
MINUTES

THURSDAY 14 NOVEMBER 2013

**9.17am – 10.14am, 10.23am – 10.49am, 11.09am – 11.26am, 11.31am –
12.26pm, 1.05pm – 1.37pm, 1.45pm – 2.33pm
(2.04pm – 2.33pm – Public Excluded)**

**Committee Room One
Ground Floor, Council Offices
101 Wakefield Street
Wellington**

PRESENT:

Mayor Wade-Brown

Councillor Ahipene-Mercer (9.17am – 10.14am, 10.23am – 10.49am,
11.09am – 11.26am, 11.31am – 12.26pm,
1.05pm – 1.37pm, 1.45pm – 2.31pm)

Councillor Coughlan

Councillor Eagle (9.18am – 10.14am, 10.23am – 10.49am,
11.09am – 11.26am, 11.31am – 12.26pm,
1.05pm – 1.37pm, 1.45pm – 2.33pm)

Councillor Foster

Councillor Free

Councillor Lester

Councillor Lee

Councillor Marsh (9.17am – 10.14am, 10.23am – 10.49am,
11.09am – 11.26am, 11.31am – 12.17pm)

Councillor Pannett

Councillor Peck

Councillor Ritchie (9.17am – 10.14am, 10.23am – 10.49am,
11.09am – 11.26am, 11.31am – 12.26pm,
1.07pm – 1.37pm, 1.51pm – 2.33pm)

Councillor Sparrow

Councillor Woolf

Councillor Young (9.17am – 10.14am, 10.23am – 10.49am,
11.09am – 11.26am, 11.31am – 12.26pm,
1.05pm – 1.37pm, 1.45pm – 1.59pm)

118/13C **APOLOGIES**

NOTED:

There were no apologies.

(Councillor Eagle joined the meeting at 9.18am.)

119/13C **SWEARING IN OF COUNCILLOR FOSTER**

NOTED:

Mayor Wade-Brown invited Councillor Foster to come forward and make his declaration.

I, **Andrew John Whitfield Foster**, declare that I will faithfully and impartially, and according to the best of my skill and judgment, execute and perform, in the best interests of Wellington City, the powers, authorities, and duties vested in, or imposed upon, me as a member of the Wellington City Council by virtue of the Local Government Act 2002, the Local Government Official Information and Meetings Act 1987, or any other Act.

120/13C **GENERAL EXPLANATION**

NOTED:

The Chief Executive provided a memorandum to Councillor Foster outlining relevant information on the Local Government Official Information And Meetings Act 1987 and other laws affecting the member, including the appropriate provisions of the Local Authorities (Member's Interests) Act 1968; Sections 99, 105 And 105a of the Crimes Act 1961; the Secret Commissions Act 1910; and the Securities Act 1978.

121/13C **CONFIRMATION OF MINUTES**

Moved Mayor Wade-Brown, seconded Councillor Ritchie, the motion that Council approve the minutes of the meeting held on Wednesday 30 October 2013, having been circulated, that they be taken as read and confirmed as an accurate record of that meeting.

The motion was put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The motion was declared CARRIED.

RESOLVED:

THAT Council:

1. *Approve the minutes of the meetings held on Wednesday 30 October 2013, having been circulated, that they be taken as read and confirmed as an accurate record of that meeting.*

123/13C **SUSPENSION OF STANDING ORDERS**

Moved Councillor Foster, seconded Councillor Marsh, the procedural motion, that standing orders 3.3.4 and 3.3.5 be suspended relating to standing up at Council meetings.

The motion was put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The motion was declared CARRIED.

124/13C **PUBLIC PARTICIPATION**

NOTED:

1. Chris Coles – Wellington Libraries Coalition addressed the meeting regarding Report 2 - Appointments to Council Organisations, Council Advisory Groups, External Committees and Other Organisations.

2. Nick Kelly – Representing the PSA addressed the meeting regarding Report 2 - Appointments to Council Organisations, Council Advisory Groups, External Committees and Other Organisations.

125/13C **ANNOUNCEMENTS BY THE MAYOR**

NOTED:

There were no announcements from the Mayor.

126/13C **CONFLICT OF INTEREST DECLARATIONS**

NOTED:

There were no conflicts of interest declared.

127/13C **ORDER OF BUSINESS**

NOTED:

The Mayor advised the meeting that the agenda would be taken as follows:

- Report 7 - Proposed Road Closures - November 2013
- Report 1 - Governance Arrangements for 2013/2016 Triennium
- Report 2 - Appointments to Council Organisations, Council Advisory Groups, External Committees and Other Organisations
- Report 5 - Remuneration of External Appointments to the Boards of Council Controlled Organisations, Council Organisations and External Appointments to Council Subcommittees
- Report 3 - Elected Member Appointments to Council Controlled Organisations
- Report 4 - Schedule of Publicly Notified Meetings – November 2013 to December 2013 and January 2014 to December 2014
- Report 6 - Elected Members Revised Remuneration 2013/2014
- Report 8 - Appointment of District Licensing Committee Members
- Report 9 - Appointment of Non-Elected Members to Audit and Risk Subcommittee and Council Organisation

General Business

128/13C **PROPOSED ROAD CLOSURES - NOVEMBER 2013**

Report of Maria Taumaa – Street Activities Co-ordinator.

(REPORT 7)

Moved Councillor Ahipene-Mercer, seconded Councillor Ritchie, the substantive motion.

The substantive motion was put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The substantive motion was declared CARRIED.

RESOLVED:

THAT Council:

1. *Receive the information.*
2. *Agree to close the following roads for the events as shown, to vehicles only, subject to the conditions listed in the Proposed Temporary Road Closure Impact Report:*

(a) *For the Filming of a TV Commercial Saturday 23 November or Sunday 24 November 2013 Road Closures:*

- *Aitken Street 5am – 9.30am*
- *Stout Street 5am – 9.30am*
- *Ballance Street 5am – 10am*
- *Maginnity Street 5am – 10am*
- *Pipitea Street 5am – 9.30am*
- *Moturoa Street 5am – 9.30am*

Stop Go Traffic Management Locations

- *Glenmore Street*
- *Hill Street*
- *Observatory Road*
- *Wadestown Road (Lower)*
- *Allan Street*
- *Blair Street*
- *Hunter Street*
- *Wakefield Street*
- *Bolton Street*
- *Molesworth Street*
- *Torrens Terrace*
- *Victoria Street(corner) Willeston Street*

- (b) *Weather cover dates are Saturday 30 November Sunday 1 December 2013. All time adjustments will be outside business hours.*

129/13C **GOVERNANCE ARRANGEMENTS FOR 2013/2016 TRIENNIUM**
 Report of Sally Dossor – Director, CEO’s Office and Anusha Guler –
 Manager, Democratic Services. (REPORT 1)

Moved Mayor Wade-Brown, seconded Councillor Lester, the substantive motion with changes to recommendation 4 and a new recommendation 14 (as indicated in bold) on officer’s advice:

THAT Council:

1. Receive the information.

Committee Structure and Delegations

2. Confirm the committee and subcommittee memberships as announced by the Mayor in her memorandum (dated 24 October 2013) and received by Council at its meeting on 30 October 2013 (copy attached as Appendix 1).
3. Agree to the establishment and appointment of two further Portfolio Leaders as follows:
 - (i) Councillor Simon Woolf, Portfolio Leader, Community Engagement
 - (ii) Councillor Sarah Free, Portfolio Leader, Community Facilities.
4. Agree the committee and subcommittee terms of reference and respective delegations attached as Appendix 2 **amended as follows:**
 - (i) **Regulatory Processes Committee**
 - 10. to approve Commissioners and list members under the Sale and Supply of Alcohol Act 2012**
5. Agree the role descriptions and responsibilities of the Deputy Mayor, Chairs, and Portfolio Leaders set out in Appendix 2.
6. Agree to establish an Appointments Group, with the membership and functions as set out in Appendix 2.
7. Agree that Port Nicholson Block Settlement Trust (PNBST) and Te Rūnanga o Toa Rangatira Incorporated (TOA) may attend any meetings of the Governance, Finance and Planning Committee and the four subject based committees and take part in discussion and debate at those meetings.

8. Agree the specific delegations to the Mayor, Deputy Mayor, Chair of the Regulatory Processes Committee and the Chair of Transport and Urban Development Committee as set out in Appendix 2.
9. Agree the delegations for Tawa Community Board and Makara/Ohariu Community Board as set out in Appendix 2.

Resource Management Act 1991

10. Agree under the delegation provisions of the Resource Management Act 1991 (RMA) to delegate to those persons who are from time to time on the Council's schedule of approved hearings commissioners, the necessary functions, powers and duties to conduct Resource Management Act 1991 hearings on resource consent applications, designations, heritage orders, objections to additional charges and plan changes; and
 - (a) In the case of matters requiring a decision under clause 10 or 29(4) First Schedule Resource Management Act 1991, to make a recommendation to Council;
 - (b) In the case of designations (except where the Council is the Requiring Authority where (c) applies), to make a recommendation;
 - (c) For all other matters, to make a decision.
11. Agree that the delegations in recommendation 10 above shall only be exercised by a hearings commissioner following the appointment of the particular hearings commissioner by the Chair of the Regulatory Processes Committee.

Committee Processes

12. Note that, where possible, briefings will be made to the relevant subject matter committee rather than holding a separate briefing meeting.

Chief Executive Delegations

13. Agree the delegations to the Chief Executive as set out in Appendix 2.
14. **Delegate to the Mayor and Deputy Mayor the authority to make minor editorial changes to appendix 2 and changes to reflect decisions of Council.**

Moved Councillor Eagle, seconded Councillor Marsh the following amendment.

THAT Council:

4. Agree the committee and subcommittee terms of reference and respective delegations attached as Appendix 2 **amended as follows:**

**(i) Community, Sport and Recreation Committee
Terms of Reference (Delegations)**

- Marinas
- Libraries
- Sports Fields
- Social Housing
- Community Centres and Halls
- Swimming pools
- ~~Cemeteries~~ **Burials and Cremations**
- City safety
- Public health and ~~Safety~~ **Regulations**
- ~~Social and Cultural~~ **Community Festivals**
- **Synthetic Sports Fields**
- **Recreation Centres**
- **Recreation Partnerships**
- **Recreation Programmes**
- **Playgrounds**
- **Golf Course**
- **Access Support (Leisure Card)**
- **Community Advocacy**
- **Public Toilets**
- **Community Resilience**
- **Community Leases**

The amendment was put:

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The amendment was declared CARRIED.

Moved Councillor Pannett, seconded Councillor Ritchie, the following amendment.

THAT Council:

4. Agree the committee and subcommittee terms of reference and respective delegations attached as Appendix 2 **amended as follows:**
- (i) **Add: Environmental Attractions to the Environment Committee and the Natural Environment Portfolio**
- Remove: Community Leases from the Environment Committee**

The amendment was put:

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The amendment was declared CARRIED.

Moved Councillor Foster, seconded Councillor Coughlan, the following amendment.

THAT Council:

4. Agree the committee and subcommittee terms of reference and respective delegations attached as Appendix 2 **amended as follows:**
- (i) (a) **Agree that committees may review the terms of reference and delegations and refer the matter to Council.**
- (b) **Role Description Portfolio Leader (under the heading external communication) to be amended as follows:**
- The Mayor **and Chair** has the right of ...

(The meeting adjourned at 10.14am and reconvened at 10.23am.)

(Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young were present when the meeting reconvened.)

The amendment 4(i)(a) was put:

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Sparrow, Woolf and Young.

Voting against: Councillor Ritchie.

Majority Vote: 14:1

The amendment 4(i)(a) was declared CARRIED.

The amendment 4(i)(b) was put:

Voting for: Mayor Wade-Brown, Councillors Coughlan, Eagle, Foster, Free, Lee, Lester, Pannett, Peck, Sparrow, Woolf and Young.

Voting against: Councillors Ahipene-Mercer, Marsh and Ritchie.

Majority Vote: 12:3

The amendment 4(i)(b) was declared CARRIED.

The substantive motion with a new recommendation 14 and as amended was put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The substantive motion with a new recommendation 14 and as amended was declared CARRIED.

RESOLVED:

THAT Council:

1. *Receive the information.*

Committee Structure and Delegations

2. *Confirm the committee and subcommittee memberships as announced by the Mayor in her memorandum (dated 24 October 2013) and received by Council at its meeting on 30 October 2013 (copy attached as Appendix 1 of the officer's report).*

3. *Agree to the establishment and appointment of two further Portfolio Leaders as follows:*
- (iii) *Councillor Simon Woolf, Portfolio Leader, Community Engagement*
 - (iv) *Councillor Sarah Free, Portfolio Leader, Community Facilities.*
4. *Agree the committee and subcommittee terms of reference and respective delegations attached as Appendix 2 (of the officer's report) amended as follows:*
- (i) **Regulatory Processes Committee**
 - 10. **To approve Commissioners and list members under the Sale and Supply of Alcohol Act 2012**
 - (ii) **Community, Sport and Recreation Committee: Terms of Reference (Delegations)**
 - *Marinas*
 - *Libraries*
 - *Sports Fields*
 - *Social Housing*
 - *Community Centres and Halls*
 - *Swimming pools*
 - ~~*Cemeteries*~~ ***Burials and Cremations***
 - *City safety*
 - *Public health and ~~Safety~~ Regulations*
 - ~~*Social and Cultural*~~ *Community Festivals*
 - ***Synthetic Sports Fields***
 - ***Recreation Centres***
 - ***Recreation Partnerships***
 - ***Recreation Programmes***
 - ***Playgrounds***
 - ***Golf Course***
 - ***Access Support (Leisure Card)***
 - ***Community Advocacy***
 - ***Public Toilets***
 - ***Community Resilience***
 - ***Community Leases***
 - (iii) **Add:** *Environmental Attractions to the Environment Committee and the Natural Environment Portfolio.*
Remove: *Community Leases from the Environment Committee.*
 - (iv) (a) *Agree that committees may review the terms of reference and delegations and refer the matter to Council.*
 (b) **Role Description Portfolio Leader (under the heading external communication) to be amended as follows:**
 - *The Mayor and Chair has the right of ...*

5. *Agree the role descriptions and responsibilities of the Deputy Mayor, Chairs, and Portfolio Leaders set out in Appendix 2 (of the officer's report).*
6. *Agree to establish an Appointments Group, with the membership and functions as set out in Appendix 2 (of the officer's report).*
7. *Agree that Port Nicholson Block Settlement Trust (PNBST) and Te Rūnanga o Toa Rangatira Incorporated (TOA) may attend any meetings of the Governance, Finance and Planning Committee and the four subject based committees and take part in discussion and debate at those meetings.*
8. *Agree the specific delegations to the Mayor, Deputy Mayor, Chair of the Regulatory Processes Committee and the Chair of Transport and Urban Development Committee as set out in Appendix 2 (of the officer's report).*
9. *Agree the delegations for Tawa Community Board and Makara/Ohariu Community Board as set out in Appendix 2 (of the officer's report).*

Resource Management Act 1991

10. *Agree under the delegation provisions of the Resource Management Act 1991 (RMA) to delegate to those persons who are from time to time on the Council's schedule of approved hearings commissioners, the necessary functions, powers and duties to conduct Resource Management Act 1991 hearings on resource consent applications, designations, heritage orders, objections to additional charges and plan changes; and*
 - (a) *In the case of matters requiring a decision under clause 10 or 29(4) First Schedule Resource Management Act 1991, to make a recommendation to Council;*
 - (b) *In the case of designations (except where the Council is the Requiring Authority where (c) applies), to make a recommendation;*
 - (c) *For all other matters, to make a decision.*
11. *Agree that the delegations in recommendation 10 above shall only be exercised by a hearings commissioner following the appointment of the particular hearings commissioner by the Chair of the Regulatory Processes Committee.*

Committee Processes

12. *Note that, where possible, briefings will be made to the relevant subject matter committee rather than holding a separate briefing meeting.*

Chief Executive Delegations

13. *Agree the delegations to the Chief Executive as set out in Appendix 2 (of the officers report).*
14. ***Delegate to the Mayor and Deputy Mayor the authority to make minor editorial changes to appendix 2 (of the officers report) and changes to reflect decisions of Council.***

NOTED:

The resolution differs from the recommendations in the officer's report as follows:

The meeting added the text in **bold**.

The meeting adjourned for morning tea at 10.49am and reconvened at 11.09am.)

(Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young were present when the meeting reconvened.)

130/13C **APPOINTMENTS TO COUNCIL ORGANISATIONS, COUNCIL ADVISORY GROUPS, EXTERNAL COMMITTEES AND OTHER ORGANISATIONS**
Report of Anusha Guler – Manager, Democratic Services. (REPORT 2)

Moved Mayor Wade-Brown, seconded Councillor Foster, the substantive motion.

The substantive motion was put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The substantive motion was declared CARRIED.

Moved Mayor Wade-Brown, seconded Councillor Free, the motion being the nominations for appointments outlined in recommendations 2, 4, 5, 6, 7 and 9 (as follows):

2. Agree to appoint Councillor representative(s) to the following Council Organisations:

Council Organisation	Representation
Creative Communities Local Funding Scheme	Councillor Ahipene-Mercer Councillor Young
NZ International Arts Festival Trust	Mayor Wade-Brown*
Porirua Harbour and Catchment Trust	Councillor Sparrow
Thomas George Macarthy Trust	Mayor Wade-Brown*
Zealandia Guardians	Councillor Ritchie

* The Mayor is automatically appointed to these positions under the relevant Trust agreement

4. Agree to appoint a Councillor representative, and an alternate, to the following Council Advisory Groups:

Council Advisory Group	Representation
Accessibility Advisory Group	Councillor Lee (Councillor Sparrow alternate)
Environmental Reference Group	Councillor Ritchie (Councillor Pannett alternate)
Pacific Advisory Group	Councillor Free (Councillor Eagle alternate)
Safe and Sustainable Transport Reference Group	Councillor Foster (Councillor Lester alternate)
Youth Council	Councillor Woolf (Councillor Marsh alternate)

5. Agree to appoint a Councillor representative, and an alternate in one case, to the following groups and organisations:

Other Organisation	Representation
Art Collection Group	Councillor Ahipene-Mercer
Liaison with the Wellington Multi-Cultural Council	Councillor Woolf (Councillor Lee alternate)
Waste Forum – Wellington Region	Councillor Lee (Councillor Pannett alternate) and one officer

6. Agree to appoint a Councillor representative, and an alternate, to the following joint external committees:

External Committees	Representation
GWRC Regional Transport Committee	Mayor Wade-Brown (Councillor Foster alternate)
GWRC Wellington Regional Strategy Committee	Mayor Wade-Brown (Councillor Lester as alternate)
Wastewater Treatment Plant and Landfill Joint Committee	Councillor Sparrow (Councillor Pannett alternate)
Wellington Regional Amenities Fund Joint Committee	Mayor Wade-Brown (Councillor Ahipene-Mercer as alternate)

7. Agree to appoint **Councillors Lester and Sparrow** as Northern Ward Councillors to the Tawa Community Board for the 2013/2016 triennium.
9. Agree to appoint the Mayor (as presiding delegate) and Councillors **Lester, Sparrow and Young** as its representatives to Local Government New Zealand Zone 4.

The motion being the nominations for the appointments outlined in recommendations 2, 4, 5, 6, 7 and 9 was put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The motion being the nominations for the appointments outlined in recommendations 2, 4, 5, 6, 7 and 9 was declared CARRIED.

RESOLVED:

THAT Council:

1. *Receive the information.*
2. *Agree to appoint Councillor representative(s) to the following Council Organisations:*

Council Organisation	Representation
<i>Creative Communities Local Funding Scheme</i>	Councillor Ahipene-Mercer Councillor Young

Council Organisation	Representation
<i>NZ International Arts Festival Trust</i>	Mayor Wade-Brown*
<i>Porirua Harbour and Catchment Trust</i>	Councillor Sparrow
<i>Thomas George Macarthy Trust</i>	Mayor Wade-Brown*
<i>Zealandia Guardians</i>	Councillor Ritchie

* The Mayor is automatically appointed to these positions under the relevant Trust agreement

3. Agree that no appointments are made to the following bodies and Council Organisations.

Council Organisation
<i>Embassy Theatre Trust</i>
<i>Lyall Bay Surf Reef Trust*</i>
<i>Sink F69 Trust*</i>
<i>Wellington Regional 20/20 Communications Trust</i>
<i>Wellington Youth Orchestra Inc*</i>

* These organisations will nevertheless remain Council Organisations.

4. Agree to appoint a Councillor representative, and an alternate, to the following Council Advisory Groups:

Council Advisory Group	Representation
<i>Accessibility Advisory Group</i>	Councillor Lee <i>(Councillor Sparrow alternate)</i>
<i>Environmental Reference Group</i>	Councillor Ritchie <i>(Councillor Pannett alternate)</i>
<i>Pacific Advisory Group</i>	Councillor Free <i>(Councillor Eagle alternate)</i>
<i>Safe and Sustainable Transport Reference Group</i>	Councillor Foster <i>(Councillor Lester alternate)</i>
<i>Youth Council</i>	Councillor Woolf <i>(Councillor Marsh alternate)</i>

5. Agree to appoint a Councillor representative, and an alternate in one case, to the following groups and organisations:

Other Organisation	Representation
<i>Art Collection Group</i>	Councillor Ahipene-Mercer
<i>Liaison with the Wellington Multi-Cultural Council</i>	Councillor Woolf <i>(Councillor Lee alternate)</i>
<i>Waste Forum – Wellington Region</i>	Councillor Lee <i>(Councillor Pannett alternate)</i> and one officer

6. Agree to appoint a Councillor representative, and an alternate, to the following joint external committees:

External Committees	Representation
<i>GWRC Regional Transport Committee</i>	Mayor Wade-Brown <i>(Councillor Foster alternate)</i>
<i>GWRC Wellington Regional Strategy Committee</i>	Mayor Wade-Brown <i>(Councillor Lester as alternate)</i>
<i>Wastewater Treatment Plant and Landfill Joint Committee</i>	Councillor Sparrow <i>(Councillor Pannett alternate)</i>
<i>Wellington Regional Amenities Fund Joint Committee</i>	Mayor Wade-Brown <i>(Councillor Ahipene-Mercer as alternate)</i>

7. Agree to appoint **Councillors Lester and Sparrow** as Northern Ward Councillors to the Tawa Community Board for the 2013/2016 triennium.
8. Delegate to the Tawa Community Board the authority to appoint a Board member as a representative on Camp Elsdon.
9. Agree to appoint the Mayor (as presiding delegate) and Councillors **Lester, Sparrow and Young** as its representatives to Local Government New Zealand Zone 4.
10. Agree that the Councillors appointed to these organisations and advisory groups will report back to an appropriate forum on an annual basis.
11. Note that officer appointments have been made by the Chief Executive (under delegated authority from Council) to the following Council Organisations and that these arrangements will continue.

Council Organisation	Representation
<i>Adam Foundation Trust</i>	<i>Chief Executive *</i>
<i>Hannah Playhouse Trust</i>	<i>One officer</i>
<i>New Zealand Schools of Dance and Drama Premises Management Trust</i>	<i>One officer</i>
<i>Wellington Xiamen Association</i>	<i>One officer</i>

* The Chief Executive is automatically appointed under the terms of the Trust

12. Note that no remuneration is payable for people appointed to any of the above positions.

NOTED:

The resolution differs from the recommendations in the officer's report as follows:

The meeting added the text in **bold**.

131/13C **REMUNERATION OF EXTERNAL APPOINTMENTS TO THE
BOARDS OF COUNCIL CONTROLLED ORGANISATIONS,
COUNCIL ORGANISATIONS AND EXTERNAL APPOINTMENTS
TO COUNCIL SUBCOMMITTEES**

Report of Danny McComb – Manager, Council Controlled Organisations
and City Growth Projects. (REPORT 5)

**Moved Mayor Wade-Brown, seconded Councillor Coughlan, the
substantive motion.**

The substantive motion recommendations 1 – 6 and 11 – 13 were put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer,
Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh,
Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

**The substantive motion recommendations 1 – 6 and 11 – 13 were
declared CARRIED.**

The substantive motion recommendations 7 – 10 were put:

Voting for: Mayor Wade-Brown, Councillors Eagle, Free, Lee,
Lester, Pannett, Peck, Ritchie, Sparrow, Woolf and
Young.

Voting against: Councillors Ahipene-Mercer, Coughlan, Foster and
Marsh.

Majority Vote: 11:4

**The substantive motion recommendations 7 – 10 were declared
CARRIED.**

RESOLVED:

THAT Council:

1. *Receive the information.*

2. *Agree that the fees payable to chairpersons, directors and trustees of Council Controlled Organisations, Wellington Regional Stadium Trust and Zealandia be changed as set out in bold in the table below, from 1 January 2014:*

Organisation	IoD Recc for Director	Proposed		Current	
		Director	Chair	Director	Chair
Capacity	\$24,000 - 25,000	\$20,000	\$40,000	\$15,000	\$30,000
PWT	\$18,000 - 20,000	\$16,000	\$32,000	\$15,000	\$30,000
PWV	\$18,000 - 20,000	\$16,000	\$32,000	\$15,000	\$30,000
Cable Car	\$18,000 - 20,000	\$16,000	\$32,000	\$15,000	\$30,000
Museums Trust	\$18,000 - 20,000	\$16,000	\$32,000	\$15,000	\$30,000
Waterfront	\$25,000	\$19,200	\$38,000	\$19,200	\$38,000
Zoo	\$18,000 - 20,000	\$16,000	\$32,000	\$15,000	\$30,000
Stadium	\$22,000 - 25,000	\$19,000	\$38,000	\$18,000	\$36,000
Zealandia	\$15,000	\$13,000	\$26,000	\$13,000	\$26,000

3. *Note that any recommended change in fees for the Capacity Infrastructure Services Limited board is subject to the approval of Hutt City Council, Upper Hutt City Council and Porirua City Council.*
4. *Note that any recommended change in fees for the Wellington Regional Stadium Trust board is subject to the approval of Greater Wellington Regional Council.*
5. *Note that the Karori Sanctuary Trust Guardians have agreed to the recommended honorarium for Zealandia trustees.*
6. *Agree that the fees payable to the external appointees to the Audit and Risk Subcommittee be kept constant as set out in bold in the table below, for the 2013-16 triennium:*

Subcommittee	IoD Recc for Member	Proposed		Current	
		Member*	Chair*	Member*	Chair*
Audit and Risk	\$10,000	\$10,000	\$20,000	\$10,000	\$20,000

** Only applies for external member appointments.*

7. *Note that, under the Council's Appointments and Remuneration Policy, elected members appointed to the boards of Council*

Controlled Organisations will not receive remuneration with respect to those appointments.

8. *Agree that elected members appointed to the boards of Council Organisations, including the Wellington Regional Stadium Trust, Zealandia, and Wellington International Airport Limited (where applicable), will not receive remuneration with respect to those appointments.*
9. *Note that any remuneration that otherwise would have been paid to elected members on a Council Organisation board will be paid directly to the Council and included in the relevant grant fund.*
10. *Agree to update the Appointments and Remuneration Policy to reflect that elected member appointments to Council Organisation boards should not be entitled to additional remuneration, to ensure alignment with elected member appointments to Council Controlled Organisation boards.*
11. *Note that Council Controlled Organisations and Council Organisations are expected to fund their own trustee and director fees.*
12. *Note that the Council is responsible for paying the fees of the external members of its subcommittees.*

132/13C **ELECTED MEMBER APPOINTMENTS TO COUNCIL CONTROLLED ORGANISATIONS**

Report of Danny McComb – Manager, Council Controlled Organisations and City Growth Projects. (REPORT 3)

NOTED:

The meeting had been circulated with a supplementary report in relation to the matter for consideration. This report is attached to the minutes as appendix 1.

(The meeting adjourned at 11.26am and reconvened at 11.31am.)

(Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young were present when the meeting reconvened.)

Moved Mayor Wade-Brown, seconded Councillor Ritchie the substantive motion with and amendment to recommendation 1 and new recommendations 7 – 10 on officer's advice (as follows).

THAT Council:

1. Receive the information **and the supplementary report regarding the approval for the appointment of an independent external appointee to Wellington International Airport Limited (WIAL).**
2. Agree to appoint Councillors to vacancies on the Boards of the following Council Controlled Organisations:

Council Controlled Organisation	No. of vacancies
Basin Reserve Trust	1
Capacity Infrastructure Services Limited	1
Hutt Minoh House Friendship Trust	1
Joe Aspell Trust*	3
Positively Wellington Tourism (Partnership Wellington Trust)	1
Positively Wellington Venues Limited	1
Wellington Waterfront Limited	1
Wellington Museums Trust	1
Wellington Zoo Trust	1
Westpac Stadium (Wellington Regional Stadium Trust)	1

* Excluding the Mayor, who is automatically appointed to this board.

3. Agree that the term of appointment of the Councillor appointed to each of the above vacancies, except Capacity, will commence immediately. Unless otherwise specified the appointment will terminate at the earlier of the time the position is refilled following the 2016/19 triennial election or 31 December 2016.
4. Agree that the term of appointment of the Councillor appointed to Capacity Infrastructure Services Limited will commence on 1 January 2014 and the existing Councillor appointment will continue in the interim. This reflects the Chief Executive recruitment process currently underway at the Company. The appointment will terminate at the earlier of the time the position is refilled following the 2016/19 triennial election or 31 December 2016.
5. Note that Councillors appointed to the boards and trusts of Council Controlled Organisations will not receive remuneration with respect to those appointments.
6. Note that the question of whether the elected member appointee to the Wellington Regional Stadium Trust will receive remuneration is addressed in a separate report on recommended fee levels for the triennium.
7. **Note that there are a set of unique circumstances present in the 2013/16 triennium that give reason for the Council to depart from**

its former practice of appointing an elected member to the Wellington International Airport Limited Board.

8. Agree to appoint an independent external director as Council's representative to the board of Wellington International Airport Limited, commencing 1 January 2014 for 3 years to 31 December 2016.
9. Note that the Appointments Group will make a recommendation to Council in December 2013 with respect to the appointment of the independent external appointee to the board of Wellington International Airport Limited.
10. Note that an Airport Liaison Working Group will be established to liaise with the Eastern Ward Communities and the Airport.

Moved Councillor Lester, seconded Councillor Eagle, the following amendment.

THAT Council:

- New 7. Agree to appoint an elected member to the Wellington International Airport Limited Board.
- ~~7. Note that there are a set of unique circumstances present in the 2013/16 triennium that give reason for the Council to depart from its former practice of appointing an elected member to the Wellington International Airport Limited Board.~~
- ~~8. Agree to appoint an independent external director as Council's representative to the board of Wellington International Airport Limited, commencing 1 January 2014 for 3 years to 31 December 2016.~~
- ~~9. Note that the Appointments Group will make a recommendation to Council in December 2013 with respect to the appointment of the independent external appointee to the board of Wellington International Airport Limited.~~

The amendment was put:

- Voting for: Mayor Wade-Brown, Councillors Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Sparrow and Woolf.
- Voting against: Councillors Ahipene-Mercer, Ritchie and Young.
- Majority Vote: 12:3

The amendment was declared CARRIED.

The substantive motion recommendations 1 – 6 and 8 were put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The substantive motion recommendation 1 – 6 and 8 were declared CARRIED.

The substantive motion new recommendation 7 was put.

Voting for: Mayor Wade-Brown, Councillors Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Sparrow and Woolf.

Voting against: Councillors Ahipene-Mercer, Ritchie and Young.

Majority Vote: 12:3

The substantive motion new recommendation 7 was declared CARRIED.

Moved Mayor Wade-Brown, seconded Councillor Woolf, the motion being the nominations for appointments outlined in recommendation 2, (as follows):

2. Agree to appoint Councillors to vacancies on the Boards of the following Council Controlled Organisations:

Council Controlled Organisation	No. of vacancies
Basin Reserve Trust	Councillor Eagle
Capacity Infrastructure Services Limited	Councillor Free
Hutt Minoh House Friendship Trust	Councillor Marsh
Joe Aspell Trust	Councillor Ahipene-Mercer Councillor Peck Councillor Woolf
Positively Wellington Tourism (Partnership Wellington Trust)	Councillor Woolf
Positively Wellington Venues Limited	Councillor Woolf
Wellington Waterfront Limited	Councillor Lester
Wellington Museums Trust	Councillor Young
Wellington Zoo Trust	Councillor Marsh

Council Controlled Organisation	No. of vacancies
Westpac Stadium (Wellington Regional Stadium Trust)	Councillor Eagle

Nominations were called for an elected member to be appointed to the Wellington International Airport Limited Board.

Mayor Wade-Brown nominated herself as an elected member to be appointed to the Board of Wellington International Airport Limited. This was seconded by Councillor Lester.

Councillor Marsh nominated, Councillor Coughlan as an elected member to be appointed to the Board of Wellington International Airport Limited. This was seconded by Councillor Foster.

Voting for Mayor Wade-Brown: Mayor Wade-Brown, Councillor Eagle, Free, Lee, Lester, Pannett, Peck and Woolf.

Votes received: 8

Voting for Councillor Coughlan: Councillor Ahipene-Mercer, Coughlan, Foster, Marsh, Ritchie, Sparrow and Young.

Votes received: 7

Mayor Wade-Brown was declared the elected member to be appointed to the Board of the Wellington International Airport Limited.

The motion being the nominations for appointments outlined in recommendation 2 was put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The motion being the nominations for appointments outlined in recommendation 2 was declared CARRIED.

Moved Mayor Wade-Brown, seconded Councillor Lee, the motion that Mayor Wade-Brown be appointed as the elected member to the Board of Wellington International Airport Board as in recommendation 7.

The motion was put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 15:0

The motion was declared CARRIED.**RESOLVED:**

THAT Council:

1. *Receive the information and the supplementary report regarding the approval for the appointment of an independent external appointee to Wellington International Airport Limited (WIAL).*
2. *Agree to appoint Councillors to vacancies on the Boards of the following Council Controlled Organisations:*

<i>Council Controlled Organisation</i>	<i>No. of vacancies</i>
<i>Basin Reserve Trust</i>	<i>Councillor Eagle</i>
<i>Capacity Infrastructure Services Limited</i>	<i>Councillor Free</i>
<i>Hutt Minoh House Friendship Trust</i>	<i>Councillor Marsh</i>
<i>Joe Aspell Trust</i>	<i>Councillor Ahipene-Mercer Councillor Peck Councillor Woolf</i>
<i>Positively Wellington Tourism (Partnership Wellington Trust)</i>	<i>Councillor Woolf</i>
<i>Positively Wellington Venues Limited</i>	<i>Councillor Woolf</i>
<i>Wellington Waterfront Limited</i>	<i>Councillor Lester</i>
<i>Wellington Museums Trust</i>	<i>Councillor Young</i>
<i>Wellington Zoo Trust</i>	<i>Councillor Marsh</i>
<i>Westpac Stadium (Wellington Regional Stadium Trust)</i>	<i>Councillor Eagle</i>

** Excluding the Mayor, who is automatically appointed to this board.*

3. *Agree that the term of appointment of the Councillor appointed to each of the above vacancies, except Capacity, will commence immediately. Unless otherwise specified the appointment will terminate at the earlier of the time the position is refilled following the 2016/19 triennial election or 31 December 2016.*

4. *Agree that the term of appointment of the Councillor appointed to Capacity Infrastructure Services Limited will commence on 1 January 2014 and the existing Councillor appointment will continue in the interim. This reflects the Chief Executive recruitment process currently underway at the Company. The appointment will terminate at the earlier of the time the position is refilled following the 2016/19 triennial election or 31 December 2016.*
5. *Note that Councillors appointed to the boards and trusts of Council Controlled Organisations will not receive remuneration with respect to those appointments.*
6. *Note that the question of whether the elected member appointee to the Wellington Regional Stadium Trust will receive remuneration is addressed in a separate report on recommended fee levels for the triennium.*
7. ***Agree to appoint an elected member to the Wellington International Airport Limited Board.***
- ~~7. — *Note that there are a set of unique circumstances present in the 2013/16 triennium that give reason for the Council to depart from its former practice of appointing an elected member to the Wellington International Airport Limited Board.*~~
- ~~8. — *Agree to appoint an independent external director as Council's representative to the board of Wellington International Airport Limited, commencing 1 January 2014 for 3 years to 31 December 2016.*~~
- ~~9. — *Note that the Appointments Group will make a recommendation to Council in December 2013 with respect to the appointment of the independent external appointee to the board of Wellington International Airport Limited.*~~
8. ***Note that an Airport Liaison Working Group will be established to liaise with the Eastern Ward Communities and the Airport.***

NOTED:

The resolution differs from the recommendations in the officer's report as follows:

The meeting added the text in **bold** and deleted the text with ~~striketrough~~.

(Councillor Marsh left the meeting at 12.17pm.)

133/13C **SCHEDULE OF PUBLICLY NOTIFIED MEETINGS – NOVEMBER 2013 TO DECEMBER 2013 AND JANUARY 2014 TO DECEMBER 2014**
 Report of Anusha Guler – Manager, Democratic Services. (REPORT 4)

Moved Mayor Wade-Brown, seconded Councillor Ahipene-Mercer, the substantive motion with changes to recommendations 2 and 3 on officer's advice (as follows):

THAT Council:

1. Receive the information.
2. Adopt the schedule of meetings for the committees of Council for the period November 2013 to December 2013 **with the following change**
 - (i) **Reschedule the Environment Committee from 25 November to 9 December 2013**
3. Adopt the schedule of meetings for the Council and its committees for the period January 2014 to December 2014 **with the following change:**
 - (i) **Move the Council meeting scheduled for 3 December 2014 to 17 December 2014.**
4. Note the following timing guidelines:
 - (a) Where possible Council meetings be held from 5.30pm.
 - (b) Where possible Council and committee meetings be held on Tuesdays, Wednesdays and Thursdays.
5. Note that additional ordinary, extraordinary and multi-day meetings may be scheduled from time to time.
6. Note that meeting times for other committees and subcommittees will be formally notified by Democratic Services.

Moved Councillor Peck, seconded Councillor Eagle, the following amendment.

THAT Council:

3. Adopt a four weekly meeting cycle for Council meetings for 2014 and an amended meeting schedule be brought to the 19 December 2013 Council meeting for approval.

(The meeting adjourned for lunch at 12.26pm and reconvened at 1.05pm.)

(Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Pannett, Peck, Sparrow, Woolf and Young were present when the meeting reconvened.)

(Councillor Ritchie returned to the meeting at 1.07pm.)

The amendment was put:

Voting for: Councillors Mayor Wade-Brown, Eagle, Foster, Free, Peck and Ritchie.

Voting against: Councillors Ahipene-Mercer, Coughlan, Lee, Lester, Pannett, Sparrow, Woolf and Young.

Majority Vote: 6:8

The amendment was declared CARRIED.

Moved Councillor Lester, seconded Councillor Sparrow, the following amendment.

THAT Council:

~~3. Adopt the schedule of meetings for the Council and its committees for the period January 2014 to December 2014 with the following change:~~

~~(i) move the Council meeting scheduled for 3 December 2014 to 17 December 2014.~~

3. Agree that officers prepare an amended meeting schedule for 2014 for agreement by Council at the 19 December 2013 Council meeting.

(The meeting adjourned at 1.37pm and reconvened at 1.45pm.)

(Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Pannett, Peck, Sparrow, Woolf and Young were present when the meeting reconvened.)

The amendment was put:

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Peck, Sparrow, Woolf and Young.

Voting against: Councillor Pannett.

Majority Vote: 12:1

The amendment was declared CARRIED.

(Councillor Ritchie returned to the meeting at 1.51pm.)

The substantive motion recommendations 1 – 2 and 4 – 6 were put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

Voting against: Nil.

Majority Vote: 14:0

The substantive motion recommendations 1 – 2 and 4 – 6 were declared CARRIED.

The substantive motion recommendation 3 as amended was put:

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Pannett, Sparrow, Woolf and Young.

Voting against: Councillors Peck and Ritchie.

Majority Vote: 12:2

The substantive motion recommendation 3 as amended was declared CARRIED.

RESOLVED:

THAT Council:

1. *Receive the information.*
2. *Adopt the schedule of meetings (appendix 1 of the officer's report) for the committees of Council for the period November 2013 to December 2013 with the following change*
 - (i) *Reschedule the Environment Committee from 25 November to 9 December 2013.*
- ~~3. *Adopt the schedule of meetings for the Council and its committees for the period January 2014 to December 2014 with the following change:*~~
 - ~~(i) *move the Council meeting scheduled for 3 December 2014 to 17 December 2014.*~~
3. *Agree that officers prepare an amended meeting schedule for 2014 for agreement by Council at the 19 December 2013 Council meeting.*

4. *Note the following timing guidelines:*
 - (a) *Where possible Council meetings be held from 5.30pm.*
 - (b) *Where possible Council and committee meetings be held on Tuesdays, Wednesdays and Thursdays.*
5. *Note that additional ordinary, extraordinary and multi-day meetings may be scheduled from time to time.*
6. *Note that meeting times for other committees and subcommittees will be formally notified by Democratic Services.*

NOTED:

The resolution differs from the recommendations in the officer's report as follows:

The meeting added the text in **bold** and deleted the text with ~~strike through~~.

134/13C **ELECTED MEMBERS REVISED REMUNERATION 2013/2014**
Report of Charlie Inggs – Electoral Officer and Special Projects. (REPORT 6)

Moved Mayor Wade-Brown, seconded Councillor Ritchie, the substantive motion.

(Councillor Young left the meeting at 1.59pm.)

The substantive motion was put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Pannett, Peck, Ritchie, Sparrow and Woolf.

Voting against: Nil.

Majority Vote: 13:0

The substantive motion was declared CARRIED.

RESOLVED:

THAT Council:

1. *Receive the information.*
2. *Note that the Authority has set the annual base salary for Wellington City Council elected members as follows:*
 - *Mayor* \$158,300
 - *Councillor* \$76,600
 - *Member, Makara/Ohariu Community Board* \$4,500

- *Chair, Makara/Ohariu Community Board* \$9,000
 - *Member, Tawa Community Board* \$8,500
 - *Chair, Tawa Community Board* \$17,000
3. *Note that the Authority has set a pool of \$114,900 (i.e. 1.5 times a councillor's base salary) to cover Councillors' additional responsibilities.*
4. *Note that the Remuneration Authority had issued a determination in response to the submission from Council on additional responsibilities for Deputy Mayor and Councillors based on the governance structure in place for the previous triennium.*
5. *Note that the Remuneration authority declined the Makara/Ohariu community board's submission for additional remuneration for additional responsibilities*
6. *Agree to make a submission to the Remuneration Authority recommending the following salaries for positions of additional payments for additional responsibility:*
- *Deputy Mayor* \$99,580
 - *Chairs, Subject Matter Committees* \$89,101
 - *Chair, Regulatory Processes Committee and Deputy Chair Economic Growth and Arts* \$83,943
 - *Chair, Audit and Risk Subcommittee and Portfolio Leaders;* \$80,490

135/13C **RESOLUTION TO EXCLUDE THE PUBLIC**
(1215/11/IM)

Moved Mayor Wade-Brown, seconded Councillor Ahipene-Mercer, the motion to exclude the public.

The motion was put.

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Eagle, Foster, Free, Lee, Lester, Pannett, Peck, Ritchie, Sparrow and Woolf.

Voting against: Nil.

Majority Vote: 13:0

The motion was declared CARRIED.

THAT Council:

1. *Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, resolve that the public be excluded from the following part of the proceedings of this meeting namely:*

COUNCIL
14 NOVEMBER 2013



REPORT 3 – SUPPLEMENTARY

SUPPLEMENTARY PAPER TO REPORT 3 - ELECTED MEMBER APPOINTMENTS TO COUNCIL CONTROLLED ORGANISATIONS

1. Purpose of report

To seek Council approval for the appointment of an independent external appointee to Wellington International Airport Limited (WIAL).

2. Recommendations

Officers recommend that the Council:

7. *Note that there are a set of unique circumstances present in the 2013/16 triennium that give reason for the Council to depart from its former practice of appointing an elected member to the Wellington International Airport Limited Board.*
8. *Agree to appoint an independent external director as Council's representative to the board of Wellington International Airport Limited, commencing 1 January 2014 for 3 years to 31 December 2016.*
9. *Note that the Appointments Group will make a recommendation to Council in December 2013 with respect to the appointment of the independent external appointee to the board of Wellington International Airport Limited.*
10. *Note that an Airport Liaison Working Group will be established to liaise with the Eastern Ward Communities and the Airport.*

3. Discussion

3.1 Wellington International Airport Limited

There is one position on the board of Wellington International Airport Limited (WIAL) vacant.

Council is a 34% shareholder in WIAL, the remaining 66% is owned by Infratil. Under the WIAL constitution Wellington City Council has the right to appoint 2 directors to the WIAL board. Since 1998, the Council has appointed 1 independent director and 1 elected member. The Council appointed Keith Sutton to the WIAL Board in 2009 for a period of 3 years which has been extended for a further 3 years.

WIAL is a large and complex organisation that is a key part of the city's infrastructure and an important part of the Wellington economy. The main challenges facing WIAL over the next triennium are significant and include: the runway extension including the resource consent process and the development of the business case, funding proposals and agreements; the new pricing round with the airlines and Commerce Commission; and the new and increased regulatory reporting regime.

For a combination of reasons, unique to the issues and area of focus this triennium, it is recommended that the Council departs from the practice of appointing an elected member and for this triennium appoints a further independent director. In summary:

- WIAL and the Council will be working through the process for the runway extension over the next 3 years. This work will culminate in the development of a detailed business case which will set out the costs associated with the construction of any extension and the economic benefits WIAL and the Region respectively will derive from the extension.
- While it is certain that the funding of any runway extension will require public funding, the proportions of funding – and any impact on Council's resulting stake/ shareholding in the airport assets will be matters of commercial negotiation between WIAL and Council.
- Because of the complexity of the potential conflict issues an elected member appointee would be conflicted from Council's decision-making processes and potentially at the WIAL Board.

Conflict and managing competing interests

As an elected member, legal obligations and duties are owed to act in the best interests of the City and its ratepayers. Through case law and legislation, strict rules apply to ensure that members conduct themselves in a way to avoid actual and perceived conflicts of interest. As elected members, there is no expectation that all interests in other organisations are avoided. However it is important that all elected members manage their relationships such that if the duties that are owed to 2 respective organisations are potentially in conflict with each other – that the member does not participate in the decision (at the Council table). Failure to do so can lead to decisions being challenged and the confidence of the decision-making process put at risk.

As a director of a company, legal duties are owed to act in the best interests of the company as set out within the Companies Act 1993, section 131(1). In some cases conflicts at the Board are simply managed by disclosure of the interest. In the case of WIAL, under their constitution, directors are prima-facie not able to vote on any matter relating to a transaction in which they have an interest. In cases where commercially sensitive information is going to be shared that could be relevant to a board member's role in another context, Board processes are vigilantly managed.

The extent of WIAL's financial contribution and the commercial terms of any funding agreement with respect to the runway extension will involve highly complex issues and will require robust discussions between WIAL and Council. In order to have these discussions, the Council will need to obtain its own funding and feasibility advice and reach its own position. It is crucial that all

elected members can participate in those discussions, without conflict of interest issues arising. Similarly, it will be important that the Council's representatives on WIAL are not conflicted during these crucial discussions and the decision making process at the WIAL board. No benefit is obtained from having the appointee on the Board in relation to a major issue for the company and Council if the appointee is not able to participate fully at Council or WIAL.

These are relatively exceptional circumstances where there will potentially be a material transaction involving Council and WIAL and significant decisions made by each entity. The current appointment process for the vacant director position on WIAL needs to reflect these circumstances.

Skill set

In discussions with the chairman of WIAL and Council's existing appointed director the skill set that would complement the existing directors of WIAL was identified. The skill set required for this vacancy includes the following:

- A strong governance background with the experience to contribute to the board through a period of significant challenge and opportunity.
- An experienced director with a strong financial and commercial background commensurate with large commercial entities to provide support to the chair of the Audit Committee, currently Keith Sutton.

In addition we would expect the Council appointed director to have a strong connection to Wellington and an understanding of Council's strategies for economic growth and the important role the airport plays in these.

The upcoming new pricing round with airlines and the interest of the Commerce Commission are significant challenges to WIAL and effectively establish the future returns to the company and its shareholders and the pricing of access to the airport to the airlines. These are complex issues that need to be navigated by the company and the role of the board is important. At the same time the reporting and disclosure regime for airports has been increased significantly and has placed increased demands on the company's financial reporting capacity and in turn on the Audit Committee.

City leadership – region and Central Government

It is anticipated that the Council will take a key leadership role on any runway extension with both Central Government and in the region. It is appropriate that the Mayor undertakes that role on behalf of the City – and is able to advocate effectively on behalf of the City.

Recommendation on appointment

For these reasons, officers recommend the appointment of an independent external appointee able to fully participate in the WIAL decisions with outstanding governance, financial experience and strong commercial acumen.

Relationship with the Council

To reflect the importance of WIAL to the city and local community, and the need for effective liaison between elected members and the airport, a liaison group will be established to liaise with the Eastern Ward Communities and the Airport. Terms of reference will be developed in conjunction with the Chief Executive of WIAL and reported to the Governance, Finance and Planning Committee for approval.

Over the past three years the Council appointed directors have met regularly with the Council Chief Financial Officer. These meetings have been a useful two way communication channel. These meetings will be continued, but will in the future occur quarterly and include the Council Chief Executive, the Mayor and the Chair of the Governance, Finance and Planning Committee.

3.2 Remuneration

The remuneration for directors of WIAL is determined by ordinary resolution of the shareholders. Where an independent external director is appointed by Council that director will be entitled to receive the remuneration directly from the company.

The matter of whether elected members appointed as directors or trustees of Council Organisations, including WIAL, will be permitted to receive director/trustee fees is addressed in a separate paper on recommended fee levels for the triennium that includes the recommendation that “elected members appointed to the boards of Council Organisations, including the Wellington Regional Stadium Trust, Zealandia, and WIAL (where applicable), will not receive remuneration with respect to those appointments”. In these circumstances any remuneration payable by WIAL to an elected member appointed as a director would be paid directly to Council and would be added to the relevant grant fund.

4. Conclusions

A relatively unique set of circumstances will present in the 2013/16 triennium with respect to the runway extension project which has commenced with the initiation of the resource consent approval process. The issues around the potential conflict and managing competing interests are such that officers recommend a departure from the former practise of appointing a suitably qualified elected member as a director of WIAL.

Contact Officer: *Danny McComb, Manager City Growth Projects and CCOs*

Supporting Information

1) Strategic fit / Strategic outcome

The work of the board referred to in this paper contributes to the City over a number of the Council's strategic objectives.

2) LTP/Annual Plan reference and long term financial impact

Not applicable.

3) Treaty of Waitangi considerations

There are not significant Treaty considerations.

4) Decision-making

This is not a significant decision.

5) Consultation

a) General consultation

Not applicable.

b) Consultation with Maori

Not applicable.

6) Legal implications

Legal review has been obtained with respect to the conflict of interest issues.

7) Consistency with existing policy

This report is consistent with the Council's Appointments Policy.