



# COUNCIL CONTROLLED ORGANISATION OVERSIGHT COMMITTEE MEETING MINUTES

## MINUTES OF THE COUNCIL CONTROLLED ORGANISATION OVERSIGHT COMMITTEE MEETING OF WESTLAND DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON THURSDAY, 27 MARCH 2025 COMMENCING AT 10 AM

The Committee Meeting was live streamed to the Westland District Council YouTube Channel and presentations are made available on the council website.

### 1. MEMBERS PRESENT AND APOLOGIES

Chairperson:	S. Reindler (via zoom)
Members:	Her Worship the Mayor
	Cr Burden

#### NGĀ WHAKAPAAHA APOLOGIES

Deputy Mayor Cassin, Kw Tumahai, Kw Madgwick.

Moved Her Worship the Mayor, seconded Cr Burden and **Resolved** that the apologies from Deputy Mayor Cassin, Kw Tumahai and Kw Madgwick be received and accepted.

#### ABSENT

Nil

#### STAFF PRESENT

B. Phillips, Chief Executive; L. Crichton, Group Manager Corporate Services and Risk Assurance; E. Bencich, Acting Group Manager District Assets; D. Maitland, Executive Assistant; E. Rae, Strategy and Communications Advisor (via Zoom).

*Also in attendance:*

Mark Rogers, Chair Westroads Ltd; Graeme Kelly, Chief Executive Westroads; Chris Gourley, Chair Destination Westland Ltd (Via zoom), Rob Caldwell, Director of Westroads Ltd.

### 2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register had been circulated.

The following changes were noted to the Interest Register:

- Cr Burden removed Love Hokitika and added St John West Coast Area Committee.
- The Chair removed Waste Management, Clearwater Construction Ltd and D & H Steel Construction Ltd as notified by email to the Governance Administrator.

**3. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE  
URGENT ITEMS NOT ON THE AGENDA**

There were no urgent items of business not on the Committee Agenda.

**4. NGĀ MENETI O TE HUI KAUNIHERA  
MINUTES OF MEETINGS**

The Minutes of the previous meeting had been circulated.

**Inaugural Council Controlled Organisation Oversight Committee Meeting – 29 January 2025**

Moved Her Worship the Mayor, seconded Cr Burden and **Resolved** that the Inaugural Minutes of the Council Controlled Organisation Oversight Committee Meeting held on 29 January 2025 be confirmed as a true and correct record of the meeting.

The Chair **Approved** that their digital signature be added to the confirmed Inaugural Council Controlled Organisation Oversight Committee Meeting Minutes of 29 January 2025.

**5. ACTION LIST**  
Nil

**6. NGĀ TĀPAETANGA  
PRESENTATIONS**

**Westroads Ltd 6 Monthly Update**

Mark Rogers, Chair Westroads Ltd and Graeme Kelly, Chief Executive Westroads Ltd and Rob Caldwell, Director of Westroads Ltd were in attendance for this part of the meeting. Chair Rogers spoke to the Westroads Ltd 6 Month Report Ending 31 December 2024.

The main financial points of the half yearly report for 31 December 2024 were:

- Revenue was up on budget by \$1.276m.
- Gross Profit at \$4.500m was up on budget by \$968k.
- Net Profit before tax was \$670k compared to budgeted profit of \$309k.
- Bank debt was \$2,426k compared to \$2,925k last year.
- Equity has increased by \$462k to \$11,709k while the equity to assets ratio has reduced from 62% to 61% between December 2023 and December 2024.

While bottom-line profit was \$361k above budget, there were operational variances in delivering as follows:

- Income was well above budget in both Hokitika and Christchurch.
- An increase in construction work volume across the company has led to more efficient operation, enhancing margins and boosting profit.
- Greymouth Utilities Maintenance has taken longer to establish than budgeted.
- Margins in the Christchurch market have been tightening and forward work volumes are decreasing due to increasing competition for limited work.
- The Chair advised that the half-yearly result is pleasing, being well up on last year and budget. The Chair foresees the second half performance being similar, which would deliver a positive full-year result.
- The directors will consider an interim dividend at the February 2025 board meeting.

- The Chair Westroads Ltd will provide the Committee with further information on the split between Christchurch, Greymouth and Hokitika revenue in an internal workshop.

Moved Chair Reindler, seconded Her Worship and Mayor and **Resolved** that:

1. The Westroads Ltd 6 Monthly Update presentation be received.

#### **Destination Westland Ltd - 6 Monthly Update**

Chris Gourley, Chair Destination Westland Ltd was in attendance on Zoom for this part of the meeting and spoke to the 6 Monthly Update from Destination Westland Ltd.

- Chair Gourley advised that the Hokitika Airport has been a principal focus with funding obtained for the upgrade of the lighting, reseal and extension upgrade.
- A detailed report on the Hokitika Wildfoods Festival will be provided in due course to the Committee.
- Successful operation of the Helipads at Franz Josef.
- Overall total revenue is down year on year due to the CCO review and some of the managed assets being transferred back to Council. Expenses year on year have reduced by a similar number. By the end of the financial year the budget will be on target.
- The Destination Westland Ltd financial information will be split in future to give a clearer picture of financial returns of each business and will provide this to the Committee. Her Worship the Mayor asked it to be noted that the request for a breakdown of financials had been requested two years earlier.
- Chair Reindler raised an issue on deferred tax liability. Chair Grouley agreed to provide information on the specifics to the Committee.
- The Hokitika Pool and Hokitika Westland isite have been transferred back to the Council management from Destination Westland Ltd which has affected revenue and positively reduced the cost also.
- Chair Gourley to provide a breakdown of the 14 million Land and Building Fixed Assets along with clarification of \$105,000 of Assets Under Construction for the Committee.
- Employee entitlements and annual leave was discussed. Destination Westland Ltd has a strong policy in place to cover staff entitlements.

Moved Her Worship the Mayor, seconded Cr Burden and **Resolved** that:

1. The Destination Westland Ltd 6 Monthly Update presentation be received.

## **7. PŪRONGO KAIMAHI REPORTS**

- **Statement of Intent**

Steve Reindler, Chair CCO Oversight Committee spoke to the Statement of Intent.

The Committee has received the Statement of Intent from each of the Council Controlled Organisations ahead of a Letter of Expectation being completed. The Statement of Intent to be finalised by 30 June 2025.

Moved Cr Burden, seconded Her Worship the Mayor and **Resolved** that:

1. The verbal update from Chair Reindler be received.

- **Westroads Ltd Draft Statement of Intent**

Mark Rogers, Chair Westroads Ltd spoke to the Draft Statement of Intent and provided an update to the Committee.

- The Draft Statements of Intent were received by WDC within the statutory timeframes.
- Westroads Ltd principal objectives and strategic priorities are to operate as a successful business, maximise shareholder value and provide positive community outcomes.
- Statement of Intent Financial Budget and Forecasts were discussed.
- Community financial performance targets are in line with what they were set this year and the financial targets have increased from the previously approved Statement of Intent.
- Approval of the Council must be obtained for any significant purchases or developments of more than \$500,000 for any one project, including the funding mechanism for the purchase or development. For general plant replacement items, amounts in excess of \$750,000 need to be referred to the Council as above.

Moved Cr Burden, seconded Her Worship the Mayor and **Resolved** that:

1. The Westroads Ltd Statement of Intent be received.

- **Destination Westland Ltd Draft Statement of Intent**

Chris Gourley, Chair Destination Westland Ltd spoke to the Draft Statement of Intent.

- The Draft Statements of Intent were received by WDC within the statutory regulation timeframes.
- Key strategic direction includes managing core infrastructure including the Airport, Heliport and Property, leveraging assets and attracting investment.
- A process is underway for the appointment of a new chair for Destination Westland.
- The negotiation of aeronautical fees is being reviewed.

Moved Cr Burden, seconded Her Worship the Mayor and **Resolved** that:

1. The Destination Westland Ltd Draft Statement of Intent be received.

**Draft Letter of Expectation**

Moved Her Worship the Mayor, seconded Cr Burden

1. The Committee approves that the Draft Letter of Expectation be presented to Council.

- **Committee Workplan**

Steve Reindler, Chair CCO Oversight Committee spoke to the workplan and advised that more work will be done on this before the next meeting.

Moved Cr Burden, seconded Her Worship the Mayor and **Resolved** that:

1. The Committee Workplan be received.

**DATE OF NEXT COUNCIL CONTROLLED ORGANISATION OVERSIGHT COMMITTEE MEETING – 5 JUNE 2025  
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

**MEETING CLOSED AT 10.52 PM**

Confirmed by the Council Controlled Organisation Oversight Committee at their meeting on 5 June 2025.

**Stephen Reindler**  
Chair

**Date: 5 June 2025**