

Report 16.112  
Date 29 March 2016  
File CCAB-8-460

Committee Council  
Author Cr Chris Laidlaw, Council Chair

## Appointment of directors to WRC Holdings Limited

### 1. Purpose

To appoint a councillor as director of WRC Holdings Limited and to appoint a new Chairperson of the Board of WRC Holdings Limited.

### 2. Background

The Council is required to have a policy on the appointment and remuneration of directors of council organisations. The Council's holding company, WRC Holdings Limited, has three subsidiaries: Port Investments Limited, Pringle House Limited and Greater Wellington Rail Limited.

The policy states that four Councillor directors (including the Council Chair and Deputy Chair) shall be appointed to the boards of these companies.

The policy sets out that there should be a common Chairperson for all the WRC Holdings Group of companies.

The policy provides that in the event that the Chairperson of WRC Holdings Limited is an elected member of the Council they are entitled to receive a director fee. The director fee, if any, is determined by Council on a case-by-case basis.

### 3. Directors

Peter Blades and Samantha Sharif are currently external directors of WRC Holdings Limited, and its three subsidiaries.

Prue Lamason (Deputy Chairperson) and Barbara Donaldson are currently elected member directors of WRC Holdings Limited, and its three subsidiaries.

On 6 March 2016, Fran Wilde (Chairperson), resigned from her position as a director of WRC Holdings Limited, and its three subsidiaries.

On 9 March 2016, Paul Swain, resigned from his position as an elected member director of WRC Holdings Limited, and its three subsidiaries.

I propose that Chris Laidlaw be appointed as an elected member director, that Prue Lamason be appointed Chairperson of WRC Holdings Limited and that Samantha Sharif be appointed as Deputy Chairperson of WRC Holdings Limited

While this proposal would provide the WRC Holdings group of companies with only three elected member directors, I consider that it is sufficient to enable the company to effectively perform its responsibilities given the proximity of the forthcoming triennial council elections, and taking into account that the quorum provision for a meeting of the company requires a minimum of two elected member directors to be present.

#### **4. Fee for Chairperson of WRC Holdings Limited**

Remuneration for the Chairperson of WRC Holdings Limited is provided for in the Council's policy on appointment and remuneration of directors of Council organisations.

Due to the workload and necessary responsibility the Council has previously considered it appropriate that an elected member Chairperson of WRC Holdings Limited should receive a director fee so that the total salary that they receive as both Councillor and company Chairperson is the same as that paid to a Chairperson of a council committee at the time the appointment is made.

I therefore propose that Prue Lamason be paid \$15,425 as Chairperson of WRC holdings Limited, with effect from and including 6 April 2016.

Remuneration will be paid by WRC Holdings Limited. As shareholder of WRC Holdings Limited, the Council is required (in accordance with clause 40 of WRC Holdings Limited's constitution) to authorise the remuneration of directors by special resolution.

#### **5. Appointment process**

Because these appointments are made under the Companies Act 1993, there is a formal process of appointment by way of special resolutions. These will be as follows:

##### **5.1 Appointment of directors**

- a) As a sole shareholder in WRC Holdings Limited, the Council is required to resolve by way of a special resolution that Chris Laidlaw be appointed as director of WRC Holdings Limited with effect from 6 April 2016.
- b) As sole shareholder of WRC Holdings Limited, the Council is required to consent to WRC Holdings Limited passing special resolutions to appoint Chris Laidlaw as director of Pringle House Limited, Greater Wellington Rail Limited and Port Investments Limited.
- c) WRC Holdings Limited as sole shareholder of Pringle House Limited, Greater Wellington Rail Limited and Port Investments Limited, is required to pass special resolutions to appoint Chris Laidlaw as director of Pringle House Limited, Greater Wellington Rail Limited and Port Investments

Limited. A meeting of the Board of WRC Holdings Limited is scheduled on 3 May 2016 to pass these resolutions.

## **5.2 Appointment of Chairperson and Deputy Chairperson**

- a) As a sole shareholder in WRC Holdings Limited, the Council is required to resolve by way of a special resolution that Prue Lamason be appointed as Chairperson of WRC Holdings Limited with effect from 6 April 2016.
- b) As a sole shareholder in WRC Holdings Limited, the Council is required to resolve by way of a special resolution that Prue Lamason be appointed as Chairperson of WRC Holdings Limited with effect from 6 April 2016.
- c) As sole shareholder of WRC Holdings Limited, the Council is required to consent to WRC Holdings Limited passing special resolutions to appoint Prue Lamason as Chairperson of Pringle House Limited, Greater Wellington Rail Limited and Port Investments Limited.
- d) WRC Holdings Limited as sole shareholder of Pringle House Limited, Greater Wellington Rail Limited and Port Investments Limited, is required to pass special resolutions to appoint Prue Lamason as Chairperson of Pringle House Limited, Greater Wellington Rail Limited and Port Investments Limited. A meeting of the Board of WRC Holdings Limited is scheduled on 3 May 2016 to pass these resolutions.

The appointment of the Deputy Chairperson is made by way of ordinary Council resolution.

## **6. Communication**

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

## **7. The decision-making process and significance**

The matter requiring decision in this report has been considered by officers against the requirements of Part 6 of the Local Government Act 2002.

### **7.1 Significance of the decision**

Officers have considered the significance of the matter, taking into account the Council's significance and engagement policy and decision-making guidelines. Due to the procedural nature of this decision officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

### **7.2 Engagement**

Due to its procedural nature and low significance, no engagement on this matter has been undertaken.

## 8. Recommendations

*That the Council:*

1. **Receives** the report.
2. **Notes** the content of the report.
3. As sole shareholder of WRC Holdings Limited **resolves** as a special resolution by way of the written resolutions contained within **Attachment I** to appoint Chris Laidlaw as director of WRC Holdings Limited with effect from and including 6 April 2016.
4. As sole shareholder of WRC Holdings Limited resolves as a special resolution by way of the written resolutions contained within **Attachment I** to appoint Prue Lamason as Chairperson of WRC Holdings Limited with effect from and including 6 April 2016 and set their remuneration for this role at \$15,425 per annum.
5. **Consents** to WRC Holdings Limited, as the sole shareholder of Port Investments Limited, Pringle House Limited, Greater Wellington Rail Limited passing its shareholder resolutions to appoint Chris Laidlaw as director as set out in **Attachment I** with effect from and including 3 May 2016.
6. **Consents** to WRC Holdings Limited, as the sole shareholder of Port Investments Limited, Pringle House Limited, Greater Wellington Rail Limited passing its shareholder resolutions to appoint Prue Lamason as Chairperson as set out in **Attachment I** with effect from and including 3 May 2016.
7. **Authorises** the Council Chair to sign the resolution and consent of the sole shareholder and agreement of entitled person of WRC Holdings Limited (**Attachment I**).
8. **Appoints** Samantha Sharif as Deputy Chairperson of WRC Holdings Limited.

Report prepared by:

Cr Chris Laidlaw  
Council Chair

**Attachment 1:** Shareholder resolution and consent