

Report 10.620
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Committee Council
Author Fran Wilde, Chair

Appointment of directors to the Council's companies

1. Purpose

To appoint councillors as directors of WRC Holdings Limited and to remove certain existing directors from the Board of WRC Holdings Limited.

2. Significance of the decision

The matters in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Policy on appointment and remuneration of Directors

The Council adopted a policy on the appointment and remuneration of directors of council organisations on 13 November 2007 (report 07.737). The Council's holding company, WRC Holdings Limited, has five subsidiaries, Port Investments Limited, Pringle House Limited, Greater Wellington Rail Limited, Greater Wellington Infrastructure Limited and Greater Wellington Transport Limited.

The policy states that in each triennium the Council Chairperson, Deputy Chairperson and two other Councillors are appointed to the boards of these companies. The policy also sets out that the Council Chairperson is the Chairperson of each of the companies.

The current policy does not provide for director fees to be paid to elected directors (other than travel expenses).

The current policy is attached as *Attachment 1* to this report.

3.1 **Proposed amendment to the policy on the appointment and remuneration of directors**

Due to the workload and necessary responsibility it is considered appropriate that the Chairperson of WRC Holdings Limited receives a director fee. It is proposed that the fee be set at \$19,000 per annum.

It is also proposed that while there should be a common Chairperson for all the WRC Holdings Group of companies, the Chairperson need not be the Council Chair.

4. **Current Directors**

Anne Blackburn and Peter Blades are currently Directors of WRC Holdings Limited, and its five subsidiaries.

Fran Wilde, John Burke, Ian Buchanan and Peter Glensor were appointed in the 2007-2010 triennium as elected member Directors. These Directors remain in place until 31 December 2010, or until such time as they are either removed by the shareholder or resign.

It is proposed that Ian Buchanan and John Burke be removed as Directors as they are no longer elected members of the Council.

5. **Communication**

The Council's decisions will be reported to the next meeting of WRC Holdings Limited.

6. **Recommendations**

That the Council:

1. *Amends its policy on the appointment and remuneration of directors of council organisations to:*
 - a. *Allow for the Chairperson of WRC Holdings Limited to receive Director fees; and*
 - b. *Remove the requirement that the Chairperson of the Council be Chairperson of the WRC Holdings Group of companies.*
2. *As sole shareholder of WRC Holdings Limited resolves as a special resolution by way of the written resolutions contained within **Attachment 2** to authorise the payment of a Director fee of \$19,000 per annum to the Chairperson of WRC Holdings Limited.*
3. *As sole shareholder of WRC Holdings Limited resolves as a special resolution by way of the written resolutions contained within **Attachment 2** to appoint and remove WRC Holdings Limited's Directors.*

4. ***Consents to WRC Holdings Limited, as the sole shareholder of Port Investments Limited, Pringle House Limited, Greater Wellington Infrastructure Limited, Greater Wellington Rail Limited and Greater Wellington Transport Limited, passing its shareholder resolutions to appoint and remove the Directors set out in Attachment 2.***
5. ***Requests that the Chair of the Council confirms this consent in writing to WRC Holdings Limited.***
6. ***Authorises the Chief Financial Officer to affix the Council's Common Seal to the resolutions of the sole shareholder (Attachment 2).***

Report prepared by:



Fran Wilde
Chair

Attachment 1: Current policy on the appointment and remuneration of directors of council organisations
Attachment 2: Shareholder resolutions