



**Far North
District Council**



TŪHONOTANGA MINITI ATTACHMENTS MINUTES

Ordinary Council Meeting

28 August 2025

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9.4 INCENTIVISING MĀORI ECONOMIC DEVELOPMENT REMISSION APPLICATION

Specific grounds to exclude the public under section 48 of the Local Government Official Information and Meetings Act 1987:

9.4 - Incentivising Māori Economic Development Remission Application	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	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
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Information released from public excluded by resolution:

RESOLUTION 2025/89

That Council:

- a) approve a rates remission of \$22,911.87 for the 2024-2025 rating year for Rating Account [REDACTED]
- b) approve a further 7 years rates remission as per Rating Policy R21_13 Incentivising Māori Economic Development.

CARRIED

9.5 KAWAKAWA INFRASTRUCTURE ACCELERATION FUND - DELEGATED AUTHORITY REQUEST

Specific grounds to exclude the public under section 48 of the Local Government Official Information and Meetings Act 1987:

9.5 - Kawakawa Infrastructure Acceleration Fund - Delegated Authority Request	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information 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
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Information released from public excluded by resolution:

The Kawakawa Infrastructure Acceleration Fund project will follow an open tender process and is expected to be completed, with contract award around the time of the upcoming Local Government Elections. To ensure there are no award delays during this time and to ensure the funding milestones are met, approval to delegate authority to the Chief Executive Officer to award and execute key contracts, is sought.

The purpose of Infrastructure Acceleration Fund is to fund critical infrastructure needed to facilitate housing developments in areas which have a housing need. Kawakawa was identified in the Infrastructure Acceleration Fund application process as an area in need and was successful in gaining funding.

RESOLUTION 2025/91

That Council:

- a) Delegate authority to the Chief Executive Officer, for the period from the day after the declaration of the 2025 council election results until the swearing in of the new Council, to award and execute any contracts relating to the Kawakawa Infrastructure Acceleration Fund Water and Wastewater Treatment Plant projects necessary to meet the Stage 2 milestone deadlines of 23 October 2025 and 04 November 2025 respectively, and
- b) Note that relevant contracts will be procured in line with Council's Procurement Policy, following good public sector probity practice and utilising Government Electronic Tenders Service (GETS).; and
- c) Note that the Chief Executive Officer will receive, before awarding any contract, a recommendation report summarising the tender evaluation team's rationale for selecting the preferred suppliers.

CARRIED

9.6 11 MATTHEWS AVENUE, KAITĀIA - PROPOSALS AND BUILDING CONDITION

Specific grounds to exclude the public under section 48 of the Local Government Official Information and Meetings Act 1987:

9.6 - 11 Matthews Avenue, Kaitāia - Proposals and Building Condition	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities 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
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Information released from public excluded by resolution:

RESOLUTION 2025/92 That Council: a) approves the demolition of the building (old Warehouse building) located at 11 Matthews Avenue, Kaitāia. b) approves \$192,000 plus GST unbudgeted operating expenditure for the demolition of the building at 11 Matthews Avenue, Kaitāia. CARRIED

9.7 REVIEW OF APPOINTMENT OF DIRECTORS FOR COUNCIL ORGANISATIONS POLICIES.

Specific grounds to exclude the public under section 48 of the Local Government Official Information and Meetings Act 1987:

9.7 - Review of Appointment of Directors for Council Organisations Policies	s7(2)(c)(i) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	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
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Information released from public excluded by resolution:

TAKE PŪRONGO / PURPOSE OF THE REPORT

To seek Council decision on amendment made to the Appointment and Remuneration of Directors for Council Organisations Policy.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- Legislation requires Council to have a policy on the appointment and remuneration of directors for Council Organisations.
- On 05 June 2025, Council resolved to review the Appointment of Elected Members as Directors of Council Organisations Policy and the Appointment and Remuneration of Directors for Council Organisations Policy (attachment 1). Council resolved to appoint three elected members to the board of directors of FNHL.
- On 03 July 2025, Council revoked the Appointment of Elected Members as Directors of Council Organisations Policy. At that same meeting Council did not approve the proposed amended draft of the Appointment and Remuneration of Directors for Council Organisations Policy (#2117).
- On 23 July 2025, elected members workshopped the Appointment and Remuneration of Directors for Council Organisations Policy (#2117).
- On 13 August 2025, elected members workshopped FNHL board considerations, advice and solutions.
- This report revisits the policy, and steps required to appoint elected members as directors.
- Staff recommend amendments to Policy #2117 to:
 - enable the appointment of elected members as directors of Council's CO, CCO's or CCTO's in a manner that is consistent with Local Government Act 2002 requirements.
 - increase the "normal tenure" of a director beyond six (6) years

- cap remuneration where CO, CCO or CCTO board members hold multiple roles within the organisation
- Staff recommend revoking resolution 2025/61 (d), in which named elected members were appointed to the board of directors of FNHL, to enable appropriate processes to be followed and mitigate any potential risks as identified in this report.

TŪTOHUNGA / RECOMMENDATION

That Council:

- a) **Approve the amended Appointment and Remuneration of Directors for Council Organisations Policy (#2117) as in attachment 2.**
- b) **Revoke resolution 2025/61 (d)**
“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];

Cr Steve McNally

Cr Felicity Foy

Cr Penetaui Kleskovic”

1) TĀHUHU KŌRERO / BACKGROUND

On 05 June 2025, Council resolved to review the Appointment of Elected Members as Directors of Council Organisations Policy and the Appointment and Remuneration of Directors for Council Organisations (attachment 1) (Resolution 2025/61 refers¹).

Under section 57 of the Local Government Act 2002, Council must adopt a policy that sets out an objective and transparent process for:

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

Council first adopted the Appointment and Remuneration of Directors for Council Organisations Policy in June 2003. The Policy was last reviewed and amended September 2021 (Resolution 2021/56 refers).

On 05 June 2025, Council also resolved to appoint three elected members to the board of directors at Far North Holdings (FNHL).

On 03 July 2025, Council revoked the Appointment of Elected Members as Directors for Council Organisations Policy.

On 03 July 2025, Council did not approve the amended draft of the Appointment and Remuneration of Directors for Council Organisations Policy. Elected members requested a workshop to further discuss potential amendments to the Policy.

On 23 July 2025, Elected members attended a workshop to provide further input into the Policy amendments.

¹ [Minutes Council Meeting 05 June 2025](#)

On 13 August 2025, elected members workshopped FNHL board considerations, advice and solutions.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The 05 June 2025 Council resolved to:

- review Council's 'Appointment of Elected Members as Directors of Council Organisations Policy (#2123)'.
 - Increase the "normal tenure" of a director beyond six (6) years; and
 - Cap remuneration where CO, CCO or CCTO board members hold multiple roles within the organisation; and
 - Enable the appointment of elected members as directors of Council's CO, CCO's or CCTO's.

Review of Council's Appointment and Remuneration of Directors of Council Organisations Policy

The Appointment and Remuneration of Directors of Council Organisations Policy (the Policy) was last reviewed in 2021.

On 05 June 2025, Council resolved for staff to review the policy and provide for the following amendments:

- Increase the "normal tenure" of a director beyond six (6) years; and
- Cap remuneration where CO, CCO or CCTO board members hold multiple roles within the organisation; and
- Enable the appointment of elected members as directors of Council's CO, CCO's or CCTO's.

On 03 July 2025, staff presented an amended policy. Council did not approve to amend the Appointment and Remuneration of Directors of Council Organisations Policy. Elected members commented that a workshop would be required for elected members to provide further input into the policy amendments.

Enabling the appointment of elected members as directors

On 03 July 2025, Council revoked the Appointment of Elected Members as Directors of Council Organisations Policy, which only allowed for elected members as directors in exceptional circumstances.

Council can amend the Appointment and Remuneration of Directors of Council Organisations Policy to enable the appointment of elected members as directors of Council's CO, CCO's or CCTO's by removing the prohibition of elected member appointment.

While councillor appointments require careful consideration, they can provide genuine value in certain contexts ².

- Local Government Insight - Councillors bring strong understanding of council processes and local needs.
- Political Acumen - Valuable for navigating stakeholder and policy environments.
- Strategic Alignment - Helps ensure CCO activity reflects council priorities.

² <https://oag.parliament.nz/2015/cco-governance/docs/cco-governance.pdf>

- Improved Communication - Acts as a bridge between Council and CCO governance.
- Community Representation - Strengthens legitimacy and responsiveness.
- Diverse Perspectives - Adds to the richness of board deliberation.
- Informed Council Debate - Councillor-directors can help explain CCO matters to the wider council.

Risks and Challenges Identified by the Auditor-General

- Conflicts of Interest - Councillor-directors must balance dual obligations to council and CCO, which can create tension or legal conflict.
- Confidentiality Risks - Elected members may face greater pressure from community groups and struggle with commercial sensitivities.
- Skills Gaps - Some councillors may lack the governance or business experience required for effective board leadership.
- Perception of Bias - Public confidence may be affected if appointments are viewed as politically motivated.

The Auditor-General's report stated, "effective monitoring and oversight, including setting clear expectations about CCO's purpose and strategic alignment, should obviate any need for councillor-directors to provide an additional layer of oversight".

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.

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. We include the Auditor-Generals guidance for easy reference as follows:

Auditor-General Guidance - Councillors as directors of CCOs

Local authorities may want to appoint councillors to the boards of their CCOs. Reasons may include a desire to prioritise the parent local authority's objectives and expectations and to provide a way for information to flow between the subsidiary and the local authority.

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.

The Auditor-General review identified a range of opinions about appointing elected members. Each of the following arguments, for and against, was made to the Auditor-General several times during interviews.

Elected members interviewed by the Auditor General say that councillor-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 also 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.

However, those the Auditor-General interviewed also identified disadvantages in having councillors on boards. The principal arguments made against councillor-directors were:

- 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.

There is a view that the potential for conflict between a councillor-director's interests and responsibilities as a councillor and as a CCO director is reduced where the councillor is a director of a CCO holding company. The reasoning is that the holding company will be focused on managing the local authority's investment in its CCOs, rather than on the specific business of each CCO. However, a director of a holding company has a particular need for business acumen and governance experience.

Most independent directors and CCO board chairs the Auditor-General spoke to believed that the disadvantages of councillor appointments outweigh the benefits. The unanimous view was that CCO directors should be competent to carry out the governance function effectively, and some noted that some councillor-directors lack that competence.

The Auditor-General considers that appointing elected members to CCO boards should be the exception. 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.

The Auditor-General acknowledges the argument that elected members can make a contribution to CCO governance. The Auditor-General also recognises 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.

In the Auditor-General's view, effective monitoring and oversight, including setting clear expectations about the CCO's purpose and strategic alignment, should obviate any need for councillor-directors to provide an additional layer of oversight.

Process to appoint elected members as directors

The process is the same for all director applicants (EM and independent). Section 57 of the Local Government Act 2002 does not exclude elected members from being directors of a council organisation. However, section 57 of the Local Government Act 2002 states:

(2) A local authority may appoint a person to be a director of a council organisation only 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.

(3) When identifying the skills, knowledge, and experience required of directors of a council-controlled organisation, the local authority must consider whether knowledge of tikanga Māori may be relevant to the governance of that council-controlled organisation.

Remuneration

At the 23 July workshop, elected members discussed allowing for elected members to be remunerated for any board appointment.

If elected members are to be remunerated for board roles, the appointment process should be aligned with that of independent directors to uphold governance standards.

Recommended Adjustments to the Policy if elected members are to be remunerated:

- **Skills-Based Assessment:** EMs should undergo the same competency and skills evaluation as independent directors.
- **Transparent Recruitment:** Use a formal recruitment process, including interviews and reference checks.
- **Governance Fit:** Assess EMs for governance experience, strategic thinking, and boardroom conduct.
- **Policy Alignment:** Ensure the appointment process complies with the organisation's governance policy and remuneration framework.

This approach ensures that remuneration is justified by merit and capability, not just electoral status.

Under section 6 of the Local Authorities (Members' Interests) Act 1968 any elected member that is remunerated as a director to a CCO would be disqualified from making Council decisions relating to their CCO.

The **Local Authorities (Members' Interests) Act 1968 (LAMIA)** is critical when considering remuneration for EMs:

- **Conflict of Interest Risk:** If an elected member is involved in setting or approving their own remuneration, this may constitute a pecuniary interest under LAMIA.
- **LAMIA Restrictions:** Elected members cannot participate in board decisions where they have a financial interest unless a specific exemption or approval is granted by the Auditor-General. This is unlikely to be given.
- **Dual Roles:** EMs serving on boards of council-controlled organisations must be cautious about decisions that affect both their council role and board role.

Best Practice Mitigation:

- Ensure EMs are not involved in decisions about their own appointment or remuneration.
- Seek legal advice or Auditor-General guidance where LAMIA implications are unclear.
- Maintain a register of interests and update it regularly.

Directors Duties

Any director appointed to a Council CCO/CCTO must be well versed with the obligations and duties a director is held to account under the Companies Act 1993. These duties require a director to (amongst other obligations):

1. **Act in Good Faith and in the Best Interests of the Company.**
Directors must act honestly and in what they believe to be the best interests of the company. This includes considering long-term sustainability, not just short-term profits
2. **Exercise Powers for a Proper Purpose**
Directors must use their powers for the purpose for which they were conferred, not for personal gain or to harm others.

3. Comply with the Companies Act and Constitution
Directors must ensure their actions are consistent with the Act and the company's constitution.
4. Exercise Care, Diligence, and Skill
Directors must act with the care and skill that a reasonable director would exercise in the same circumstances.
5. Avoid Reckless Trading
Directors must not allow the business to be carried on in a way likely to create substantial risk of serious loss to creditors.
6. Duty in Relation to Obligations
Directors must not agree to the company incurring obligations unless they believe the company can meet them when due.
7. Disclosure of Interests
Directors must disclose any interest in transactions or proposed transactions with the company.

Directors can be held personally liable for losses resulting from breaches of their duties.

Consultation

There is no statutory requirement to undertake consultation on amendments to the Policy. In line with the Significance and Engagement Policy the recommendation to adopt the amended policy will have little effect on financial thresholds, ratepayers, specific demographics, or levels of service. Therefore, the level of significance is low to medium, and Council is not obliged to publicly consult.

Council staff recommend the following amendments to the Appointment and Remuneration of Directors for Council Organisations Policy.

- Retitle the background section as definitions and include a definition for “committee” and “council-controlled trading organisation” for improved clarity.
- Eligibility – remove the prohibition for elected members to be eligible and include a reference to the Companies Act so those disqualified as directors are not eligible
- Appointments committee – to ensure transparency add “An appointments committee member cannot be appointed as a director of a council organisation or if such an opportunity arises must remove themselves from the appointments committee prior to making an application.”
- Appointment process - include a quickstep reference (steps 1 – 10) for improved clarity.
- Final Appointment – include a note to ensure when an elected member is recommended to Council for appointment that elected member cannot take part in discussion or vote.
- Length of tenure – make slight amendment to allow reappointment beyond 6 years (for independent directors).
- Conflicts of interest – include a paragraph to ensure any conflicts of interests are transparent and appropriately managed.
- Level of Remuneration – include the number and type of positions held by any current or potential director as a factor to be considered.
- Insert additional section – section 12 Appointment, Tenure & Remuneration of Elected Members to CCO / CCTO Boards.
- Include table of specific guiding legislation and other agency documentation for improved clarity.

An amended Appointment and Remuneration of Directors for Council Organisations Policy is provided by way of attachment 2.

Appointment of elected members to FNHL board of directors

On 05 June 2025, Council resolved:

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];

- i. Cr Steve McNally
- ii. Cr Felicity Foy
- iii. Cr Penetaui Kleskovic

Before making elected member appointments to the board of directors of FNHL the following needed to occur:

- a) Revocation of the Appointment of Elected Members as Directors of Council Organisations Policy. *Completed – policy revoked 03 July 2025*
- b) Amend the Appointment and Remuneration of Directors of Council Organisations Policy to enable the appointment of elected members as directors of Council's CO, CCO's or CCTO's by removing the prohibition of elected member appointment.
- c) Amend the constitution of company for FNHL to increase the number of directors. *Completed.*
- d) Ensure that any potential elected members appointees have the skills, knowledge, or experience required, as per the requirement of Section 57 of the Local Government Act 2002.

Staff recommend Council wait until all actions required, to enable elected members to be appointed as directors on the board of FNHL, are completed before appointing any elected members as directors. Staff also recommend an appropriate process is followed to ensure any potential elected members as directors have the skills, knowledge, or experience required, as per the requirement of Section 57 of the Local Government Act 2002.

Therefore, staff recommend revoking resolution 2025/61 (d) to enable the process to be followed.

OPTIONS

Option One: Status quo: Do not make any amendment to the Appointment and Remuneration of Directors for Council Organisations Policy.

Do not make any amendments to the Policy therefore, not allowing elected members to be appointed as directors to a Council Organisation, nor increasing the normal tenure of a director beyond six years or allow for capping of remuneration (in certain circumstances).

Revoking resolution 2025/61 (d) is required as the policy will not be amended and elected members will not be allowed to be appointed as directors.

Advantages and disadvantages of not making an amendments to either the appointment policies

Advantages	Council's policies will reflect the advice of the auditor-general in not allowing elected members to be directors of a Council organisation except in exceptional circumstances.
	No conflicts of interest arise in holding the dual role (CCTO/CCO director and Councillor)
	Support from LGFA
	Save on costs of remuneration of additional directors

Disadvantages Resolution of Council meeting 5 June not implemented
Revocation of prior decision / resolution will be required

Option Two: Amend the Appointment and Remuneration of Directors for Council Organisations Policy. (Recommended option)

If Council wishes to appoint elected members to a Council Organisation then amendments to the Appointment and Remuneration of Directors for Council Organisations Policy is required to:

- enable the appointment of elected members as directors of Council's CO, CCO's or CCTO's (as resolved by Council)
- increase the "normal tenure" of a director beyond six (6) years (as resolved by Council)
- cap remuneration where CO, CCO or CCTO board members hold multiple roles within the organisation (as resolved by Council)

Revoking resolution 2025/61 (d) will enable appropriate processes to be followed and mitigate any potential risks as identified in this report.

Advantages and disadvantages of making amendments to the Appointment and Remuneration of Directors for Council Organisations Policy

Advantages	Elected members will be enabled to be directors of council organisations
Disadvantages	Council's policies will not be in line with the advice of the auditor-general - that the appointment of elected members as directors should be the exception. Increased risk of conflicts of interest – extensive training and ongoing vigilance will be required of the member Increase in costs of remuneration of directors Limitations on decision-making numbers at Council meetings Difficulty in balancing directors' duties with elected member role If the Council appoints elected members who do not have the requisite skills knowledge or experience (commercial, financial, governance) to be a board member (as outlined in the policy) the decision to appoint will be highly susceptible to judicial review. Relationship / lending implications with LGFA

Next steps

If Council amends the Policy, consideration of its application, as well as the timing of its application given the pre-election period, can be discussed.

It is recommended that a review of the FNHL constitution is undertaken, to update referenced legislation and in light of Council's policy position change.

TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION

It implements Council resolution of 5 June 2025 Council meeting.

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

The operational cost of amending the Policy is expected to be nil.

ĀPITIHANGA / ATTACHMENTS

1. **Appointment and Remuneration of Directors for Council Organisation Policy - A5328557**
2. **Amended Appointment and Remuneration of Directors for Council Organisations Policy Aug 2025 - A5328556**

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.

He Take Ōkawa / Compliance Requirement	Aromatawai Kaimahi / Staff Assessment
State the level of significance (high or low) of the issue or proposal as determined by the Council's Significance and Engagement Policy	In line with the Significance and Engagement Policy the recommendation to adopt the amended policy will have little effect on financial thresholds, ratepayers, specific demographics, or levels of service. Therefore, the level of significance is low, and Council is not obliged to publicly consult.
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	Section 57 of the Local Government Act 2002 relates to the decision in this report.
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 recommendation has district wide relevance. Therefore, the views of the Community Boards have not been sought.
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.	The decision in this report is not significant and there are no identified implications for Māori.
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).	Far North Holdings is most likely to be affected and have an interest in this matter.
State the financial implications and where budgetary provisions have been made to support this decision.	The operational cost of amending the Policy is expected to be nil.
Chief Financial Officer review.	

RESOLUTION 2025/93

Moved: Kahika - Mayor Moko Tepania

Seconded: Cr John Vujcich

That Council:

a) **Approve the amended Appointment and Remuneration of Directors for Council Organisations Policy (#2117) as in attachment 2.**

b) **Revoke resolution 2025/61 (d) “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];**

Cr Steve McNally

Cr Felicity Foy

Cr Penetaui Kleskovic”

c) **Approve amended Terms of Reference of Te Koekoeā - CCO Committee extending membership to include:**

Cr Felicity Foy; and

Cr Steve McNally

Abstained: Cr Penetaui Kleskovic

Against: Cr Ann Court

Absent: Cr Tāmati Rākena

CARRIED



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.



www.fndc.govt.nz
Memorial Ave, Kaikohe 0440
Private Bag 752, Kaikohe 0440

askus@fndc.govt.nz
Phone 0800 920 029
Phone 09 401 5200

Appointment and Remuneration of Directors for Council Organisations

Adopted: 19 June 2003

Last updated: 20 August 2025

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:

- identification and consideration of the skills, knowledge and experience required of directors of a council organisation
- appointment of directors to a council organisation
- 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) or Council-controlled trading organisation (CCTO) 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.

Refer end of document for specific reference to relevant legislation and governing agency documentation.

Definitions

The following definitions apply to this Policy:

- **"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.

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- **“Council-controlled trading organisation”** is a council-controlled trading organisation (CCTO) is defined in Section 6 of the LGA as a CCO that operates a trading undertaking for the purpose of making a profit.
- **“Committee”** - For the purpose of this policy the term Committee refers to the Committee of the governing body of Far North District Council which has been delegated responsibility for making appointments to CCOs, CCTOs and COs. For avoidance of doubt, in the event that the governing body chooses not to delegate this responsibility, the term Committee refers to the governing body of Far North District Council.

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/CCTO 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.

A CCO/CCTO board should include diverse members with relevant skills, knowledge, and experience. This diversity ensures robust decision-making through the challenge and testing of ideas in pursuit of the organisations objectives.

All board appointments must collectively reflect the diverse nature of the environment in which FNDC and its CCO/CCTOs operates and be made on merit in the context of the skills, knowledge, and experience 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, boardroom 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 current employee of the Council.
- they have not been disqualified from being appointed or holding office as a director of a company under section 151(2) of the Companies Act 1993.

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.

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- 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.
- good grasp of the Companies Act 1993
- financial literacy
- industry knowledge

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 CCO/CCTOs. 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/CCTO's and one of these appointees would be appointed as the Chair of the Appointments Committee.

An appointments committee member cannot be appointed as a director of a council organisation or if such an opportunity arises must remove themselves from the appointments committee prior to making an application.

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

4. Appointment Process

Subject to any applicable regulations, the steps below outline the appointment process:

1. **Strategic Review and Needs Assessment**
 - Strategic Review of the Organisations Objectives
 - Future Skill Requirements
 - Current Skill Profile
 - Succession Planning
2. **Committee approves Skills and Competencies**
3. **Candidate Search**
 - Advertising and Screening for candidates
 - Evaluates the Long-List of potential applicants/candidates
 - Committee selects and approves a Short-List of candidates that meet the criteria and skills set
4. **Candidate's Declaration of Interests**
 - Financial and Non-Financial interests must be declared by all candidates
5. **Committee Interviews Short-listed Candidates**
6. **Committee Selects Preferred Candidate**
7. **Committee Performs Due Diligence**
 - Track Record
 - References
 - Verification Checks
 - Consideration of the management of conflicts
8. **Committee Recommends to Council Preferred Candidate for Appointment**
9. **Council Approves Appointment**
10. **Letter of Appointment Issued**

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11. Candidate must formally accept in writing an appointment

Once a vacancy has been established, the Committee will identify the specific skills, knowledge and experience required for the position with the assistance of CCO Governance and External Partnerships. The identification of skills, knowledge, and experience may involve discussions with the Chair of the CCO, a strategic review of current and future requirements and consideration of the current composition of the board.

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 limited to - public advertising, personal recommendations, and referrals, identifying individuals with the required skills and competencies.

The Appointments 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 decision as to the appointment will be made at a full Council meeting. Reports recommending appointments and the Council's final decision will be considered in a publicly excluded portion of a Council meeting to protect candidate privacy.

A public announcement of the appointment will be made as soon as practicable after council has made its decision and received written confirmation of acceptance from the candidate.

Note: If an elected member is under consideration to fill a particular vacancy, that elected member must remove themselves from Council Chambers, cannot take part in the discussion or vote on it or any other proposed appointees being considered for the same board at the same meeting.

6. Reappointment

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

- Whether the skills, knowledge, and experience 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

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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 (4) will apply.

7. Removal of Directors

Council has 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.

8. 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.

All appointments will specify the intended term of the appointment. Board members normally serve a maximum of two 3-year terms, with the option of further reappointment if there is good reason.

Upon expiry of the term of the appointment the Director shall retire from the council organisation and, subject to the board members' performance and skills continuing to be relevant to the board may be eligible for reappointment.

A director who is retiring from their first term, deemed eligible for reappointment and who wishes to stand, may, at the sole discretion of the Council, be reappointed for a further term.

Regular director rotation is encouraged, but terms in aggregate exceeding 6 years is allowable subject to the appropriateness of the candidate. The Council recognises that directors often have valuable institutional knowledge that organisations need to retain.

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

9. Appointment of a Chairperson

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

In general terms, the skills and attributes sought for CCO/CCTO Chairs are the same as those sought for Directors 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

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- ability to ensure that the organisation is accountable and delivers high quality products, facilities, and services.

10. Conflicts of Interest

All relevant interests should be declared during the assessment stage, so that the potential for a conflict of interest can be assessed in advance of an appointment being made. Further guidance on the management of interests and conflicts can be found on the Office of the Auditor-General web site: Managing conflicts of interest: Guidance for public entities, refer www.oag.govt.nz/2007/conflicts-public-entities

Far North District Council expects that directors of CCO/CCTOs 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.

An Elected Member director must pay particular attention to conflicts that arise in carrying the dual role of Director of a Council organisation and the role of Councillor for the Far North District Council. Conflicts are expected to be carefully managed by the Councillor.

11. Remuneration

Far North District Council will decide whether directors on CCO/CCTO 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 CCO/CCTOs of directors' liability insurance and the indemnification of directors.

Level of remuneration

Where CCO/CCTO 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
- number and type of positions held by any appointed director
- 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. Appointment, Tenure & Remuneration of Elected Members to CCO / CCTO Boards

CCO or CCTO boards comprised of five directors will have a designated elected member position, unless otherwise determined by Council. CCO or CCTO boards comprised of eight or more directors can have up to three designated elected member positions. Elected member composition on any board cannot make up the majority of director positions at any one time.

Elected Members can apply to be a director of a CCO/CCTO. Such appointments will be made in accordance with this policy.

The appointment of elected members as directors are bound by the following:

- Elected Members are subject to the same process as independent director applicants. Application must be made and considered following the process governed by this policy (specifically parts 1 – 7, 10, 11).
- Unless otherwise specified the appointment of an elected member to a CCO/CCTO will terminate at the earlier time of; when the position is refilled following the triennial election OR 31 December of the year of the triennial election.

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- Elected members can be appointed for no longer than two terms (or six years) to any one board, unless Council agrees there are exceptional circumstances.
- Elected members will not be eligible for the role of Chair, except in the case of temporary appointments if no other director is available or willing to accept that role.
- All elected member directors must use their skills, knowledge and experience to guide the organisation and contribute to the achievement of the organisation's objectives, including those outlined in its Statement of Intent, and undertake their legal duties as directors as required by the Companies Act 1993 and by the relevant constitution or trust deed.
- An elected member will not be eligible for appointment as a director on a CCO of CCTO board in their capacity as an individual for a period of 12 months following the end of their term as an elected member.

Monitoring and 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.

Relevant Legislation, Policies and Procedures

Legislation, agency references	Local Government Act 2002, part 5 Company Constitution Companies Act 1993, part 5, 8 Auditor-General's Guidelines as set out in "Governance and accountability of council-controlled organisations" dated September 2015 - Overview — Office of the Auditor-General New Zealand New Zealand Institute of Directors Manual - 150115-A-directors-guide-brochure.pdf Privacy Act 2020
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Council Policies and Procedures [Code of Conduct](#)

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