

# AGENDA

## Supplementary Reports Council Meeting

### Membership:

Kahika - Mayor Moko Tepania - Chairperson  
Kōwhai - Deputy Mayor Kelly Stratford  
Cr Ann Court  
Cr Felicity Foy  
Cr Hilda Halkyard-Harawira  
Cr Babe Kapa  
Cr Penetaui Kleskovic  
Cr Steve McNally  
Cr Mate Radich  
Cr Tāmati Rākena  
Cr John Vujcich



**Te Kaunihera  
o Te Hiku o te Ika**  
Far North District Council

**Thursday, 5 June 2025**

**Time: 10:00 AM**

**Location: Council Chamber**

**Memorial Ave, Kaikohe**



## Te Paeroa Mahi / Order of Business

<b>6</b>	<b>Ngā Pūrongo / Reports .....</b>	<b>4</b>
6.5	Proposed Amendments to FNDC Policies and Council CCTO Far North Holdings Limited Constitution .....	4
<b>8</b>	<b>te wāhanga tūmataiti / Public Excluded .....</b>	<b>54</b>
8.9	Delivery of Transport Services .....	54
8.10	Extension of Appointments for Far North Holdings Limited.....	54

## 6 NGĀ PŪRONGO / REPORTS

### 6.5 PROPOSED AMENDMENTS TO FNDC POLICIES AND COUNCIL CCTO FAR NORTH HOLDINGS LIMITED CONSTITUTION

**File Number:** A5212036

**Author:** Aisha Huriwai, Manager - Democracy Services

**Authoriser:** Guy Holroyd, Chief Executive Officer

#### TAKE PŪRONGO / PURPOSE OF THE REPORT

To consider making changes to Council Controlled Trading Organisation – Far North Holdings Limited Constitution and Council policies.

#### WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- Council established Te Koekoea - Appointment to Council Organisation Committee at a meeting held 9 March 2023.
- 2 of the 5 Far North Holdings Limited Directors are due for review of appointment
- Te Koekoea – Appointment to Council Organisation Committee met 13 May
- Te Koekoea made 3 recommendations
  - Reappoint existing Directors for a second term (covered in a separate report)
  - Appoint Councillors to the Board of Directors to increase transparency and accountability
  - Make the changes necessary to support Councillors being appointed.
- This report presents those recommendations with broader context to align with legislation and for Council to consider the pro's, cons and steps required to achieve those recommendations.

#### TŪTOHUNGA / RECOMMENDATION

**That Council:**

- a) **Agree to request that Far North District Council staff review Council's 'Appointment of Elected Members as Directors of Council Organisations Policy (#2123)', to provide for amendment that would:**
  - i) **Enable the appointment of elected members as directors of Council's CO, CCO's and CCTO's.**
- b) **Agree to recommend that Far North District Council staff review Council's 'Appointment and Remuneration of Directors for Council Organisations Policy (#2117)', to provide for amendment that would:**
  - i) **Increase the "normal tenure" of a director beyond six (6) years; and**
  - ii) **Cap remuneration where CO, CCO or CCTO board members hold multiple roles within the organisation; and**
  - iii) **Enable the appointment of elected members as directors of Council's CO, CCO's or CCTO's.**
- c) **Resolve, as sole shareholder of FNHL, to amend the constitution of the Company [FNHL] by special resolution under sections 32(2), 106, 122 of the Companies Act 1993 to:**
  - i) **Increase the maximum number of Directors on the board of Far North Holdings Limited from five (5) to eight (8); and**
  - ii) **Remove the age limit of a director; and in implementing i) and ii) alterations**

iii)	<b>Authorise the Chief Executive to act as authorised signatory, for and on behalf of the Far North District Council as sole shareholder of the Company, in the formal notice of alteration of constitution in accordance with the Companies Act 1993 Regulations 1994.</b>
d)	<b>Upon amendment of Council's policies #2117, #2123 and alteration by special resolution of the constitution of the Company [FNHL] to increase the number of directors; Council resolves to appoint the following elected members to the board of directors of the Company [FNHL];</b>
i)	_____
ii)	_____
iii)	_____

## 1) TĀHUHU KŌRERO / BACKGROUND

Te Koekoea – Appointments to Council Organisation committee (Appointments Committee), is a committee formed to consider appointments of directors in accordance with Council's *Appointment and Remuneration of Directors for Council Organisations* (#2117).

The requirements regarding directors of Far North Holdings Ltd (FNHL) and their replacement or appointment are set out in:

- Part 5 (Council-controlled organisations and council organisations) of the Local Government Act 2002 (LGA02)
- The FNHL (the Company) Constitution; and
- Council's policy on *Appointment and Remuneration of Directors for Council Organisations* (#2117) (Appointments Policy), adopted in accordance with section 57 LGA02.
- Council's policy on *Appointment of Elected Members as Directors of Council Organisations* Policy (#2123), adopted in 2014.

Recently the Appointments Committee considered that amendment to the Company's constitution, and Council's relevant policies is required to enhance transparency and accountability of its CCOs, CCTOS – specifically FNHL (the Company).

A copy of the director skillset matrix is attached to provide Council with oversight of the skillsets sought for the Board of directors. This demonstrates the range of skillsets covered by existing Board members demonstrating the Board's collective strengths and weaknesses.

## 2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The Appointments Committee recommends allowing elected member appointment on its CCTO board of directors. The Company constitution does not prohibit this, however Council's policies #2117, #2113 preclude elected members from being eligible to be board members. The office of the Auditor-General provides good guidance in the consideration of appointment of directors, whether they are independent appointments or Councillors as directors of CCOs/CCTOs. A summary of the guidance is provided as follows:

### ***Considerations in appointing independent directors***

The Financial Markets Authority has noted that:

*Independence of mind is a basic requirement for directors ... Directors with an independent perspective are more likely to constructively challenge each other and executives – and thereby increase the board's effectiveness.*<sup>31</sup>

To meet the statutory requirement for directors with appropriate skills, knowledge, and experience, the approach is typically to appoint directors that are independent of a local authority. The desirability

of engaging commercial expertise in a council business is often a reason for setting it up as an arm's-length entity.

The general view is that independent directors can be appointed to provide:

- commercial and governance expertise;
- diversity on the board; and
- an insulating layer between the political activities of the Council and its operational arms.

Conversely, it is argued that independent board members do not always appreciate the legislative obligations of the parent local authority or that the expectations of a CCO differ from those of a private organisation. Commercial directors may know little about local government and may not understand the political context and expectations for increased transparency. Local authorities should recognise that new directors from the private sector might not have experience of the challenges of the local government environment. A CCO's induction for new directors should be designed to address that need.

### ***Considerations in appointing Councillors as directors of CCOs***

The same statutory provisions apply to appointing an elected member as a director. The appointment process should be objective and transparent, and the elected member should have the requisite skills, knowledge, or experience to contribute as a director.

Advantages of Councillors as directors:

- are likely to have a good knowledge and understanding of local government and of the local community;
- contribute valuable "political nous" to a CCO board;
- provide an extra layer of assurance that the subsidiary will be kept in touch with the "mood" of the Council;
- add value by managing matters about the CCO that are before the Council;
- contribute to the diversity of the board; and
- can act as a representative for their community's interests.
- Councillor-directors can add to the Council's understanding of the affairs of the CCO. Around the Council table, they are able to provide clarity to their colleagues about matters affecting the CCO.
- They can ensure that the Council has an informed debate that focuses on the main issues for decision. That said, councillor-directors may be unable to participate in decisions on matters about the CCO because of their interest as a director.

Disadvantages in having councillors on boards:

- councillor-directors often lack the skills to perform well as a director;
- there is an inherent conflict between a councillor-director's obligations to the Council and their community and their obligations to the subsidiary; and
- councillor-directors are more likely to be subjected to, and swayed by, pressure from community groups, so that it may be more difficult for a councillor-director to maintain confidentiality of commercial or other information about the CCO's business.
- CCO directors should be competent to carry out the governance function effectively, a disadvantage where some councillor-directors may lack that competence.

The Auditor-General considers that appointing elected members to CCO boards should be the exception and if local authorities wish to appoint elected members to their subsidiary boards, then the appointment should be open and transparent, and subject to the same selection criteria as for independent directors. This stance is in line with Council's current appointment policy #2123.

The Auditor-General acknowledges the argument that councillor-directors may add value to a board by being a Council voice, by ensuring that the CCO's objectives are aligned to those of the local authority, and by providing a community perspective. However, a councillor-director must have the necessary skills and experience to contribute fully to the governance of the CCO. If a local authority appoints councillors to the boards of its subsidiaries to ensure that the CCO remains mindful of its shareholder's expectations, the councillor's presence on the board should not be a substitute for a formal system for monitoring and accountability. There are other, more transparent methods for the parent local authority to influence a CCO, such as the statement of intent process, a letter of expectations, the dividend policy, and approval of major transactions.

<b>Risk</b>	<b>Description</b>	<b>Mitigation</b>
<b>Conflict of interest</b>	Elected members may face real or perceived conflicts when participating in both Council and CCO decision-making.	Require clear conflict of interest declarations and guidance on managing dual roles. Councillors may need to recuse themselves from related Council discussions.
<b>Blurring of governance roles</b>	Serving in both governance entities may undermine the board's independence or create confusion over accountability.	Clarify and reinforce director responsibilities through induction and governance training. Maintain strong separation between Council oversight and board operations. Ensure transparent appointment processes and robust communications that emphasise skills-based appointments and governance integrity.
<b>Reputational risk</b>	Public concern around perceived politicisation of CCO governance or decision-making.	Confirm and clearly communicate remuneration policy. Consider caps or alignment with governance best practice. Assess whether the additional cost delivers proportional strategic benefit.
<b>Remuneration and cost</b>	Elected members appointed to CCO boards are entitled to director remuneration. Increasing the number of directors from Council will increase governance costs to FNHL and may attract public scrutiny.	Require assurance of availability prior to appointment and ongoing review of performance. Consider upcoming elections and impact on continuity of engagement.
<b>Workload and capacity</b>	Councillors must be able to fully commit to the time and responsibilities of a directorship, in addition to their Council duties.	Provide formal induction and training on director responsibilities and legal duties under the Companies Act 1993.
<b>Director duties and liability</b>	Councillors must fulfil the same legal obligations as all directors, including acting in the best interests of the CCTO.	

## **DIRECTOR APPOINTMENT UNDER POLICY #2117**

The process and criteria for appointing directors to Council CCO, CCTO is the same for any appointment (independent or Councillor-Director). The objective of the policy outlines that appointing directors should be based on:

- an assessment of skills, knowledge and experience, having regard to the nature of scope of the organisation's objectives and activities.
- consider the contribution that directors can make to the board as a whole and to the achievement of the organisation's objectives and activities
- consider the context in which council, as a publicly accountable body operates.

The policy further states that Council considers that any person that it appoints to be a director of a Council Organisation should, as a minimum, have the following characteristics:

- sound judgement and decision-making.
- a public service ethos
- a high standard of personal integrity
- commercial and governance experience
- clear communication skills and an ability to debate in a reasoned manner
- ability to build and maintain relationships
- effective teamwork and collaboration. ability to think strategically.
- risk assessment and contingency management
- commitment to the principles of good corporate citizenship
- understanding of the wider interests of the Council, as a publicly accountable shareholder

In managing conflicts of interests' part 10 of Policy #2117 advises that Council expects that directors of Council-controlled organisations will avoid situations where their actions could give rise to a conflict of interest. To minimise these situations, the council requires directors to follow the provisions of the New Zealand Institute of Directors' Code of Ethics. All directors are appointed 'at the pleasure of the council' and may be dismissed for breaches of this code.

## NEXT STEPS

In pursuing elected member appointment onto CCTO board, Council's Policy 2123 - Appointment of Elected Members as Directors of Council Organisations and Policy 2117 - Appointment and Remuneration of Directors will need to be amended. The Company constitution will also need to be altered.

- Under the FNHL Constitution, a member of staff and/or an elected member can be appointed as a director so long as the majority of the remaining directors are neither staff nor elected members.
- However, Council's Policy (2117, 2123) currently expressly excludes elected members and staff from director appointment.
- If Council wishes to appoint either an elected member or a member of staff as a director of FNHL it should amend its current policies.
- Any decision to amend the current Policy will be subject to Part 6 LGA02 requirements regarding decision-making.
- While section 57 LGA02 imposes no express requirements regarding consultation, any decision to review/ amend the current Policy would need to include an assessment as to whether consultation or some lesser form of engagement would be necessary to fulfil the requirements of section 82 LGA02 (Principles of Consultation) and Council's Significance and Engagement Policy.

The Appointments Committee also recommends that:

1. the number of directors on the FNHL board should be increased;
2. that any limitation on the age of a director should be omitted;
3. that the ordinary tenure of a director should be increased and that a cap on the remuneration of directors that carry more than 1 role within the Company should be imposed.

The following table outlines the changes required to implement the recommendations of the Appointment Committee:

### FNHL Constitution

<u>Current</u>	<u>Proposed</u>
Maximum number of directors shall be 5	Maximum number of directors shall be 8



The office director is vacated if the person holding that office attains the age of 70 years	To be removed
--	---------------

### FNDC Appointments Policies

<u>Current</u>	<u>Proposed</u>
2 x three-year tenures, with a maximum of nine years	Tenure to be extended
Director/board members are not a currently elected member of the Council	To be removed
Level of remuneration of CCO directors	To include a cap on remuneration for directors who carry multiple roles within the Company

The recommendation to increase the number of directors and to remove age limitation will require an alteration of the Company's constitution. In accordance with section 32 of the Companies Act 1993 and clause 18 of the constitution, this must be done by special resolution (resolution approved by a majority of 75%).

It is recommended that any alteration to the Company constitution is recorded in writing (Companies Act 1993 Regulations 1994, Form 6) and signed by authorised signature on behalf of the shareholder of the Company.





### **TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION**

To ensure greater transparency and accountability between Far North Holdings Limited and its Shareholder Far North District Council.

### **3) PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION**

Payments to directors are paid from Far North Holdings Limited budgets. There are no implications on Council budgets in pursuing these recommendations.

### **ĀPITIHINGA / ATTACHMENTS**

1. **Policy 2123 - Appointment of Elected Members as Directors of Council Organisations - A5214899** [↓](#) 
2. **Policy 2117 - Appointment and Remuneration of Directors for Council - A5214900** [↓](#) 
3. **Constitution Far North Holdings Limited 1997 + variations - A5215191** [↓](#) 
4. **Far North Holdings Limited Board Skills Matrix - A5219133** [↓](#) 

**Hōtaka Take Ōkawa / Compliance Schedule:**

Full consideration has been given to the provisions of the Local Government Act 2002 S77 in relation to decision making, in particular:

1. A Local authority must, in the course of the decision-making process,
  - a) Seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
  - b) Assess the options in terms of their advantages and disadvantages; and
  - c) If any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Māori and their culture and traditions with their ancestral land, water sites, waahi tapu, valued flora and fauna and other taonga.
2. This section is subject to Section 79 - Compliance with procedures in relation to decisions.

<b>He Take Ōkawa / Compliance Requirement</b>	<b>Aromatawai Kaimahi / Staff Assessment</b>
State the level of significance (high or low) of the issue or proposal as determined by the <a href="#">Council's Significance and Engagement Policy</a>	This is a matter of medium significance under the Council's Significance and Engagement Policy, and depending on the outcome of the discussion Council may decide to undertake some consultation.
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	As outlined in the report Council policies 2117, 2123 alongside Companies Act 1993 and Local Government Act 2002 are part of the consideration.
State whether this issue or proposal has a District wide relevance and, if not, the ways in which the appropriate Community Board's views have been sought.	The views of the Community Board have not been sought. This is a matter for Council as the Governing body/Company shareholder. Community Boards have their own relationship with FNHL Operations rather than the Board.
State the possible implications for Māori and how Māori have been provided with an opportunity to contribute to decision making if this decision is significant and relates to land and/or any body of water.  State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi.	There are no implications on Māori in reviewing the relationship between the company and it's shareholders. An understanding of Te Ao Māori is one of the skill sets sought from directors.
Identify persons likely to be affected by or have an interest in the matter, and how you have given consideration to their views or preferences (for example – youth, the aged and those with disabilities).	The Chairperson of the Board attended the meeting as a Committee member in accordance with Council policy.
State the financial implications and where budgetary provisions have been made to support this decision.	Not applicable.
Chief Financial Officer review.	The Chief Financial Officer has not reviewed this report.

## Appointment of Elected Members as Directors of Council Organisations Policy (#2123)

Adopted: June 2014

### Introduction

This policy is developed in accordance with section 57(1) of the Local Government Act 2002. The purpose of this policy is to set out the process for the appointment and/or reappointment of elected members to director or board members of FNDC Council Organisations (COs – definitions are in Appendix 1).

*Section 57 of the LGA 2002:*

- “(1) A local authority must adopt a policy setting out an objective and transparent process for -
- (a) The identification and consideration of the skills, knowledge, and experience required of directors of a council organisation; and
  - (b) The appointment of directors to a council organisation; and
  - (c) The remuneration of directors of a council organisation.
- (2) A local authority may appoint a person to be a director of a council organisation if the person has, in the opinion of the local authority, the skills, knowledge, or experience to -
- (a) Guide the organisation given the nature and scope of its activities; and
  - (b) Contribute to the achievement of the objectives of the organisation.”

### Background

Council may appoint an elected member to be a director of a Council Organisation (CO), either a Council Controlled Organisation (CCO) such as Te Ahu Charitable Trust or Far North Holdings Ltd (FNHL) which is a CCTO, and has done so on occasion in the past (all Council's COs are listed in Appendix 3). This policy's intent is for there to be no director appointment by the Council, except under exceptional circumstances. It is considered that if Council is not getting the relevant information from its CCTO to make decisions, then communication processes need to be strengthened to provide the appropriate level of information. The appointment of a director, typically, will not resolve this issue or make any significant change to the CCO or CCTO's performance.

Often an elected member has a particular interest in a CCTO and has thought they could best support them through a directorship. If Council appoints an Elected Member, then that elected member would need to be excused when Council is making substantive decisions about the CCTO.

Also, typically, the skills required to be a director are spread across the elected members and if 1 elected member had all the attributes required, then this person is an absolute requirement for Council to retain to act in a governance role, when Council is making decisions about the CCTO, the CCTO's Statement of Intent (SOI) or funding CCTO projects.

### Policy Objectives

Unless there are exceptional circumstances then the Council will not appoint an Elected Member as a director of a Council Controlled Trading Organisation.

Exceptional circumstances may include temporary appointment to fill a directorship:

- If there is a retirement or resignation and an elected member has the requisite skills to fill the position while a replacement director is found, or
- The office is vacated through disqualification or removal. Directors/Board members hold office at the pleasure of the Council and may be removed at any time by council resolution. Without limiting the right of the Council, the likely reasons, which would justify removal of a director/board member, would be where a director/board member:
  - is regularly absent from board meetings without good justification
  - no longer has the confidence of the board or the Council
  - has breached ethical standards and this reflects badly on the board and/or Council
  - does not act in the best interests of the organisation
  - breaches the confidence of the board in any way, including speaking publicly on board issues without the authority of the board or does not act in accordance with the principles of collective responsibility.

The temporary director must meet the same competency levels as an externally appointed director (see appendix 1) and the temporarily appointed elected member cannot undertake the position of Chair or Deputy Chair

The policy applies to:

- Any potential Council appointment of an Elected Member to a CCTO directorship/Board
- Any potential staff member appointments to a CCTO

This policy does not apply to elected members or staff delegated by Council as 'observers' or as a 'resource' to assist the CCTO to fulfil its obligations to the shareholders (Council).

### Policy Statements

---

1. Council will not appoint elected members as a matter of course to directorships of Council Organisations
2. Council will only appoint elected members as temporary directors until:
  - a. either a vacant director position is filled from an external recruitment process, or
  - b. if appointed to provide a particular skill, when that skill is found in an external recruitment process, or
  - c. if appointed as a last resort due to a process lapse, then until that process is strengthened and the shareholders are confident in the relationship with the CO
3. Council will ensure its governance role as the shareholder by:
  - a. a selection and appointment process that ensures non elected member directors understand and accept the needs and priorities of the shareholders

- b. Council will ensure that its expectations of the CCTO's Board is both clearly articulated and achievable – one such mechanism will be through the Statement of Intent (SOI)
  - c. Council and the CCTO's Board will hold regular discussions on key issues and updates on reaching objectives
  - d. There is a “no surprises agreement” between Council and the CCTO
  - e. Any Committee of Council can request attendance by any CCTO or CCO at its meetings or workshops
4. Council will not appoint staff to any Board of a Council Organisation. Staff can be delegated to assist a CCTO or CCO but cannot hold a voting position

### Appendix One – Core Competencies for a Temporary Director

---

- sound judgement and decision-making
- commercial acumen
- public service ethos
- an understanding and commitment to council's obligation to Te Tiriti o Waitangi
- a high standard of personal integrity
- clear communication and an ability to debate in a reasoned manner
- effective teamwork and collaboration
- ability to think strategically
- risk assessment and contingency management
- commitment to the principles of good corporate citizenship
- understanding of the wider interests of the publicly accountable shareholder
- ability to respond to public scrutiny

### Appendix Two - Definitions

---

#### **Council Organisations**

The definition of “council organisation” (“CO”) is provided in section 6 of the LGA 2002. COs include: council-controlled organisations (CCOs); council-controlled trading organisations (CCTOs); and substantive council-controlled organisations (substantive CCOs). The terms council-controlled organisation and a council-controlled trading organisation are defined in the LGA 2002.

#### **Council organisation**

A council organisation (CO) is any organisation in which the Council has a voting interest or the right to appoint a director, trustee or manager (however described). This is a wide-ranging definition, covering a large number of bodies.

#### **Council-controlled organisation**

A council-controlled organisation (CCO) is an organisation in which the Council controls, directly or indirectly, 50% or more of the votes or has the right, directly or indirectly, to appoint 50% or more of the directors, trustees or managers.

#### **Council-controlled trading organisation**

A council-controlled trading organisation (CCTO) is a CCO that operates a trading undertaking for the purpose of making a profit.

#### **Substantive council-controlled organisation**

A substantive CCO is an organisation that is wholly-owned or wholly-controlled by the Council and either delivers a significant service on behalf of the Council, or owns or manages assets worth over \$10 million.

### Appendix Three – Schedule of Council Organisations

---

Far North Holdings Ltd – a CCTO

Te Ahu Charitable Trust – a CCO

Roland's Wood Trust –a CCO

Far North Museum Trust – a public entity but not classed as a CCO or CCTO (Audit NZ 2014)



www.fndc.govt.nz  
Memorial Ave, Kaikohe 0440  
Private Bag 752, Kaikohe 0440  
askus@fndc.govt.nz  
Phone 0800 920 029

## Appointment and Remuneration of Directors for Council Organisations (#2117)

Date Issued: 19 June 2003

Updated July 2021

### Purpose

The purpose of this policy is to set out, in accordance with section 57 (1) of the Local Government Act 2002 (LGA), an objective and transparent process for the:

- a) identification and consideration of the skills, knowledge and experience required of directors of a council organisation.
- b) appointment of directors to a council organisation; and
- c) remuneration of directors of a council organisation.

### Policy Objectives

The objectives of this policy are to ensure:

- that the process of appointing board members to Council Controlled Organisations (CCO's) of FNDC is undertaken in an objective and transparent manner, while protecting individual privacy.
- that board appointments:
  - are made based on an assessment of skills, knowledge and experience, having regard to the nature of scope of the organisation's objectives and activities.
  - consider the contribution that directors can make to the board as a whole and to the achievement of the organisation's objectives and activities.
  - consider the context in which council, as a publicly accountable body operates.
- continuity through smooth succession of board members and board chairs.

### Other relevant legislation

In addition to this policy, the appointment and re-appointment of directors to Council Organisations are governed by their respective constitutions, trust deeds or, in some cases specific legislation. In the event of a conflict, the regulatory requirements of those documents take precedence over this policy.

## Background

---

**“Candidate”** is a person who has been nominated, submitted a written application or identified through search activities.

**“Council Organisation”** is defined in section 6 of the LGA as an organisation in which the council has a voting interest or the right to appoint a director, trustee or manager (however described).

**“Council Controlled Organisation”** is defined in section 6 of the LGA in which the council controls, directly or indirectly, 50% or more of the votes or has the right, directly or indirectly, to appoint 50% or more of the directors.

## Board Diversity and Inclusion

---

Far North District Council (FNDC) values and supports the benefits that diversity of thought, experience and skills bring to our CCO boards as well as the council as a whole; that a culture of inclusion and diversity is cultivated through clear tone from the top, with the Council and elected members, SLT and boards championing diversity and inclusion in support of FNDC’s values.

FNDC recognises that increasing diversity and fostering inclusive board culture is an essential element in supporting high performing boards, driving long-term success, making improved decisions, and delivering better outcomes for the communities of the Far North District.

The board of a CCO should be made up of a diverse range of people who are able to bring relevant expertise to the organisation. For the board to be fully effective, it should comprise directors with a range of complementary skills and experience to ensure that ideas are challenged and tested, and that decision-making is robust.

All board appointments must collectively reflect the diverse nature of the environment in which FNDC and its CCOs operates and be made on merit in the context of the skills, experience and knowledge which the board requires to be effective.

FNDC is committed to supporting and/or providing initiatives:

- that lead to an inclusive recruitment and selection process of board appointments.
- support a diverse range of aspiring directors to develop skills, knowledge, board room experience and to establish relationships and networks; and
- build a diverse pool of experienced directors for Far North District organisations

## Policies

---

### 1. Eligibility

Council can consider any person as eligible to be a Director/Board Member provided that:

- they have not been previously disqualified from being a director or board member within New Zealand.
- they have not been convicted of a crime involving dishonesty.
- they are not an undischarged bankrupt.
- they are not a currently elected member of the Council
- they are not a current employee of the Council.



## 2. Skills

The council considers that any person that it appoints to be a director of a CO should, as a minimum, have the following characteristics:

- sound judgement and decision-making.
- a public service ethos.
- a high standard of personal integrity.
- commercial and governance experience.
- clear communication skills and an ability to debate in a reasoned manner.
- The ability to build and maintain relationships.
- effective teamwork and collaboration.
- ability to think strategically.
- risk assessment and contingency management.
- commitment to the principles of good corporate citizenship.
- understanding of the wider interests of the Council, as a publicly accountable shareholder.

## 3. Appointments Committee

As soon as practicable after each local body triennial election, or as otherwise required, the Council will establish an Appointments Committee for the purpose of recommending the appointment of directors to Council Controlled Organisations. The members of the committee will comprise the chairperson of the CCO board, an external commercial advisor (or similar) with relevant experience and knowledge, and up to two other members nominated by the Council. These members would ideally be Councillors with an interest in CCO's and one of these appointees would be appointed as the Chair of the Appointments Committee.

Any recommendation made must be the unanimous decision of the committee.

## 4. Appointment Process

The Appointments Committee will prepare a list of possible candidates to be interviewed. In preparing the list, the committee will use several resources including, but not exclusively, public advertising, personal recommendations, and self-referrals, identifying individuals with the required skills and competencies.

The appointment committee will be responsible for:

- approving the criteria against which applications will be assessed.
- approving an independent recruitment consultant to assist with the selection process, if it decides it is warranted.
- preparing a shortlist of candidates to interview.
- interviewing the shortlisted candidates and evaluating them against the approved criteria; and
- reporting on its assessment of each candidate against its criteria and recommending appointments of directors to council.

When making this decision the committee will also consider:

- The costs of any advertisement and process
- The availability of qualified candidates
- The urgency of the appointment (e.g. a CO that is without a quorum cannot hold board meetings).

The Appointments Committee will report to the Council on the outcome of the appointments process and the committee's recommendations. The Council will be the final decision-maker.

The Council expects all participants in the appointment process to undertake the work required of them in a timely manner.

### 5. Final Appointment

The council will make the final decision in committee (thus protecting the privacy of natural persons). Public announcement of the appointment will be made as soon as practicable after the council has made its decision.

### 6. Reappointment

Where a director's term of appointment has expired and he or she is offering him or herself for reappointment, the Appointments Committee will consult with the Chairperson of the CO with regard to:

- Whether the skills of the incumbent add value to the work of the organisation
- Whether there are other skills the organisation needs
- The Director's length of tenure
- Succession planning

The Committee will then consider the information obtained and form a view on the appropriateness of reappointment or making a replacement appointment. The outcome of the review will be advised to Council, who will make the final decision in relation to re-appointment if appropriate.

Council may reappoint an existing director for a further term without activating the formal appointment process. Where it is not intended to reappoint the incumbent, the appointment process outlined above will apply.

### 7. Removal of Directors

Council have the right to remove a Director if:

- The Director becomes an undischarged bankrupt
- The Director is convicted of a crime involving dishonesty
- The Director is prohibited from managing a company by the Registrar of Companies
- The Director is not acting in good faith.
- The Director is unable to perform the duties as a Director

Should it be necessary to remove a Director the default process in the Companies Act 1993 would be followed unless the company constitution specifies a different process.

The default process is to:

- call a shareholder meeting for the specific purpose of removing the director in question. There can be other purposes, but they must appear in the notice of the meeting.
- at the meeting, shareholders can remove the director through an ordinary resolution; and
- if a majority of shareholders votes in favour of the resolution, it passes and the directors' removal from their office becomes effective.

## 8. Rotation of Directors and Length of Tenure

The Directorship shall be reviewed for appropriateness by the board of the relevant organisation each year. A statement advising that the review has been completed will be included in the Annual Report of the Company.

Directors will normally be appointed for periods of three years. Subject to a review of the director's performance after the first three-year period, the normal tenure for a director will be six years.

Following six years of services, a director may be appointed for a further three years if the benefit of such an extension is considered to outweigh the potential advantages of seeking and appointing a new candidate.

It is desirable that a director is not reappointed to the same organisation after nine years of service. The board shall develop and maintain:

- a skills and corporate knowledge matrix, identifying the skills currently represented by the board and clearly identifying those that need to be considered by a future appointment.
- A succession plan to ensure that the tenure of Directors is reviewed in line with this policy

The above to be discussed and reviewed with the Shareholder at least once a year.

## 9. Appointment of a Chairperson

The Chair of each CCO board will be appointed by the Board.

In general terms, the skills and attributes sought for CCO Chairs are the same as those sought for CCO Directors (see section 2), but in addition would include the following:

- strong leadership skills, with the ability to work collaboratively with the board to create a sustainable enterprise.
- ability to think in a visionary and strategic manner.
- have a strong understanding of, and experience in, governance; and
- ability to ensure that the organisation is accountable and delivers high quality products, facilities, and services.

## 10. Conflicts of Interest

Far North District Council expects that directors of Council-controlled organisations will avoid situations where their actions could give rise to a conflict of interest. To minimise these situations, the council requires directors to follow the provisions of the New Zealand Institute of Directors' Code of Ethics. All directors are appointed 'at the pleasure of the council' and may be dismissed for breaches of this code.

## 11. Remuneration

Far North District Council will decide whether directors on CCO boards are to be remunerated. The level of remuneration of directors will be set by council in accordance with the factors below.

To ensure transparency, fees will be set by the council for the board members and Chairs, rather than allocating a pool to be distributed by the board. Fees are to be met from the council organisation's own resources.

The council supports the payments by CCOs of directors' liability insurance and the indemnification of directors.

- **Level of remuneration**

Where CCO directors are remunerated, the level of remuneration will be set taking into account the following factors:

- the need to attract and retain appropriately qualified directors
- the levels of remuneration paid by comparable organisations in New Zealand
- any changes in the nature of the CCO's business
- any other relevant factors.

Remuneration of directors of all CCOs will be reviewed at least once per triennium, or whenever the performance of the CCO or the role of the CCO and its board changes significantly.

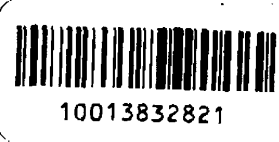
## 12. Review

This Policy is to be reviewed by the Assurance, Risk and Finance Committee provided this is a delegated function of the Committee. If Council does not provide for this delegation at each triennium then the policy will be reviewed by Council.

The policy will be reviewed:

- Every three years or
- At the request of the Chair of the Assurance, Risk and Finance Committee or
- At the request of the Board of the CCO
- In response to a change in legislation or statutory requirements.

2



---

---

CONSTITUTION OF  
FAR NORTH HOLDINGS  
LIMITED

---

---

<b>PART A: INTRODUCTION</b>	<b>1</b>
INTERPRETATION	1
1 Defined terms	1
2 Construction	1
THE RELATIONSHIP BETWEEN THE CONSTITUTION AND THE ACT	2
3 Effect of the Act on the constitution	2
4 Effect of this constitution	2
5 Shareholders may alter or revoke this constitution	2
<b>PART B: SHARES AND SHAREHOLDERS</b>	<b>2</b>
SHARES	2
6 Company's shares	2
7 Board to issue shares	2
8 Board need not comply with statutory pre-emptive rights	2
SHARE REGISTER	3
9 Status of registered holder	3
10 Trusts not to be entered on share register	3
TRANSFER OF SHARES	3
11 Conditions of Transfer	3
12 Shares transferred by entry on share register	3
CALLS FORFEITURE AND LIENS	3
13 Board may make calls	3
14 Forfeiture of shares where calls or other amounts unpaid	4
15 Company's lien	4
ACQUISITION OF OWN SHARES	4
16 Company may acquire and hold its own shares	4
17 Board may acquire shares in the Company on a non-proportional basis	4
SHAREHOLDER RIGHTS	4
18 Share confers rights on shareholder	4
19 Company must obtain approval before altering shareholder's rights	5
DISTRIBUTIONS	5
20 Board may authorise distributions	5

## 2

21 Board's power to authorise dividend is restricted	5
22 Shareholder may waive dividend	5
23 Board may deduct from dividend amounts owed to Company	6
<b>MEETINGS OF SHAREHOLDERS</b>	6
24 Company must hold annual meeting of shareholders	6
25 Company may hold special meetings of shareholders	6
26 Council representatives may Attend Meeting	6
27 Written shareholders' resolution instead of holding a meeting	7
<b>PART C: DIRECTORS</b>	7
<b>APPOINTMENT AND REMOVAL</b>	7
28 Number of directors	7
29 Shareholders may appoint directors	7
30 Shareholders may remove directors	7
31 Notices of appointment or removal of directors	8
32 Board may fill casual vacancy on the Board	8
<b>CHAIRPERSON</b>	8
33 Directors to elect chairperson of the Board	8
34 Chairperson to hold office on certain terms	8
<b>VACATION OF OFFICE</b>	8
35 Office of director vacated in certain cases	8
36 Directors' resignation procedure	9
<b>MANAGEMENT OF THE COMPANY</b>	9
37 Board to manage Company	9
38 Board has powers necessary to manage Company	9
39 Special resolutions necessary for major transactions	10
<b>PROCEEDINGS OF THE BOARD</b>	10
40 Meetings of the Board	10
41 Written resolution of Board permitted	10
42 Written resolutions may be in counterparts	10
<b>DIRECTORS' DUTIES</b>	10
43 Directors may act in interests of holding company	10
44 Directors may act in interests of holding company with agreement	

of other shareholders	10
<b>DELEGATION OF POWERS</b>	11
45 Restriction on Board's right to delegate its powers	11
46 Board delegates to comply with regulations	11
47 Committee proceedings	11
<b>INTERESTED DIRECTORS</b>	11
48 Directors must disclose their interests	11
49 General disclosure in certain cases will suffice	11
50 Failure to disclose does not affect validity of transaction	12
51 Company may avoid transaction if director interested	12
52 Interested director may vote	12
<b>REMUNERATION</b>	12
53 Board's power to authorise remuneration and other benefits is limited	12
<b>ALTERNATE DIRECTORS</b>	13
54 Directors may appoint and remove alternate directors	13
55 Alternate director has powers of appointor	13
56 Termination of appointment of alternate director	13
<b>MANAGING DIRECTOR</b>	13
57 Board may appoint managing director	13
58 Remuneration of managing director subject to restrictions on directors' remuneration	14
59 Powers conferred on managing director	14
60 Managing director has no power to appoint alternate managing directors	14
<b>PART D: GENERAL</b>	14
<b>CHANGE OF COMPANY NAME</b>	14
61 A director may apply to change Company name	14
<b>INDEMNITY AND INSURANCE FOR DIRECTORS AND EMPLOYEES</b>	14
62 Company may indemnify directors and employees for certain liabilities	14
63 Company may effect insurance for directors and employees	15
<b>EXECUTION OF CONTRACTS</b>	15



64 Manner of execution	15
65 Company may appoint attorneys	15
<b>REMOVAL OF COMPANY FROM REGISTER</b>	16
66 Directors may remove Company from register	16
<b>ACCOUNTS AND AUDITORS</b>	16
67 Accounts and Auditors	16
 <b>FIRST SCHEDULE</b>	 16
<b>CALLS, FORFEITURE AND LIENS</b>	16
<b>INTERPRETATION</b>	16
1 Clause references	16
<b>CALLS ON SHARES</b>	16
2 Shareholders must pay calls	16
3 Call made when Board resolution passed	17
4 Joint holders are jointly and severally liable	17
5 Unpaid calls will accrue interest	17
6 Amounts payable under terms of issue treated as calls	17
7 Board may differentiate between holders as to calls	17
8 Board may accept payment in advance for calls	17
<b>FORFEITURE OF SHARES</b>	17
9 Directors may by notice require forfeiture of shares if calls unpaid	17
10 Notice of forfeiture must satisfy certain requirements	18
11 Failure to comply with notice may lead to forfeiture	18
12 Board may deal with forfeited share	18
13 Shareholder whose shares are forfeited loses rights	18
14 Director's statutory declaration is conclusive	18
15 Company may sell forfeited share	19
<b>LIENS</b>	19
16 Company's liens	19
17 Waiver of lien	19
18 Company may sell share on which it has a lien	19
19 The Company may transfer share and apply proceeds	20

<b>SECOND SCHEDULE</b>	<b>20</b>
<b>PROCEEDINGS OF THE BOARD</b>	<b>20</b>
<b>NOTICE OF MEETING</b>	
1 Director or employee under director's instructions to convene meeting	20
2 Notice to contain certain details	20
3 Period of notice required to be given to directors	20
4 Notice to be sent to director's address	21
5 Directors may waive irregularities in notice	21
<b>MEETING AND QUORUM</b>	<b>21</b>
6 Methods of holding meetings	21
7 Quorum for Board meeting	21
8 Meeting adjourned if no quorum	21
<b>CHAIRPERSON</b>	<b>22</b>
9 Chairperson to chair meetings	22
10 Directors may elect chairperson of meeting if chairperson of Board is not present	22
<b>VOTING</b>	<b>22</b>
11 Voting on resolutions	22
12 Chairperson has a casting vote	22
<b>MINUTES</b>	<b>22</b>
13 Board must keep minutes of proceedings	22
<b>OTHER PROCEEDINGS</b>	<b>22</b>
14 Board may regulate other proceedings	

Date: 21<sup>ST</sup> MARCH 1997

## PART A: INTRODUCTION

### INTERPRETATION

#### 1 Defined terms

In this constitution

##### 1.1 The following expressions have the following meanings:

*the Act* means the Companies Act 1993;

*the Company* means Far North Holdings Limited;

*this constitution* means this constitution as it may be altered from time to time in accordance with the Act;

*written or in writing* in relation to words, figures and symbols includes all modes of presenting or reproducing those words, figures and symbols in a tangible and visible form.

##### 1.2 Expressions which are defined in the Act (whether in section 2, or elsewhere for the purposes of a particular subsection, section or sections) have the meanings given to them by the Act. Where an expression is defined in the Act more than once and in different contexts, its meaning will be governed by the context in which it appears in this constitution.

#### 2 Construction

In this constitution:

##### 2.1 Headings appear as a matter of convenience and do not affect the interpretation of this constitution;

##### 2.2 The singular includes the plural and vice versa, and words importing one gender includes the other genders;

##### 2.3 A reference to an enactment or any regulations is a reference to that enactment or those regulations as amended, or to any enactment or regulations substituted for that enactment or those regulations;

##### 2.4 The Schedules form part of this constitution.

**THE RELATIONSHIP BETWEEN THIS CONSTITUTION AND THE ACT****3 Effect of the Act on this constitution**

The Company, the Board each director, and each shareholder have the rights, powers, duties, and obligations set out in the Act except to the extent that they are negated or modified, in accordance with the Act by this constitution.

**4 Effect of this constitution**

This constitution has no effect to the extent that it contravenes the Act, or is inconsistent with it.

**5 Shareholders may alter or revoke this constitution**

The shareholders may alter or revoke this constitution by special resolution.

**PART B: SHARES AND SHAREHOLDERS****SHARES AND ISSUE OF SHARES****6 Company's shares**

At the time of adoption of this constitution the Company has 100 shares. The liability of shareholders to the Company is limited to \$1.00 per share, when called in accordance with this constitution.

**7 Board to issue share**

7.1 Subject to the prior approval of the Shareholders by ordinary resolution, the Board may issue shares at any time, to any person, and in any number it thinks fit.

7.2 The Board may issue further shares that rank as to voting or distribution rights, or both, equally with or prior to any existing shares in the Company. Any such issue will not be treated as an action affecting the rights attached to the existing shares.

**8 Board need not comply with statutory pre-emptive rights**

If the Board issues shares that rank as to voting or distribution rights, or both, equally with or prior to the shares already issued by the Company, the Board need not first offer those shares for acquisition to existing shareholders.

**SHARE REGISTER****9 Status of registered holder**

The Company may treat the registered holder of a share as the only person entitled to:

- 9.1 exercise the right to vote attaching to the share;
- 9.2 receive notices
- 9.3 receive a distribution in respect of the share; and
- 9.4 exercise the other rights and powers attaching to the share.

**10 Trusts not to be entered on share register**

The Company must not enter any notice of a trust, on the share register, whether that trust is express, implied or constructive.

**TRANSFER OF SHARES****11 Conditions of Transfer**

- 11.1 Every transfer of shares in the company shall be subject to the provisions of the Local Government Act 1974.
- 11.2 Where shares are to be transferred, a form of transfer signed by the present holder of the shares, or by that holder's attorney, personal representative, or by any other person who may lawfully sign on behalf of that holder, must be delivered to the Company. The transferee must sign the transfer form if the registration imposes a liability to the Company on the transferee.

**12 Shares transferred by entry on share register**

Shares shall be transferred by entry on the Company's share register of the name of the transferee which appears on the transfer form delivered to the Company.

**CALLS, FORFEITURE AND LIENS****13 Board may make calls**

The Board may make calls on any shareholder for any money that is unpaid on that shareholder's shares and not otherwise payable at a specified time or times under this constitution or the terms of issue of those shares or any contract for

the issue of those shares. The First Schedule governs calls on shares.

**14 Forfeiture of shares where calls or other amounts unpaid**

The Board may commence procedures in accordance with the First Schedule for forfeiture of any shares if the holder of those shares fails to pay:

14.1 a call, or an instalment of a call, on those shares; or

14.2 any amount that is payable under this constitution or the terms of issue of those shares or any contract for the issue of the shares.

**15 Company's lien**

The Company has a lien on shares, proceeds of sale of shares, and dividends on the terms set out in the First Schedule.

**ACQUISITION OF OWN SHARES**

**16 Company may acquire and hold its own shares**

The Company may purchase or otherwise acquire shares issued by the Company and may hold those shares in accordance with the Act.

**17 Board may acquire shares in the Company on a non-proportional basis**

The Board may purchase or otherwise acquire shares issued by the Company from such shareholders and in such numbers or proportions as it thinks fit, in accordance with the Act.

**SHAREHOLDER RIGHTS**

**18 Share confers rights on shareholder**

Subject to the terms on which a share is issued, a share in the Company confers on the holder:

18.1 the right to one vote on a poll at a meeting of shareholders on any resolution, including any resolution to:

18.1.1 appoint or remove a director (subject to *clauses 29 and 30*) or an auditor;

18.1.2 adopt a constitution

18.1.3 alter this constitution;

## 5

18.1.4 approve a major transaction;

18.1.5 approve an amalgamation under the Act; and

18.1.6 put the Company into liquidation;

18.2 the right to an equal share in dividends authorised by the Board; and

18.3 the right to an equal share in the distribution of the Company's surplus assets.

**19 Company must obtain approval before altering shareholder's rights**

The Company must not take any action that affects the rights attached to shares unless that action has been approved by a special resolution of each interest group in accordance with the Act.

**DISTRIBUTIONS**

**20 Board may authorise distributions**

The Board may authorise a distribution by the Company in accordance with the Act.

**21 Board's power to authorise dividend is restricted**

The Board must not authorise a dividend:

21.1 in respect of some but not all the shares in a class; or

21.2 that is of a greater value per share in respect of some shares than it is in respect of other shares of that class;

unless the amount of the dividend in respect of a share of that class is in proportion to the amount paid to the Company in satisfaction of the liability of the shareholder under this constitution or under the terms of issue of the share or under the contract for the issue of the share. Nothing in this clause prevents the Board issuing shares wholly or partly in lieu of dividend in accordance with the Act.

**22 Shareholder may waive dividend**

Notwithstanding *clause 21*, a shareholder may waive his or her entitlement to receive a dividend by giving a written notice to the Company signed by or on behalf of the shareholder.

**23 Board may deduct from dividend amounts owed to the Company**

The Board may, at its discretion, deduct from any dividend payable to any shareholder any amount owed by the shareholder to the Company on account of any call or otherwise.

**MEETINGS OF SHAREHOLDERS****24 Company must hold annual meeting of shareholders**

24.1 Subject to *clause* 24.2, the Board must call an annual meeting of shareholders to be held:

24.1.1 once in each calendar year; and

24.1.2 not later than 15 months after the date of the previous annual meeting of shareholders; and

24.1.3 not later than 6 months after the balance date of the Company.

However no annual meeting need be called and held if everything required to be done at the meeting is done by resolution passed in accordance with *clause* 27.

24.2 The Company does not have to hold its first annual meeting in the calendar year of its registration but must hold that meeting within 18 months of its registration.

24.3 The Company must hold the meeting on the date on which it is called by the Board to be held.

**25 Company may hold special meetings of shareholders**

A special meeting of shareholders entitled to vote on an issue:

25.1 may be called at any time by the Board; and

25.2 must be called by the Board on the written request of a shareholder holding shares carrying together not less than 5 percent of the voting rights entitled to be exercised on the issue.

**26 Council Representatives may Attend Meeting**

For so long as the Far North District Council is directly a shareholder of the Company the Mayor, councillors and nominated officers of the Far North District Council may attend any shareholders' meeting.



**27 Written shareholders' resolution instead of holding a meeting**

- 27.1 A written resolution signed by at least 75 percent of the shareholders who would be entitled to vote on that resolution at a meeting of shareholders, and who together hold at least 75 percent of the votes entitled to be cast on that resolution, is as valid as if it had been passed at a meeting of those shareholders. Any such resolution may consist of several copies of the resolution, each signed by one or more shareholders. A copy of a resolution which has been signed and sent by facsimile or any similar means of communication, will satisfy the requirements of this clause.
- 27.2 The Company must send a copy of the resolution to every shareholder who did not sign the resolution or on whose behalf the resolution was not signed, within five working days of the resolution being passed.

**PART C: DIRECTORS****APPOINTMENT AND REMOVAL****28 Number of Directors**

The minimum number of directors shall be 3 and the maximum number of directors shall be 5, the majority of whom must be persons who are neither members of any local authority nor a person employed by any local authority. The shareholders may increase the maximum number of directors by a special resolution.

**29 Shareholders may appoint directors**

Subject to section 594R of the Local Government Act 1974, any person who is not disqualified under the Act may be appointed as a director or the chairperson of directors by:

- 29.1 a notice in writing to the Company signed by shareholders holding shares which carry not less than 51 percent of the total votes attaching to the shares of the Company; or
- 29.2 an ordinary resolution of the shareholders

**30 Shareholders may remove directors**

Subject to section 594R of the Local Government Act 1974, any director or the chairperson of directors may be removed from office by:

- 30.1 a notice in writing to the Company signed by shareholders holding shares which carry not less than 51 percent of the total votes attaching to the

shares of the Company; or

30.2 an ordinary resolution passed at a meeting called for the purpose of, or for purposes that include, removal of the director

**31 Notices of appointment or removal of directors**

Any notice of appointment or removal of a director or the chairperson of directors under *clause 29.1* or *30.1* may be comprised in one or more notices in writing. The notice takes effect from the time it is served on the Company in accordance with the Act, or from such later time as the notice states that it is to take effect.

**32 Board may fill casual vacancy on the Board**

Subject to *clause 28*, the Board may appoint any person to be a temporary director to fill a casual vacancy for a period not exceeding 3 months while formal steps are taken to appoint a permanent replacement director. On the expiry of that 3 month period the temporary director appointed pursuant to this clause will be deemed to have resigned.

**CHAIRPERSON**

**33 Directors to elect chairperson of the Board**

Subject always to the right of shareholders to appoint the chairperson of the Board, the directors must elect one of their number as chairperson of the Board.

**34 Chairperson to hold office on certain terms**

The chairperson of the Board holds that office until he or she vacates office or the directors elect a chairperson in his or her place or the shareholders remove him or her from office.

**VACATION OF OFFICE**

**35 Office of director vacated in certain cases**

The office of director is vacated if the person holding that office:

35.1 dies; or

35.2 attains the age of 70 years; or

35.3 becomes disqualified from being a director pursuant to section 151 of the Act; or

35.4 resigns that office in accordance with *clause* 36; or

35.5 is removed, or deemed to resign, from office in accordance with this constitution or the Act.

**36 Directors' resignation procedure**

A director may resign office by delivering a signed notice of resignation in writing to the address for service of the Company. The notice is effective when it is received at that address or at a later time specified in the notice.

**MANAGEMENT OF THE COMPANY**

**37 Board to manage Company**

The Company's business and affairs must be managed by, and under the direction or supervision of, the Board in accordance with the Local Government Act 1974, except to the extent that the Act or this constitution provides otherwise.

**38 Board has powers necessary to manage Company**

38.1 The Board has all the powers necessary for managing, and for directing and supervising the management of, the Company's business and affairs, except to the extent that the Act or this constitution provides otherwise.

38.2 In exercising any power, including the power to borrow, the Board will not act, or authorise any action, which is contrary to the Statement of Corporate Intent (as substituted from time to time) prepared by the Company and the shareholders pursuant to section 594S to 594V (inclusive) of the Local Government Act 1974.

**39 Special resolutions necessary for major transactions**

The Company must not enter into a major transaction (as defined in section 129(2) of the Act and set out below) unless the transaction is:

39.1 approved by a special resolution of shareholders; or

39.2 contingent on approval by a special resolution of shareholders.

"Major transaction" means:

- "The acquisition of, or an agreement to acquire, whether contingent or not, the assets the value of which is more than half the value of the company's assets before the acquisition; or

- The disposition of, or an agreement to dispose of, whether contingent or not, assets of the company the value of which is more than half the value of the company's assets before the disposition; or
- A transaction which has or is likely to have the effect of the company acquiring rights or interests or incurring obligations or liabilities the value of which is more than half the value of the company's assets before the transaction."

#### PROCEEDINGS OF THE BOARD

##### **40 Meetings of the Board**

The Second Schedule governs the proceedings at meetings of the Board. The Third Schedule to the Act does not apply to proceedings of the Board.

##### **41 Written resolutions of Board permitted**

A resolution in writing signed or assented to by a majority of the directors then entitled to receive notice of a meeting of the Board (or their alternate directors) shall be as valid and effective as if it had been passed at a meeting of the Board duly convened and held.

##### **42 Written resolutions may be in counterparts**

Any written resolution may consist of several copies of the resolution, each signed or assented to by one or more of the directors (or their alternate directors). A copy of a written resolution, which has been signed and is sent by facsimile or any similar means of communication, will satisfy the requirements of this clause.

#### DIRECTORS' DUTIES

##### **43 Directors may act in interests of holding company**

If at any time the Company is a wholly-owned subsidiary of a body corporate then, when exercising powers or performing duties as a director, any director may act in a manner which he or she believes is in the best interests of the Company's holding company even though it may not be in the best interests of the Company.

##### **44 Directors may act in interests of holding company with agreement of other shareholders**

If at any time the Company is a subsidiary (but not a wholly-owned subsidiary) of a body corporate then, when exercising powers or performing duties as a director any director may act in a manner which he or she believes is in the best interests of the Company's holding company even though it may not be in the

best interests of the Company. However, this clause will apply only if the shareholders other than the Company's holding company have agreed that it will apply.

#### DELEGATION OF POWERS

**45 Restriction on Board's right to delegate its powers**

Subject to *clause* 38.2 the Board may delegate to a committee of directors, a director, an employee of the Company or any other person, any one or more of its powers other than its powers under any of the sections of the Act set out in the Second Schedule to the Act.

**46 Board delegates to comply with regulations**

In exercising the Board's delegated powers, any committee of directors, director, employee or employees of the Company or any other person must comply with any regulations that the Board may impose.

**47 Committee proceedings**

The provisions of this constitution relating to proceedings of the Board shall, insofar as they are not altered by regulations made by the Board, also apply to proceedings of any committee of directors.

#### INTERESTED DIRECTORS

**48 Directors must disclose their interest**

As soon as a director becomes aware of the fact that he or she is interested in a transaction or proposed transaction with the Company, then unless the Act provides otherwise or all entitled persons have agreed to or concur in the Company entering into the transaction, that director must cause to be entered in the interests register and disclose to the Board:

48.1 the nature and monetary value of his or her interest (if the monetary value of the interest is able to be quantified); or

48.2 the nature and extent of his or her interest (if the monetary value of the interest cannot be quantified).

**49 General disclosure in certain cases will suffice**

For the purposes of *clause* 48 a general notice entered in the interests register and disclosed to the Board to the effect that a director:

12

- 49.1 is a shareholder, director, officer, or trustee of another named Company or other person; and
- 49.2 is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that other Company or person;

shall be a sufficient disclosure of that interest in relation to such transactions.

**50 Failure to disclose does not affect validity of transaction**

Any failure by a director to comply with *clause 48* does not affect the validity of a transaction entered into by the Company or the director. However, the transaction may be avoided under *clause 51*.

**51 Company may avoid transaction if director interested**

Where the Company enters into a transaction in which a director is interested, the Company, if it is permitted to do so by the Act, may avoid that transaction in accordance with the Act. However, if all entitled persons have agreed to or concur in the Company entering into such a transaction then this clause will not apply.

**52 Interested director may vote**

A director of the Company who is interested in a transaction entered into, or to be entered into, by the Company may:

- 52.1 vote on a matter relating to the transaction;
  - 52.2 attend a meeting of directors at which a matter relating to the transaction arises, and be included among the directors present at the meeting for the purpose of a quorum;
  - 52.3 sign a document relating to the transaction on behalf of the Company; and
  - 52.4 do anything else as a director in relation to the transaction;
- as if he or she were not interested in the transaction

**REMUNERATION**

**53 Board's power to authorise remuneration and other benefits is limited**

The Board may authorise:

- 53.1 the payment of remuneration or the provision of other benefits by the

## 13

Company to a director for services as a director or in any other capacity, including managing director

53.2 the entering into of a contract to do any of the things set out in this *clause* 53.

only if the relevant action has been approved in writing by the shareholders or approved by a ordinary resolution of the shareholders.

**ALTERNATE DIRECTORS****54 Directors may appoint and remove alternate directors**

Every director may:

54.1 appoint any person who is not disqualified by the Act from being a director to act as an alternate director in his or her place; and

54.2 remove that person from that office;

by giving written notice to that effect to the Company.

**55 Alternate director has powers of appointor**

While acting in the place of the director who appointed him or her, the alternate director has, and may exercise and discharge, all the powers, rights, duties and privileges of that director (including the right to sign any document, including a written resolution, and to act as chairperson, but excluding the right to appoint an alternate). He or she is also subject to the same terms and conditions of appointment as that director, except in respect of remuneration.

**56 Termination of appointment of alternate director**

The appointment of an alternate director terminates automatically if the director who appointed him or her ceases to be a director.

**MANAGING DIRECTOR****57 Board may appoint managing director**

The Board may appoint one or more directors to the office of managing director for such period and on such terms as the Board thinks fit. Subject to the terms of any agreement entered into between the Board and the director concerned, the Board may revoke the appointment. The appointment of a managing director shall terminate automatically if he or she ceases to be a director.

**58 Remuneration of managing director subject to restrictions on directors' remuneration**

A managing director will receive in addition to remuneration and benefits for services as a director such remuneration and benefits as the Board may determine in accordance with *clause 53*.

**59 Powers conferred on managing director**

Subject to *clause 45*, the Board may:

- 59.1 confer on a managing director any of the powers exercisable by the Board; and
- 59.2 without affecting the powers of the managing director to act as a member of the Board, impose such terms and conditions and such restrictions as the Board thinks fit; and
- 59.3 alter or revoke any of the powers it confers under this *clause 59*.

**60 Managing director has no power to appoint alternate managing director**

The power to appoint an alternate director conferred on directors by this constitution does not confer on any managing director the power to appoint an alternate managing director.

**PART D: GENERAL**

**CHANGE OF COMPANY NAME**

**61 A director may apply to change Company name**

A director may apply to the Registrar of Companies to change the name of the Company if:

- 61.1 the Board has approved the director doing so; and
- 61.2 shareholders have approved the change of name by an ordinary resolution.

**INDEMNITY AND INSURANCE FOR DIRECTORS AND EMPLOYEES**

**62 Company may indemnify directors and employees for certain liabilities**

The Company is authorised to indemnify a director or employee of the Company or a related company for any liability or costs for which a director or employee



may be indemnified under the Act. The Board may determine the terms and conditions of any such indemnity.

**63 Company may effect insurance for directors and employees**

The Company may, with the prior approval of the Board, effect insurance for a director or employee of the Company or a related company for any liability or costs for which a company may effect insurance for a director or employee under the Act. The Board may determine the amounts and the terms and conditions of any such insurance.

**EXECUTION OF CONTRACTS**

**64 Manner of execution**

A contract or other enforceable obligation may be entered into by the Company as follows:

64.1 an obligation which, if entered into by a natural person, would by law, be required to be by deed, may be entered into on behalf of the Company in writing signed under the name of the Company by -

64.1.1 two or more directors; or

64.1.2 if there is only one director, by that director, whose signature must be witnessed; or

64.1.3 a director, or some other person or class of persons, expressly authorised by the Board whose signatures must be witnessed; or

64.1.4 one or more attorneys appointed by the Company in accordance with *clause 65*;

64.2 an obligation which, if entered into by a natural person, is by law, required to be in writing, may be entered into on behalf of the Company in writing by a person acting under the Company's express or implied authority; and

64.3 an obligation which, if entered into by a natural person, is not, by law, required to be in writing, may be entered into on behalf of the Company in writing or orally by a person acting under the Company's express or implied authority.

**65 Company may appoint attorneys**

The Company may, by an instrument in writing executed in accordance with *clause 64.1*, appoint one or more persons as its attorney or attorneys either generally or in relation to a specified matter or matters. An act of an attorney in

16

accordance with the instrument binds the Company.

#### REMOVAL OF COMPANY FROM REGISTER

**66 Directors may remove Company from register**

If the Company:

- 66.1 has ceased to carry on business, discharged in full its liabilities to all known creditors, and distributed its surplus assets in accordance with the Act; or
- 66.2 has no surplus assets after paying its debts in full or in part, and no creditor has applied to the Court for an order putting the Company into liquidation;

the Board may request the Registrar to remove the Company from the New Zealand register.

#### ACCOUNTS AND AUDITORS

**67 Accounts and Auditors**

The Board shall ensure that proper accounting records are kept in accordance with, and will otherwise comply with, part XXXIV of the Local Government Act 1974.

#### FIRST SCHEDULE

##### CALLS, FORFEITURE AND LIENS

#### INTERPRETATION

**1 Clause references**

Unless stated otherwise references to clauses are references to clauses in this Schedule.

#### CALLS ON SHARES

**2 Shareholders must pay calls**

Every shareholder on receiving at least 48 hours' written notice specifying the time or times and the place of payment must pay in accordance with that notice, the amount called to be paid in respect of any shares that he or she holds. The Board may revoke or postpone a call, or require a call to be paid by instalments.

**3 Call made when Board resolution passed**

A call is regarded as having been made at the time when the Board resolution authorising the call was passed.

**4 Joint holders are jointly and severally liable**

The joint holders of a share are jointly and severally liable to pay all calls for that share.

**5 Unpaid calls will accrue interest**

If an amount called is not paid in full at the time specified for payment, the person from whom the amount is due must pay the Company interest on the amount that remains unpaid at a rate determined by the Board and calculated from the time specified for payment until the day of actual payment. The Board may waive some or all of the payment of that interest.

**6 Amounts payable under terms of issue treated as calls**

Any amount that becomes payable on issue or at any specified date under this constitution or under the terms of issue of a share or under a contract for the issue of a share, will be regarded as being a call duly made and payable on the specified date. If the payment is not made, the relevant provisions of this constitution will apply as if the amount had become payable by virtue of a call made in accordance with this constitution.

**7 Board may differentiate between holders as to calls**

On the issue of shares, the Board may differentiate between the holders of shares as to the amount of calls to be paid and the times of payment.

**8 Board may accept payment in advance for calls**

Where a shareholder is willing to advance some or all of the money unpaid and uncalled on any share or shares of that shareholder, the Board may accept the amount advanced on the Company's behalf. The Board may pay interest on that amount at a rate agreed between the Board and that shareholder for the period between the date that the amount is accepted and the date that the amount becomes payable pursuant to a call or the date specified for its payments.

**FORFEITURE OF SHARES****9 Directors may by notice require forfeiture of shares if calls unpaid**

The directors may during the time that a call, instalment, or other amount remains unpaid on a share, serve a notice on the shareholder requiring payment

of the unpaid call, instalment, or other amount, together with any accrued interest.

**10 Notice of forfeiture must satisfy certain requirements**

The notice served on a shareholder under *clause 9* must specify a date not earlier than 10 working days after the date the notice is served by which the payment is to be made. The notice must also state that in the event of non-payment by the appointed time, the shares to which the call, instalment, or other amount relates, will be liable to be forfeited by the shareholder.

**11 Failure to comply with notice may lead to forfeiture**

Where a valid notice under *clause 9* is served on a shareholder and the shareholder fails to comply with the notice, then the Board:

11.1 may resolve that any share for which that notice was given and all distributions authorised and not paid before the notice was served be forfeited; and

11.2 may cancel any share certificate relating to any share which has been forfeited pursuant to any such resolution.

**12 Board may deal with forfeited share**

The Board must first offer forfeited shares to existing shareholders, other than the shareholder holding the forfeited shares at the time of forfeiture, as if they were new shares about to be issued by the Company. Subject to this requirement, a forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. However, the Board may cancel the forfeiture at any time before the sale or other disposition on such terms as the Board thinks fit if the call, instalment or other amount which remains unpaid on the share is paid.

**13 Shareholder whose shares are forfeited loses rights**

A person whose shares have been forfeited immediately ceases to be a shareholder in respect of those shares notwithstanding any other provision of this constitution, and remains liable to pay the unpaid amount he or she owes the Company, but that liability shall cease if the Company receives payment in full of all money owing for those shares.

**14 Director's statutory declaration is conclusive**

A statutory declaration given by a director that a share has been duly forfeited on a stated date shall be conclusive evidence of the facts stated in that declaration against any person claiming an entitlement to that share.

**15 Company may sell forfeited share**

The Company may receive consideration, if any, given for a forfeited share following a sale or disposition, and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of, and register that person as the holder of the share. That person shall not be bound to see to the application of the purchase money, if any, nor shall the title to the share be affected by any irregularity or invalidity in the procedures under this constitution in respect of the forfeiture, sale or disposal of that share.

**LIENS****16 Company's lien**

The Company shall have a lien, ranking in priority over all other equities, on

- 16.1 all shares registered in the name of a shareholder (whether solely or jointly with others);
- 16.2 the proceeds of sale of such shares; and
- 16.3 all dividends authorised in respect of such shares;  
for:
  - 16.4 unpaid calls and instalments payable in respect of any such shares;
  - 16.5 interest on any such calls or instalments;
  - 16.6 sale expenses owing to the Company in respect of any such shares; and
  - 16.7 any amounts that the Company may be called on to pay under any statute, regulation, ordinance or other law in respect of the shares of a shareholder whether the period for payment has arrived or not.

**17 Waiver of lien**

Registration of a transfer of shares on which the Company has any lien will operate as a waiver of the lien, unless the Company first gives notice to the contrary to the transferee.

**18 Company may sell share on which it has a lien**

The Company may sell a share on which it has a lien in such manner as the Board thinks fit, where:

- 18.1 the lien on the share is for a sum which is presently payable; and

20

- 18.2 the registered holder of the share, or the person entitled to it on his or her death or bankruptcy, has failed to pay that sum within 14 days after the Company has served him or her with written notice demanding payment of that sum.

**19 The Company may transfer share and apply proceeds**

- 19.1 The Company may receive consideration given for a share sold under *clause 18*, and may execute a transfer of the share in favour of the person to whom the share is sold, and register that person as the holder of the share discharged from all calls due prior to the purchase. The purchasers shall not be bound to see to the application of the purchase money, and his or her title to the shares shall not be affected by any irregularity or invalidity in the proceedings relating to the sale.
- 19.2 The Company must apply the sale proceeds in payment of the sum presently payable on the lien, and the balance, if any, shall (subject to a like lien for sums not presently payable that existed upon the share before the sale) be paid to the person entitled to the shares at the date of sale.

**SECOND SCHEDULE**

**PROCEEDINGS OF BOARD**

**NOTICE OF MEETING**

**1 Director or employee under director's instructions to convene meetings**

A director or an employee of the Company at the request of a director, may convene a meeting of the Board by giving written notice in accordance with this Schedule.

**2 Notice to contain certain details**

The notice of meeting must include the date, time and place of the meeting and an indication of the matters to be discussed in sufficient detail to enable a reasonable director to appreciate the general import of the matters.

**3 Period of notice required to be given to directors**

At least 7 days' notice of a meeting of the Board must be given to every director who is in New Zealand. If a director, who is for the time being absent from New Zealand, supplies the Company with a facsimile number or address to which notices are to be sent during his or her absence, then notice must be given to that director. Otherwise notice need not be given to any director for the time being absent from New Zealand. However, if he or she has an alternate director who

## 21

is in New Zealand, then notice must be given to that person. Where the chairperson or, in the chairperson's absence from New Zealand, any other director believes it is necessary to convene a meeting of the Board as a matter of urgency, shorter notice of the meeting of the Board may be given, so long as at least 24 hours notice is given.

**4 Notice to be sent to director's address**

The notice of meeting must be sent to the address or facsimile number which the director provides to the Company for that purpose, but if an address or facsimile number is not provided, then to his or her last place of employment or residence or facsimile number known to the Company.

**5 Directors may waive irregularities in notice**

Any irregularity in the notice of a meeting is waived if all directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity, or if all directors entitled to receive notice of the meeting agree to the waiver.

**MEETING AND QUORUM**

**6 Methods of holding meetings**

A meeting of the Board may be held either:

- 6.1 By a number of directors who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or
- 6.2 By means of audio, or audio and visual, communication by which a quorum of directors participating can simultaneously hear each other throughout the meeting.

**7 Quorum for Board meeting**

The quorum necessary for the transaction of business at a meeting of the Board is a majority of directors. No business may be transacted at a meeting of the Board unless a quorum is present.

**8 Meeting adjourned if no quorum**

If a quorum is not present within 30 minutes after the time appointed for a meeting of the Board, the meeting will be adjourned automatically until the following working day/the same day in the following week at the same time and place. If at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the directors present will constitute a quorum.

**CHAIRPERSON****9 Chairperson to chair meetings**

The chairperson of the Board will chair all meetings of the Board at which he or she is present.

**10 Directors may elect chairperson of meeting if chairperson of Board is not present**

If no chairperson is elected, or if at a meeting of the Board the chairperson is not present within 5 minutes after the time appointed for the commencement of the meeting, then the directors present may elect one of their number to be chairperson of the meeting.

**VOTING****11 Voting on resolutions**

Each director has one vote. A resolution of the Board is passed if it is agreed to by all directors present without dissent or if a majority of the votes cast on it are in favour of it. A director present at a meeting of the Board may abstain from voting on a resolution, and any director who abstains from voting on a resolution will not be treated as having voted in favour of it for the purposes of the Act.

**12 Chairperson has a casting vote**

In the case of an equality of votes, the chairperson of directors will have a casting vote.

**MINUTES****13 Board must keep minutes of proceedings**

The Board must ensure that minutes are kept of proceedings at meetings of the Board and that a record is kept of all written resolutions of directors. Minutes which have been signed correct by the chairperson of the meeting are evidence of the proceedings at the meeting unless they are shown to be inaccurate.

**OTHER PROCEEDINGS****14 Board may regulate other proceedings**

Except as set out in this Schedule, the Board may regulate its own procedure.

*This document containing pages 1 - 22 is certified as the Constitution of Far North Holdings Limited.*

X 

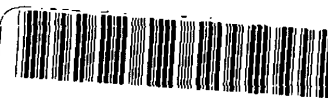


The Companies Act 1993

Notice of

**ADOPTION, ALTERATION,  
OR REVOCATION  
OF CONSTITUTION**

(Section 32(3))



\*10034342718\*

(for office use only)

**Form 6**

Company  
Name

**FAR NORTH HOLDINGS LIMITED**

Company Number

**AK 849248**

The abovenamed company has -

☐

adopted a constitution

☒

altered its constitution

☐

revoked its constitution

The company altered its constitution on

1	5
---	---

Day

0	5
---	---

Month

0	0
---	---

Year

A copy of the alteration to the constitution is attached to this notice.

  
Chapman Tripp Sheffield Young  
Solicitors for the Company

Date: 7 November 2000

**NPC-REC'D**

**08 NOV 2000**

**P# 10**

**- 8 NOV 2000**

Presented by

Postal Address

**LAWFACTOR LIMITED  
AS AGENTS  
P.O. BOX 105168  
AUCKLAND  
CLIENT N° 99000120**

Account No.

Telephone

Facsimile

0531109.01

---

Company  
Name

**FAR NORTH HOLDINGS LIMITED**

Company Number

**AK 849248**

---

**The alteration to the Company's constitution is as follows:**

The current text of Clause 28 be deleted and replaced with the following:

*"The minimum number of directors shall be 2 and the maximum number of directors shall be 5, the majority of whom must be persons who are neither members of any local authority nor a person employed by any local authority. The shareholders may increase the maximum number of directors by a special resolution."*

**AMENDMENT TO CONSTITUTION OF  
FAR NORTH HOLDINGS LIMITED**

The constitution of the Company is hereby amended by:

(a) Deleting clause 7.1 and replacing it with the following:

*"7.1 Subject to the prior approval of the Shareholders by ordinary resolution or by agreement of all entitled persons under section 107(2) of the Act, the Board may issue shares at any time, to any person and in any number it thinks fit, which:*

*7.1.1 rank equally with, or in priority to, existing Shares;*

*7.1.2 have deferred, preferred or other special rights or restrictions, whether as to voting, distribution or otherwise;*

*7.1.3 confer special, limited or conditional voting rights;*

*7.1.4 do not confer voting rights; or*

*7.1.5 are redeemable at the option of the holder or the Company in accordance with section 68 of the Act, and any such action will not be treated as affecting the rights attached to existing shares."*

(b) Inserting new clauses 7.3 and 7.4:

*"7.3 Power to redeem*

*(a) The Company may redeem any share which is issued as redeemable (pursuant to the terms of issue and in accordance with the Act).*

*(b) Subject to the terms of any issue, section 71 and consent in writing from all shareholders, where redeemable shares may be redeemed at the option of the Company the Company need not exercise the option for all holders of such shares but may exercise such option in relation to one or more of such holders.*

*7.4 Shares that are redeemed by the Company are deemed to be cancelled immediately on redemption."*



	Director Competencies					
Strategic Governance & Leadership	Governance experience <i>understands/performs governance functions, engages with stakeholders as governance representative and is committed to highest standards of governance and fiduciary responsibilities</i>	✓	✓	✓	✓	✓
	Strategy & culture <i>contributes and drives strategy formulation, direction, implementation &amp; communication and (re)development of organisational cultural based on vision and strategy</i>	✓	✓	✓	✓	✓
	Leadership <i>regarded as a leader within business or government, and / or local business leader within the wider Northland district</i>	✓	✓	✓	✓	✓
	Political awareness <i>understand and adapts to all the political context of the day and actively maintains relationships</i>	✓		✓		✓
	Workplace health, safety and well-being <i>understanding of H&amp;S legislation and directors duties to prevent and minimise risk in the workplace, including mental health and physical well-being, and experience in implementing appropriate governance and safety frameworks</i>		✓	✓	✓	
	Tikanga <i>understanding and awareness of Tikanga, and ability to speak / understand Te Reo</i>			✓		
	Specific sector knowledge <i>establishes and maintains specific sector knowledge and applies it at governance level</i>	✓	✓	✓	✓	✓
	Local context <i>strong connection to, and understanding of, the Tai Tokerau economy and context</i>	✓	✓	✓		✓
Informed Decision Making	Critical thinking <i>applies critical thinking to analyse business information; evaluate, distil and question information and can interpret and understand complex data and rationale</i>	✓	✓	✓	✓	✓
	Commercial acumen <i>deep commercial experience and acumen, evidenced by applying decision making criteria and understanding of commercial and business consequences</i>	✓	✓	✓	✓	
	Strategic monitoring and reporting <i>maintains a strategic focus, applies understanding of key performance indicators to execute strategic objectives and comes prepared. Seeks further information to monitor and assess business performance at a governance level.</i>	✓	✓	✓	✓	✓
	Confidence & decisiveness <i>the ability to act decisively under pressure and in complex situations</i>	✓	✓	✓	✓	✓
	Growing the business <i>applies business/commercial experience and knowledge to influence business growth</i>	✓				
Business Acumen	Capital markets / corporate finance <i>experience in deal initiation and execution, significant mergers and acquisitions, corporate financing and experience in significant corporate and balance sheet restructures</i>					
	Best practice business <i>applies deep knowledge of best practice business principles, procedures and practices</i>	✓	✓	✓	✓	✓
	Financial acumen <i>expertise in financial accounting, reporting, management reporting &amp; forecasting and internal control frameworks</i>		✓	✓	✓	
	Capital projects & investment <i>experience working in property development, or an industry with projects involving large-scale capital outlays and long-term investment horizons</i>	✓	✓			✓
	Climate Change <i>experience in analysing and mitigating risks posed to the organisation by climate change</i>		✓	✓		
	Sustainability <i>experience in creating economically, socially and / or environmentally sustainable strategy and to set and monitor sustainability aspirations</i>	✓	✓	✓		✓
	Managing risk & compliance <i>experience in understanding key legislative frameworks, and assessing and managing key risks to deliver organisational objectives</i>	✓	✓	✓	✓	✓
Communication	Stakeholder management <i>experience building effective relationships with key stakeholders which support achieving business objectives</i>	✓	✓	✓		✓
	Communications <i>experience in communication, with the ability to effectively communicate to a diverse group of stakeholders, being aware of reactions of others and responding appropriately</i>	✓		✓		✓
	Connectedness <i>existing relationships or the ability to build relationships through networking with the business, local and central government sectors and key stakeholders</i>	✓	✓	✓	✓	✓
Specific Attributes and strengths (held over and above those listed)		Central government connections, governance experience, international trade and industry connections. Strong commercial acumen and a well developed understanding of business opportunity.	Local representation, strong financial accounting and commercial and risk management. Well developed economic understanding of Northland with strong networks. Governance experience, corporate structuring & capital projects. Chair, Audit & Risk	Local representation and networks, knowledge and understanding. Knowledge and understanding of tikanga Māori and sustainable economic development. Governance and accounting expertise, and connections with relevant Northland agencies. Chair, Remuneration Committee.	Local representation & knowledge. Large corporate executive and governance experience and business networks, with strong financial, commercial and operational experience.	Central government experience at policy and official level. Strong strategic, policy, funding and economic development experience.
Essential Attributes	Truthful, trustworthy & demonstrates absolute integrity	✓	✓	✓	✓	✓
	Upholds and lives by high standard of ethics	✓	✓	✓	✓	✓
	Frank and open when communicating, willing to admit errors, assured when dealing with others	✓	✓	✓	✓	✓
	Well-prepared, reliable, and committed with sufficient time to provide appropriate support	✓	✓	✓	✓	✓
	Aware of own strengths & weaknesses	✓	✓	✓	✓	✓
	Resilient and maintains composure and effectiveness in face of adversity	✓	✓	✓	✓	✓
	Shows energy, vitality and commitment to organisation's values & cultures and their role	✓	✓	✓	✓	✓
	Alert and responsive to change	✓	✓	✓	✓	✓
	Fosters cooperation and effective team work and collaboration	✓	✓	✓	✓	✓
	Takes charge of a situation when appropriate	✓	✓	✓	✓	✓
	Loyal and works in the interest of the entity	✓	✓	✓	✓	✓
	Comfortable with and tolerant of reasonable risk, ambiguity and uncertainty	✓	✓	✓	✓	✓

**8 TE WĀHANGA TŪMATAITI / PUBLIC EXCLUDED****RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48 for the passing of this resolution</b>
<b>8.9 - Delivery of Transport Services</b>	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege  s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>8.10 - Extension of Appointments for Far North Holdings Limited</b>	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7