

Manual number
Approved by

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Date
Review

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JOINT APPOINTMENT OF DIRECTORS/TRUSTEES

1. Introduction

The Councils jointly control or have significant shareholdings in several Council Controlled Organisations and in Port Nelson Limited, a port company registered in accordance with the Port Companies Act, 1988. These operate as independent organisations with their operations overviewed by a Governing Body of Directors or Trustees.

2. Scope

The purpose of this policy is to set out the policy for selection, appointment and review of Directors/Trustees jointly appointed to the Governing Bodies of Council Controlled Organisations (CCOs) as per Clause 57 of the Local Government Act 2002, and for Port Nelson Limited.

3. Criteria for Selection of Directors/Trustees

- 3.1. The criteria for selection set out in this paragraph shall apply to Directors/Trustees of all CCOs, and Port Nelson Limited that are jointly appointed.
 - 3.1.1. Completed the Institute of Directors course or
 - 3.1.2. Have equivalent experience
 - 3.2. The criteria set out in this paragraph should be considered in the selection of candidates for Directors/Trustees of all CCOs, and Port Nelson Limited that are jointly appointed
 - 3.2.1. Demonstrated ability to think commercially and financially about strategies, projects and the intelligent deployment of resources.
 - 3.2.2. Articulate, able to convey thoughts in a concise and clear manner.
 - 3.2.3. Prepared to be counted on important matters.
 - 3.2.4. Have a clear commitment to, and understanding of, the responsibilities of Directorships.
 - 3.2.5. Relevant business experience and/or the ability to gain an in-depth familiarity with the company and its business area.
 - 3.2.6. Objectivity in decision making.
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- 3.2.7. Respect for colleagues and staff.
 - 3.2.8. High ethical standards.
 - 3.2.9. Proven commercial experience.
 - 3.2.10. Positive attitude to public ownership and the principles of good corporate citizenship.
 - 3.2.11. Financial acumen.
 - 3.2.12. Commitment to regional needs and priorities.
 - 3.2.13. Any special considerations/requirements in respect of the specific organisation
- 4. Process for Appointment of Directors/Trustees**
- 4.1. The Joint Shareholders Committee will meet with the Chairperson of the relevant Governing Body to discuss specific requirements.
 - 4.2. A recruitment consultant will be employed to develop a list of candidates and for this purpose will advertise specifically for the vacancy needing to be filled
 - 4.3. The Joint Shareholders Committee may refer to the recruitment Consultant for inclusion in any list of candidates any person or persons recommended for appointment by the Chairperson of the Governing Body.
 - 4.4. The Recruitment Consultant shall undertake a preliminary interview of those listed for appointment, having regard for the criteria listed in clause 3 above, and carry out a reference check as necessary, before developing a short list for recommendation in a report to the Joint Shareholders Committee.
 - 4.5. The Councils will make the final decision on the recommendation of the Joint Shareholders Committee.
- 5. Reappointment of Directors/Trustees**
- 5.1. Where a Director/Trustee's term of appointment has expired and they are offering themselves for reappointment, the process outlined in this section will apply, subject to the provisions of the constitution of the organisation concerned.
 - 5.2. The Joint Shareholders Committee may make confidential enquiries from the Chairperson and other members of the Governing Body as necessary. These enquiries will seek to ascertain:
 - ◆ Whether the skills of the incumbent add value to the work of the Governing Body.
 - ◆ Whether there are other skills which the Governing Body needs.
 - ◆ The overall maturity of the Governing Body i.e. there may be circumstances where many of the Governing Body are new and a change in existing Directors/Trustees would compromise the Governing
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Body's ability to pursue a desired vision and long term strategy. Conversely, there may be a need for new skills and ideas.

- 5.3. The Joint Shareholders Committee will consider the information obtained and form a view on the appropriateness of reappointment or making a replacement appointment.
- 5.4. Where it is the opinion of the Joint Shareholders Committee that reappointment is appropriate then the reappointment will be recommended to each Council. If it is considered that reappointment is not appropriate the process outlined in Section 4 will be followed.

6. Remuneration of Directors/Trustees

- 6.1. Directors/Trustees shall receive fees in accordance with scales approved from time to time by each Council prior to the organisation's annual general meeting.
- 6.2. The governing body of the organisation will provide appropriate information and details of any proposal to request an increase in remuneration at least 3 months before the CCO's Annual General Meeting.

7. Appointment of Elected Members as Directors/Trustee

- 7.1. It is acknowledged that on occasion there may be reasons to appoint or reappoint an elected member or staff member as a Director/Trustee of a CCO. Any report making such a recommendation to the two Councils must clearly explain the reasons supporting this course of action.
 - 7.1.1 It is noted that the Councils have their own separate policies regarding the appointment of elected members as Directors/Trustees; Nelson City Council does not appoint current Councillors to these positions, whereas it is the Tasman District Council's position to appoint the most appropriate person whether a current Councillor or not.
- 7.2. The appointment or reappointment of a Director/Trustee who is also an elected member or staff member will be handled in accordance with the procedures outlined in Sections 5 and 6.