

PUBLIC EXCLUDED AGENDA

Ordinary meeting of the Joint Shareholders Committee

**Wednesday 23 May 2018
Commencing at 9.00am
Council Chamber
Civic House
110 Trafalgar Street, Nelson**

Membership: Her Worship the Mayor of Nelson Rachel Reese (Chairperson), His Worship the Mayor of Tasman Richard Kempthorne, Nelson City Councillors Ian Barker, Mel Courtney, Paul Matheson, Gaile Noonan and Tim Skinner, Tasman District Councillors Tim King, Stuart Bryant, Pete Canton, David Ogilvie and Trevor Tuffnell.

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1. Confirmation of Minutes

1.1 17 April 2018

4 - 6

Document number M3429

Recommendation

That the Joint Shareholders Committee

Confirms the minutes of part of the meeting of the Joint Shareholders Committee, held with the public excluded on 17 April 2018, as a true and correct record.

2. Port Nelson Limited director reappointments

7 - 10

Document number R9269

Recommendation

That the Joint Shareholders Committee

Receives the report Port Nelson Limited director reappointments (R9269); and

Revokes the resolution passed at the Joint Shareholders Committee meeting on 17 April 2018:

'Agrees that Bronwyn Monopoli not be reappointed to the Port Nelson Limited Board in 2018; and

Approves undertaking a recruitment process to appoint two new directors to the Port Nelson Limited Board'; and

Reappoints Bronwyn Monopoli as a Director of Port Nelson Limited for a final three years finishing in October 2021; and

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Approves undertaking a recruitment process to appoint one new director to the Port Nelson Limited Board.

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Joint Shareholders Committee Minutes - 17 April 2018



Minutes of part of a meeting of the Joint Shareholders Committee

Held with the public excluded in the Council Chamber, Civic House, 110 Trafalgar Street, Nelson

On Tuesday 17 April 2018, commencing at 2.35pm

Present: His Worship the Mayor of Tasman R Kempthorne (Chairperson), Her Worship the Mayor of Nelson R Reese, Nelson City Councillors I Barker, M Courtney, G Noonan, and T Skinner, Tasman District Councillors T King (Deputy Chairperson), S Bryant, D Ogilvie and T Tuffnell

In Attendance: Councillors M Rutledge, S Walker, Chief Executive (P Dougherty), Acting Group Manager Community Services (R Ball), Group Manager Corporate Services (N Harrison), Tasman District Council Corporate Services Manager (M Drummond) and Governance Adviser (E Stephenson)

Apologies: Councillors Matheson and Canton

Attendance: Councillor King returned to the meeting at 2.35p.m.

1. Confirmation of Minutes

1.1 14 November 2017

Document number M3119, agenda pages 4 - 7 refer.

Resolved JSC/2018/001

That the Joint Shareholders Committee

Confirms the minutes of part of the meeting of the Joint Shareholders Committee, held with the public excluded on 14 November 2017, as a true and correct record.

Tuffnell/Her Worship the Mayor

Carried

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Joint Shareholders Committee Minutes - 17 April 2018

2. Nelson Airport Limited - Draft Statement of Intent 2018-2019

Document number R9156, agenda pages 8 - 35 refer.

Paul Steere and Robert Evans of Nelson Airport Ltd and Tasman District Council Corporate Services Manager, Mike Drummond answered questions and discussion took place regarding sustainability, environmental outcomes, the new airport building, rainfall collection (which was deemed inappropriate for the size of the site), energy efficiency in the future, solar panels, legal matters and a watching brief on a recent determination of the Supreme Court on landing fees, which could have implications.

Resolved JSC/2018/002

That the Joint Shareholders Committee

Receives the report Nelson Airport Limited - Draft Statement of Intent 2018-2019 (R9156) and its attachments (A1935084, A1935353 and A1871403);

Provides the following comments and feedback to the Nelson Airport Ltd Board:

a) that the Draft Statement of Intent meets the shareholders' expectations.

Courtney/King

Carried

3. Port Nelson Limited director reappointments

Document number R9215, agenda pages 36 - 43 refer.

Councillor King declared an interest in this item and left the meeting at 2.45p.m.

Attendance: Councillor Barker left the meeting at 2.45p.m. and returned at 2.47p.m.

Discussion took place on continuity, gender, competency and Board experience and composition, local and out-of-town board members, selection criteria, and the need for confirmation by the Port Nelson Chair that he was comfortable with the recommendation given concern about continuity.

The meeting was adjourned at 3.00p.m. and reconvened at 3.14pm

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Joint Shareholders Committee Minutes - 17 April 2018

His Worship the Mayor of Tasman confirmed that the Nelson Port Ltd Chair had confirmed that he was comfortable that the recommendation allowed for sufficient Board competency.

Resolved JSC/2018/003

That the Joint Shareholders Committee

Receives the report Port Nelson Limited director reappointments (R9215) and its attachment (A537882); and

Agrees that Bronwyn Monopoli not be reappointed to the Port Nelson Limited Board in 2018; and

Agrees that Steve Sanderson not be reappointed to the Port Nelson Limited Board in 2018; and

Approves undertaking a recruitment process to appoint two new directors to the Port Nelson Limited Board.

Noonan/Barker

Carried

There being no further business this part of the meeting ended at 3.15pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

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Item 2: Port Nelson Limited director reappointments



Joint Shareholders Committee

23 May 2018

REPORT R9269

Port Nelson Limited director reappointments

1. Purpose of Report

- 1.1 In light of further information received, to revoke the resolution passed at the Joint Shareholders Committee on 17 April 2018 not to reappoint Bronwyn Monopoli to the Port Nelson Limited board.
- 1.2 To reappoint Bronwyn Monopoli to the Port Nelson Limited Board.

2. Recommendation

That the Joint Shareholders Committee

Receives the report Port Nelson Limited director reappointments (R9269); and

Revokes the resolution passed at the Joint Shareholders Committee meeting on 17 April 2018:

'Agrees that Bronwyn Monopoli not be reappointed to the Port Nelson Limited Board in 2018; and

Approves undertaking a recruitment process to appoint two new directors to the Port Nelson Limited Board'; and

Reappoints Bronwyn Monopoli as a Director of Port Nelson Limited for a final three years finishing in October 2021; and

Approves undertaking a recruitment process to appoint one new director to the Port Nelson Limited Board.

3. Exclusion of the Public

- 3.1 This report has been placed in the public excluded part of the agenda in accordance with section 48(1)(a) and section 7 of the Local Government

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Item 2: Port Nelson Limited director reappointments

Official Information and Meetings Act 1987. The reason for withholding information in this report under this Act is to:

- Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person

4. Background

- 4.1 At the 17 March 2018 Joint Shareholders Committee meeting the following resolutions were passed:

That the Joint Shareholders Committee

Receives the report Port Nelson Limited director reappointments (R9269) and its attachment (A537882); and

Agrees that Bronwyn Monopoli not be reappointed to the Port Nelson Limited Board in 2018; and

Agrees that Steve Sanderson not be reappointed to the Port Nelson Limited Board in 2018; and

Approves undertaking a recruitment process to appoint two new directors to the Port Nelson Limited Board.

- 4.2 A further relevant matter has come to the attention of the two Mayors since this decision was made.
- 4.3 Pursuant to Nelson City Council Standing Orders 22.6, a resolution passed at a previous meeting may be revoked by a recommendation in a report.

5. Discussion

- 5.1 The Mayors have been made aware that the Board Chair has some health issues. While there is no reason to think that these issues are impacting the Chair's current performance in any way, the Committee may consider this is a factor to be considered around potential future risk for Board continuity. There was some discussion at the 17 April 2018 meeting about the potential lack of continuity on the Board and this information would have been relevant to the decision not to reappoint the directors.
- 5.2 In Section 5.1 of the Procedure for Joint Appointment of Directors/Trustees of Council Controlled Organisations and Council Controlled Trading Organisations, no director may be reappointed for a fifth successive term unless there are special circumstances.
- 5.3 Brownyn Monopoli has served on the Board for four terms and the decision not to reappoint was made on the basis that there were no special circumstances known at that time to make the reappointment to the Board.

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Item 2: Port Nelson Limited director reappointments

- 5.4 The other Board members are Phil Lough (Chair, appointed 2000), Tim King (appointed 2006 Tasman District Council appointee), Tony Reynish (appointed 2014) and Kim Wallace (Nelson City Council appointee 2017).
- 5.5 Discussions at the Joint Shareholders Committee meeting also indicated that Tim King may not remain on the Board after his current term.
- 5.6 With the information about the Chair of the Board, it would be preferable to reappoint Bronwyn Monopoli for a period of time to allow the other Board directors to gain further experience and provide some continuity on the Board.
- 5.7 Given previous feedback and the relative lack of experience of Steve Sanderson (has served one term on the Board) it is not proposed to reappoint him.

6. Options

- 6.1 The options are to revoke the previous resolution and reappoint Bronwyn Monopoli to the Board or not to.

Option 1: Reappoint Bronwyn Monopoli to the Board	
Advantages	<ul style="list-style-type: none">• Continuity on the Board due to special circumstances. This need has been identified.
Risks and Disadvantages	<ul style="list-style-type: none">• Reappointment for a fifth term
Option 2: Do not reappoint Bronwyn Monopoli to the Board	
Advantages	<ul style="list-style-type: none">• Ability to potentially improve the Board's future capability
Risks and Disadvantages	<ul style="list-style-type: none">• Lack of continuity

Nikki Harrison
Group Manager Corporate Services

Attachments

Nil

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Item 2: Port Nelson Limited director reappointments

Important considerations for decision making	
1. Fit with Purpose of Local Government	Appointing suitably qualified directors to the Boards of Council Controlled Trading Organisations, supports the provision of good quality local infrastructure.
2. Consistency with Community Outcomes and Council Policy	<p>The recommendations support the Community Outcome that “our infrastructure is efficient, cost-effective and meets current and future needs”.</p> <p>The recommendation is in line with the Procedure for Joint Appointment of Directors/Trustees of Council Controlled Organisations and Council Controlled Trading Organisations as special circumstances exist.</p>
3. Risk	There is low risk associated with this recommendation.
4. Financial impact	There is no direct financial impact to the Councils of the recommendation.
5. Degree of significance and level of engagement	This matter is of low significance because it has limited impact on the community. Therefore no consultation will occur.
6. Inclusion of Māori in the decision making process	Maori have not been consulted in preparation of the report.
7. Delegations	The Joint Shareholders Committee has the responsibility for <i>all matters relating to jointly owned Council Controlled Organisations and Council Controlled Trading Organisations, including statements of intent, statements of corporate intent, half yearly reports, the appointment of directors and setting of directors’ fees.</i>