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Report 99.620

21 October 1999

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Report to the Policy and Finance Committee
from Stuart Macaskill, Council Chairman

Election of CentrePort Ltd Directors

1. Purpose

To seek the Council's endorsement of the resolution of Directors of Port Investments (PIL) regarding the election of CentrePort Ltd Directors.

2. Background

In the last year, the Wellington Regional Council's shareholding in CentrePort Ltd has been sold to the Council's subsidiary company Port Investments Ltd (PIL). As a result, it is now PIL's responsibility to vote on CentrePort matters requiring shareholder approval.

CentrePort's AGM has been scheduled to take place on 2 November at 9.30am. One of the matters to be considered at that meeting is the election of directors. Two directors are retiring by rotation and, being eligible, offer themselves for re-election (Mr J G Jefferies and Mr H J Stone). These two directors were originally put forward by the Manawatu-Wanganui Regional Council (Horizons MW) and the Wellington Regional Council respectively.

On 20 October 1999 the Directors of PIL considered the election of CentrePort Directors and resolved to:

- Support the re-election of Messrs Jefferies and Stone to the Board of CentrePort Ltd at the upcoming CentrePort AGM on 2 November 1999; and
- Seek the Wellington Regional Council's endorsement of this resolution.

The PIL Board also agreed to invite Wellington Regional Councillors to attend the CentrePort AGM, given that the Council remains the ultimate owner of the port company on behalf of the community.

3. **Comment**

It is the PIL Board's view that Messrs Jefferies and Stone have made a very positive contribution (a view shared by CentrePort's Board Chairman) and should therefore be re-elected.

There has been past discussion about whether or not a Wellington Regional Councillor should be on the CentrePort Board. I reiterate the view I expressed in 1996, that elected members should not be appointed as port company directors. The report to Council at the time (**see attachment**) sets out the reasons for this view. The Council subsequently decided not to appoint a councillor.

The report notes that Horizons MW similarly did not support the appointment of councillors as directors. I have received advice from Horizons MW Council Chairman Linklater that his Council remains firmly of this view and that they support the re-election of Messrs Jefferies and Stone.

4. **Recommendation**

That the Council endorse the decision of the Directors of Port Investments Ltd to support the re-election of Messrs Jefferies and Stone to the Board of CentrePort Ltd at the upcoming CentrePort AGM on 2 November 1999.



STUART MACASKILL
Chairman

**Attachment : Port of Wellington Governance – Appointment of Directors
(Report 96.246)**

