

REPORT 3

ELECTED MEMBER APPOINTMENTS TO COUNCIL CONTROLLED ORGANISATIONS

1. Purpose of report

To make elected member appointments to Council Controlled Organisations and the Wellington Regional Stadium Trust for the 2013/16 triennium.

2. Executive summary

Nominations for Councillor appointments to Council Controlled Organisations (CCOs) are put forward by the Mayor for ratification at one of the first Council meetings of the new triennium.

Either because of Trust Deed or Company Constitution requirements, or a previous decision of the Council, Councillors are appointed to represent the Council on the Boards of the majority of its CCOs.¹ Such appointments are made at the beginning of each triennium for the new triennium in accordance with the Council's Appointments Policy.

Separate reports will be presented to Council in respect of Councillor appointments to Council Organisations, Council Advisory Groups and other organisations, and remuneration.

3. Recommendations

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

Council Controlled Organisation	No. of vacancies
<i>Basin Reserve Trust</i>	<i>1</i>
<i>Capacity Infrastructure Services Limited</i>	<i>1</i>
<i>Hutt Minoh House Friendship Trust</i>	<i>1</i>
<i>Joe Aspell Trust</i> ²	<i>3</i>
<i>Positively Wellington Tourism (Partnership Wellington Trust)</i>	<i>1</i>
<i>Positively Wellington Venues Limited</i>	<i>1</i>
<i>Wellington Waterfront Limited</i>	<i>1</i>
<i>Wellington Museums Trust</i>	<i>1</i>
<i>Wellington Zoo Trust</i>	<i>1</i>
<i>Westpac Stadium (Wellington Regional Stadium Trust)</i>	<i>1</i>

¹ The exception is Wellington Cable Car Limited.

² 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.*

4. Background

4.1 Appointments policy

The Council's Policy on the Appointment and Remuneration of Directors and Trustees states that CCO boards comprised of four or more directors will have a designated elected member position, unless otherwise determined by Council.

Exceptions and/or special cases are:

- Wellington Cable Car Ltd – which has only three directors;
- Wellington International Airport Ltd - which is not a CCO, by virtue of Council's less than 50% shareholding;
- Zealandia - which is not a CCO and where previous decisions by the Council have made external appointments to the board; and
- Basin Reserve Trust – which, on establishment, created the opportunity for the Council to approve up to two Councillor appointments. The Council currently appoints one Councillor and one independent trustee to the Trust.

In accordance with the Appointments Policy, Councillors can be appointed to more than one CCO or CO.

In line with the Local Government Act, persons to be considered for appointment as a director or trustee of a CCO must have the skills, knowledge and experience to:

- Guide the organisation, given the nature and scope of its activities; and
- Contribute to the achievement of the objectives of the organisation.

4.2 Remuneration

At the Council meeting of 29 November 2012, it was agreed that Council's Policy on the Appointment and Remuneration of Directors and Trustees would be amended to specify that elected members appointed to CCOs by Council not be remunerated in addition to their Council remuneration, and that this change in policy would take effect from the beginning of the 2013/16 triennium.³ It was noted that the issue of whether elected members appointed directors or trustees of Council Organisations, including the Wellington Regional Stadium Trust, will be permitted to receive director/trustee fees would be considered by Council at the commencement of the new triennium. This matter 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 Wellington International Airport Limited (where applicable), will not receive remuneration with respect to those appointments".

4.3 Other information

Appointments are made at the beginning of each new triennium. Unless otherwise specified the appointment will terminate at the earlier of the time the position is refilled following the triennial election or 31 December of the year of the triennial election. Nominations for elected member appointments to CCOs are put forward by the Mayor for ratification at one of the first Council meetings of the new triennium. Elected members should be appointed for no longer than two terms (or six years) on any one CCO board, unless Council agrees there are exceptional circumstances.

It is recommended that the term of appointment of the Councillor appointed to Capacity Infrastructure Services Limited should commence on 1 January 2014 and the existing Councillor appointment should continue in the interim. This is to reflect the Chief Executive recruitment process currently underway at the Company.

4.4 Level of Councillor representation on boards

It is not recommended that the level of Councillor representation on any CCOs is changed at this time.⁴

³ Note that the trustee positions on the boards of the Basin Reserve Trust, the Joe Aspell Trust and Hutt Minoh House Friendship Trust were previously not remunerated.

⁴ It is noted that work is currently underway to consider the potential amalgamation of CCOs in the economic development area, which may potentially impact on the number of board appointments.

5. Conclusion

Following the recent election, the new Council is required to approve the appointment of elected member representatives to the Boards of its CCOs. These appointments will commence immediately upon approval (except for Capacity) and, unless otherwise specified, will terminate at the earlier of the time the position is refilled following the triennial election or 31 December of the year of the triennial election. The elected members appointed to these positions will not receive remuneration with respect to the appointment. A separate Council decision is required in relation to whether an elected member appointed to the Wellington Regional Stadium Trust board should be remunerated.

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

SUPPORTING INFORMATION

1) Strategic fit / Strategic outcome

The CCOs outlined in this paper contribute to the City over a broad range 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 none.

4) Decision-making

This is not a significant decision.

5) Consultation

Consultation on Councillor appointments to CCO Boards was at the discretion of the Mayor.

6) Legal implications

There are none.

7) Consistency with existing policy

This report is consistent with the WCC Policy on the Appointment and Remuneration of Directors and Trustees.