

**Minutes of the Organisational Performance and Audit Committee (*Arataki Mahi me Tātaki Kauta*) Meeting of the Southland Regional Council, held in Regional House, corner North Road and Price Street, Invercargill, on Thursday, 19 November 2020, at 9.00 am**



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**Present:** Cr L Ludlow (Chairman)  
Cr A Baird  
Cr N Cook  
Cr L McCallum  
Cr J McPhail  
Mr B Robertson  
Chairman N Horrell (ex-officio)

**Also Present:** Cr L Esler  
Cr E Roy  
Cr D Stevens (joined at 9.50 am)  
Mr M Hawken (Partner, Deloitte Limited)

**In Attendance:** Mr R A Phillips (Chief Executive)  
Mr N Selman (General Manager, Corporate Services)  
Mr J Streat (General Manager, Operations)  
Mrs W Falconer (General Manager, Strategy & Engagement)  
Mrs T Hawkins (Finance Manager)  
Ms G Jefferies (Communications & Engagement Manager)  
Mrs L Tamati (Communications & Engagement Advisor)  
Mr B Rickertsen (Digital Media Co-ordinator)  
Mrs M Weston (PA)

**1 Welcome (*Haere mai*)**

The Chairman welcomed everyone to the Organisational Performance and Audit Committee meeting and those attending the live stream of this event.

**2 Apologies (*Nga Pa Pouri*)**

There were no apologies for absence as all members were present.

**3 Declarations of Interest**

There were no declarations of interest raised at the meeting.

**4 Public Forum, Petitions and Deputations (*He Huinga tuku korero*)**

There were no public forum, petitions or deputations presented at the meeting.

## **5 Notification of Extraordinary and Urgent Business (*He Panui Autaia hei Totoia Pakihi*)**

### **5.1 Supplementary Reports**

There were no supplementary reports tabled for inclusion in the agenda.

### **5.2 Other**

No other items were raised for discussion.

## **6 Questions (*Patai*)**

No questions were asked at this time.

## **7 Chairman and Councillors' Reports (*Nga Purongo-a-Tumuaki me nga Kaunihera*)**

Neither the Chairman nor any Councillors presented a report to the meeting.

## **8 General Manager of Corporate Services Report – 20/OPAC/107**

### **Item 1 – Draft 2019/20 Annual Report and Summary**

This item was for Council to review the draft 2019/20 Annual Report and Summary, and consider if the document could be forwarded for the Extraordinary Meeting of Council on 26 November 2020 for adoption.

Councillors were encouraged to provide input into the messages and wording of the Annual Report and Summary, and to raise any concerns or questions which they may have.

The following items were raised:

#### ***Annual Report 2019/20***

In the Annual Report (pg. 2), Councillors discussed the Chairman and Chief Executive message and raised questions whether the tone and language used was correct. Councillors felt that this message needs to tell the story of the challenging year which Environment Southland has faced; the recent flood event of this year and the COVID-19 pandemic should be referenced, highlighting the following:

- the Impact that these significant events have had on revenue and income streams
- government regulation changes and the challenges that these will have on the business
- the need for significant investment in the region
- Environment Southland's ongoing focus on expenditure
- reference to Environment Southland wanting to work with Government to see the work progressed

Tanea Hawkins spoke to the Financial Section of the Annual Report. Further amendments to this report, include the following items:

- pg. 14 - the heading “Environmental Stewardship” to incorporate the Māori translation;
- pg. 71 - a change was made to the last sentence in the salary banding paragraph to reflect “number of employees receiving total annual remuneration between \$140,00 and \$340,00”;
- pg. 81 - the top paragraph needs to include a statement relating to COVID-19, the uncertainty it has created and the longer impact that it is having;

*Rob Phillips left the meeting at 9.40 am*

- pg. 88 (item 4) - Councillors question the need to use this sentence “The Council/s capital expenditure will always be equal to or greater than the depreciation expenses”, and made the request for the sentence to be deleted. Tanea Hawkins is to seek advice from Deloitte on the deletion of this sentence.

*Rob Phillips returned to the meeting at 9.50 am; Cr Stevens joined the meeting at 9.50 am*

#### **Annual Report 2019/20 Summary**

No further questions and changes were made to the Draft Annual Report 2019/20 Summary.

Council paid a tribute of thanks to Tanea Hawkins, Finance Manager and the Finance Team, noting the challenges and events that this year had brought.

#### **Resolved:**

**Moved Cr McCallum, seconded Cr Baird, that Council review and resolve to:**

- 1) make the agreed changes to the information presented as discussed and;**
- 2) note that it does not require any additional information to be provided and;**
- 3) forward the draft 2019/20 Annual Report and Summary to Council for adoption at its meeting on 26 November 2020, subject to any final changes required to either document by the council and/or the audit team.**

**Carried**

#### **Extraordinary and Urgent Business (*Panui Autaia hei Totoia Pakihi*)**

There were no items of extraordinary or urgent business considered by the meeting.

**10 Public Excluded Business (*He hui Pakihi e hara mo te iwi*)**
**Resolved:**

Moved Chairman Horrell, seconded Cr McCallum, that in accordance with section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest/s protected by section 6 or section 7 of that Act (or sections 6, 7 or 9 of the Official Information Act 1982, as the case may be), the public be excluded from the following parts of the proceedings of this meeting, namely:

- Item 2 – Deloitte – Management Letter

The general subject of the matters to be considered while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds for excluding the public, as specified by Section 48(1) of the Local Government Official Information and Meetings Act 1987, are set out below:

<i>General Subject Matter</i>	<i>Reason for Passing the Resolution</i>	<i>Grounds under S. 48(1)</i>
→ Item 2 – Deloitte Management letter	To prevent the disclosure or use of official information for improper gain or advantage.  Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.	S.7(2)(j)  S.7(2)(h)

It is further moved that Rob Phillips, Neil Selman, Jonathan Streat, Wilma Falconer, Gail Jefferies, Leeana Tamati, Boi Rickertsen, and Mel Weston be permitted to remain at this meeting, after the public has been excluded, because their knowledge of the item they are associated with will be of assistance in relation to the matter to be discussed.

Carried

**Resumed in Open Meeting**
**Termination**

There being no further business, the meeting closed at 10.30 am.