

**WAIROA DISTRICT COUNCIL**

**SPECIAL MEETING OF COUNCIL**

*(Hawke's Bay District Health Board)*

Minutes of a Special Meeting of Council held in the Wairoa District Council Chambers, Coronation Square, Queen Street, Wairoa on Thursday 28 February 2008 at 9:00am.

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**PRESENT:** His Worship the Mayor, L Probert (Chair)

**COUNCILLORS**

D Eaglesome, D Caves, J Heron, B Cairns, and J Petersen

**IN ATTENDANCE:** P Freeman (Chief Executive Officer)  
T Cook (Administration Manager)  
R Snow (Finance Manager)

CIVIC PRAYER

Councillor Eaglesome gave the Civic Prayer.

APOLOGIES

An apology was received from Councillor McKinnon.

<b><u>Resolved:</u></b> <i>That the apology received from Councillor McKinnon be accepted.</i> <b><i>Eaglesome/Cairns</i></b>
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CALLS FOR CONFLICTS OF INTEREST

**NIL**

CALLS FOR ITEMS OF URGENT GENERAL BUSINESS NOT INCLUDED IN THE AGENDA AND NOTICES

**NIL**

General Items

**HAWKE'S BAY DISTRICT HEALTH BOARD**

**A.20.02**

<b><u>Resolved:</u></b> <i>That the report be received.</i> <b><i>His Worship the Mayor/Heron</i></b>
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His Worship the Mayor spoke to the report informing Councillor's that the call for a Special Meeting of Council had arisen in anticipation of the Minister of Health, Mr David Cunliffe, dismissing the Hawke's Bay District Health Board and appointing a Commissioner.

His Worship the Mayor informed Councillors of the forwarding of a joint letter of all Territorial Authorities in Hawke's Bay to the Minister, advising of their support of the Hawke's Bay District Health Board and its Chairperson. Despite concerns raised within the letter as to concerns raised by the Board that had not been previously addressed, and other matters that had been brought to fore by media, the Minister's response was that the Board had two working days to provide acceptable answers to questions he had raised under separate correspondence, the result being that the Minister dismissed the Board and appointed a Commissioner for the remainder of the elected term as of Wednesday 27<sup>th</sup> February 2008.

His Worship the Mayor advised that the Minister had stated that the Board was dysfunctional, however it was the opinion of all Mayors within Hawke's Bay, and the Chairman of the Hawke's Bay Regional Council, that as they were a newly elected Board, with a Chairman and representatives yet to be appointed, they had not yet been given an opportunity to operate as a Board, and as such could not be defined as being dysfunctional.

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The Chief Executive Officer advised that the Minister of Health had every right to dismiss a Health Board, however he could only do so in line with conditions set out in legislation. In the past, the Minister of Health had appointed a Chairman and Crown Monitor to manage and oversee the operations of Health Boards and as such, the Ministers current action seemed extreme.

In terms of current legislation there are two ways that the Minister of Health can remove a Board, or members of a Board.

1. The Minister has to be seriously dissatisfied with the performance of the Board and put forward reasonable grounds for dissatisfaction.
2. The Minister can remove an elected member/s who may be part of the following list:
  - Disqualified (criminal conviction etc)
  - Failed to declare an interest
  - Absent for four meetings
  - Breached their duties under the crown Entities Act
  - Seriously compromised the integrity of the Board

In response to the Minister's actions, Napier City Council was seeking the support of all Territorial Authorities within Hawke's Bay to join them in court action that calls the Minister to account through a judicial review of his actions and decision.

For legal proceedings to be undertaken, Councils are required to pass a resolution on the matter by way of an Extraordinary Meeting, which has been notified in accordance with Standing Orders and the Local Government Official Information Act.

Councillor's expressed concern at the actions of the Minister and the resulting impact that it would have on the provision of health services in the Wairoa District, particularly with the Minister making public comment that services were likely to be cut.

Concern was also raised as to the effect that would be had on the Wairoa Public Health Organisation, as they were reliant on receipt of funding through the Health Board, and at present had no conduit between themselves and the Commissioner.

Given the actions of the Minister and the effects upon delivery of health services that were likely to result, Councillors unanimously supported the seeking of a judicial review.

<p><b><u>Resolved:</u></b> <i>That Council in conjunction with all Hawke's Bay Territorial Authorities, support the seeking of a judicial review of the decision of the Minister of Health to dismiss the Hawke's Bay District Health Board on the premise that the Minister of Health has acted in an unreasonable and irrational manner, and in isolation of legislated statutory requirements.</i></p>	<p><b><i>Eaglesome/Heron</i></b></p>
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His Worship the Mayor raised the importance of preparing a press release which outlined Council's concerns as to the potential impacts of the Minister's decision to dismiss the Board, particularly in light of public concern as to the consequences as related to the delivery of health services within the Wairoa District.

<p><b><u>Resolved:</u></b> <i>That His Worship the Mayor prepare a press release outlying Council's concerns.</i></p>	<p><b><i>Eaglesome/Heron</i></b></p>
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## **ANNUAL PLAN 2008/2009 INDICATIVE RATING LEVELS**

The Finance Manager and Chief Executive Officer presented Councillors with a number of additional scenarios for consideration as related to indicative rating levels to be applied to the draft 2008/2009 Annual Plan.

Scenario three maintained existing differential, with \$15,000 deducted from Tuai Sewerage reserves, and \$250,000 transferred from Rural Roading Reserves to offset the rates. This reduced the projected farming and forestry increases of 9-10% to 2-3%. Scenario four took account of the above and removed the \$100,000 Emergency Works from the proposed budget, reducing farming and forestry rates to the negative. Scenario five maintained existing differential, with \$15,000 deducted from Tuai Sewerage reserves, and removed the \$100,000 Emergency Works, reducing farming and forestry increases of 9-10% to 6-7%. In all instances, large increases in rates would still apply to those in Mahia as a result of Sewerage and Wastewater projects, and to industrial, commercial, and utilities in the Wairoa urban area.

The recommendation of Management to Councillors was that Scenario three should be taken forward for inclusion in the Draft Annual Plan 2008/2009.

Councillors agreed that scenario three appeared to have achieved and covered the concerns of Council as related to the financial impact on ratepayers. Councillors also acknowledged that in off setting the rate with transfers from reserves funds that at some time in the future they would have to play catch up, meaning that ratepayers would have to meet the funded increases of the past, as well as additional increases in subsequent years.

The Finance Manager was instructed to incorporate scenario three into the Draft Annual Plan 2008/2009 and bring the plan back to Council for release for public consultation.

**ROADING ISSUES – QUALITY ROADING SERVICES (WAIROA) LTD. B04.01**

The Chief Executive Officer informed Councillors of a number of roads which had had oversized metal placed on them by contractors. Council had contacted the Wairoa Star and asked that an article be prepared advising people of the error and that steps were being taken to remedy the problem. A meeting had taken place with Quality Roading Service (Wairoa) Limited, where it had been made clear that Council was unhappy with services provided. The problem was to be rectified at the cost of the Contractor, with the oversized metal to be removed, and the appropriate sized metal to be laid down.

There being no further General Business, the His Worship the Mayor, declared the meeting closed:

**MEETING CLOSED:                    9:30 AM**

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Chair