

# THE NEWS

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70c (65c home delivery)

## Credit card explanations lacking

by Lee Scanlon

The West Coast Regional Council was today unable to explain why it had breached its own rules by accepting credit card spending without proper checks.

Council's deputy chairman admitted he had signed off on the chairman's bills without querying them.

Council's corporate services manager admitted Council had cost ratepayers money, because it had paid credit card bills without documents to back them up, and could not claim back GST as a result.

Council's deputy chairman Peter Ewen is responsible for reviewing and approving the credit card transactions of chairman Ross Scarlett who has spent about \$4000 since October 2008.

Mr Ewen said today that he had simply signed Mr Scarlett's credit card statement every month. In almost three years he had never asked for supporting documents or queried spending.

"I haven't had need to. You take it in good faith, that's the correct detail's there."

Told that council had admitted it had paid bills without proper documentation, costing ratepayers money in GST reimbursements, he declined to comment without talking to council staff.

He said he believed council's accounting practices had been acceptable.

Council must provide invoices for bills over \$50 to claim back GST.

Corporate services manager Robert Mallinson admitted some credit card bills had no invoices to back them up, but council had still paid them. He acknowledged that had cost ratepayers money in GST reimbursements, but said he didn't know how much.

He could not explain the lapse, which was revealed only after The News sought detailed invoices and council could supply few.

He said council would be 'tightening up'. Asked if council's accounting practice had been lax, Mr Mallinson replied, "I'm not going to answer any type of question - if you are going to take shots at my accounting practices I'm not going to respond to you."

Council chairman and chief executives have clocked up more than \$20,000 on council credit cards over the last five years, mostly for meals, accommodation and taxi fares.

Mr Scarlett's bills for which council could supply The News with no GST invoices included \$136 and \$71.80 at Christchurch's Cookai Japanese Restaurant, \$69 at the Canterbury Club, and \$54.50 at the Biaracouta Bar in Rangiora.

Council supply no documentation at all for some of his spending, including \$71.50 at Canterbury Club and supermarket bills ranging from \$6.98 to \$11.73.

Mr Mallinson told The News on Monday that he knew the supermarket spending was for food, "because he (Mr Scarlett) told me".

Mr Scarlett told The News on Monday that all his spending was legitimate. He said he had mislaid some receipts. He acknowledged lack of detailed receipts, including his own, was a problem. "I do understand the issue. That will change."

### "Bad practice"

A Westport accountant said council had used 'bad' accounting practice.

Peter Campbell, who is also a Buller district councillor, said GST invoices should be supplied to back up all the regional council's credit card spending.

"You could go as far as to say if you haven't got it, you can't get reimbursement for it."

Without detailed invoices, council could not be sure whether spending was legitimate and could not claim GST on bills over \$50. Mr Campbell said:

"Were ratepayers missing out? Absolutely."

He doesn't believe elected representatives should have ratepayer-funded credit cards. They should pay their expenses on their own credit cards, then be reimbursed when they provided the appropriate paperwork, he said.

The regional council's slip-ups indicated "a failure of systems" in which Audit New Zealand could be interested, he added.

The regional council is now refusing to supply The News with any credit card invoices, citing privacy. The News has complained to the Ombudsmen.

## Another plush stay

by Lee Scanlon

Another Coast council has put up representatives at a plush Christchurch hotel.

Three Grey District Council staff stayed at the Crowne Plaza in May this year, council accommodation and travel bills reveal.

Two shared a room for four nights and another stayed two nights in a separate room.

Council's finance and IT manager Ian Young said they were attending a conference held at the hotel. Council's corporate rate made their accommodation costs "reasonable".

Their accommodation bill came to \$853.33 and they spent another \$142.22 on parking. They also each received a \$70 a day meal allowance, taking the total cost to ratepayers to \$1695.55.

Their stay was an unwelcome surprise to Grey Mayor Tony Kokshoorn who told The News on Tuesday he didn't approve of council representatives staying at expensive hotels.

He was unimpressed when the News told him his own council's staff had stayed there.

"I try and lead by example, and I think those people couldn't stay at the Crowne Plaza any other time, why would they stay there this time, just because

the ratepayer's paying?"

Mr Kokshoorn said expensive hotels were only an option if council could get a special deal which cut costs to what an "average person" would expect to pay. Up to \$120 a night for a motel unit was reasonable, he said.

However, staff were the responsibility of the chief executive, not the mayor, he added.

The News revealed on Tuesday that the West Coast Regional Council's former chief executive David Horn and a former councillor Denis Shanahan notched up \$2445.86 on Mr Horn's council credit card when they stayed at the Crowne Plaza for a conference in 2005.

Mr Horn stayed four nights and Cr Shanahan stayed five.

Unlike the Grey representatives, the pair had no set meal allowance. They spent \$387 each on meals and drinks, including four room-service breakfasts at \$46.50 each for Mr Horn and a \$138.50 dinner for Mr Shanahan.

On the same trip, Mr Horn charged up a \$99 dinner at Azure Restaurant and Bar, \$52 for his share of drinks at Palazzo Del Marinaio, and \$13.50 for an unspecified purchase at the Springfield Store Cafe, taking the total cost to ratepayers to \$2558.36.



Dig this: Buck Shelford, left and Richie McCaw practise shovelling coal at a training day in Auckland. (Photo - supplied)

## AB's road show visits Reefton

Reefton residents are gearing up to challenge the All Blacks to a coal shovelling contest when the 2010 MasterCard All Blacks road show visits the racecourse on Sunday.

Four current All Blacks and All Black legend Wayne 'Buck' Shelford will be taking part in the challenge. The All Blacks will be chosen on Saturday. Shelford said he was once again delighted to be a part of the road show. "The new challenges bring another dimension to the road show, now it will be even more entertaining for the fans," he said.

Blackball and Reefton coal miners Ritchie Banks and Brian Coghlan will be assisting the All Blacks. Mr Coghlan said the All Blacks were not expected to break any records.

"We are more than grateful they've come to this town to help preserve and promote this iconic West Coast tradition," Mr Coghlan said.

Competitors will also take part in rugby challenges such as catching, try scoring, kicking, passing and lineout skills. The event will take place between 11am and 3.30pm.

The road show is visiting six towns famous for unique activities such as the caber toss, gumbot throwing, coal shovelling, water racing and curling. Akaroa in Canterbury and Naseby in Otago are the only other South Island stops.

The road show has already visited Tokoroa, Tahape and Waipu in the North Island.

MasterCard vice president brand marketing Australia New Zealand Michelle Pilot said the event was a reminder of what the All Blacks mean to communities around New Zealand.

## O'Connor takes agriculture

by Amelia Langford

West Coast Tasman MP Damien O'Connor will replace Jim Anderton as Labour's spokesman for agriculture.

Mr Anderton, who leads the Progressive Party, had held the portfolio until yesterday, as part of an arrangement that recognised Labour and the Progressive's close ties, said Labour leader Phil Goff.

As Mr Anderton would not seek re-election as an MP he had relinquished his role to Mr O'Connor.

"Damien is already Labour's rural affairs and bio-security spokesman and brings with him a huge amount of experience to the agriculture portfolio as former share-milker, farmer and now berryfruit grower who has sound practical and parliamentary experience," said Mr Goff.

Mr O'Connor told The News he would bring practical skills and good connections to the job. "It's a clearer mandate to work on policy ideas and it enables me to combine the bio-security (and) rural issues along with industry issues," he said.

Three portfolios would make life busy but it was a logical alignment.

"I welcome the challenge, along with tourism, (agriculture's) always been my great passion," he said.

He had recently started farming buyseensberries in



Damien O'Connor

Moutere. "It can be rewarding, even if it's just eating the product," he quipped.

He was already associate agriculture spokesman so it wouldn't be a huge change.

"I guess I'll have more responsibility in terms of attendance at events and discussion with industry representatives."

The dairy, meat and wool sectors faced some real challenges.

"I have a belief that the industry needs to ensure the right structures are in place and we need to look at issues like overseas ownership and control."

The current Government wanted to ease the controls and open the door to further foreign investment.

"In my view this is a dangerous move and we need to be very very careful to manage all overseas investment in New Zealand."

Agriculture minister David Carter had shown a reluctance to intervene and demonstrate leadership when it was really needed, Mr O'Connor said.

When asked what he made of Mr Anderton's chances of becoming mayor, Mr O'Connor thought them high.

"I just think he can offer the solid and stable leadership that Christchurch needs given the many issues of concern that have been floating round the last couple of years."

## Pulse tops customer gains

by Amelia Langford

Buller's newest power company, Pulse Energy, as the fastest growing energy retailer in the country in June.

The Energy Commission's switch figures show also gained 1208 new customers and now has a total customer base of 7304.

The figures, issued monthly, showed Pulse was rising strong monthly customer growth, said spokesman Ashley Church.

The growth was driven by Pulse's extremely competitive prices, price guarantees, monthly meter ads, and its customer focused strategy.

"A direct acquisition strategy which focuses on

providing for the needs of the customer rather than fattening the bank accounts of Auckland advertising agencies," he said.

Mr Church said the actions of other energy retailers had helped too.

"We're constantly talking to our customers and asking why they're switching to us, the same reasons keep coming up again and again," he said.

Customers reported they were tired of companies raising power prices, angered by the tactics some retailers employed to retain business, and frustrated at an impersonal approach, he said.

Buller's main retailer, TrustPower, lost 1404 customers but retained a total of 222,396 customers. Its community relations manager Graeme Purches

was unconcerned by the loss.

"TrustPower has only lost 2 percent of residential customers in the past six months and gained several large commercial customers in a highly competitive market," he said. The power retailer continued to operate business as usual without offering loss-incurred discounts. "Unlike Pulse we continue to operate a sustainable and profitable business."

Buller Electricity Limited (BEL) has invested \$1.2m in Pulse, giving it a 10 percent stake in the company.

BEL chairman Frank Dooley could not be reached for comment before The News went to press.

## Another arrest

Another Westport teenager has been arrested following a disagreement in McGill Street, Waimgaroa, about a stolen car.

The young man, aged 16, had been charged with intimidation, said Constable Denis Bergman. He was to appear in Westport Youth Court today.

More arrests were likely as police inquiries continued, Mr Bergman said.

The arrest followed a verbal disagreement in Waimgaroa Tuesday night about a stolen car, which led to the arrests of two Westport men.

One, aged 20, was charged with disorderly behaviour and the other, 21, was charged with threatening to cause grievous bodily harm.

The disagreement had involved up to seven young men aged between 17 and 22, police said.

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