MINUTE EXTRACT FROM THE NON-PUBLIC MINUTES OF THE COUNCIL MEETING HELD ON TUESDAY 26 MARCH 2019

C3 DIRECTOR REAPPOINTMENT

A report from Finance advised that the term of Linda Robertson, current director of Dunedin City Holdings Limited (DCHL), Dunedin Stadium Property Limited (DSPL) and Dunedin City Treasury Limited (DCTL), was due to expire on 30 June 2019. The report sought Council approval for the reappointment of Ms Robertson.

The General Manager Finance and Commercial (Dave Tombs) spoke to the report.

Moved (Cr Andrew Whiley/Cr Mike Lord):

That the Council:

a) **Approves** the reappointment of Linda Robertson as a director of Dunedin City Holdings Limited, Dunedin Stadium Property Limited and Dunedin City Treasury Limited for three year terms ending 30 June 2022.

Motion carried (CNL/2019/070)

DIRECTOR REAPPOINTMENT

Department: Finance

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.
In particular:	This report is confidential because the appointment of a director is made public once the applicant has been notified of the decision.

EXECUTIVE SUMMARY

1 The term of Linda Robertson, current director of Dunedin City Holdings Limited (DCHL) and Dunedin City Treasury Limited (DCTL), is due to expire on 30 June 2019. This report asks Council to consider the reappointment of Ms Robertson ("the Director").

RECOMMENDATIONS

That the Council:

a) **Approves** the reappointment of Linda Robertson as a director of DCHL and DCTL for three year terms ending 30 June 2022.

BACKGROUND

2 The current constitutions of DCHL and DCTL note that directors may be re-appointed at the expiry of their term of appointment, for terms of no more than three years, provided that no director may be appointed for more than three consecutive terms.

3 Council's *Procedure for the Appointment and Remuneration of Directors of Dunedin City Holdings Ltd* ("the Procedure") allows Council to reappoint a Director to DCHL subject to:

- the new 'director term' not exceeding three years; and
- the director not being appointed for more than three terms; and
- after consideration of the outcome of a review conducted by the DCC Advisory Group.

DISCUSSION

4 Ms Robertson was appointed to the Boards of DCHL and DCTL in October 2013. She is currently serving her second term (which is for 2 years 9 months).

5 In accordance with the Procedure, the DCC Advisory Group (being the Mayor, Chair of Finance and CCO Committee, CEO and General Manager of Finance and Commercial) have considered, and recommend, the reappointment.

6 The following observations were noted by the DCC Advisory Group during their discussions:

- the Director makes a valuable, positive contribution to the boards; and
- the Chair of the boards of DCHL and DCTL advised that the Chair's preference is to reappoint the Director; and
- the Director's specific skills (in particular Treasury and Audit) are central to the boards having a well-balanced skills matrix and contribute to the performance of the boards; and
- the recommended new terms (being her third) comply with the Procedure; and
- the reappointments contribute to effective board succession planning as another new director is likely to be appointed later this calendar year to fill an existing board vacancy.

7 Council has previously decided that the governance of DCTL (and DSPL) is most effectively conducted by the directors of DCHL. Although this is not in accordance with the Larsen report, this approach is considered the most practical, pragmatic and effective.

8 The table below shows the appointment, current terms and term expiry dates of current directors:

Director	**First appointed**	**Current term**	**Term expires**
Keith Cooper (Chair)	2 February 2015	2nd term	30 September 2020
Kathy Grant	17 July 2012	3rd term	16 July 2021
Linda Robertson	17 October 2013	2nd term	30 June 2019
Quentin Hix	1 January 2018	1st term	31 December 2020

9 The following Options are based on directors being appointed for a three year term. Council can amend the suggested Recommendation to include a term of less than three years.

OPTIONS

Option One – Re-appoints Linda Robertson to the Boards of Dunedin City Holdings Ltd and Dunedin City Treasury Ltd until 30 June 2022

Advantages

- Positively contributes to having effective Boards at DCHL and DCTL.
- Provides ongoing continuity of operations for DCHL and DCTL.
- Avoids unnecessary cost by avoiding the need 'to go to the market'.

Disadvantages

- Could possibly result in a more suitable current director candidate not being identified.

Option Two - Do not re-appoint Linda Robertson to the Boards of Dunedin City Holdings Ltd and Dunedin City Treasury until 30 June 2022 and instead 'go to the market' to identify a more suitable candidate

Advantages

- Could possibly result in a more suitable candidate, with a different skill set, being appointed to the Boards of these companies.

Disadvantages

- We would lose a good director, and may not secure a better candidate through the market process.
- Could result in unnecessary cost with no related benefit.

NEXT STEPS

10 Council's decision will be advised to Ms Robertson in writing.

Signatories

Author:	Dave Tombs - General Manager Finance and Commercial
Authoriser:	Sue Bidrose - Chief Executive Officer

Attachments

There are no attachments for this report.

SUMMARY OF CONSIDERATIONS

Fit with purpose of Local Government

This report relates to providing an administrative function for the continuing operation of the Board of Dunedin City Holdings Limited and the Board of Dunedin City Treasury Limited.

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	☐	☐	☒
Economic Development Strategy	☐	☐	☒
Environment Strategy	☐	☐	☒
Arts and Culture Strategy	☐	☐	☒
3 Waters Strategy	☐	☐	☒
Spatial Plan	☐	☐	☒
Integrated Transport Strategy	☐	☐	☒
Parks and Recreation Strategy	☐	☐	☒
Other strategic projects/policies/plans	☐	☐	☒

There is no direct contribution to the Strategic Framework. However a poorly performing Holding Company would have significant negative consequences for Council.

Māori Impact Statement

There are no known impacts for tangata whenua.

Sustainability

There are no known implications for sustainability.

LTP/Annual Plan / Financial Strategy / Infrastructure Strategy

There are no implications.

Financial considerations

A poorly performing Holding Company would have significant negative financial consequences for Council.

Significance

This decision is considered low in terms of the Council's Significance and Engagement Policy.

Engagement – external

The recommendation has been discussed with the Chair of DCHL.

Engagement - internal

There has been internal discussion between the Mayor, Chair of Finance and CCO Committee, CEO and General Manager of Finance and Commercial.

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 known implications for Community Boards.