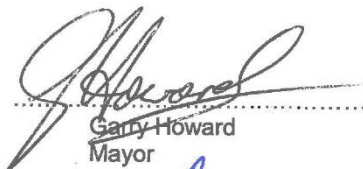
Authority

This agreement is signed on this 8th day of December 2014, by the following on behalf of their respective authorities.

Council

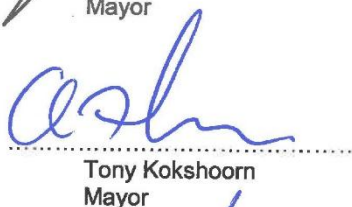
Signature

Buller District Council



Garry Howard
Mayor

Grey District Council



Tony Kokshoorn
Mayor

Westland District Council



Mike Havill
Mayor

West Coast Regional Council



Andrew Robb
Chairman

Report



DATE: 26 March 2015

TO: Mayor and Councillors

FROM: Group Manager: Corporate Services

FINANCIAL PERFORMANCE: YTD JANUARY 2015

1 SUMMARY

- 1.1 The purpose of this report is to provide information on Council's financial performance for the seven months to 31 January 2015.
- 1.2 This issue arises from a requirement for sound financial governance and stewardship with regards to the financial performance and sustainability of a local authority.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council receives the financial performance review to 31 January 2015, attached as **Appendix 1**.

2 BACKGROUND

- 2.1 Council receives monthly financial reporting so that it has current knowledge of its financial performance and position against targets and objectives adopted in the Annual Plan 2014/15.
- 2.2 As this is the first year that Council has been able to produce monthly financial reports, the development of the information suite continues as an iterative process.

3 CURRENT SITUATION

- 3.1 At the Ordinary Council Meeting in February 2015 the full half year report was presented to Council. Officers cited that current timetables provided insufficient opportunity for internal review.
- 3.2 This has been further compromised while attention is focused on preparation of the Long Term Plan 2015-25.
- 3.3 Consequently reporting of the financial performance for each month is currently deferred by one month.
- 3.4 The Financial Performance Report to 31 January 2015, attached as **Appendix 1** contains the following elements:
 - 3.4.1 A new front page graphical summary depicting:
 - 3.4.1.1 Cost of service current, budget and forecast
 - 3.4.1.2 Operating revenue by type versus budget
 - 3.4.1.3 Operating expenditure by type versus budget
 - 3.4.1.4 Cash flow to date and forecast
 - 3.4.2 High level variance analysis
 - 3.4.3 Whole of Council Cost of Service Statement including Full Year Forecast
 - 3.4.4 Cost of Service Statement by Activity
 - 3.4.5 Capital expenditure statement

4 OPTIONS

- 4.1 Receive the report

5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 This report is for information only and, while feedback is invited from Council in order for staff to continuously improve the quality of information provided, no assessment of significance or consultation, and no analyses of options are required.

6 RECOMMENDATION

- A) **THAT** Council receives the Financial Performance Report to January 2015, attached as **Appendix 1**

Gary Borg

Group Manager: Corporate Services

Appendix 1: Financial Performance YTD January 2015

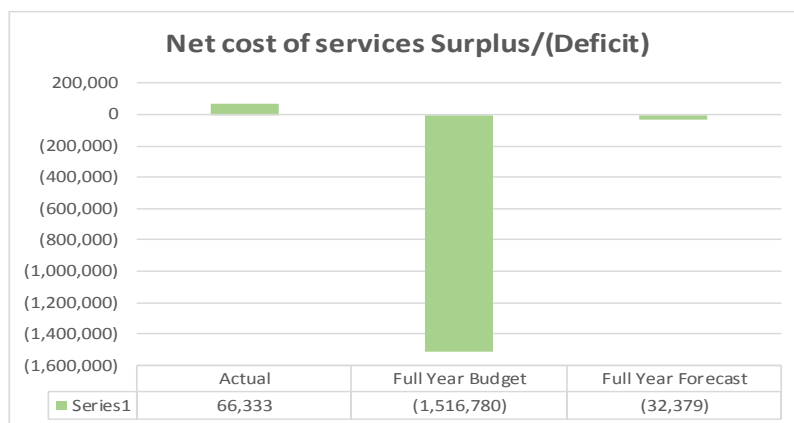
Appendix 1



Financial Performance YTD January 2015

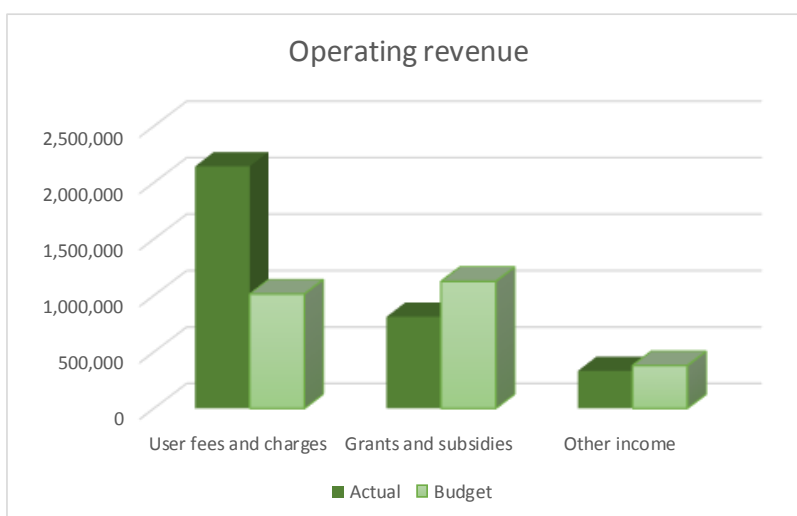
Net cost of services Surplus/(Deficit)

Actual	66,333
Full Year Budget	(1,516,780)
Full Year Forecast	(32,379)



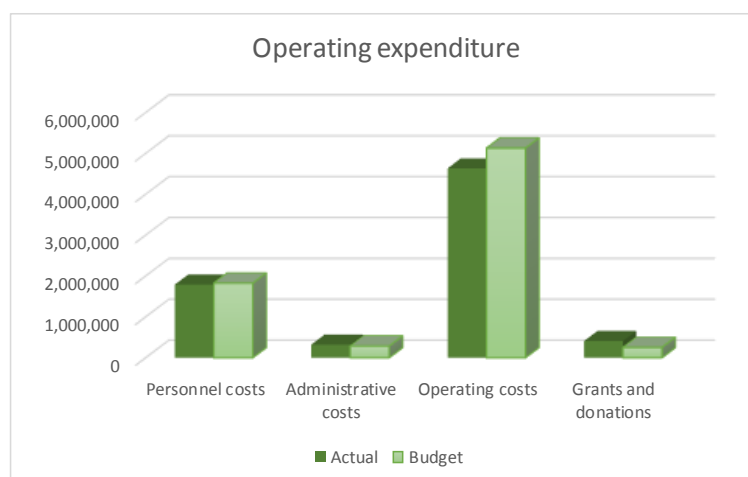
Operating revenue

	Actual	Budget
User fees and charges	2,143,353	1,013,184
Grants and subsidies	811,308	1,124,851
Other income	332,588	378,615



Operating expenditure

	Actual	Budget
Personnel costs	1,788,757	1,824,091
Administrative costs	318,317	286,100
Operating costs	4,631,619	5,128,267
Grants and donations	407,531	251,893

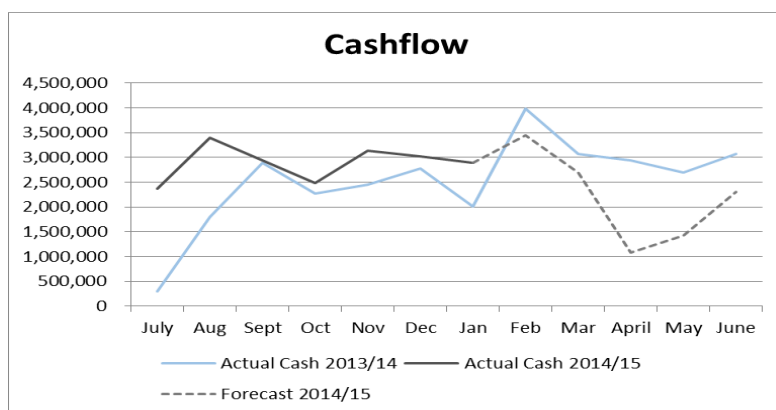


Cash Balances

Closing balance WDC Operational Account: \$895,971

Savings Account balance: \$984,246

Term Deposit balance: \$1,001,865



Main Year to Date Variances

Operating revenue	
User fees and charges	Mainly higher metered water feeds \$920k
Grants and subsidies	NZTA phasing expected to catch up through March and April. Wildfoods festival not eligible for grant income
Other income	\$198k dividends not received, WildFoods festival income expected in March
Operating expenditure	
Operating costs	Repairs and Maintenance charges expected to catch up throughout year
Grants and donations	\$100k Fox community grant not budgeted

WESTLAND DISTRICT COUNCIL

Cost of service statement

	Year to January			Full year 2014-2015	
	Actual	Budget	Variance	Budget	FY Forecast
Operating revenue					
User fees and charges	2,143,353	1,013,184	1,130,168	1,967,048	3,543,173
Grants and subsidies	811,308	1,124,851	(313,543)	3,059,974	3,029,974
Other income	332,588	378,615	(46,027)	894,687	893,045
Total revenue (A)	3,287,249	2,516,650	770,599	5,921,709	7,466,192
Operating expenditure					
Personnel costs	1,788,757	1,824,091	35,334	3,128,999	3,075,651
Administrative costs	318,317	286,100	(32,217)	541,419	533,476
Operating costs	4,631,619	5,128,267	496,647	8,901,924	9,023,297
Grants and donations	407,531	251,893	(155,638)	352,909	352,909
Total operating expenditure (B)	7,146,225	7,490,351	344,126	12,925,251	12,985,333
Net operating cost of services - surplus/(deficit) (A - B)	(3,858,975)	(4,973,701)	1,114,726	(7,003,542)	(5,519,141)
Other expenditure					
Interest and finance costs	510,133	507,997	(2,136)	900,711	900,711
Overheads	2,452,850	3,067,809	614,959	5,289,327	5,289,327
Depreciation	3,298,598	3,012,939	(285,659)	5,194,722	5,194,722
Total other expenditure (C)	6,261,581	6,588,745	327,164	11,384,761	11,384,761
Total expenditure (D = B + C)	13,407,806	14,079,096	671,290	24,310,012	24,370,094
Funded by					
Rates	7,641,368	6,987,000	654,368	11,386,142	11,386,142
Overhead recoveries	2,545,522	3,181,521	(635,999)	5,485,381	5,485,381
Total funded (E)	10,186,890	10,168,521	18,369	16,871,523	16,871,523
Net cost of services - surplus/(deficit) (A + E - D)	66,333	(1,393,926)	1,460,259	(1,516,780)	(32,379)

Cost of service statement by activities

	Year to January			Full year 2014-2015 Budget
	Actual	Budget	Variance	
Operating revenue				
Animal Control	98,902	93,190	5,712	95,500
CE Office Administration	0	0	0	0
Cemeteries	12,579	19,140	(6,561)	33,000
Community Assistance	18,276	18,048	228	24,548
Community Development	0	0	0	0
Community Halls and Buildings	30,274	7,412	22,862	12,780
Community Township Development	30,450	0	30,450	0
Corporate Planning	0	0	0	0
Corporate Services Group Admin	27,482	29,580	(2,098)	51,000
Council Headquarters	18,154	17,255	899	29,750
Democracy Services	(330)	1,500	(1,830)	1,500
District Assets Group Admin	5,833	0	5,833	0
Elderly Housing	0	0	0	0
Emergency Management	0	0	0	0
Events	8,370	41,000	(32,631)	412,500
Hokitika Airport Ltd	0	0	0	0
Information Services	963	1,160	(197)	2,000
In-House Professional Services	0	0	0	0
Inspection and Compliance	355,593	294,002	61,591	570,028
I-Site	103,785	94,289	9,496	150,289
Land & Buildings	3,666	0	3,666	0
Library	18,735	16,151	2,583	28,440
Museum	63,965	17,655	46,310	34,000
Parks & Reserves	39,275	6,633	32,642	7,350
Planning, Community and Environment Admin	0	0	0	0
Public Toilets	0	0	0	0
Resource Management	61,235	56,550	4,685	97,500
Solid Waste	427,125	406,104	21,022	703,350
Stormwater	0	0	0	0
Swimming Pools	0	0	0	0
Transportation	718,289	1,006,521	(288,232)	2,873,674
Vehicle operations	39,069	0	39,069	0
Wastewater	43,228	45,500	(2,272)	45,500
Water Supply	924,307	0	924,307	0
West Coast Wilderness Trail	6,415	0	6,415	0
Westland District Property Ltd	0	0	0	0
Total operating revenue	3,055,641	2,171,690	883,951	5,172,709

Operating expenditure				
Animal Control	39,006	34,530	(4,476)	60,810
CE Office Administration	257,723	237,827	(19,896)	410,093
Cemeteries	28,197	43,937	15,740	75,753
Community Assistance	174,071	200,910	26,839	270,160
Community Development	46,651	48,892	2,241	83,350
Community Halls and Buildings	69,823	72,055	2,232	112,690
Community Township Development	311,197	254,832	(56,365)	356,198
Corporate Planning	98,105	71,613	(26,492)	259,561
Corporate Services Group Admin	678,316	665,125	(13,192)	1,051,474
Council Headquarters	96,289	107,740	11,451	167,673
Democracy Services	309,518	323,304	13,786	531,945
District Assets Group Admin	135,759	158,332	22,573	317,915
Elderly Housing	24,165	0	(24,165)	0
Emergency Management	22,367	28,880	6,512	59,310
Events	37,688	168,127	130,438	335,212
Hokitika Airport Ltd	14,245	0	(14,245)	0
Information Services	196,035	138,355	(57,679)	251,043
In-House Professional Services	361,019	448,859	87,839	773,524
Inspection and Compliance	313,799	345,455	31,657	565,910
I-Site	181,280	152,494	(28,787)	259,213
Land & Buildings	146,329	32,437	(113,892)	48,355
Library	228,586	208,069	(20,517)	338,391
Museum	161,596	146,728	(14,868)	250,448
Parks & Reserves	108,015	151,483	43,467	259,284
Planning, Community and Environment Admin	0	0	0	0
Public Toilets	81,134	95,949	14,815	180,564
Resource Management	139,863	183,425	43,562	328,796
Solid Waste	871,440	908,915	37,475	1,754,545
Stormwater	47,572	34,033	(13,539)	69,346
Swimming Pools	136,524	140,709	4,185	241,918
Transportation	892,269	1,258,776	366,507	2,099,958
Vehicle operations	22,656	0	(22,656)	0
Wastewater	191,415	198,214	6,799	388,287
Water Supply	422,443	476,132	53,689	769,061
West Coast Wilderness Trail	114,433	0	(114,433)	0
Westland District Property Ltd	10,954	0	(10,954)	0
Total operating expenditure	6,970,481	7,336,136	365,655	12,670,786
Net operating cost of services - surplus/(deficit)	(3,914,840)	(5,164,446)	1,249,606	(7,498,077)

Capital expenditure statement

Account code	Description	Year to January			Full year 2014/15	
		Actual	Budget	Variance	Budget	FY Forecast
350458106	Cemetery expansion	2,999	0	(2,999)	10,000	10,000
4205581	Emergency management	0	0	0	11,000	11,000
341858103	Repairs of statues	0	2,500	2,500	5,000	5,000
1600581	Website development	15,266	15,000	(266)	15,000	15,000
490058101	IT Improvements and Strategy	0	0	0	30,000	30,000
5100584	Audio/visual/e resources	3,193	1,740	(1,453)	3,000	1,547
5100585	Adult fiction	7,903	7,250	(653)	12,500	13,153
5100586	Adult non fiction	9,540	10,672	1,132	18,400	18,400
5100587	Junior resources	7,349	6,670	(679)	11,500	12,179
5100588	Large print	2,912	3,480	568	6,000	6,000
450458101	Capping Hokitika Landfill	0	0	0	20,000	20,000
3030581	Unsealed Road Metalling	133,355	155,440	22,085	268,000	268,000
3031581	Sealed Road Resurfacing	0	201,000	201,000	804,000	804,000
3032581	Maintenance - Drainage Renewals	37,294	93,264	55,970	160,800	160,800
3033581	Structures Component Replace	15,916	110,684	94,768	187,600	187,600
3034581	Traffic Services Renewals	15,175	77,720	62,545	134,000	134,000
3070581	Sealed Road Resurfacing	0	37,500	37,500	150,000	150,000
3071581	Drainage renewals	21,185	14,065	(7,120)	24,250	24,250
3072581	Structures Component Replace	2,919	28,710	25,792	49,500	49,500
3073581	Traffic Services Renewals	2,169	3,103	934	5,350	5,350
3080581	Minor Improvements-Local Rds	64,984	100,881	35,897	173,932	173,932
3081581	Minor Improvements-SP Roads	0	15,731	15,731	27,124	27,124
5674581	West Coast Cycle Trail	398,173	0	(398,173)	0	398,173
5200581	H & C - Capital Expenditure	0	0	0	5,000	5,000
4702581	Water Supply - Kumara	4,783	0	(4,783)	10,000	10,000
4707581	Water Supply - Hari Hari	0	0	0	50,000	50,000
4708581	Water Supply - Whataroa	525	0	(525)	50,000	50,000
471258104	Water Supply - Haast	4,326	0	(4,326)	400,000	400,000
Total capital expenditure		749,966	885,409	135,443	2,641,956	3,040,008