

**MINUTE EXTRACT FROM THE NON-PUBLIC MINUTES OF THE COUNCIL MEETING HELD ON TUESDAY
28 MARCH 2017**

C10 GOLDEN BLOCK INVESTMENTS LIMITED

Golden Block Investments Limited (GBI) was the company that owned the former Penroses building. Dunedin City Council had a 50% share in GBI and as such was entitled by the constitution of GBI to appoint two directors (GBI constitution, clause 15.2 (a)).

The Council currently appointed two directors to Golden Block Investments Limited. One of the current Council appointments was Mr Kevin Taylor, Manager, City Property. Mr Taylor had resigned from his director's role and Council was required to appoint a director.

It was recommended that Mr Gavin Logie, Acting Chief Financial Officer, should be appointed in the interim while the issue of permanent directors was considered and brought back to Council by October 2017.

The Council resolution of 3 November 2015 appointed, by virtue of their positions, Grant McKenzie and Kevin Taylor as directors to the Board of GBI effective from 6 November 2014.

A decision was now required on the appointment of permanent directors to the Board of Golden Block Investments Limited as per the resolution of the Council meeting of 29 June 2015.

Moved (Cr Aaron Hawkins/Cr Kate Wilson):

That the Council:

- a) **Approves** the appointment of Gavin Logie as a director to the Board of Golden Block Investments Limited effective from 29 March 2017.

Motion carried (CNL/2017/086)

GOLDEN BLOCK INVESTMENTS LIMITED

Department: Office of the Chief Executive

REASONS FOR CONFIDENTIALITY

- Grounds: S48(1)(a) - The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
- Reason: S7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.

EXECUTIVE SUMMARY

- 1 Golden Block Investments Limited (GBI) is the company that owns the former Penroses building. Dunedin City Council has a 50% share in GBI and as such is entitled by the constitution of GBI to appoint two directors (GBI constitution, clause 15.2 (a)).
- 2 The Council currently appoints two directors to Golden Block Investments Limited. One of the current Council appointments is Mr Kevin Taylor, Manager, City Property. Mr Taylor has resigned from his director's role and Council is required to appoint a Director.
- 3 It is recommended that Mr Gavin Logie, Acting Chief Financial Officer, be appointed in the interim while the issue of permanent directors is considered and brought back to Council by October 2017.
- 4 The Council resolution of 3 November 2015 appointed, by virtue of their positions, Grant McKenzie and Kevin Taylor as directors to the Board of GBI effective from 6 November 2014.
- 5 A decision is now required on the appointment of permanent directors to the Board of Golden Block Investments Limited as per the resolution of the Council meeting of 29 June 2015.

RECOMMENDATIONS

That the Council:

- a) **Approves** the appointment of Gavin Logie as a director to the Board of Golden Block Investments Limited effective from 29 March 2017.

BACKGROUND

- 6 Golden Block Investments Limited (GBI) is owned directly by Council and is not part of the Dunedin City Holdings Group. Council appoints two directors to the board of GBI.

DISCUSSION

- 7 The Council resolved at the 3 November 2014 meeting to appoint, by virtue of their positions, Grant McKenzie and Kevin Taylor as directors to the Board of GBI effective from 6 November 2014.
- 8 The Council resolution also asked that recommendations on permanent directors be provided by June 2015. At the 29 June 2015 Council meeting it was resolved that a recommendation on permanent directors for GBI would be provided for consideration by September 2015.
- 9 The matter was not considered in September 2015, and now, with the resignation of Mr Taylor, a new director is required in the interim.
- 10 It is recommended that Mr Gavin Logie be appointed in the interim and that Mr McKenzie continue in the role until permanent director appointments are made.
- 11 That report will also need to cover issues associated with GBI technically being a Council Controlled Organisation (CCO) pursuant to the Local Government Act 2002.
- 12 As such, the requirements for management of a CCO under the Act must be met. This includes the preparation of a Statement of Intent and regular performance monitoring.
- 13 Alternatively, an exemption from being a CCO can be obtained by virtue of s 7(3) of the LGA 2002. This exemption is subject to Audit New Zealand acceptance and requires that a number of criteria are met.
- 14 This assessment has not yet been completed and will form part of the report for consideration in July 2017.

OPTIONS

Option One – Recommended Option

- 15 This is an interim appointment to enable GBI to continue to function without a vacancy until a full report with options is presented in July 2017.

NEXT STEPS

- 16 If the recommended appointment is made, the directors of GBI will be advised.
- 17 A full report on the CCO status of GBI and on permanent directors will be provided to Council in July 2017.

Signatories

Authoriser:	Sandy Graham - General Manager Strategy and Governance
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Attachments

There are no attachments for this report.

SUMMARY OF CONSIDERATIONS

Fit with purpose of Local Government

This decision relates to providing a regulatory function and it is considered good-quality and cost-effective, by ensuring that the requirements of the Local Government Act 2002 are met when managing Council-Controlled Organisations.

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Economic Development Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environment Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Arts and Culture Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Waters Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Spatial Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Integrated Transport Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks and Recreation Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other strategic projects/policies/plans	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The performance of the company contributes to the overall delivery of the strategic framework.

Māori Impact Statement

There are no known impacts for tangata whenua.

Sustainability

There are no implications for sustainability.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

There are no implications.

Financial considerations

There are no financial implications.

Significance

This decision has a low assessment for significance in terms of the Council's Significance and Engagement Policy.

Engagement – external

There has been no external engagement.

Engagement - internal

There has been no internal engagement.

Risks: Legal / Health and Safety etc.

There are no identified risks.

Conflict of Interest

There are no known conflicts of interest.

Community Boards

There are no implications for Community Boards.