



Report 07.741
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Committee Council
Author Margaret Meek, Policy Analyst

Appointment of Directors to the Council's Companies and Change of Constitutions

1. Purpose

To appoint councillors as directors to the Council's companies and to amend the constitutions of Pringle House Limited and Port Investments Limited.

2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

3.1 Policy on Appointment and Remuneration of Directors

The Council adopted a policy on the appointment and remuneration of directors of council organisations on 30 June 2003 (report 03.350). This policy was amended on 29 November 2004 to provide for an increase in the number of councillors appointed as directors from three to four. The policy was further amended on 20 July 2006 to allow for the same directors to be appointed to the Council's newly formed companies, Greater Wellington Rail Limited, Greater Wellington Infrastructure Limited and Greater Wellington Transport Limited.

The Council's holding company, WRC Holdings Limited, has five subsidiaries, Port Investments Limited, Pringle House Limited, Greater Wellington Rail Limited, Greater Wellington Infrastructure Limited and Greater Wellington Transport Limited.

The policy states that in each triennium the Council Chairperson, Deputy Chairperson and two other Councillors are appointed to the boards of these companies. The Council Chairperson is the Chairperson of each of the companies.

3.2 Constitutions

The constitutions of WRC Holdings Limited, Greater Wellington Rail Limited, Greater Wellington Infrastructure Limited and Greater Wellington Transport Limited restrict the number of Directors who may be appointed to the board of each company to a minimum of four and maximum of seven respectively. The constitutions of Pringle House Limited and Port Investments Limited have different restrictions. The shareholder (WRC Holdings Limited) is able to increase the maximum number of directors by special resolution. However, they need the consent of the Council to pass this resolution. It is appropriate that the maximum number of directors on the board of Pringle House Limited and Port Investment Limited be increased to seven to allow for a common composition across the Council's companies.

3.3 Current Directors

Anne Blackburn and Peter Blades have been appointed as directors of WRC Holdings Limited, and its five subsidiaries. They have both been appointed for a term ending on 30 April 2008.

Ian Buchanan, Terry McDavitt, Rick Long and Margaret Shields were appointed in the 2004-2007 triennium as elected member directors. These directors remain in place until 31 December 2007, or until such time as they are either removed by the shareholder or resign.

4. Communication

The Council's decisions will be reported to the next meeting of WRC Holdings Limited.

5. Recommendations

That the Council:

1. *Consents to WRC Holdings Limited, as the sole shareholder of Port Investments Limited and Pringle House Limited passing the shareholder resolutions:*
 - a. *Amending the constitution of Pringle House Limited by increasing the maximum number of directors to seven; and*
 - b. *Amending the constitution of Port Investments Limited by increasing the maximum number of directors to seven.*
2. *As the sole shareholder of WRC Holdings Limited, resolves as a special resolution:*
 - a. *That Fran Wilde be appointed as a director and chairperson of WRC Holdings Limited with effect from and including 14 November 2007;*

- b. *That John Burke be appointed as a director and deputy chairperson of WRC Holdings Limited with effect from and including 14 November 2007;*
 - c. *That Ian Buchanan be appointed as a director of WRC Holdings Limited with effect from and including 14 November 2007;*
 - d. *That Peter Glensor be appointed as a director of WRC Holdings Limited with effect from and including 14 November 2007;*
 - e. *That Rick Long be removed as a director of WRC Holdings Limited with effect from and including 14 November 2007;*
 - f. *That Terry McDavitt be removed as a director of WRC Holding Limited with effect from and including 14 November 2007; and*
 - g. *That Margaret Shields be removed as a director of WRC Holdings Limited with effect from and including 14 November 2007.*
3. **Consents to WRC Holdings Limited, as the sole shareholder of Port Investments Limited, Pringle House Limited, Greater Wellington Infrastructure Limited, Greater Wellington Rail Limited and Greater Wellington Transport Limited, passing the shareholder resolutions:**
- a. *appointing Fran Wilde, John Burke, Ian Buchanan and Peter Glensor as directors of Pringle House Limited and removing Rick Long, Terry McDavitt and Margaret Shields as directors of Pringle House Limited;*
 - b. *appointing Fran Wilde, John Burke, Ian Buchanan and Peter Glensor as directors of Port Investments Limited and removing Rick Long, Terry McDavitt and Margaret Shields as directors of Port Investments Limited;*
 - c. *appointing Fran Wilde, John Burke, Ian Buchanan and Peter Glensor as directors of Greater Wellington Infrastructure Limited and removing Rick Long, Terry McDavitt and Margaret Shields as directors of Greater Wellington Infrastructure Limited;*
 - d. *appointing Fran Wilde, John Burke, Ian Buchanan and Peter Glensor as directors of Greater Wellington Rail Limited and removing Rick Long, Terry McDavitt and Margaret Shields as directors of Greater Wellington Rail Limited; and*
 - e. *appointing Fran Wilde, John Burke, Ian Buchanan and Peter Glensor as directors of Greater Wellington Transport Limited and removing Rick Long, Terry McDavitt and Margaret Shields as directors of Greater Wellington Transport Limited; and*

- f. appointing Fran Wilde as Chairperson and John Burke as Deputy Chairperson of Pringle House Limited; and*
- g. appointing Fran Wilde as Chairperson and John Burke as Deputy Chairperson of Port Investments Limited; and*
- h. appointing Fran Wilde as Chairperson and John Burke as Deputy Chairperson of Greater Wellington Rail Limited; and*
- i. appointing Fran Wilde as Chairperson and John Burke as Deputy Chairperson of Greater Wellington Transport Limited; and*
- j. appointing Fran Wilde as Chairperson and John Burke as Deputy Chairperson of Greater Wellington Infrastructure Limited.*

4. Requests that the Chair of the Council confirms this consent in writing to WRC Holdings Limited.

Report prepared by:

Report approved by:

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