



# AGENDA

## Ordinary Council Meeting Tuesday, 28 November 2023

**Date** Tuesday, 28 November 2023

**Time** 11am

**Location** Council Chamber  
District Council Building  
King George Place  
Timaru

**File Reference** 1632772

## **Timaru District Council**

**Notice is hereby given that a meeting of the Ordinary Council will be held in the Council Chamber, District Council Building, King George Place, Timaru, on Tuesday 28 November 2023, at 11am.**

### **Council Members**

Mayor Nigel Bowen (Chairperson), Cllrs Allan Booth, Peter Burt, Gavin Oliver, Sally Parker, Stu Piddington, Stacey Scott, Scott Shannon, Michelle Pye and Owen Jackson

Quorum – no less than 5 members

### **Local Authorities (Members' Interests) Act 1968**

Councillors are reminded that if they have a pecuniary interest in any item on the agenda, then they must declare this interest and refrain from discussing or voting on this item and are advised to withdraw from the meeting table.

Bede Carran

**Chief Executive**

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- 1 Opening Prayer and Waiata**
- 2 Apologies**
- 3 Public Forum**
- 4 Identification of Urgent Business**
- 5 Identification of Matters of a Minor Nature**
- 6 Declaration of Conflicts of Interest**

## **7 Confirmation of Minutes**

### **7.1 Minutes of the Council Meeting held on 17 October 2023**

**Author:** Rachel Scarlett, Governance Advisor

#### **Recommendation**

That the Minutes of the Council Meeting held on 17 October 2023 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

#### **Attachments**

##### **1. Minutes of the Council Meeting held on 17 October 2023**



# MINUTES

## Ordinary Council Meeting Tuesday, 17 October 2023

Ref: 1632772

**Minutes of Timaru District Council  
Ordinary Council Meeting  
Held in the Council Chamber, District Council Building, King George Place, Timaru  
on Tuesday, 17 October 2023 at 3pm**

**Present:** Mayor Nigel Bowen (Chairperson), Clr Peter Burt, Clr Gavin Oliver, Clr Sally Parker, Clr Stacey Scott, Clr Scott Shannon, Clr Michelle Pye, Clr Owen Jackson

**In Attendance:** **Community Board Members:** Anna Lyon (Pleasant Point Community Board), Janene Adams (Geraldine Community Board)

**Officers:** Bede Carran (Chief Executive), Paul Cooper (Group Manager Environmental Services), Andrew Dixon (Group Manager Infrastructure), Trudie Hurst (Group Manager Commercial & Strategy), Nigel Ingram (Group Manager Recreation and Cultural Services), Stephen Doran (Communications Manager), Bronwyn Larkins (Senior Policy Advisor), Maddison Gourlay (Marketing and Communications Advisor), Jessica Kavanaugh (Corporate Planning), Nicole Timney (Manager of Property Service and Client Relations), Jason Ellis (Building Control Manager), Suzi Ratahi (Land Transport Manager), Rachel Scarlett (Governance Advisor), Jacky Clarke (Governance and Executive Support Manager), Hamish Barrell (District Planning Manager), Sharon Hoogenraad (Chief Licensing Inspector / Enforcement Officer), Joanna Hamilton (Senior Animal Control Officer), Andrew Feary (Property Facilities Officer)

**Public Forum:** Clare Scarlett, Sarah Lawrence, Mazaiah Tuala (Sister Cities) Michael Clarkson & Doug Cleveland (Timaru Rate Payers), Nigel Gilkison, Simon Bird (Central South Trail Group), Scott Mitchell, Paul Buckly, Jenna Hughes (South Canterbury Mountain Biking)

**CCOs:** Nigel Davenport (Venture Timaru Chief Executive), Frazer Munro (Timaru District Holdings Ltd General Manager), Mark Rogers (Timaru District Holdings Ltd Chairperson)

## 1 Opening Prayer

*Rev Alan Cummins (Timaru Hospital Chaplain) conducted the opening prayer.*

*Clr Sally Parker led the waiata.*

## 2 Apologies

### 2.1 Apologies Received

### Resolution 2023/69

Moved: Clr Sally Parker

Seconded: Clr Scott Shannon

That the apology of Clr Stu Piddington and Clr Allan Booth be received and accepted.

**Carried**



### **3 Public Forum**

#### **3.1 Sister Cities - Eniwa Student Exchange presentations**

The three exchange students presented to Council and shared their experience of their Eniwa Japan exchange.

Discussion included the host family's knowledge of New Zealand and their experience with schooling. The Councillors expressed their thanks for representing the Timaru District. Deputy Mayor Scott Shannon chaperoned the three exchange students to Eniwa.

#### **3.2 Timaru Ratepayers Association**

The Timaru Rate Payers Association presented to Council and asked the following questions.

The procedure around slippery tiles to mitigate hazards and the current costs, whether former Cllr Richard Lyon or Cllr Paddy O'Reilly received any payments as head of Community Boards, while holding the position of Councillor, why the current Chief Executive sat in on a meeting in Geraldine, Possible Conflicts of Interest with Group Managers being associated with Consultation firms used by the TDC, availability of Local Government Requests and itemised listing of these expenditures and height restrictions of trees in private property.

Mayor Nigel Bowen requested the questions in writing and will get back to the Rate Payers Association. Mayor Nigel Bowen responded to the questions as follows:

Current tiles meet the threshold, a new product will be trialed in areas of the CBD to mitigate the current risk, Cllr Richard Lyon and Cllr Paddy O'Reilly did not receive any further money for being in a dual role. The Mayor will look back through the minutes regarding the Chief Executive's employment and respond with the correct information. That Eric Barnes and Jason Rivett are contractors and not employees. There cannot be a height restriction of trees on private property.

#### **3.3 South Stafford Street**

Nigel Gilkison spoke to the council about his concern about the proposed demolishing of buildings on Stafford Street. Discussion included the want for the buildings to be a part of the Council's regeneration plan, expressed concern around effects on the ecosystem by demolishing such buildings, and asked for the buildings to be restored or redeveloped.

#### **3.4 Central South Trails**

Simon Bird provided a presentation to the Council on behalf of the Central South Trails, noting the purpose of the group, its makeup, what trails have been achieved to date, and what trails are next.

Discussions included the ability to seek further funding to achieve the goal, and noted the high quality of the trails completed to date allowing for easy accessibility and maintenance.

### **3.5 South Canterbury Mountain Bike Track**

Scott Mitchell, Paul Buckly, Jenna Hughs provided a presentation to the Council on behalf of the South Canterbury Mountain Bike Club. This included what a pump track is, the benefits to the community, the location of the track, the community involved, who will build the track, how much is needed, and fundraising to date.

At 4.11 pm, Clr Peter Burt left the meeting.

At 4.13 pm, Clr Peter Burt returned to the meeting.

## **4 Identification of Urgent Business**

### **4.1 Endorsement of Annual Report 2022/23**

The Chief Executive requested permission to introduce a report to delegate to the independent chair and the independent member of the Audit and Risk Committee approval of the Annual Report prior to its adoption by Council (refer supplementary paper included with the minutes).

#### **Resolution 2023/70**

Moved: Mayor Nigel Bowen

Seconded: Clr Michelle Pye

That Council considers endorsement of Annual Report 2022/23 at item 9.17 in the agenda.

**Carried**

## **5 Identification of Matters of a Minor Nature**

No matters of a minor nature were raised.

## **6 Declaration of Conflicts of Interest**

- Mayor Nigel Bowen declared a conflict of interest in item 9.7 Annual Report to Alcohol Regulatory and Licensing Authority and will sit back from the table during this item, Deputy Mayor Scott Shannon will chair this item.
- Clr Sally Parker declared a conflict of interest in item 9.10 Aorangi Stadium Trust; Letter of Comfort due to being a Trustee.
- Clr Peter Burt declared a conflict of interest in item 9.10 Aorangi Stadium Trust; Letter of Comfort due to being a Trustee.

### **7.1 Minutes of the Council Meeting held on 5 September 2023**

#### **Resolution 2023/71**

Moved: Clr Sally Parker

Seconded: Clr Gavin Oliver

That the Minutes of the Council Meeting held on 5 September 2023 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

**Carried**

### **3 Schedules of Functions Attended**

#### **8.1 Schedule of Functions Attended by the Mayor**

##### **Resolution 2023/72**

Moved: Mayor Nigel Bowen

Seconded: Cllr Peter Burt

That the report be received and noted.

**Carried**

#### **8.2 Schedule of Functions Attended by the Chief Executive**

##### **Resolution 2023/73**

Moved: Mayor Nigel Bowen

Seconded: Cllr Owen Jackson

That the Schedule of Functions Attended by the Chief Executive report be received and noted.

**Carried**

### **4 Reports**

#### **9.1 Affixing of the Common Seal**

Council considered the report noting the affixing of the Common Seal to an Approval of Warrants of which names have been redacted to protect the privacy of employees.

##### **Resolution 2023/74**

Moved: Mayor Nigel Bowen

Seconded: Cllr Sally Parker

That the following warrants have been approved by the Chief Executive and are being reported to the Council for noting:

1. 22 August 2023 – Approval of Warrants
2. 7 September 2023 – Approval of Warrants

**Carried**

#### **9.2 Sister Cities - Eniwa Student Exchange presentations**

The Council heard the Sister Cities presentations in the public forum.

**Resolution 2023/75**

Moved: Cllr Scott Shannon

Seconded: Cllr Stacey Scott

That the Sister Cities – Eniwa Student Exchange presentations be received and noted.

**Carried**

**9.3 Venture Timaru Quarterly Report to 30 June 2023**

The Chief Executive of Venture Timaru spoke to this report to present Venture Timaru Ltd's (VT) report for the period of 01 April 2022 to 30 June 2023.

Noted that VT received an unmodified audit opinion on its Annual Report.

Discussion included the district's unemployment levels, opportunities for people with disabilities in the workplace, engagement through local stakeholders, and clarification around percentages of unemployed people in the district. Also noted was a stocktake of available land use in the Timaru District and discussion of missed opportunities for visitors in caravans in Timaru.

**Resolution 2023/76**

Moved: Cllr Owen Jackson

Seconded: Cllr Peter Burt

That Venture Timaru Ltd's quarterly report for the period 01 April – 30 June 2023 be received and noted.

**Carried**

**9.4 Timaru District Holdings Limited Financial Year 2022/23 Annual Management Report 1 July 2022 - 30 June 2023**

The General Manager and Chairperson of Timaru District Holdings Limited (TDHL) responded to the public forum, including the history of south Stafford Street, they advised that the Bluestone House has a heritage status which will be retained. In 2021 TDHL engaged with Council and started a tender process which did not progress.

Noted also that Council does not intervene in the regulatory process.

The General Manager and Chairperson spoke to the report to provide an overview of the TDHL's activities for the financial year 01 July 2022 – 30 June 2023. This includes a financial summary and service highlights for the year.

Noted that TDHL received an unmodified Audit report since writing of the quarterly report.

**Resolution 2023/77**

Moved: Mayor Nigel Bowen

Seconded: Cllr Peter Burt

1. That Council receives and notes the Timaru District Holding Limited Annual Report for the financial year 01 July 2022 – 30 June 2023 with particular attention to the:

- (i) 01 July 2022 – 30 June 2023 financial results
- (ii) Annual service highlights.

**Carried**

## **9.5 Contestable Cycle Ways Fund for walking and cycle trails**

The Group Manager Infrastructure and Land Transport Manager spoke to the report to consider funding requests for cycleway and active transport facilities from the contestable walking and cycling trails fund.

Question raised regarding subsequent applications in the current period. Noted that the funding is for projects that are ready to proceed, and there are no other known projects that will meet the criteria. Also noted that there is a contract in place for the 3 Waters Better off Funding, and funding towards the Central South Trails will only be used within the Timaru District.

Clr Peter Burt declared a possible conflict of interest as one of the presenters for the Bike Pump Track is a report of his at Environment Canterbury.

Clarification that the funds are held in a reserve.

### **Resolution 2023/78**

Moved: Clr Owen Jackson

Seconded: Clr Sally Parker

That Council approve funding requests up to \$300,000 (excl GST) for walking and cycling trail projects as follows:

1. Funding assistance of \$200,000 for the Pleasant Point to Cave off road cycleway/walking trail project.
2. Funding assistance of \$100,000 to the South Canterbury Mountain Bike Club for the proposed Centennial Park bike pump track.

**Carried**

## **9.6 Actions Register Update**

The purpose of this report is to provide the Council with an update on the status of the action requests raised by Councillors at previous Council meetings.

### **Resolution 2023/79**

Moved: Mayor Nigel Bowen

Seconded: Clr Scott Shannon

That the Council receives and notes the updates to the Actions Register.

**Carried**

The Council adjourned at 4.56pm

Resumed at 5.03pm

### **9.7 Annual Report to Alcohol Regulatory and Licensing Authority**

Clr Scott Shannon chaired this item and Mayor Nigel Bowen withdrew from the table.

The Group Manager Environmental Services and Acting Environmental Compliance Manager spoke to the report to inform Council about the Annual Report to the Alcohol Regulatory and Licensing Authority (ARLA).

Discussion amongst Councillors and Officers included the number of inspections undertaken and the resourcing constraints. Clarification for on-license and off-license use. A breakdown of the cost for the District Licensing Committee is provided and includes the commissioner's time. The additional resources are being spread across all the 3 districts involved (Timaru, Waimate and Mackenzie).

#### **Resolution 2023/80**

Moved: Clr Gavin Oliver

Seconded: Clr Owen Jackson

That the Annual Report to the Alcohol Regulatory and Licensing Authority be received and noted.

**Carried**

### **9.8 Dog Control Annual Report for the 2022/2023 Year**

The Group Manager Environmental Services, Acting Environmental Compliance Manager, and Team Leader Animal Control/Parking spoke to the report to inform the Council of the dog control activities during the 2022/23 financial year.

Noted there are errors in the covering report percentages in point 5, and the correct percentages are as follows;

- The number of infringement issues are up 72%
- Barking dog complaints are up by 15%
- Dog attacks/rushing animals incidences are up 49 to 64 representing a 30% increase

Discussion included the substantial increase and the reasoning behind the increases which includes the number of dogs in the district, potentially more difficult financial environment, and how this information compares across the country. Discussion on the resource constraints within the team.

Discussion on options and ability to mitigate the number of dogs not being registered, and likelihood that the current cost of living increases has contributed. Previously free microchipping has been offered which will be continued in the future.

#### **Resolution 2023/81**

Moved: Mayor Nigel Bowen

Seconded: Clr Owen Jackson

1. That the Dog Control Annual Report for the 2022/2023 Year be received and noted; and
2. that in accordance with the Dog Control Act 1996 the report be publicly notified; and
3. that the report is forwarded to the Secretary for Local Government.

**Carried**

### **9.9 Timaru District Council Cemeteries ByLaw - Chapter 9 - Minor Amendment**

The Group Manager Infrastructure, Senior Policy Advisor, and Parks Policy/ Asset Analyst spoke to the report to present a proposal to amend the Cemeteries Bylaw, Chapter 9 of the Timaru District Council Consolidated Bylaw, and seek endorsement of the amendment for community consultation.

A site has been identified in the Temuka Cemetery which the Working Together Group agreed would be suitable for burials for people wishing to have a burial in accordance with their religious beliefs. Discussion included the other affected parties to this bylaw change and the relevance to the Significance and Engagement Policy.

#### **Resolution 2023/82**

Moved: Deputy Mayor Scott Shannon

Seconded: Cllr Sally Parker

That Council endorse the proposed amendment to Cemeteries Bylaw Chapter 9, Clause 905.2, by deleting the words “which is subsequently planted to form a native bush or forest area” and to undertake a public consultation process on the proposed change.

**Carried**

### **9.10 Aorangi Stadium Trust: letter of comfort**

The Chief Executive and Group Manager Commercial and Strategy spoke to the report to seek from Council authority to provide a letter of comfort to the Trustees of the Aorangi Stadium Trust (the Trust).

Noted that Cllrs Sally Parker and Peter Burt withdrew from the table due to their declared conflict of interest.

Councillors discussed the review of the Trust has only been partially met, officers provided an update to this review. The need to ensure the review is completed before any decisions about the future of the stadium are made. Clarification provided on the need to provide the letter of comfort.

#### **Resolution 2023/83**

Moved: Cllr Michelle Pye

Seconded: Cllr Stacey Scott

That Council:

1. Resolves to provide a letter of comfort to the Trustees of the Aorangi Stadium Trust (AST) for potential future financial liabilities; and
2. Authorises the Chief Executive of Timaru District Council to provide such a letter; and
3. That the Council meet with the Trustees pre-Christmas to discuss the future of the AST.

**Carried**

### **9.11 Proposed District Plan Hearing Panel Structure**

Clr Stacey Scott declared a conflict of interest due to her interest in being a panel member and withdrew from the table during this item.

The Group Manager Environmental Services and District Planning Manager spoke to the report to outline proposed changes to the make-up of the Proposed District Plan Hearing Panel and to provide a delegation to set a fee per hour for the Councillor sitting on the Proposed District Plan Hearing Panel (Panel).

Discussion included the make-up of the panel for each hearing panel to mitigate risk due to the time commitment and evolving process, and the benefit and requirement for an Iwi Commissioner to be a part of the Proposed District Plan Hearing Panel.

#### **Resolution 2023/84**

Moved: Mayor Nigel Bowen

Seconded: Clr Scott Shannon

That Council:

- 1 Delegates to the Chair of Commercial and Strategy and Chair of Environmental Services in consultation with the Chief Executive and Group Manager Environmental Services to decide if required on the makeup of the Proposed District Plan panel;
- 2 Delegates to the Mayor and Chair of the Environmental Services Committee in consultation with the Chief Executive and Group Manager Environmental Services the fee per hour for the Councillor sitting on the Proposed District Plan Hearing Panel.

**Carried**

### **9.12 Council Earthquake Prone Buildings Update**

The Group Manager Environmental Services and Building Control Manager spoke to the report to provide an update on council-owned buildings with regard to their current earthquake-prone building (EPB) status, including both priority and non-priority buildings. This information was requested by Councillors after the AF8 (Alpine Faultline rupture at >8 on the Richter scale) presentation at the Environmental Services Committee meeting held on 13 June 2023. Also, included was context relating to the regulatory process in establishing Strategic Routes and thoroughfares and how to determine priority and non-priority buildings.

Discussion included Council's current situation, the legislative timeframes and priority routes. Confirmed Council is currently up to date with the legislative timeframes for priority routes. The bigger strategy will take into account the building stock and prioritisation of work.

Clarification on the requirements that include or exclude residential buildings and criteria for including commercial buildings along with constitutes being categorised as an earthquake-prone building.

#### **Resolution 2023/85**

Moved: Mayor Nigel Bowen

Seconded: Clr Peter Burt



That Council:

1. Receives and notes the Council Earthquake Prone Building update; and
2. Approves officers developing a strategy and prioritisation methodology to inform future Council decisions on earthquake-prone buildings.

**Carried**

### **9.13 Living Wage Accreditation**

The Chief Executive spoke to the report to outline a process and potential costs involved for Timaru District Council (TDC) to investigate becoming an accredited Living Wage Employer.

Mayor Nigel Bowen tabled a written submission on behalf of Julian Maze (refer below) who spoke on behalf of Living Wage Movement Aotearoa New Zealand.

#### **Motion**

Moved: Deputy Mayor Scott Shannon

To direct Officers to include in its consultation document for the Long Term Plan a question on whether Council should investigate becoming a living wage accredited employer.

Discussion between councillors regarding consulting or not on investigating being a living wage accredited employer, and risk if Council resolves not to consult on investigating. Noted there will be an impact on contractors and businesses in the community that provide services to Council, and that officers are currently unable to quantify that impact.

#### **Motion Lost**

Noted the cost of investigating being a living wage accredited employer, which would require external resources to complete, and that Council has other priorities it needs to address at this time.

### **Resolution 2023/86**

Moved: Cllr Sally Parker

Seconded: Cllr Michelle Pye

That the matter of Council investigating becoming a living wage accredited employer is not pursued at this time.

**Carried**

#### **Attachments**

- 1 Living Wage South Canterbury

## Living Wage South Canterbury

Julian Maze  
Secretary  
[Julian.maze@xtra.co.nz](mailto:Julian.maze@xtra.co.nz)  
021 548 485.

1. Thank you for the opportunity to make this submission. I apologise for my absence as I would have preferred to be present in person but:
  - I received advise from Ms Goddard-Coles only Friday that a report had been done, and was for consideration by the council today;
  - She was good enough this morning to send me the agenda and report and I have read it but had no time to secure feedback from other members of our group;
  - I am carrying a heavy cold and feel it responsible to stay away from meetings today, hence my request you consider this written submission.
2. There are two alternate recommendations:  
  
That Council:
  - 1 Directs Officers to commence an investigation into the process and estimated costs of becoming a living wage accredited employer and report back on its findings; or
  - Directs Officers to include in its consultation document for the Long Term Plan a question on whether Council should investigate becoming a living wage accredited employer; and
  - Notes that officers recommend consultation as part of the Long-Term plan on whether Council should incur the costs of investigating becoming a living wage accredited employer.
3. I prefer and support, and expect our group would prefer and support, the first which is what we have advocated since the TDC began its adoption of the Living Wage for all staff in July 2021. It is also the understanding we have proceeded on over the last two years: I cite discussions with the mayor in 2021, repeated assurances from Mr Barnes over the following 18 plus months and more recent discussions with Mr Carran. Hence we submit the TDC should now just get on with it.
4. However, I agree with clause 13 of the report which is what we have always advocated:
  - The TDC must gather the data and then

- have a debate and Council vote on the issue based on researched data.
- Your LGOIMA response of late 2022 made it clear the TDC has seemingly patchy data on its contractual relationships with over 60 self-assessed regular and ongoing contractors to which it pays over \$60 million annually.
- If having got that data persuades you to make it a LTP matter so be it, but the result may be a low impact in employers and the TDC. And, we would welcome, as it was repeatedly indicated we would have, in-put into the process of data gathering and assessment.

5. Observations:

- It is true that the Living Wage does not take account of local cost of living differences but in that regard it is like MPs and judicial salaries, national superannuation and tax rates to name some. And while houses may be cheaper here than elsewhere, there are other costs which may be higher. Assumptions about how dear it is to live in a place are not simple. Any out-of-town consultant this council engages will likely charge you travel and accommodation costs to come here. The same is true for any citizen here who must do the same or travel out of the area for expert medical or other advice, costs not born if they lived in the expert's city.
- We too have assumed many contractors do not pay all staff at least the Living Wage but that is a risky assumption. My own belief is that we will find the vast majority will be at or over the Living Wage and that the cost of upgrading those remaining few will be comparatively small; data elsewhere suggests employers who value your on-going contracts will absorb the costs in the short-term and all tender rates inevitably rise over time and paying the Living Wage then becomes the norm. An assessment of the benefit to all businesses and people then can also be factored into the decisions. Low paid spend their wages to the advantage of local businesses.
- While there is emphasis on increased costs generally the same considerations are rarely assessed when it comes to consultants and the rates they pay themselves or their staff. Does the TDC, for example ever say to its 60 plus ongoing contractors, "the rates you pay all staff are too high," or, "we approve the lower rates but the rates paid to senior staff are way too high and we require you to pay less". Unlikely I think.

6. Options and preferred options:

- As you would expect I urge you to gather the data now even if updating it and decision making is deferred to the

- LTP. If the assumption of large cost is not borne out it may enable the TDC to address the issue sooner.
- And, it is what we have been repeatedly assured was about to happen.

Julian Maze

Secretary

Living Wage South Canterbury.

**9.14 Adoption of 2024 Meetings Calendar**

The purpose of this report is to approve the Council meetings' calendar for the 2024 calendar year.

Noted an update to the calendar due to a clash with the Canterbury Chief Executives' Forum in January 2024 with the first day of Long Term Plan 2024-34 (LTP) budget considerations. This will move the Council LTP budget meetings to 30, 31 January 2024, and 01 February 2024. Audit New Zealand has confirmed that moving the meeting by one day will not cause timing issues for its audit work.

**Resolution 2023/87**

Moved: Mayor Nigel Bowen

Seconded: Cllr Owen Jackson

1. That the Council meetings' calendar for 2024 be adopted.

**Carried**

**9.15 Financial Delegations Review**

At 6.32 pm, Cllr Owen Jackson left the meeting.

The Group Manager Commercial and Strategy spoke to the report to review financial delegations relating to unbudgeted expenditure and budget reallocation across a variety of Councils and for Council to consider if a change is required to the current delegations in place for Timaru District Council.

Discussion included the visibility of governance to budget reallocations, and the best mechanism to achieve this while not unduly impeding the efficiency of service delivery. A suggestion is for a trial to commence which will highlight how this reporting will work operationally.

Confirmation that Group Managers can not approve budget reallocation across groups, only the Chief Executive can approve such a reallocation.

**Resolution 2023/88**

Moved: Mayor Nigel Bowen

Seconded: Cllr Peter Burt

That Council

1. Receives and notes the Financial Delegations Review report.
2. A trial for budget reallocation commences that includes officers working to advise the Chair of the relevant committee when budget reallocation occurs, which is the responsibility of each Group Manager and to provide an update to the Commercial and Strategy Committee in the Financial Report. The trial to be reviewed in March.

**Carried**

**9.16 Carry Forward Requests for 2022/2023**

The Group Manager Commercial and Strategy and Group Manager Infrastructure spoke to the report to ensure that funding previously approved in the 2022-23 Annual Plan for capital

expenditure forecasted during the financial year remains available in the current financial year. Due to a variety of reasons some capital expenditure and/or projects remain as work in progress or not commenced at the end of the prior financial year. The carry forwards keep in place the funding required for the capital expenditure and projects to ensure their purchase and/or completion.

Confirmation provided by officers that there is generally firm commitment and/or contracts in place for the carry forward requests.

**Resolution 2023/89**

Moved: Mayor Nigel Bowen

Seconded: Cllr Peter Burt

That the Council approves \$8,091,124 in capital carried forward expenditure outlined in the report and that the 2023-24 forecast be amended to reflect this approved expenditure (noting it does not have an impact on rates for the current financial year).

**Carried**

**9.17 Endorsement of Annual Report 2022/23**

The purpose of the report is to obtain from Council a delegation for the independent chair of the Audit and Risk Committee (Bruce Robertson) and independent member (Janice Fredric) to review and authorise the final version of the Annual Report 2022/23, prior to its adoption by Council on 31 October 2023.

**Resolution 2023/90**

Moved: Cllr Peter Burt

Seconded: Cllr Michelle Pye

That Council delegates to the independent chair of the Audit and Risk Committee (Bruce Robertson) and independent member (Janice Fredric) to authorise the final version of the Annual Report 2022/23, prior to its adoption by Council on 31 October 2023.

**Carried**

**Attachments**

- 1 Endorsement of Annual Report 2022-23

**Endorsement of Annual Report 2022/23**

**Author:** Jason Rivett, Financial Advisor

**Authoriser:** Bede Carran, Chief Executive

**Recommendation**

1. That the Council:
  - (a) Delegates to the Chair of the Audit and Risk Committee Bruce Robertson and Independent Member Janice Fredric to authorise the final version of the Annual Report 2022/23, prior to adoption by Council on 31 October 2023.

**Purpose of Report**

- 1 To obtain from Council a delegation for the Chair of the Audit and Risk Committee (ARC) (Bruce Robertson) and Independent Member (Janice Fredric) to review and authorise the final version of the Annual Report 2022/23, prior to its adoption by Council on 31 October 2023.

**Assessment of Significance**

- 2 This matter is of low significance under the Council's Significance and Engagement Policy. All councils are required to report annually on their activities and financial performance under Section 98 of the Local Government Act 2002. While the Annual Report and the performance of Council has wide interest it is a reporting matter, and as such it does not request or require decisions that affect levels of service, rates or strategic assets.

**Background**

- 3 The Local Government Act 2002 (*the Act*) requires the Council to prepare and adopt an Annual Report within four months of the end of its financial year. Council has a 30 June balance date, which in normal circumstances would require Council to complete and adopt its Annual Report by no later than the close of 31 October 2023.
- 4 The Act requires the Annual Report to be audited, with Audit New Zealand conducting the audit.
- 5 The purpose of the Annual Report is to:
  - compare the actual activities and the actual performance of the local authority in the year with the intended activities and the intended level of performance as set out in respect of the year in the long-term plan and the annual plan; and
  - promote the local authority's accountability to the community for the decisions made throughout the year by the local authority (*Local Government Act: S98:2*).

**Discussion**

- 6 Council officers and Audit NZ are tracking to have the Annual Report completed and approved at the Council meeting on 31 October 2023. Due to time constraints in relation to completing the audit and Audit NZ issuing the audit opinion, it is proposed that the final Annual Report for 2022/23 be reviewed and authorised by the Chair of ARC and the independent Member prior to the 31 October Council meeting to adopt the Annual Report. The Chair of ARC will be available at the Council meeting to confirm the review of the annual report. It is usual for the Annual Report to have a review by the ARC, or its members, prior to its adoption by Council.
- 7 Audit NZ have confirmed they comfortable with this approach.

**Options and Preferred Option**

- 8 Adoption of the Annual Report is a legislative requirement. Council can choose to:
- i. Delegate endorsement of the Annual Report to the Chair of ARC and the Independent Member (*preferred option*)
  - ii. Not endorse the delegation of the Annual Report to the Chair of ARC and the Independent Member. This would likely mean further delays in the adoption of the Annual Report.

**Consultation**

- 9 Consultation on the Annual Report is not required. It is a legislative requirement that all Councils must complete at the end of the financial year. The report is designed to encourage readership by the community of Council achievements and challenges during the financial year. A summary Annual Report is also prepared for the community.

**Relevant Legislation, Council Policy and Plans**

- 10 Section 98 of the Local Government Act 2002.
- 11 Annual Reporting and Audit Time Frames Extensions Legislation Act 2021.
- 12 Long Term Plan 2021-31.
- 13 Annual Plan 2022/23.

**Financial and Funding Implications**

- 14 Preparation and audit of the Annual Report is a budgeted expense.

**Other Considerations**

- 15 No other considerations have been identified.



**5 Consideration of Urgent Business Items**

The matter of Urgent Business was discussed in item 9.17 Endorsement of Annual Report 2022/23.

**6 Consideration of Minor Nature Matters**

No matters of a minor nature were raised.

**7 Public Forum Items Requiring Consideration**

There were no public forum items requiring consideration.

**8 Resolution to Exclude the Public****Resolution 2023/91**

Moved: Mayor Nigel Bowen

Seconded: Cllr Gavin Oliver

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows: at 6.53pm

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<b>13.1 - Public Excluded Minutes of the Council Meeting held on 5 September 2023</b>	<p>s6(b) - Good reason for withholding official information exists if the making available of that information would be likely to endanger the safety of any person</p> <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>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</p> <p>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</p>	<p>To protect a person's safety</p> <p>To protect a person's privacy, including the privacy of deceased persons</p> <p>To protect commercially sensitive information</p> <p>To protect information that is subject to an obligation of confidence and/or that was required by law to be provided; and to ensure that the supply of such information is not affected in the future, when it is in the public interest for it to be provided.</p>

	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 is in the public interest that such information should continue to be supplied	
<b>13.2 - Appointment of Civil Defence Emergency Management Controllers and Recovery Manager</b>	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy, including the privacy of deceased persons

**Carried**

## **9 Public Excluded Reports**

### **13.1 Public Excluded Minutes of the Council Meeting held on 5 September 2023**

### **13.2 Appointment of Civil Defence Emergency Management Controllers and Recovery Manager**

## **10 Readmittance of the Public**

### **Resolution 2023/92**

Moved: Mayor Nigel Bowen

Seconded: Cllr Scott Shannon

That the meeting moves out of Closed Meeting into Open Meeting.

**Carried**

**The meeting closed at 6.56pm.**

.....  
**Mayor Nigel Bowen**

**Chairperson**

**7.2 Minutes of the Council Meeting held on 31 October 2023**

**Author:** Jessica Kavanaugh, Corporate Planner

**Recommendation**

That the Minutes of the Council Meeting held on 31 October 2023 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

**Attachments**

- 1. Minutes of the Council Meeting held on 31 October 2023**



# MINUTES

## Ordinary Council Meeting Tuesday, 31 October 2023

Ref: 1632772

**Minutes of Timaru District Council  
Ordinary Council Meeting  
Held in the Council Chamber, District Council Building, King George Place, Timaru  
on Tuesday, 31 October 2023 at 1pm**

**Present:** Mayor Nigel Bowen (Chairperson), Cllrs Allan Booth, Peter Burt, Gavin Oliver, Sally Parker, Stacey Scott, Scott Shannon, Michelle Pye, Owen Jackson

**In Attendance:** Bede Carran (Chief Executive), Paul Cooper (Acting Group Manager Commercial and Strategy), Nigel Ingram (Group Manager Recreation and Cultural Services), Stephen Doran (Communications Manager), Beth Stewart (Group Manager User Experience and Community Engagement), Suzy Ratahi (Land Transport Manager), Katie Ryan (Transport Community Engagement Advisor), Matt Sisson (Property Projects Office), Kevin Kemp (Infrastructure Planner), Rhys Taylor (Climate Change Advisor), Andrea Rankin (Chief Financial Officer), Brendan Madley (Policy Advisor), Andrew Feary (Property Facilities Officer), Alesia Cahill (Governance Coordinator), Alana Hobbs (Governance and Executive Support Administrator), Rachel Scarlett (Governance Advisor), Jessica Kavanaugh (Corporate Planner)

**1 Opening Prayer**

*Mayor Nigel Bowen conducted an opening karakia*

**2 Apologies**

**2.1 Apologies Received**

**Resolution 2023/75**

Moved: Mayor Nigel Bowen

Seconded: Cllr Owen Jackson

That the apology of Cllr Stu Piddington be received and accepted.

**Carried**

**3 Public Forum**

**3.1 Petition Presented to Councillors**

A petition was received from members of the public, Shirley Wooffindin and Jan Cameron in relation to the proposed no stopping restrictions along State Highway 1 between Pringle Street and Waimataitai Street.

The Land Transport Manager gave a brief update on the project. Waka Kotahi are leading the project to increase the two lane traffic heading north to connect from Pringle Street where there is a short section of single lane to Waimataitai Street where it goes to two lanes. This results in

the removal of on street parking. Waka Kotahi have contacted affected residents. It was noted there are no current or future plans to do any further bypassing of State Highway 1 through Timaru and also noted the needs of the Port to make sure there is efficient travel from the Port to Washdyke and further north.

Discussion included the impact on pedestrians. There are lights at Newmans Hill and the Showgrounds for pedestrians to cross safely. There are currently no plans to increase lights through the area. Further discussion included the effect for property owners and safety of people accessing driveways.

**Resolution 2023/76**

Moved: Mayor Nigel Bowen

Seconded: Cllr Peter Burt

That the petition regarding the proposed no stopping along State Highway 1 between Pringle Street and Waimataitai Street be received and noted.

**Carried**

**Attachments**

- 1 Petition - Proposed no Road Stopping

26 October 2023

To: Timaru District Council

Copy: Waka Kotahi; Timaru Herald; James Meager MP

Re: Proposed No Stopping restrictions – SH1/Evans St, Timaru

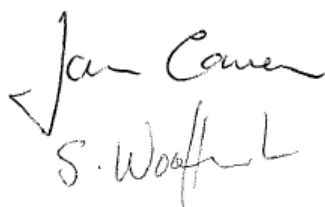
Residents of Evans St have been advised by a letterbox drop that NZTA Waka Kotahi proposes to extend the yellow no-parking lines on the north side of Evans St from Newman St to Belfield St.

Residents along this zone have a number of serious objections. We ask the Council to please petition Waka Kotahi urgently **not** to proceed with this proposal for the following reasons. Waka Kotahi indicated that work is scheduled to be done "mid November". The issues recounted below are elaborated upon in the residents' submissions attached. The key issues are:

1. **Pedestrian safety risk:** The implication of the proposal is that anyone wishing to visit a property on the north side of Evans St will have to park on the south side and cross on foot. Crossing Evans St at the best of times is risky. At high/peak traffic times it is nigh on impossible without considerable risk to personal safety. For some properties the nearest safe crossing at lights is over 500m away. There is also a risk to motorists if frustrated pedestrians cross unsafely.
2. **Removal of access.** Almost half the properties in the zone referred to will be effectively inaccessible to large trade, utility or delivery vehicles if these vehicles cannot park roadside. Three residences in this zone have no driveway or off-street parking; several others have steep driveways with no turning space, unsuitable for large vehicles.
3. **Impact on households.** If gas cannot be delivered (already the case for one residence) no hot water or cooking facility will make such residences **effectively uninhabitable**.
4. **Reduced property value.** Conservative estimates are that property values will fall by \$25,000-\$30,000 (for residences with full driveway access) to **up to \$80,000** (for residences with no driveway).
5. **Compromised resale opportunity.** If potential buyers are unable to readily access properties for viewing (e.g. open days) the opportunity for selling these properties will be severely compromised.
6. **Driver safety risk.** If the purpose of the no-parking proposal is to extend the highway right to the footpath edge then those residents who do have vehicle access will be placed at significant risk if they have to drive out of driveways directly onto a highway with no buffer zone for sightline or turning. This is particularly the case for motorists backing out of a driveway.
7. **Bus stop removal.** The northbound bus stop will be removed with no suggestion of where a replacement stop will be. This will inconvenience users, especially if they are unable to use a car for the reasons outlined above.

We urge the Council to please act on our behalf to halt the Waka Kotahi plan.

Yours sincerely,



Jan Cameron  
S. Wooffindin

Shirley Wooffindin 124A Evans St, [woofer301@gmail.com](mailto:woofer301@gmail.com)

Jan Cameron 128 Evans St, [sportsinclined@xtra.co.nz](mailto:sportsinclined@xtra.co.nz)

(On behalf of Evans St residents)

ian@strategicquality.co.nz

30 October 2023

Lachlan Williams,  
NZTA Network Safety Engineer  
[Lachlan.williams@gdh.com](mailto:Lachlan.williams@gdh.com)

Copy: Timaru District Council

Dear Lachlan,

**Proposed No Stopping restrictions – SH1/Evans St, Timaru**

Thankyou for the opportunity to comment on the proposed no stopping restrictions on SH1/Evans St, Timaru. We object to this proposal in the strongest possible terms.

The implication of the proposal is that anyone wishing to visit a property on the north side of Evans St will have to park on the south side and cross on foot. This has a number of implications for residents along the north side of Evans Street, including diminished or impossible access to properties and a likely impact on property values.

The most serious impact of the proposal is one of safety. As you acknowledge in your letter, Evans St traffic is heavy (you refer to "congestion"). Crossing Evans St at the best of times is risky. At high/peak traffic times it is nigh on impossible without considerable risk to personal safety.

We suggest to you that **putting the no-stopping lines on the south side of Evans St** would mitigate the safety risk almost entirely:

- Several of the properties on the south side of Evans St have access from Pringle St.
- Those that don't have alternative access can use either Belfield St or Pringle St for parking without having to cross Evans St.
- These alternative parking locations are much closer to the midpoint between them than is a route from the south to the north side of Evans St via the Newman St lights (if people parking on the south side, as in your proposal, need to cross to the north side).

Please do not proceed with extension of the no stopping zone on the north side.

We look forward to a response from both NZTA and the Timaru District Council before any work is progressed with.

Yours sincerely,

(Residents of Evans Street, Timaru)

Keona Marayan 130 Evans St, Timaru.  
J. WOOFINDIN 124A Evans St, Timaru  
M Ireland 130g Evans St Timaru  
M Wright 126 Evans St Timaru  
Draviney Abayan 130 Evans St Timaru  
Jan Carter 128 Evans St, Timaru.  
Charlotte Brown 130 Evans St, Timaru



30 October 2023

Lachlan Williams,  
NZTA Network Safety Engineer  
[Lachlan.williams@gdh.com](mailto:Lachlan.williams@gdh.com)

Copy: Timaru District Council

Dear Lachlan,

**Proposed No Stopping restrictions – SH1/Evans St, Timaru**

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Please do not proceed with extension of the no stopping zone on the north side.

We look forward to a response from both NZTA and the Timaru District Council before any work is progressed with.

Yours sincerely,

(Residents of Evans Street, Timaru)

M. COLVILL 120 EVANS ST  
Tao Prayongchong 118 EVANS ST  
D. S. HALE 116 EVANS STREET  
JUSTINA S. EDERFU 110 EVANS STREET  
J.R. HOUK 124 EVANS ST  
D.E. HANFORD BOYES 124 EVANS ST TIMARU

Taiwan's Sosefina Togogai 108 EVANS STREET  
J. Pearson 114 EVANS STREET

**4 Identification of Urgent Business****4.1 Venture Timaru Limited Director Appointment – Public Excluded****Resolution 2023/77**

Moved: Mayor Nigel Bowen

Seconded: Cllr Sally Parker

Mayor Nigel Bowen requested a conversation in Public Excluded to discuss Venture Timaru Limited Director Appointment.

**Carried**

**5 Identification of Matters of a Minor Nature****5.1 Cancellation of Air New Zealand flights**

Mayor Nigel Bowen requested a discussion on the cancellation of Air New Zealand flights following a phone call from a member of the public.

**6 Declaration of Conflicts of Interest**

No conflicts of interest were declared.

**7 Reports****7.1 Development Area Plans - Tender Acceptance**

The Acting Group Manager Commercial and Strategy, in the absence of the Group Manager Infrastructure and the Infrastructure Planner spoke to the report to provide Council with an update on tenders received for Contract 2633 - Development Area Plans (FDA-1 and 2) and seek Council approval for the tender acceptance and contract award. Also, requested was approval of additional funding to undertake the contracted work.

Discussion included the tender process, comparing the local company with Planz Consulting Limited. The non-price scores were similar but regarding the pricing attributes, there was a reasonable difference between the two. Further discussion included the property owners and how they will be able to contribute to this workstream. Noted that two of the land owners who own a large portion potentially have a strong interest in developing the land.

Discussion noted that this project will continue on into the 2024/25 financial year. There is budget identified for the next financial year however it is insufficient for this financial year so therefore an additional \$280,000 of funding is required and being sought.

Also noted was the need to be looking forward and freeing up land to enable growth in South Canterbury.

Discussion on whether Council has sufficient in house capability to complete the work rather than using a consulting firm. Officers confirmed the level of speciality reports required for a Development Area Plan are complex and Council currently does not have in house resource.

**Resolution 2023/78**

Moved: Cllr Allan Booth

Seconded: Cllr Peter Burt

That Council.

1. Accepts the tender for Contract 2633 - Development Area Plans (FDA-1 and 2) submitted by Planz Consulting Ltd for the sum of \$628,795.00 (Six Hundred and Twenty-Eight Thousand, Seven Hundred and Ninety-Five Dollars).
2. That \$280,000 additional funding in the 2023/24 financial year be approved.
3. That Council notes that a sum of \$200,000 excluding GST will be required in the 2024/25 to complete this work and will be included in the 2024-34 Long Term Plan.

**Carried**

**7.2 Adoption of Annual Report 2022/23**

The Chief Executive sought that Council adjourn until 4pm to hear this item.

**8 Consideration of Minor Nature Matters****8.1 Cancellation of Air New Zealand flights**

Mayor Nigel Bowen requested an update from Group Manager Infrastructure on the cancellation of Air New Zealand flights following a phone call from a member of the public.

**9 Public Forum Items Requiring Consideration**

There were no public forum items requiring consideration.

**10 Consideration of Urgent Business Items****10.1 Venture Timaru Limited Director Appointment – Public Excluded**

The Consideration of urgent business item – Venture Timaru Limited Director Appointment was heard in Public Excluded.

**11 Resolution to Exclude the Public****Resolution 2023/79**

Moved: Mayor Nigel Bowen

Seconded: Cllr Allan Booth

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows: at 1.38pm

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
- Venture Timaru Limited: Director appointments	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy, including the privacy of deceased persons

**Carried**

**10.1 Public Excluded Reports****Venture Timaru Limited: Director appointments****12 Readmittance of the Public****Resolution 2023/80**

Moved: Mayor Nigel Bowen

Seconded: Cllr Gavin Oliver

That the meeting moves out of Closed Meeting into Open Meeting at 2.03pm.

**Carried**

Council adjourned at 2.05pm

Reconvened at 4.05pm

The Chief Executive sought a further adjournment until 5pm.

Council Adjourned at 4.07pm

Reconvened at 5.33pm

**7.2 Adoption of Annual Report 2022/23**

The Chief Executive spoke to the Council and advised there is an issue with the group consolidation and that Audit New Zealand is unable to get the requisite comfort to provide clearance for the audit opinion at this time. The Chief Executive requested this item is now presented at the meeting

on 14 November 2024 with the expectation of the Annual Report being adopted with an unmodified audit opinion.

**Recommendation**

That Council defer receiving and adopting the Annual Report for the year ended 30 June 2023 to its meeting on 14 November 2023.

**The meeting closed at 5.40pm.**

.....  
**Mayor Nigel Bowen**  
**Chairperson**

**7.3 Minutes of the Extraordinary Council Meeting held on 14 November 2023**

**Author:** Jessica Kavanaugh, Corporate Planner

**Recommendation**

That the Minutes of the Extraordinary Council Meeting held on 14 November 2023 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

**Attachments**

- 1. Minutes of the Extraordinary Council Meeting held on 14 November 2023**



# MINUTES

## Extraordinary Council Meeting Tuesday, 14 November 2023

Ref: 1632772

**Minutes of Timaru District Council  
Extraordinary Council Meeting  
Held in the Council Chamber, District Council Building, King George Place, Timaru  
on Tuesday, 14 November 2023 at 9am**

**Present:** Mayor Nigel Bowen (Chairperson), Allan Booth, Peter Burt, Gavin Oliver, Sally Parker, Stu Piddington, Stacey Scott, Michelle Pye, Owen Jackson Scott Shannon (via zoom)

**In Attendance:** Bede Carran (Chief Executive), Paul Cooper (Acting Group Manager Commercial and Strategy), Beth Stewart (Group Manager Community Services), Jayson Ellis (Acting Group Manager Environmental Services), Andrew Dixon (Group Manager Infrastructure), Andrea Rankin (Chief Financial Officer), Stephen Doran (Communications Manager), Ahmed Mohamed (Risk and Assurance Manager), John Liddiard (Senior Accountant), Meghan McNally (Group Coordinator Commercial and Strategy), Rachel Scarlett (Governance Advisor), Jessica Kavanaugh (Corporate Planner)  
John Mackey (Audit NZ)

## **1 Apologies**

### **1.1 Apologies Received**

#### **Resolution 2023/75**

Moved: Mayor Nigel Bowen

Seconded: Cllr Allan Booth

That the apology of Bruce Robertson (Independent Chair of the Audit and Risk Committee who is invited to the meeting) is noted.

**Carried**

## **2 Declaration of Conflicts of Interest**

No conflicts of interest were declared.

## **3 Reports**

### **4.1 Adoption of Annual Report 2022/23**

The Acting Group Manager Commercial and Strategy and Chief Financial Officer spoke to the report to present Council with its Annual Report for the year ended 30 June 2023 with a recommendation that it be adopted.

The Mayor advised the Councillors of Bruce Robertson's comments in his absence due to a prior commitment.

Bruce Robertson's comments noted that:

- the annual report has been reviewed by the Audit and Risk Committee previously,



- he has reviewed the letter of representation, draft audit opinion and the additional paper provided by Audit NZ that will seek standard representations from Council at the meeting,
- the annual report warrants careful attention by Council, it is now audited and is an important baseline for development of the LTP, and is a clear and readable document which makes using it for that purpose much easier;
- the letter of representation is standard, although noted are 3 new specific items, at the bottom of page 5, and they relate to the contamination of 2 North Street, the fair value of infrastructure asset and the assumptions behind their revaluation, and that he is comfortable the annual report has covered these matters in its preparation and disclosures.
- the proposed letter of representation seeks representation that Council is a going concern - in short, it has the capacity to pay its bills as they fall due over the next 12 months and that he is comfortable there no issue with the going concern assumption
- he notes the unadjusted errors have been listed in the schedule to the letter, and concurs that these non-adjustments are not material and would not affect the reader of the financial statements
- Consequently, he is comfortable with those representations and recommend that the Mayor and Chief Executive sign the letter of representation
- He notes the proposed opinion is fine, and
- the draft annual report can now be adopted and confirms it is in order that the Mayor and Chief Executive sign the statement of compliance.

Bruce Robertson also made the following notes on the Auditor's additional paper and some concluding remarks as follows:

- there some questions to ask Council around legislative compliance, related party declarations and disclosures, post, balance date events, and fraud, and having considered all those he is comfortable there are no matters that need to be or have not already been reported to the Auditor
- to note a deep appreciation for the work of Andrea Ranking and her finance team, and that Council in adopting record a vote of thanks to her and the team; and
- appreciation to John Mackey and his audit team for the significantly increased level of service and timeliness for delivery of the current year audit noting the challenges of the prior year.

Discussion included the other revenue and accounting of vested assets. The reasons for higher than expected operating expenditure, and the effect this has on the deficit particularly the increased depreciation charges, the waste management expenses moving forward, and further work regarding delegations and reporting on budget items.

At 9.32 am, Clr Scott Shannon left the meeting.

At 9:34 pm, Clr Scott Shannon returned to the meeting.

Noted that Councillors had not seen the proposed independent auditors report at the time of adopting, noted this would be provided in future years.

John Mackay (Auditor) spoke to the Council regarding the auditor's report, the notes in the financial statements, the uncertainty of 3 water reforms giving rise the emphasis of matter

paragraph in the audit report, and that the late adoption was self-disclosed by Council. The Auditor proceeded to seek representation from the Mayor and Councillors on a series of probity matters all of which were answered with assurances as to no known or undisclosed probity issues.

**Resolution 2023/76**

Moved: Mayor Nigel Bowen

Seconded: Cllr Gavin Oliver

Resolved as follows:

1. That Council receives and adopts the Annual Report for the year ended 30 June 2023;
2. That the Mayor and Chief Executive are delegated authority to make minor corrections;
3. That the Mayor and Chief Executive are to sign letter of representation;
4. To record a vote of thanks to Andrea Rankin, the finance team and officers involved.

**Carried**

**The meeting closed at 9.41am.**

.....  
**Mayor Nigel Bowen**  
**Chairperson**

## 8 Schedules of Functions Attended

### 8.1 Schedule of Functions Attended by the Mayor, Deputy Mayor and Councillors

**Author:** Alesia Cahill, Executive Assistant to the Mayor

**Authoriser:** Nigel Bowen, Mayor

#### Recommendation

That the report be received and noted.

#### Functions Attended by the Mayor for the Period 9 October 2023 to 10 November 2023.

<i>10 October 2023</i>	Attended Council workshops
<i>13 October 2023</i>	Met with Pharlap Raceway Trustees
<i>15 October 2023</i>	Attended Seafarers Act of Remembrance wreath laying Attended Seafarers Service at St Marys Church Attended the Annual Trafalgar Day Luncheon
<i>16 October 2023</i>	Attended Alexandra Lifeboat Display discussion
<i>17 October 2023</i>	Attended Council workshops Led Citizenship Ceremony Chaired Council meeting
<i>18 October 2023</i>	Attended CityTown Steering Group meeting Attended IoD Leading through change and transition workshop Attended Theatre Royal and Heritage Facility Governance Reference Group meeting
<i>20 October 2023</i>	Officially opened the newly resurfaced Trust Aoraki South Canterbury All Weather Athletics Track
<i>25 October 2023</i>	Met with South Canterbury Chamber of Commerce for monthly meeting Attended and spoke at 100 <sup>th</sup> Celebration of Geraldine Croquet Club Pavilion
<i>30 October 2023</i>	Met with Chatham Island Mayor, CE and representatives
<i>31 October 2023</i>	Attended Infometrics presentation Chaired Council meeting Attended Council workshops
<i>1 November 2023</i>	Met and spoke to Gleniti Primary School House Leaders Visited Pleasant Point Primary School Year 7&8 students regarding the Halstead Road playground
<i>2-3 November 2023</i>	Attended LGNZ Rural and Provincial Conference in Wellington

<i>4 November 2023</i>	Attended CPlay Playground Blessing Attended Diwali 2023 Festival
<i>6 November 2023</i>	Attended Temuka Community Board meeting
<i>7 November 2023</i>	Attended Aorangi Stadium Trust Committee meeting Attended Council workshop Led Citizenship Ceremony Attended Council workshop Attended Pleasant Point Community Board meeting
<i>8 November 2023</i>	Attended Theatre Royal and Heritage Facility Working Group meeting Facilitated Temuka Community Drop in session Facilitated Geraldine Community Drop in session Attended Geraldine Community Board meeting
<i>9 November 2023</i>	Facilitated Timaru Community Drop in session
<i>10 November 2023</i>	Presented at Waihi School Prize giving Attended Te Kupenga Kete hui at Arowhenua Marae

In addition to these duties I met with 37 members of the public on issues of concern to them.

**Functions Attended by the Deputy Mayor for the Period 9 October 2023 to 10 November 2023.**

<i>6 October 2023</i>	Opened Geraldine Vintage Car and Machinery Museum
<i>20 October 2023</i>	Attended opening of the newly resurfaced Trust Aoraki South Canterbury All Weather Athletics Track
<i>2-3 November 2023</i>	Attended LGNZ Rural and Provincial Conference in Wellington

**Attachments**

**Nil**

**8.2 Schedule of Functions Attended by the Chief Executive****Author:** Alana Hobbs, Governance & Executive Support Administrator**Authoriser:** Bede Carran, Chief Executive**Recommendation**

That the report be received and noted.

**Functions Attended by the Chief Executive for the Period 25 September 2023 and 10 November 2023.**

<i>27 September 2023</i>	Meeting with General Manager of Aoraki Environmental Consultants Limited
<i>29 September 2023</i>	Attended South Canterbury Energy Strategy Workshop
<i>2 October 2023</i>	Meeting with General Manager Arowhenua Marae
<i>3 October 2023</i>	Attended Pleasant Point Community Board Meeting
<i>6 October 2023</i>	Meeting with Chief Executive Venture Timaru District Limited
<i>9 October 2023</i>	Attended Audit & Risk Committee Meeting
<i>10 October 2023</i>	Attended Council Workshops
<i>11 October 2023</i>	Meeting with representatives from Audit New Zealand
	Meeting with South Canterbury General Manager Environment Canterbury
	Meeting with General Manager Timaru District Holdings Limited
<i>17 October 2023</i>	Attended Council Workshops
	Attended Citizenship Ceremony
	Attended Council Meeting
<i>18 October 2023</i>	Meeting with Waimate District Council Chief Executive and Mackenzie District Council Chief Executive
<i>20 October 2023</i>	Meeting with General Manager Arowhenua Marae
<i>27 October 2023</i>	Meeting with South Canterbury General Manager Environment Canterbury
<i>30 October 2023</i>	Meeting with Mayor and Chief Executive from Chatham Islands
	Meeting with representatives from Audit New Zealand
<i>31 October 2023</i>	Attended Council Meeting
	Attended Council Workshops
<i>1 November 2023</i>	Meeting with General Manager of Aoraki Environmental Consultants Limited

- 3 November 2023* Meeting with Chief Executive Venture Timaru District Limited
- 6 November 2023* Attended canterbury Chief Executives' Forum  
Chaired Canterbury Civil Defence Emergency Management Coordinating Executives Group meeting
- 7 November 2023* Attended Council Workshops
- 10 November 2023* Attended Rakitata Revival Programme Steering Group Meeting  
Attended Te Kupenga Kete hui at Arowhenua Marae

Meetings were also held with various ratepayers, businesses and/or residents on a range of operational matters.

**Attachments**

**Nil**

## 9 Reports

### 9.1 Affixing of the Common Seal

**Author:** Alana Hobbs, Governance & Executive Support Administrator

**Authoriser:** Bede Carran, Chief Executive

#### Recommendation

That the following warrants have been approved by the Chief Executive and are being reported to the Council for noting:

1. 16 October 2023 – Approval of Warrants
2. 24 October 2023 – Approval of Warrants
3. 1 November 2023 – Approval of Warrants
4. 20 November 2023 – Approval of Warrants

#### Purpose

1. To report the Chief Executive has approved the Warrant of Appointments and is reporting that as required under the delegation manual (Clause 3.4.5).
2. To note the names have been redacted for the privacy of the employees.

#### Attachments

1. **Approval of Warrants - 16.10.23** [!\[\]\(1f101ad452ef9a3f01bb1e89af34fc34\_img.jpg\)](#) 
2. **Approval of Warrants - 24.10.23** [!\[\]\(4dcb2e0a5dd4ebc9597cee4f5b07c053\_img.jpg\)](#) 
3. **Approval of Warrants - 01.11.23** [!\[\]\(0f8f680837337e506fece142dcce6451\_img.jpg\)](#) 
4. **Approval of Warrants - 20.11.23** [!\[\]\(b8aef463c502248db944b21867f75fa9\_img.jpg\)](#) 



### Approval of warrants

I, Bede Carran, Chief Executive of the Timaru District Council have delegated authority pursuant to clause 3.4 of the Timaru District Council delegations manual to appoint and authorise the Council Officers listed in the table below, and issue warrants to those Council Officers under the relevant legislation and the Council's bylaws, including delegating the exercise of powers under those warrants, and affixing the Council's common seal to warrants. I hereby approve the attached warrants.

Nigel Bowen



Bede Carran

16/10/2023

Date

Name	Title	Unit
██████████	Enforcement Officer	Environmental Services - Contractor


#1619858







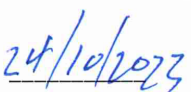
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 Nigel Bowen



  
 Bede Carran

  
 Date


Name	Title	Unit
██████████	Animal Control Officer	Environmental Services


#1623322

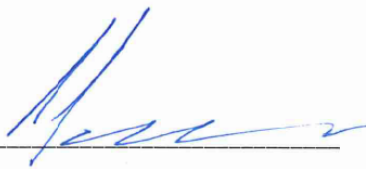


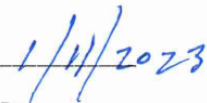
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Nigel Bowen



  
Bede Carran


  
Date


Name	Title	Unit
██████████	Building Compliance Monitoring Officer	Environmental Services

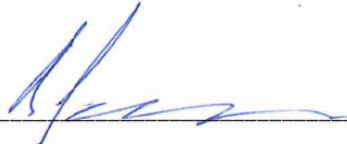



### Approval of warrants


I, Bede Carran, Chief Executive of the Timaru District Council have delegated authority pursuant to clause 3.4 of the Timaru District Council delegations manual to appoint and authorise the Council Officers listed in the table below, and issue warrants to those Council Officers under the relevant legislation and the Council's bylaws, including delegating the exercise of powers under those warrants, and affixing the Council's common seal to warrants. I hereby approve the attached warrants.

  
Nigel Bowen



  
Bede Carran

  
Date

Name	Title	Unit
	Safety Engineer	Infrastructure

## 9.2 Council Controlled Organisations - Review of Company Constitutions

**Author:** Paul Cooper, Acting Group Manager Commercial and Strategy

**Authoriser:** Bede Carran, Chief Executive

### Recommendation

That Council:

1. makes decisions on:
  - i. whether Timaru District Holdings Limited (**TDHL**) and Venture Timaru Limited's (**VT**) Constitutions should prescriptively set a minimum and/or maximum number of Directors;
  - ii. whether TDHL and VT's Constitutions should set a minimum and/or maximum number of Elected Member Directors;
  - iii. whether to set a maximum tenure for TDHL and VT Directors; and
  - iv. how TDHL and VT's Chairperson and Deputy Chairperson are to be appointed;
2. adopts the attached new Constitutions for TDHL and VT and the updated External Governance Appointments Policy, with any changes required to reflect the decisions made by Council on the above matters;
3. delegates power to the Mayor and Chief Executive to confirm that the finalised Constitutions and External Governance Appointments Policy reflect the decisions made by Council on the above matters; and
4. authorises the Mayor and Chief Executive (jointly and severally) to sign on behalf of Council Shareholder Resolutions and any other documents that need to be signed to adopt the updated Constitutions.

### Purpose of Report

- 1 The purpose of this report is to present to Council for adoption new Constitutions for Timaru District Holdings Limited (TDHL) and Venture Timaru Limited (VT) and an updated External Governance Appointments Policy (Policy). The Policy has been updated to reflect amendments to the Constitutions of TDHL and VT.

### Assessment of Significance

- 2 A decision to amend the Constitutions of TDHL and VT and the External Governance Appointments Policy does not trigger consultation under the Council's Significance and Engagement Policy, as it does not affect levels of service, strategic assets or rates.

### Background

- 3 A Constitution governs the relationship between a company, its directors and shareholders. A Constitution can be used to supplement and modify the default provisions in the Companies Act 1993 (Companies Act). Under the Local Government Act 2002 the Board of a council-

controlled organisation (**CCO**) is required to make decisions in accordance with the CCO's Constitutions and Statement of Intent.

- 4 The power to amend TDHL and VT's Constitutions lies with Council as their sole Shareholder. It would be beneficial to have greater consistency between the CCO Constitutions and to ensure they better integrate with the Policy e.g. by removing discrepancies and minimising duplication between the Policy and the Constitutions. Officers note that VT's Constitution has not been reviewed since 2012 and is out of date. TDHL's current Constitution includes prescriptive provisions that potentially place the directors in a predicament where their decisions may inadvertently mean that TDHL is acting ultra vires (outside of) its powers. For example, the TDHL constitution stipulates that there must be a minimum of 3 directors and a maximum of 6. If at any time for any reason this is breached it places TDHL in an invidious position in that its actions may be challenged as the board is not validly constituted and by extension its decision are not valid and can be challenged.
- 5 Draft new Constitutions have been prepared for TDHL (refer attachment 1) and VT (refer attachment 2). The attached document labelled "Comparison between the current and draft new Constitutions of TDHL and VT" (refer attachment 3) sets out the key differences between the current Constitutions and the proposed new Constitutions.
- 6 The updated Constitutions are shorter and simpler than TDHL and VT's current Constitutions. They reflect that Council is the sole shareholder of TDHL and VT and retains full discretion, rather than seeking to cover off a future potential scenario where some of the shares in TDHL or VT are held by a third party. They have also been kept short and simple by not repeating provisions in the Companies Act which automatically apply. This approach avoids the need to update the Constitutions when the Companies Act is amended.
- 7 A draft updated External Governance Appointments Policy has also been prepared (refer attachment 4<sup>1</sup>). Under the proposed new Constitutions, the rules about the make-up of the CCOs' Boards would appear in the External Governance Appointments Policy rather than the Constitutions, to allow flexibility, mitigate risk of an inadvertently constituted board and minimise duplication.
- 8 The draft Constitutions and this table of key differences were discussed by Councillors at the Workshop on 7 November 2023.

### Options and Preferred Option

- 9 The preferred option is for Council to finalise the new Constitutions and the External Governance Appointments Policy. To do so there are four matters for Council to decide:
  - (i) whether TDHL and VT's Constitutions should set a minimum and/or maximum number of Directors;
  - (ii) whether TDHL and VT's Constitutions should set a minimum and/or maximum number of Elected Member Directors;
  - (iii) whether to set a maximum tenure for TDHL and VT Directors; and
  - (iv) how the Chairperson and Deputy Chairperson of TDHL and VT are to be appointed.

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<sup>1</sup> Changes to the Policy are tracked, many of the changes are stylistic, and the substantive changes are in clauses 6 and 7 of the Policy.

- 10 Each matter is discussed below.

### **Minimum and maximum number of Directors**

- 11 The draft Constitutions are silent on the minimum and maximum number of directors. This matter is covered by the Policy (refer clause 6.1 of the Policy). The legal effect is that TDHL and VT require only one New Zealand resident director to be compliant with the Companies Act. In respect of a policy outcome Officers believe it is preferable that the minimum and maximum number of directors are governed by the Policy. The reasons are that it places active management of the directors with the shareholders, and provides more effective and efficient management of the director appointments enabling more flexibility and providing better oversight as decisions and changes are made for policy reasons rather than a technical legislative requirement. Further, policies tend to be on a regular review cycle at the instigation of the shareholder, ie Council, in contrast constitutions not uncommonly are reviewed when an issue arises.
- 12 The proposal is that the current minimum and maximum number of directors is set out in the Policy.
- 13 Council may prefer to enshrine the minimum and maximum number of Directors in the Constitution, rather than this being set out in the Policy. however, Officers recommend that stating a minimum and maximum number of Directors is best left to be dealt with in the Policy. This provides Council with more flexibility to make changes in the future without having to amend the CCOs' Constitutions. There is also a risk in prescribing a minimum or maximum in the Constitution of an inadvertent breach, and as noted above this gives rise to the risk of a company acting ultra vires its powers.

### **Elected Members as Directors**

- 14 The draft Constitutions state that Council may appoint Elected Members to be Directors of TDHL and VT, but no minimum or maximum number of Elected Member Directors is set in the Constitutions. The use of the word 'may' is important as it is permissive and leaves open that elected can be appointed but Council is not compelled one way or the other.
- 15 The draft Policy states that, for TDHL and VT, no more than 2 Directors may be Elected Members. This is as a proxy to ensure a majority of the Directors are independent Directors. The Policy also records, as is currently the case under TDHL's Constitution, that the Mayor may not be appointed as a Director.
- 16 It is for Council to decide whether to instead require a certain minimum number of Elected Member Directors to be appointed and/or to set a maximum number of Elected Member Directors.
- 17 Officers recommend adopting the position set out in the draft Constitutions and Policy. This provides Council with more flexibility to make changes in the future without having to amend the CCOs' Constitutions. There is also a risk in prescribing a minimum or maximum number of Elected Member Directors in the Constitution itself: for example, if the number of Elected Member Directors reduces below minimum or exceeds the maximum for any reason (e.g. if an Elected Member Director passes away or if a current independent Director is elected to Council), the CCO's Board would not be properly constituted and as noted above decisions made by the Board during that time raise the risk of a company's actions being ultra vires its powers.

**Maximum tenure for Directors**

- 18 TDHL's current Constitution requires 1/3 (or the number nearest to 1/3) of Independent Directors to retire each year. They are eligible for reappointment provided they have not served 3 or more terms. Elected Member Directors' terms automatically end on a date set by Council that is no more than 6 months after the triennial elections if they are not re-elected. If they are re-elected, they are eligible for reappointment provided they have not served 3 or more terms. VT's current Constitution does not set a term of appointment or a maximum number of terms that may be served by a Director.
- 19 The draft Constitutions are now silent regarding the term of a Director's appointment and maximum number of terms. Instead the updated Policy provides that 1/3 (or the number nearest 1/3) of Directors are to retire each year and that they are eligible for reappointment but cannot serve more than 9 years in total.
- 20 In its Four Pillars of Governance Best Practice (2018) the Institute of Directors recognise there are two theories on tenure:
  - Tenure as a liability: That as a Director's tenure increases, their effectiveness, objectivity, ability and enthusiasm for the job decline.
  - Tenure as an asset: That a reasonably long period of service confers a deeper understanding of the company's business and experience, making the Director a more effective contributor. That the depth of knowledge and wisdom acquired through experience and age are indispensable qualities.
- 21 Officers recommend setting out any rules regarding the term of a Director's appointment and maximum number of terms in the Policy rather than the Constitution. This would allow flexibility and minimise duplication. Officers recommend rotation and consider that a maximum tenure of 9 years would strike an appropriate balance.
- 22 To enable Council to retain discretion over terms, the Policy also provides that Council may invite a person to serve longer than 9 years if it believes it is in the CCO's interests for this to occur.

**Appointment of the Chairperson**

- 23 Under TDHL's current Constitution, its Chairperson and Deputy Chairperson are appointed by Council and must not be Elected Member Directors. VT's current Constitution provides for its Chairperson and Deputy Chairperson to be appointed by the Board itself. Most CCO Constitutions provide for the shareholding Council to appoint the Chair.
- 24 Officers recommend that the Chairperson and Deputy Chairperson be appointed by Council and that the External Governance Appointments Policy state that these roles can only be filled by Independent Directors (refer clause 8.1 of the Constitutions of TDHL and VT).

**Consultation**

- 25 Legal advice has been sought on the changes and consultation with the senior executives and chairs of TDHL and VT has been received.

**Relevant Legislation, Council Policy and Plans**

- 26 Local Government Act 2002
- 27 Companies Act 1993
- 28 The Constitutions' of TDHL and VT



**29 External Governance Appointments Policy****Financial and Funding Implications**

- 30 No specific funding is required for this matter other than legal costs for the advice (not more than \$15,000).

**Other Considerations**

- 31 No other considerations have been identified.

**Attachments**

1. Draft New Constitution of Timaru District Holdings Limited [↓](#) 
2. Draft New Constitution of Venture Timaru Limited [↓](#) 
3. Comparison between the current and draft new Constitutions of TDHL and VT [↓](#) 
4. Draft Updated External Governance Appointments Policy [↓](#) 



# Constitution of Timaru District Holdings Limited

**anderson  
lloyd.**

## Constitution of Timaru District Holdings Limited

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### 1. Definitions and Interpretation

---

1.1 In this Constitution (unless the context otherwise requires):

<b>Act</b>	means the Companies Act 1993.
<b>Board</b>	means Directors who number not less than the required quorum, acting together as a board of Directors.
<b>Chairperson</b>	means the chairperson of the Board appointed in accordance with clause 8.
<b>Company</b>	means Timaru District Holdings Limited.
<b>Constitution</b>	means this constitution of the Company as amended or replaced from time to time.
<b>Council</b>	means Timaru District Council.
<b>Director</b>	means any person appointed as a director of the Company for the time being.
<b>Shareholder</b>	means the Council.
<b>Statement of Intent</b>	means the statement of intent to be adopted in accordance with section 64 of the Local Government Act 2002 and, where the context requires, means the most recently adopted statement of intent.
(a)	reference to any statutory provision includes any provision which amends or replaces it and any legislation made under it;
(b)	the singular includes the plural and the reverse;
(c)	a reference to any person includes: <ul style="list-style-type: none"> <li>(i) natural persons, companies and any other body corporates (wherever incorporated) and unincorporated bodies (wherever formed); and</li> <li>(ii) that person's executors, administrators or permitted assigns, or if a body corporate, its successors or permitted assigns or both;</li> </ul>
(d)	words in this Constitution have the same meaning as in the Act unless inconsistent with the context; and
(e)	clause headings are for convenience only and do not affect its interpretation.

### 2. Capacity and objectives

---

- 2.1 The Council is the Company's sole Shareholder. The Board shall not issue shares to any person other than the Council, without the Shareholder's approval.
- 2.2 As a Council-Controlled Organisation the principal objectives of the Company in carrying out its activities and functions are set out in section 59 of the Local Government Act 2002.

- 2.3 Subject to this Constitution, the Act, the Local Government Act 2002 and the Statement of Intent, the Company has full capacity, rights, powers and privileges to carry on or undertake any business or activity, do any act, or enter into any transaction.
- 2.4 The business and affairs of the Company shall be made by, or under the direction or supervision of, the Board. The Board has all the powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company.

### **3. Issue of shares**

---

- 3.1 Subject to clause 2.1, the Board may issue different classes of shares, including shares that:
- (a) are redeemable within the meaning of section 68 of the Act;
  - (b) confer preferential rights to distributions of capital or income;
  - (c) confer special, limited or conditional voting rights; or
  - (d) do not confer voting rights,
- on terms it considers appropriate.
- 3.2 The Board may, with Shareholder approval:
- (a) consolidate and divide the shares or any class; or
  - (b) subdivide the shares or any class,
- in proportion to those shares or the shares in that class, as the case may be.

### **4. Company may acquire its own shares**

---

- 4.1 The Company may purchase or otherwise acquire shares issued by it which, subject to clause 4.2, shall be deemed to be cancelled immediately on acquisition.
- 4.2 The Company may hold its own shares uncanceled in accordance with sections 67A to 67C of the Act.

### **5. Calls on shares**

---

- 5.1 The Board may make calls on the Shareholder in respect of any money unpaid on its shares not previously made payable at a fixed time. Calls shall be made by written notice to the Shareholder specifying the time and date for payment. The Shareholder shall comply with the terms of any such call made by the Board. A call may be payable by instalments. The Board may revoke or postpone a call.
- 5.2 If the Shareholder fails to pay a call on the due date, it shall pay:
- (a) interest on that money from the day payment was due until the day of actual payment at a rate fixed by the Board; and
  - (b) all expenses that the Company has incurred because of non-payment.
- 5.3 The Board may waive payment of all or part of that interest or those expenses.

### **6. Shareholder meetings**

---

- 6.1 The Board shall hold an annual Shareholder meeting in accordance with section 120 of the Act unless in the case of any annual meeting, everything required to be done at that meeting

(whether by way of resolution or otherwise) is done by written resolution in accordance with section 122 of the Act.

6.2 A special Shareholder meeting:

- (a) may be called at any time by the Board; and
- (b) shall be called by the Board on the written request of the Shareholder.

6.3 Except as set out in this clause 6, Schedule 1 of the Act shall govern proceedings at Shareholder meetings.

## **7. Directors**

---

7.1 Directors shall be appointed and removed by the Shareholder in accordance with the Act.

7.2 Elected Members of Council may be appointed as Directors.

7.3 The Company shall not do any of the following without prior approval of Shareholder:

- (a) form any subsidiary company;
- (b) acquire any shares, any debt securities, or any participatory shares in any other company;
- (c) acquire any assets of any company or organisation outside of the ordinary course of business as prescribed by the Statement of Intent;
- (d) dispose of any shares in a subsidiary company; or
- (e) appoint to or remove from office any director of a subsidiary company of the Company. If the Company has a right to appoint a director to the board of a subsidiary company, it may only appoint an independent Director to that position.

7.4 Schedule 3 of the Act, as modified by this Constitution, shall govern proceedings of the Board.

## **8. Chairperson**

---

8.1 The Shareholder shall appoint a Chairperson and a Deputy Chairperson of the Board.

8.2 The Chairperson and Deputy Chairperson will hold office until:

- (a) they cease to be a Director; or
- (b) they are removed from the office of Chairperson or Deputy Chairperson (as applicable) by the Shareholder.

8.3 If the Chairperson ceases to hold office, the Deputy Chairperson (if any) will hold office as Chairperson until such time as a new Chairperson is appointed by Ordinary Resolution.

8.4 If no Chairperson or Deputy Chairperson is appointed by the Shareholder under clause 8.1, the Board may appoint a Director to act as Chairperson until such time as one has been appointed by the Shareholder.

## **9. Directors' remuneration**

---

9.1 The Board shall not authorise any form of remuneration or the provision of any other benefits by the Company to a Director for services as a Director without Shareholder approval.

- 9.2 Notwithstanding clause 9.1, Directors shall be paid for all travelling, accommodation and other expenses properly and reasonably incurred by them in attending Board meetings, meetings of committees of the Board or Shareholder meetings, or in connection with the Company's business.

## **10. Distributions**

---

- 10.1 The Board may authorise a distribution by the Company to the Shareholder in accordance with the Act, this Constitution and the Statement of Corporate Intent.
- 10.2 All dividends on shares that are not fully paid up must be authorised and paid in proportion to the amount paid up.
- 10.3 Any money payable in cash in respect of shares may be paid to a Shareholder in such manner as the Board determines, or to such other person and in such manner as the relevant Shareholder may direct in writing.
- 10.4 No interest is payable by the Company on any dividend.

## **11. Directors' Duties**

---

- 11.1 A Director may, when exercising powers or performing duties as a Director, act in a manner which they believe is in the best interests of the Council as Shareholder, even though it may not be in the best interests of the Company.

## **12. Interests of Directors**

---

- 12.1 A Director must disclose particulars or any interest in a transaction or proposed transaction of the Company in accordance with section 140 of the Act.
- 12.2 A Director who is interested (as that term is defined in section 139 of the Act) in a transaction entered into, or to be entered into, by the Company shall not:
- (a) vote on any matter relating to that transaction;
  - (b) sign a document relating to that transaction on behalf of the Company; or
  - (c) do any other thing in their capacity as a Director in relation to that transaction,
- provided that a Director may vote, sign documents and do any other thing in their capacity as a Director with regard to any matter relating to:
- (d) any payment or other benefit of the kind referred to in section 161 of the Act in respect of that Director in accordance with clause 9;
  - (e) the entry into an indemnity or insurance arrangement in respect of Directors, in accordance with this Constitution; or
  - (f) any transactions in which a Director is interested solely in their capacity as a director of a related company of the Company.
- 12.3 No prohibition under this clause 12 will prevent the attendance of a Director at a Board meeting from counting for quorum purposes.
- 12.4 To avoid doubt, a Director will not be considered "interested" in a transaction by virtue only of the fact that they are a ratepayer in the Timaru District.

## **13. Indemnity and insurance**

---

- 13.1 The Company may:

- (a) indemnify a Director or Employee of the Company; and/or
- (b) effect insurance for a Director or Employee of the Company,

to the maximum extent permitted by section 162 of the Act.

13.2 The Board shall ensure that particulars of any indemnity given to, or insurance taken out for, any Director or Employee of the Company are immediately entered in the interests register in accordance with the Act.

13.3 For the purposes of this clause 13:

- (a) **effect insurance** includes to pay, directly or indirectly, the costs of the insurance; and
- (b) **Director** includes any former director, **Employee** includes any former employee and **Company** includes any related company of the Company.

#### 14. Method of contracting

---

14.1 A deed which is to be entered into by the Company may be signed on behalf of the Company by:

- (a) 2 or more Directors;
- (b) 1 Director whose signature must be witnessed; or
- (c) one or more attorneys appointed by the Company.

14.2 An obligation or contract which is required by law to be in writing, and any other written obligation or contract which is to be entered into by the Company, may be signed on behalf of the Company by a person acting under the express or implied authority of the Company.

14.3 Any other obligation or contract may be entered into on behalf of the Company in writing or orally by a person acting under the express or implied authority of the Company.

#### 15. Liquidation

---

15.1 If the Company is liquidated, the liquidator may, with the approval of the Shareholder and any other approval required by the Act:

- (a) distribute to the Shareholder in kind the whole or any part of the assets of the Company; and
- (b) vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the persons so entitled as the liquidator thinks fit, but so that the Shareholder is not compelled to accept any shares or other securities on which there is any liability.

# Constitution of Venture Timaru Limited

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lloyd.**

## Constitution of Venture Timaru Limited

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### 1. Definitions and Interpretation

---

1.1 In this Constitution (unless the context otherwise requires):

<b>Act</b>	means the Companies Act 1993.
<b>Board</b>	means Directors who number not less than the required quorum, acting together as a board of Directors.
<b>Chairperson</b>	means the chairperson of the Board appointed in accordance with clause 8.
<b>Company</b>	means Timaru District Holdings Limited.
<b>Constitution</b>	means this constitution of the Company as amended or replaced from time to time.
<b>Council</b>	means Timaru District Council.
<b>Director</b>	means any person appointed as a director of the Company for the time being.
<b>Shareholder</b>	means the Council.
<b>Statement of Intent</b>	means the statement of intent to be adopted in accordance with section 64 of the Local Government Act 2002 and, where the context requires, means the most recently adopted statement of intent.

1.2 In this Constitution (unless the context otherwise requires):

- (a) reference to any statutory provision includes any provision which amends or replaces it and any legislation made under it;
- (b) the singular includes the plural and the reverse;
- (c) a reference to any person includes:
  - (i) natural persons, companies and any other body corporates (wherever incorporated) and unincorporated bodies (wherever formed); and
  - (ii) that person's executors, administrators or permitted assigns, or if a body corporate, its successors or permitted assigns or both;
- (d) words in this Constitution have the same meaning as in the Act unless inconsistent with the context; and
- (e) clause headings are for convenience only and do not affect its interpretation.

### 2. Capacity and objectives

---

2.1 The Council is the Company's sole Shareholder. The Board shall not issue shares to any person other than the Council, without the Shareholder's approval.

2.2 As a Council-Controlled Organisation the principal objectives of the Company in carrying out its activities and functions are set out in section 59 of the Local Government Act 2002.



- 2.3 Subject to this Constitution, the Act, the Local Government Act 2002 and the Statement of Intent, the Company has full capacity, rights, powers and privileges to carry on or undertake any business or activity, do any act, or enter into any transaction.
- 2.4 The business and affairs of the Company shall be made by, or under the direction or supervision of, the Board. The Board has all the powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company.

### **3. Issue of shares**

---

- 3.1 Subject to clause 2.1, the Board may issue different classes of shares, including shares that:
- (a) are redeemable within the meaning of section 68 of the Act;
  - (b) confer preferential rights to distributions of capital or income;
  - (c) confer special, limited or conditional voting rights; or
  - (d) do not confer voting rights,
- on terms it considers appropriate.
- 3.2 The Board may, with Shareholder approval:
- (a) consolidate and divide the shares or any class; or
  - (b) subdivide the shares or any class,
- in proportion to those shares or the shares in that class, as the case may be.

### **4. Company may acquire its own shares**

---

- 4.1 The Company may purchase or otherwise acquire shares issued by it which, subject to clause 4.2, shall be deemed to be cancelled immediately on acquisition.
- 4.2 The Company may hold its own shares uncanceled in accordance with sections 67A to 67C of the Act.

### **5. Calls on shares**

---

- 5.1 The Board may make calls on the Shareholder in respect of any money unpaid on its shares not previously made payable at a fixed time. Calls shall be made by written notice to the Shareholder specifying the time and date for payment. The Shareholder shall comply with the terms of any such call made by the Board. A call may be payable by instalments. The Board may revoke or postpone a call.
- 5.2 If the Shareholder fails to pay a call on the due date, it shall pay:
- (a) interest on that money from the day payment was due until the day of actual payment at a rate fixed by the Board; and
  - (b) all expenses that the Company has incurred because of non-payment.
- 5.3 The Board may waive payment of all or part of that interest or those expenses.

### **6. Shareholder meetings**

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- 6.1 The Board shall hold an annual Shareholder meeting in accordance with section 120 of the Act unless in the case of any annual meeting, everything required to be done at that meeting

(whether by way of resolution or otherwise) is done by written resolution in accordance with section 122 of the Act.

6.2 A special Shareholder meeting:

- (a) may be called at any time by the Board; and
- (b) shall be called by the Board on the written request of the Shareholder.

6.3 Except as set out in this clause 6, Schedule 1 of the Act shall govern proceedings at Shareholder meetings.

## **7. Directors**

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7.1 Directors shall be appointed and removed by the Shareholder in accordance with the Act.

7.2 Elected Members of Council may be appointed as Directors.

7.3 The Company shall not do any of the following without prior approval of Shareholder:

- (a) form any subsidiary company;
- (b) acquire any shares, any debt securities, or any participatory shares in any other company;
- (c) acquire any assets of any company or organisation outside of the ordinary course of business as prescribed by the Statement of Intent;
- (d) dispose of any shares in a subsidiary company; or
- (e) appoint to or remove from office any director of a subsidiary company of the Company. If the Company has a right to appoint a director to the board of a subsidiary company, it may only appoint an independent Director to that position.

7.4 Schedule 3 of the Act, as modified by this Constitution, shall govern proceedings of the Board.

## **8. Chairperson**

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8.1 The Shareholder shall appoint a Chairperson and a Deputy Chairperson of the Board.

8.2 The Chairperson and Deputy Chairperson will hold office until:

- (a) they cease to be a Director; or
- (b) they are removed from the office of Chairperson or Deputy Chairperson (as applicable) by the Shareholder.

8.3 If the Chairperson ceases to hold office, the Deputy Chairperson (if any) will hold office as Chairperson until such time as a new Chairperson is appointed by Ordinary Resolution.

8.4 If no Chairperson or Deputy Chairperson is appointed by the Shareholder under clause 8.1, the Board may appoint a Director to act as Chairperson until such time as one has been appointed by the Shareholder.

## **9. Directors' remuneration**

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9.1 The Board shall not authorise any form of remuneration or the provision of any other benefits by the Company to a Director for services as a Director without Shareholder approval.

- 9.2 Notwithstanding clause 9.1, Directors shall be paid for all travelling, accommodation and other expenses properly and reasonably incurred by them in attending Board meetings, meetings of committees of the Board or Shareholder meetings, or in connection with the Company's business.

## **10. Distributions**

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- 10.1 The Board may authorise a distribution by the Company to the Shareholder in accordance with the Act, this Constitution and the Statement of Corporate Intent.
- 10.2 All dividends on shares that are not fully paid up must be authorised and paid in proportion to the amount paid up.
- 10.3 Any money payable in cash in respect of shares may be paid to a Shareholder in such manner as the Board determines, or to such other person and in such manner as the relevant Shareholder may direct in writing.
- 10.4 No interest is payable by the Company on any dividend.

## **11. Directors' Duties**

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- 11.1 A Director may, when exercising powers or performing duties as a Director, act in a manner which they believe is in the best interests of the Council as Shareholder, even though it may not be in the best interests of the Company.

## **12. Interests of Directors**

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- 12.1 A Director must disclose particulars or any interest in a transaction or proposed transaction of the Company in accordance with section 140 of the Act.
- 12.2 A Director who is interested (as that term is defined in section 139 of the Act) in a transaction entered into, or to be entered into, by the Company shall not:
- (a) vote on any matter relating to that transaction;
  - (b) sign a document relating to that transaction on behalf of the Company; or
  - (c) do any other thing in their capacity as a Director in relation to that transaction,
- provided that a Director may vote, sign documents and do any other thing in their capacity as a Director with regard to any matter relating to:
- (d) any payment or other benefit of the kind referred to in section 161 of the Act in respect of that Director in accordance with clause 9;
  - (e) the entry into an indemnity or insurance arrangement in respect of Directors, in accordance with this Constitution; or
  - (f) any transactions in which a Director is interested solely in their capacity as a director of a related company of the Company.
- 12.3 No prohibition under this clause 12 will prevent the attendance of a Director at a Board meeting from counting for quorum purposes.
- 12.4 To avoid doubt, a Director will not be considered "interested" in a transaction by virtue only of the fact that they are a ratepayer in the Timaru District.

## **13. Indemnity and insurance**

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- 13.1 The Company may:

- (a) indemnity a Director or Employee of the Company; and/or
- (b) effect insurance for a Director or Employee of the Company,

in accordance with section 162 of the Act.

13.2 The Board shall ensure that particulars of any indemnity given to, or insurance taken out for, any Director or Employee of the Company are immediately entered in the interests register in accordance with the Act.

13.3 For the purposes of this clause 13:

- (a) **effect insurance** includes to pay, directly or indirectly, the costs of the insurance; and
- (b) **Director** includes any former director, **Employee** includes any former employee and **Company** includes any related company of the Company.

#### 14. Method of contracting

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14.1 A deed which is to be entered into by the Company may be signed on behalf of the Company by:

- (a) 2 or more Directors;
- (b) 1 Director whose signature must be witnessed; or
- (c) one or more attorneys appointed by the Company.

14.2 An obligation or contract which is required by law to be in writing, and any other written obligation or contract which is to be entered into by the Company, may be signed on behalf of the Company by a person acting under the express or implied authority of the Company.

14.3 Any other obligation or contract may be entered into on behalf of the Company in writing or orally by a person acting under the express or implied authority of the Company.

#### 15. Liquidation

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15.1 If the Company is liquidated, the liquidator may, with the approval of the Shareholder and any other approval required by the Act:

- (a) distribute to the Shareholder in kind the whole or any part of the assets of the Company; and
- (b) vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the persons so entitled as the liquidator thinks fit, but so that the Shareholder is not compelled to accept any shares or other securities on which there is any liability.

## Comparison between the current and draft new Constitutions of TDHL and VT

Provision	Timaru District Holdings Ltd's current Constitution	Venture Timaru Ltd's current Constitution	Draft new Constitutions
<b>Issue of shares:</b> The Companies Act 1993 provides that, unless a company's Constitution provides otherwise, its Board can issue shares at any time, to any person, and in any number it thinks fit. Section 45 of the Companies Act requires any new shares that are issued to be offered the company's existing shareholder(s) before they can be offered to third parties. This can be modified by the company's Constitution.	Under TDHL's current Constitution no shares may be issued unless the issue is approved by a Special Resolution of shareholders (clause 2.1.1). The existing shareholder(s) have pre-emptive rights to purchase any new shares that are issued (clause 2.1.3).	VT's current Constitution allows its Board to issue shares at any time, to any person, and in any number it thinks fit, but gives the existing shareholder(s) pre-emptive rights to purchase any new shares that are issued (clause 2.1.10).	<b>Simplified</b> We have simplified the draft new Constitutions to reflect that the Council is the sole shareholder of the 2 companies. <sup>1</sup> Each Constitution prohibits the Board from issuing shares to any person other than Timaru District Council ( <b>Council</b> ), without Council's approval (clause 2.1).
<b>Transfer of shares:</b> Section 39(1) of the Companies Act provides that shares are freely transferable subject to any limitation or restriction in the Constitution.	Clause 7.3 sets out a process to be followed before shares can be transferred. The Company has a period of time to find a shareholder or shareholders willing to purchase the shares being sold.	The Constitution gives the existing shareholder(s) pre-emptive rights to purchase shares (clause 8).	<b>Removed</b> The new draft Constitutions reflect that Council is the sole shareholder of the 2 companies. They do not put any restrictions on the transfer of shares, but as Council is the sole shareholder, it goes without saying that any share transfer needs Council approval.
<b>Appointment of Directors:</b> Directors are appointed and removed by an Ordinary Resolution of Shareholders unless the Constitution provides otherwise (section 153(2) of the Companies Act).	The current Constitution provides for Directors to be appointed by a Special Resolution of Shareholders.	The current Constitution provides for Directors to be appointed by an Ordinary Resolution of Shareholders. The Board can also appoint any person to be an additional Director, either to fill a casual vacancy or as	<b>Simplified</b> The new draft Constitution provides for Directors to be appointed and removed by

<sup>1</sup> We have not tried to cover off a situation where some or all of the Company's shares are sold by TDC to a third party. If this occurred, a new Constitution would invariably be prepared by at that time to reflect the change in shareholding structure.

		an additional Director, to hold office only until the next annual meeting (clause 17.9).	Council as the sole Shareholder (clause 7.2).
<b>Minimum and maximum # of Directors:</b> The Companies Act requires a company to have at least 1 Director but does not specify a maximum number of Directors.	The current Constitution provides for a minimum of 3 and a maximum of 6 Directors (clause 11.2).	The current Constitution does set a minimum or maximum number of Directors. VT currently has 7 Directors.	<b>Removed</b>  The draft new Constitution does not set a minimum or maximum number of Directors. These can be set by Council from time to time (ie without requiring a change to the Constitution).
<b>Board composition:</b> The Companies Act does not set any rules about Board composition. However section 57 of the Local Government Act 2002 requires CCOs to 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. When identifying those skills, knowledge, and experience, Council is required consider whether knowledge of tikanga Māori may be relevant to the governance of that CCO.	Council has an External Governance Appointments Policy. TDHL's current Constitution also contains prescriptive rules about the makeup of its Board: <ul style="list-style-type: none"> <li>At least 2 Directors must be Elected Members of Council.</li> <li>The Mayor is not to be appointed as a Director.</li> <li>The number of Elected Member Directors shall not exceed the number of independent Directors.</li> </ul>	Council has an External Governance Appointments Policy. VT's current Constitution does not set any additional rules about Board composition.	<b>Simplified</b>  The draft new Constitutions state that Elected Members may be appointed as Directors, but do not set any rules about Board composition. We suggest setting out all the rules regarding Board composition in the External Governance Appointments Policy. This allows flexibility and minimises duplication. The updated External Governance Appointments Policy provides that, for TDHL and VT: <ul style="list-style-type: none"> <li>No more than 2 Directors may be Elected Members of Council.</li> <li>The Mayor is not to be appointed as a Director.</li> </ul>
<b>Term of appointment:</b> The Companies Act does not set a term of appointment or a maximum number of terms that may be served.  (As a comparison, for listed companies the NZX listing rules require one-third (or the number nearest one-third) of all Directors to retire from office at each annual meeting	TDHL's current Constitution requires 1/3 (or the number nearest to 1/3) of Independent Directors to retire each year. They are eligible for reappointment provided they have not served 3 or more terms. Elected Member Directors' terms automatically end on a date set by Council that is no more than 6 months after the triennial elections - even if they are re-	The current Constitution does not set a term of appointment or a maximum number of terms that may be served.	<b>Removed – in Policy</b>  The draft new Constitutions are silent regarding the term of appointment and maximum number of terms. We suggest setting out these rules in the External Governance Appointments Policy instead. This would allow flexibility and minimise duplication. The updated External


with the Directors retiring being those who have been longest in office.)	elected. If they are re-elected, they are eligible for reappointment provided they have not served 3 or more terms.		Governance Appointments Policy provides for all COs 1/3 (or the number nearest 1/3) of Directors to retire each year. They are eligible for reappointment provided they have served less than 3 terms.
<b>Appointment of Chairperson and Deputy Chairperson:</b>	TDHL's current Constitution provides for Council to appoint a Chairperson and Deputy Chairperson, and states they each must be Independent Directors.	The current Constitution provides for the Board to elect one of their number as Chairperson and Deputy Chairperson.	<b>By Council</b> The draft new Constitutions provide for Council to appoint the Chairperson and Deputy Chairperson. The updated External Governance Appointments Policy states that the Chairperson and Deputy Chairperson must be Independent Directors.
<b>Directors' duties:</b> Section 131 of the Companies Act requires Directors to act in the best interests of the Company. However a company's Constitution can permit Directors to instead act in the best interests of the Company's shareholder, even though it may not be in the best interests of the Company.	The current Constitution permits Directors to act in the best interests of Council.	The current Constitution permits Directors to act in the best interests of Council.	<b>No change</b> The draft new Constitution permits the Directors to act in the best interests of the Council.
<b>Powers of the Board:</b> Section 128 of the Companies Act provides that the business and affairs of a company must be managed by, or under the direction or supervision of, the Board and the Board has all the powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company. Those provisions may be modified or limited by the Constitution.	The current Constitution requires the Board obtain a Special Resolution of Shareholders before undertaking any of the actions in clause 17.1.2 (a)-(e).	The current Constitution places no restrictions on the powers of the Board (clauses 18.1-18.2).	<b>No change</b> The draft new Constitutions require the Boards to obtain Council approval before undertaking certain actions (see clause 7.3). These actions are the ones listed in clause 17.1.2 (a)-(e) of TDHL's current Constitution.

<p><b>Interested directors:</b> The Companies Act requires Directors to disclose conflicts of interest and provides that an interested Director may attend meetings, count towards quorum and vote on the matter, unless the company's Constitution provides otherwise.</p>	<p>TDHL's current Constitution prohibits an interested Director from voting on the matter in which they are interested, but permits them to attend meetings and count towards quorum (clause 13.2).</p> <p>It states that a Director will not be considered "interested" in a transaction by virtue only of the fact that they are a ratepayer in the Timaru District.</p>	<p>VT's current Constitution prohibits an interested Director from voting on the matter in which they are interested, but permits them to attend meetings and count towards quorum (clause 22.7).</p>	<p><b>No change</b></p> <p>The draft new Constitutions both state that a Director will not be considered "interested" in a transaction by virtue only of the fact that they are a ratepayer in the Timaru District (clause 12).</p>
<p><b>Insurance / indemnities:</b> Under section 162 of the Companies Act a company can insure and indemnify its Directors and employees if expressly authorised to do so by its Constitution.</p>	<p>TDHL's current Constitution authorises it to indemnify and effect insurance for its Directors and employees in accordance with section 162 of the Act (clauses 19.1 and 19.2).</p>	<p>VT's current Constitution authorises it to indemnify and effect insurance for its Directors and employees in accordance with section 162 of the Act (clauses 27 and 28).</p>	<p><b>No change</b></p> <p>The draft new Constitutions each also authorise the company to indemnify and effect insurance for its Directors and employees in accordance with section 162 of the Act.</p>



# External Governance Appointments Policy



<b>Policy Name</b>	External Governance Appointments Policy
<b>Approved by:</b>	Timaru District Council
<b>Group:</b>	Governance
<b>Responsibility:</b>	Chief Executive
<b>Date adopted:</b>	27 October 2022 
<b>Review:</b>	Every 3 years aligned to the local authority election cycle. This Policy does not cease to have effect because it is due for review, or being reviewed.
<b>Consultation:</b>	Not Required
<b>Policy Type</b>	Council Operational Management

## Introduction

### 1. Purpose and Objectives

- 1.1. The purpose of this policy is to:
  - 1.1.1. Enhance Timaru District Council's ~~(Council's)~~ Connected Citizens community wellbeing outcome that seeks to provide advocacy and leadership through advocating and encouraging citizens to contribute ideas and perspectives in an easily accessible way.
  - 1.1.2. To provide clear guidelines and requirements while ensuring transparency and objectivity in determining the optimal skills required for directorship and the Council's director appointment process to Council organisations.
  - 1.1.3. To provide clear guidelines and requirements while ensuring transparency and objectivity in determining the optimal skills required for external membership and the Council's appointment process to committees or subcommittees.

### 2. Scope

This policy covers:

- 2.1. The appointments of ~~directors~~ Directors to all Council Organisations (COs), particularly Council Controlled Organisations (CCOs). See Appendix A for current CCOs.
- 2.2. Any other director appointments to outside organisations made by the Council through resolution. These positions are not remunerated by Council.

- 2.3. The appointment of all external appointments to Council Committees and Subcommittees.

### 3. Definitions

#### 3.1. In this Policy, unless the context otherwise requires:

**Candidate** ~~is any~~ means a person who has submitted a written application for a director's position or Council appointment, or has formally agreed to be considered for such a position.

**Committee/Subcommittee** ~~— those means a~~ Committee/Subcommittee established by the Mayor pursuant to section 41A (3) of the Local Government Act 2002 (LGA) or by Council in accordance with schedule 7, clause 30 of the LGA. This includes any other subordinate decision-making body appointed under this clause regardless of the name of the body.

**Company** has the ~~same~~ meaning as that set out in section 2(1) of the Companies Act 1993 and means a company registered under Part 2 of the Companies Act 1993 or a company reregistered under that Act in accordance with the Companies Reregistration Act 1993. Generally, a company means a body corporate.

**Council** means Timaru District Council (or its statutory successors).

**Council Organisation (CO)** ~~pursuant to~~ has the meaning set out in section 6 of the Local Government Act 2002, this is LGA, which includes any organisation entity 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, including Council-Controlled Organisations and Council-Controlled Trading Organisations.

**Council-Controlled Organisation (CCO)** has the meaning set out in section 6 of the LGA, which includes is any organisation in which one or more local authorities control 50% or more of the voting rights or have the right to appoint 50% or more of the directors (under section 6 of the LGA).

**Council-Controlled Trading Organisation (CCTO)** ~~is any council controlled organisation~~ has the meaning set out in section 6 of the LGA and means a CCO that operates a trading undertaking for the purpose of making a profit (as per s6 of the Local Government Act 2002).

**Director** with respect to a CO includes ~~trustees, managers, where the CO is not a company, includes a trustee, manager, or office holders~~ holder (however described in that organisation) at the director or board level pursuant to section 6 (3)(b) of the LGA).

**Director and Trustees Appointments Committee** ~~is means~~ the committee responsible for appointing directors to Council organisations or outside organisations with a reserved Council seat. At a minimum, the Committee will comprise the Mayor, the Deputy Mayor, the Chair of the Commercial & Strategy Committee (or equivalent), and one additional Councillor. The Committee Chair has the delegated authority to appoint a replacement member(s) should any of the sitting member(s) be unavailable for an appointment process.

**Elected Member** ~~— includes~~ includes elected Timaru District Councillors and Community Board Members.

**External Members**—individuals, **Member** means an individual who ~~are~~ is not ~~elected members an Elected Members~~ or ~~employees employee~~ of Timaru District Council, appointed to ~~committees~~ CO governance roles or ~~subcommittees to Committees or Subcommittees~~ of Timaru District Council.

**LGA** means the Local Government Act 2002.

**Organisation** includes a company, body corporate or other incorporated entity, partnership including a limited liability partnership, trust, arrangement for the sharing of profits, union of interest, cooperation, joint venture, or other similar arrangement.

## Policy Statements

### 4. Legislative Context

- 4.1. Section 57 of the LGA requires Council to adopt a policy that establishes an objective and transparent process for:
  - 4.1.1. The identification and consideration of the skills, knowledge, and experience required of directors of a council organisation; and
  - 4.1.2. The appointment of directors to a council organisation.
- 4.2. Clauses 30-31, Schedule 7 of the LGA provides that Council may appoint ~~committees, subcommittees~~ Committees, Subcommittees, and other subordinate decision-making bodies, and may appoint a person who is not an elected member if that person has the skills, attributes, and knowledge that will assist the work of the ~~committee~~ Committee or ~~subcommittee~~ Subcommittee. Other members cannot include an employee of Council.

### 5. Identification of Skills Required

- 5.1. Appendix B sets out the ~~Board~~ Director Competency Framework for all COs. This is subject to review and may be amended by the Chief Executive as needed to be responsive to the needs of each CO accordingly.
- 5.2. For each director appointment, the Council will develop a director profile for the role, outlining the specific skills, knowledge and experience required. This will take into account:
  - 5.2.1. The nature and scope of the organisation, the organisation's future directions, and its constitutional set up;
  - 5.2.2. The strategic objectives of the organisation and the attributes, skills, and knowledge required to deliver those objectives;
  - 5.2.3. The skills of the current directors (core competencies) and the required cumulative skills (collective competencies) of all the directors;
  - 5.2.4. The responsibilities and obligations of that role; and

- 5.2.5. Any specific skill, knowledge, qualification, and experience that is currently required or may be required in the future.
- 5.3. Council appointees to COs that operate as companies are expected to become members of the New Zealand Institute of Directors for the duration of their appointment.
- 5.4. Council appointments of external members to ~~committees~~Committees or ~~subcommittees~~Subcommittees will also consider the skills, attributes, knowledge, and experience relevant to the specific role that will contribute towards the collective competencies of all the ~~committee~~Committee or ~~subcommittee~~Subcommittee members.
- 5.5. The expectation on all appointed persons is that they will demonstrate exemplary standards of professional conduct and integrity in carrying out the functions of the position(s) to which they are appointed. Failure to meet these standards may result in dismissal from the appointed position.

## 6. Appointment Process

- 6.1. ~~Council shall appoint elected members onto COs and Each CO shall have a minimum of 3 and a maximum of 7 Directors.~~ other organisations where there is elected member representation.
- 6.2. The appointment process for directors to COs is administered by the Director and Trustees Appointment Committee (~~Committee~~), with the assistance of external assessment advice as required.
- 6.3. ~~The~~That Committee will recommend an interview and selection panel to make the recommendations to Council for director appointments to any COs in a public-excluded meeting (in accordance with Local Government Official Information and Meetings Act 1987) followed by public notification when appropriate. The Mayor is not eligible to be on the selection panel.
- 6.4. All director appointments to COs must complete the Director Consent Form as appears in Appendix C.
- 6.5. Council may appoint elected members to be Directors of:
  - 6.5.1. COs; and
  - 6.5.2. other organisations where there is elected member representation.

This clause 6.5 is subject to clause 7.2
- ~~6.5.6.6.~~ The appointments of external members onto Council ~~committees~~Committees and ~~subcommittees~~Subcommittees will be made by Council via resolution in a Council meeting, acting on the recommendations of the Director and Trustees Appointments Committee and recorded in the minutes. Council will ensure as part of the appointment process that appropriate inquiries are made to satisfy itself that the external appointee is in respect of both character and competence a fit and proper person capable of discharging the requirements of the position to an exemplary standard.
- ~~6.6.6.7.~~ All appointments are based on the following three principles:

~~6.6.1.6.7.1.~~ **Merit** – providing a choice of high-quality candidates whose skills, experience, and qualities have been judged to best meet the needs of public office.

~~6.6.2.6.7.2.~~ **Fairness** – selection processes that are objective, impartial, and consistently applied to all candidates.

~~6.6.3.6.7.3.~~ **Openness** – information about the requirements of the post and the selection process must be publicly available.

~~6.7.6.8.~~ Appendices D and E set out the appointment processes for TDHL and CCOs. This is subject to review and may be amended by the Chief Executive as needed to be responsive to the needs of each CO accordingly.

## 7. Terms of Appointment

7.1. All external appointments to Council ~~committees~~Committees and ~~subcommittees~~Subcommittees are made by Council. The terms for the appointments with remuneration and allowances will be determined by Mayor in consultation with the Council and on advice from the Chief Executive, and will be valid for the period for which they are set.

7.2. Council makes all Director appointments to its COs. ~~Appointments to COs are for up to three years as a term, and are renewable for a maximum of three complete terms, in total a period of nine years unless Council resolves otherwise.~~ External applicants may be considered for Council appointments to COs or other organisations. In the case of TDHL and VT:

7.2.1. No more than 2 Directors shall be Elected Members. The Mayor may not be appointed as a Director.

7.2.2. An Elected Member Director will cease to hold office:

(a) Immediately if he or she ceases to be an Elected Member for any reason other than as a result of the triennial elections for the election of officers of Council; and

(b) If an Elected Member Director is not re-elected to Council in the triennial elections for the election of officers of Council, on a date specified by Council, being not more than 6 months after the elections.

7.2.3. The Chairperson and Deputy Chairperson shall each be Independent Directors.

7.3. At each annual meeting of shareholders for COs, one:

7.3.1. One-third of the members who have held office the longest (up to a Directors (or, if their number is not a multiple of three then the whole number nearest to one third) shall retire at the meeting, and if less than three terms have been served are from office. The Directors to retire shall be those who have been longest in office since their last appointment. If two or more of those Directors were appointed on the same day, the Director(s) to retire shall (unless they otherwise agree among themselves) be determined by lot.

7.3.2. Where clause 7.3.1 would cause a director/trustee to serve a term exceeding three years, then that Director must also retire from office.

A retiring Director is eligible to offer themselves for reappointment— but shall not serve more than 9 years in total.

7.3-7.4. Council may invite a person to serve longer than three ~~complete~~ terms if it believes it is in the CO's interests ~~of the CO~~ for this to occur.

7.4-7.5. Elected members who are not re-elected to office can continue their role as ~~directors on COs~~ CCO Director until Council replaces them or removes them from the Board.

## 8. Conflicts of Interest and Reputational Risk

- 8.1. The Council expects all ~~directors~~ Directors of COs, and all external appointments to ~~committees~~ Committees and ~~subcommittees, will~~ Subcommittees, to strive to avoid situations where their actions could give rise to perceived or real conflicts of interest, or present a reputational risk to Council.
- 8.2. If such a situation occurs, ~~it is expected~~ the appointed member ~~will~~ shall raise this with the Chair of the Board or ~~committee~~ Committee, the Mayor, or the Chief Executive as soon as practicable.
- 8.3. Each CO Chairperson will maintain a conflicts of interest register available to the Chief Executive or Mayor, and reported on annually as part of the annual meeting.
- 8.4. Directors of COs will be expected to follow the provisions of the ~~NZ~~ Institute of Directors Code of ~~Proper~~ Practice for Directors. Breaches of this code could result in dismissal.

## 9. Monitoring

- 9.1. Compliance with this policy will be reviewed on a cyclical basis as part of the Timaru District Council's internal audit process.

## 10. Reporting

- 10.1. A report on the efficacy of this policy and the internal audit results will be reported to the Audit and Risk Committee by the Governance and Executive Support Manager.

Delegations, References and Revision History	
<b>Delegations</b>	
Identify here any delegations related to the policy for it to be operative or required as a result of the policy	
Delegation	Delegations Register Reference
<b>References</b>	
Include here reference to any documents related to the policy (e.g. operating guidelines, procedures)	

Title		Document Reference			
Local Government Act 2002					
TDHL Frameworks & Processes		#1343698; #1343699; #1341014			
Revision History					
Summary of the development and review of the policy					
Revision	Owner	Date Approved	Approval By	Next Review	Doc Ref
1	Chief Executive	27 October 2022	Council	August 2025	#1549815
<a href="#">2</a>	<a href="#">Chief Executive</a>	<a href="#">[ ] 2023</a>			

## Appendix A: ~~Schedule 1~~ Council Organisations

	Timaru District Holdings Ltd (TDHL)	Venture Timaru <del>Ltd</del>	Aorangi Stadium Trust
<b>Type</b>	CCO	CCO	CCO
<b>Ownership Structure</b>	100% Council owned	100% Council owned	<del>100% Council owned</del> A charitable trust incorporated under the Charitable Trusts Act and registered under the Charities Act
<b>Directors Appointments</b>	Council appoints all directors	Council appoints all directors	Council appoints all <del>directors</del> trustees
<b>Remuneration</b>	Paid by TDHL; fees set by Council	Paid by Venture Timaru; <a href="#">fees set by Council</a>	None
<b>Scope of Activity</b>	TDHL is an investor in companies in which Council has a substantial interest, specifically:  Alpine Energy Ltd – 47.5% shareholding PrimePort Timaru Ltd – 50% shareholding  TDHL also owns a portfolio of investment properties surrounding the port in Timaru.	To facilitate and support economic development and deliver tourism and business services for the District.	To continue development, maintenance and operation of the Aorangi Stadium and adjoining areas on Aorangi Park in Timaru.
<b>Rationale and objectives for Council ownership</b>	To manage the commercial assets and investments of Council.	To support economic growth and tourism for the district.	Aorangi Park and Stadium significant Council assets.



## Appendix B: ~~Schedule 2~~ Director Competency Framework

This table should be completed for each individual Director prior to the annual Board evaluation. The results will inform the Board's discussion on its collective skill strengths and gaps.

Each Director should identify their top 3 or 4 skills, and grade them as follows:

(E) Expert – has strong knowledge of key concepts and principles and more than five years relevant experience

(P) Proficient – has a sound knowledge of key concepts and principles but less than three years relevant experience

(D) Developing – has a knowledge of key concepts and principles but limited direct or applied experience

Skill Area	Description	D1	D2	D3	D4	D5	D6	D7
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and risks. Experience to develop effective strategies in the context of the strategic objectives of the CO and TDC.							
Governance, Risk and Compliance	Experience in the application of governance principles in a commercial enterprise, public sector body or other entity.							
	Ability to identify key risks to the CO and TDC in a wide range of areas including financial, legal and regulatory compliance.							
Financial Performance	Qualifications and experience in governing commercial investment, including to: <ul style="list-style-type: none"> <li>Analyse key financial statements</li> <li>Contribute to strategic financial planning</li> <li>Oversee budgets and the efficient use of resources</li> </ul>							
Business and commercial	Experience in, or understanding of, business management principles.							
Community engagement	Understanding of, and connections with, the interests and needs of Timaru District communities, including the ability the ability to effectively engage and communicate with key stakeholders.							

## Appendix C: Directors' Consent Form

### 1. Consent and Certificate of Director - (Section 152 of the Companies Act 1993)

Company Name: .....

Company Number:.....

Director's first name(s):.....

Director's surname(s):.....

*(Please ensure your full legal name is provided - Initials are not allowed)*

I consent to be a director of the above company and certify that I am not disqualified from being appointed or holding office as a director of a company

Signature:.....

*(Please read the disqualification details below)*

Date of appointment:.....

Director's residential address:.....

.....

### 2. Disqualification Details

Please ensure that you are not disqualified from being a director for this company before signing this consent form.

A person cannot be a director of a company if he or she is any of the following:

- a. Under 18 years of age; or
- b. An undischarged bankrupt. Search the bankruptcy database online for free at [www.insolvency.govt.nz](http://www.insolvency.govt.nz); or
- c. Prohibited from being a director or promoter of, or being concerned or taking part in the management of a company under any statutory provisions. This includes (but is not limited to) people who have been convicted of a crime involving dishonesty in the last 5 years or have been prohibited from managing a company by the Registrar of Companies. It also includes people who have been prohibited from being a director or promoter of, or being concerned or taking part in the management of, an overseas company under an order made, or notice given, under the law of a prescribed overseas jurisdiction in accordance with section 151(2)(eb) of the Companies Act 1993; or e.g. Auckland Council Property Limited 3025668; or
- d. subject to a property order under sections 30 or 31 of the Protection of Personal Property Rights Act 1988; or
- e. Not eligible because of requirements contained in the company's constitution (if any); or
- f. A person who is disqualified under another Act.

A person who is not a natural person cannot be a director of a company.

For more information refer to sections 151 and 382 to 385 of the Companies Act 1993. A copy of the Act can be viewed online for free at [www.companies.govt.nz](http://www.companies.govt.nz).

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### 3. Disclosure of Interests

You are required to disclose the nature and extent (including monetary value, if quantifiable) of all interests that you have or are likely to have, in matters relating to the CCO.

### 4. Other Questions

- 4.1 Has there been (or is there now pending) any claim against you in your capacity as director, officer, secretary, board or committee member, or employee of either the company/trust or any other company, association, trust or entity?

Yes

No

- 4.2 Are you aware of any circumstances that might give rise to a claim against you or an investigation, examination or inquiry involving you?

Yes

No

- 4.3 Have you ever been involved in a company that has been in receivership or non voluntary liquidation?

Yes

No

- 4.4 Have you ever been involved in any criminal conduct, had a statutory demand placed on you, been the subject of any disciplinary action, been fined or penalised or been the subject of any inquiry in the last 5 years?

Yes

No

- 4.5 Have you ever been refused Directors and Officers Liability insurance or had an insurer refuse to renew a policy as apply special terms or conditions in relation to your cover?

Yes

No

If yes to any of these questions, please give details:

.....  
 .....

### 5. Nomination Confirmation

I, ..... (full legal name) confirm that the information I have given in this disclosure form is complete, true and correct.

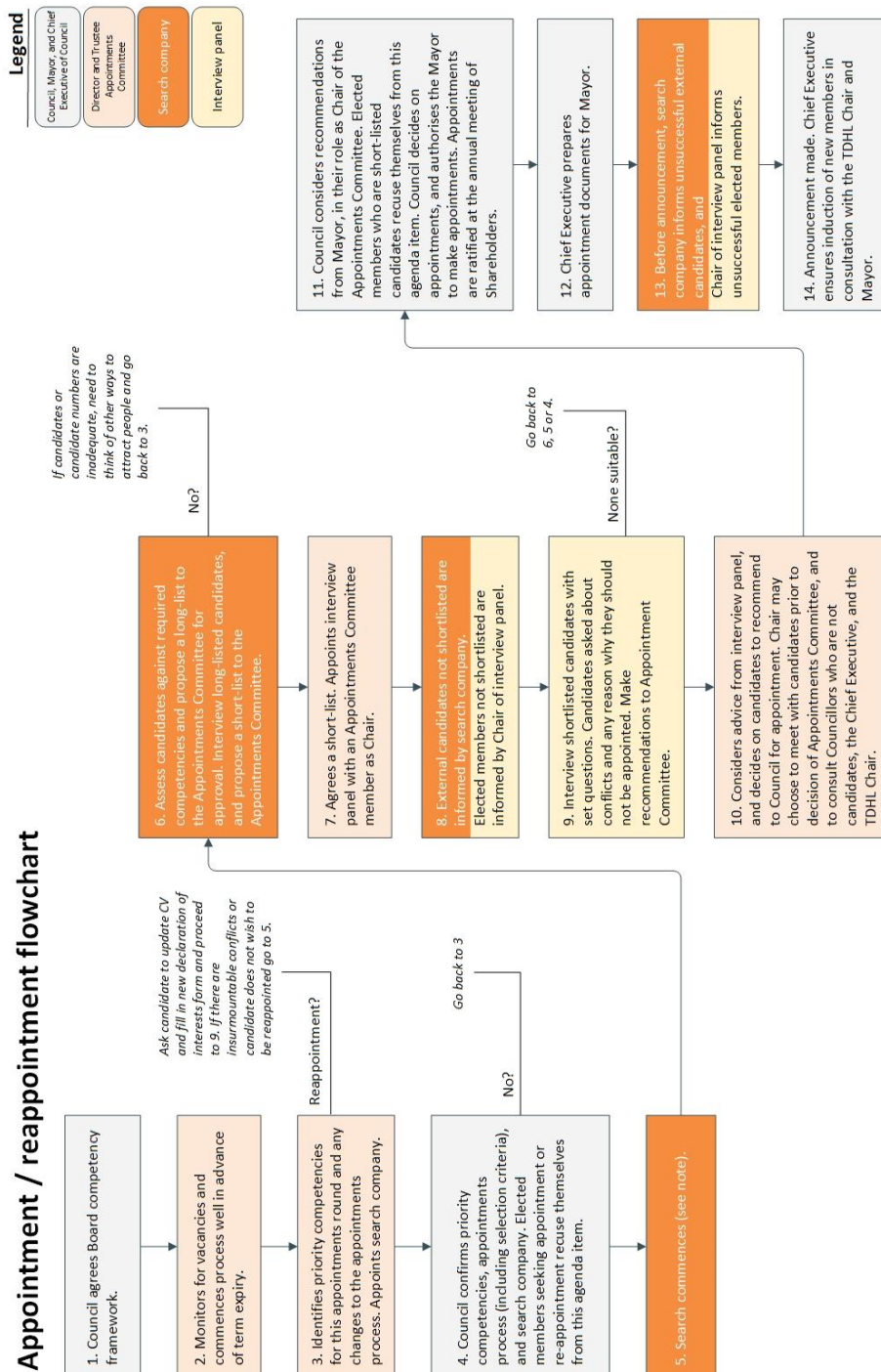
In the event of any actual or potential conflict of interest or probity issue arising, I agree to promptly declare that conflict or probity issue to the Chair of the Board, who will consider how the conflict or probity issue can best be managed. I also agree to abide by any decisions about the management of that conflict or probity issue. I acknowledge that, in the event that a conflict or probity issue cannot be managed, the Chair will inform Timaru District Council. I acknowledge that, in the event I am appointed to the Board, the Timaru District Council will be informed of any interests I have declared.

I authorise the Timaru District Council and/or its nominated agency to verify the accuracy of the information I have provided in my application for appointment.

Signature: .....

Date: .....

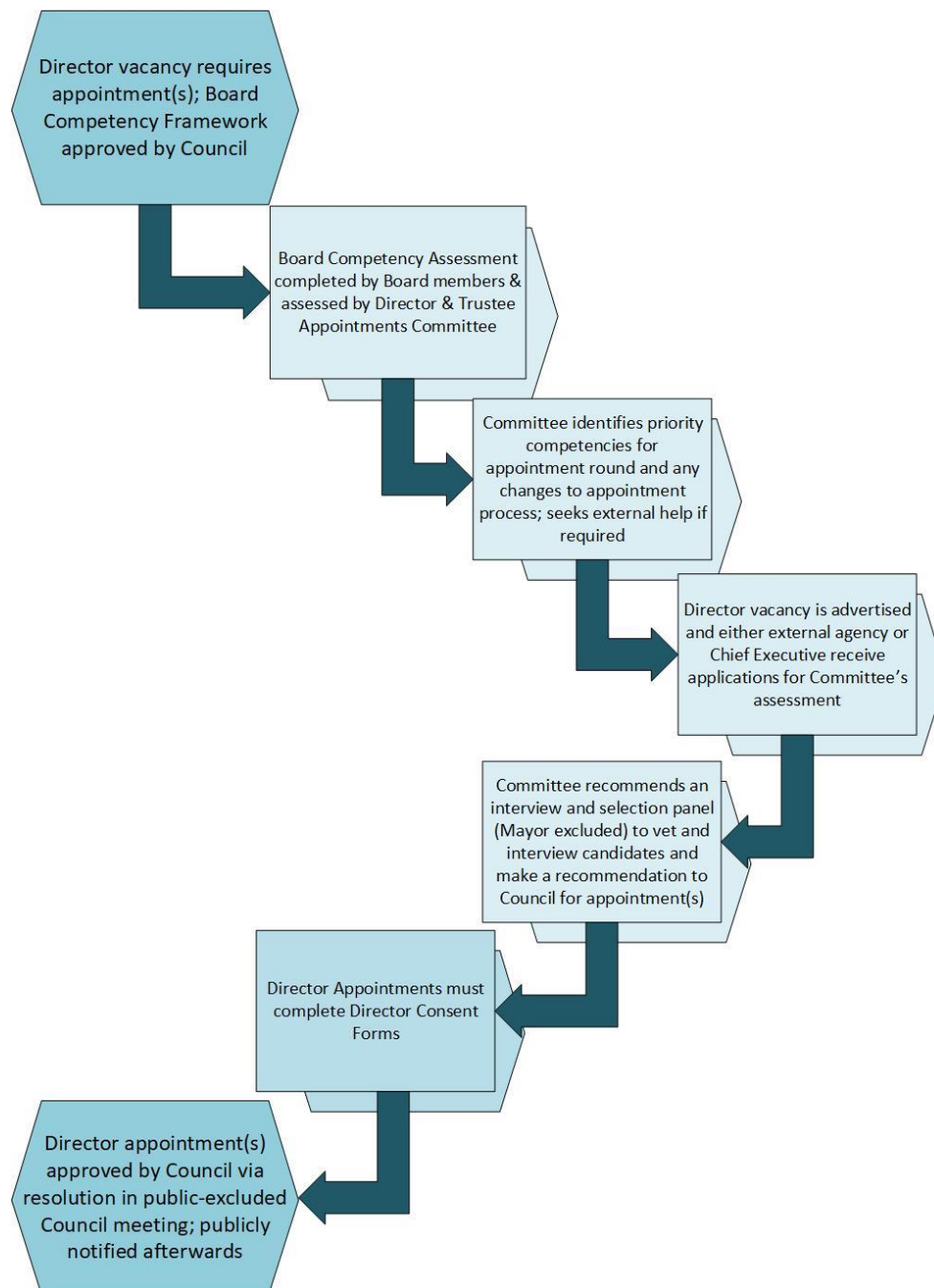
## Appendix D: Appointments Processes for TDHL Annual Meetings



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## Appendix E: Appointments Processes for Venture Timaru and Aorangi Stadium Trust



**10      Consideration of Urgent Business Items**

**11      Consideration of Minor Nature Matters**

**12      Public Forum Items Requiring Consideration**



**13 Exclusion of Public**

**13.1 Public Excluded Minutes of the Council Meeting held on 17 October 2023**

**13.2 Public Excluded Minutes of the Council Meeting held on 31 October 2023**

**13.3 Recommendation from Extraordinary Directors and Trustees Appointment Subcommittee meeting**

**13.4 Theatre Royal and Heritage Facility Design and Construction Contract**



**Recommendation**

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<b>13.1 - Public Excluded Minutes of the Council Meeting held on 17 October 2023</b>	<p>s6(b) - Good reason for withholding official information exists if the making available of that information would be likely to endanger the safety of any person</p> <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>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</p> <p>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 is in the public interest that such information should continue to be supplied</p>	<p>To protect a person's safety</p> <p>To protect a person's privacy, including the privacy of deceased persons</p> <p>To protect commercially sensitive information</p> <p>To protect information that is subject to an obligation of confidence and/or that was required by law to be provided; and to ensure that the supply of such information is not affected in the future, when it is in the public interest for it to be provided.</p>

<b>13.2 - Public Excluded Minutes of the Council Meeting held on 31 October 2023</b>	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy, including the privacy of deceased persons
<b>13.3 - Recommendation from Extraordinary Directors and Trustees Appointment Subcommittee meeting</b>	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy, including the privacy of deceased persons
<b>13.4 - Theatre Royal and Heritage Facility Design and Construction Contract</b>	<p>s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>To enable Council to carry out commercial activities</p> <p>To enable Council to carry out commercial or industrial negotiations</p>