

## 14. Future Parks Maintenance Service Provision Options

Reference / Te Tohutoro: 23/911962

Report of / Te Pou: Andrew Rutledge, Head of Parks  
(andrew.rutledge@ccc.govt.nz)  
Matua: Mary Richardson, General Manager Citizens & Community  
Senior Manager / Pouwhakarae: (Mary.Richardson@ccc.govt.nz)

### Confidentiality

<b>Section under the Act:</b>	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
<b>Sub-clause and Reason:</b>	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.  s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.
<b>Plain English Reason:</b>	The report contains confidential costs analysis information. Disclosure of this material would significantly impact Council's commercial position.
<b>Report can be released:</b>	Post decision. Report release is scheduled to be by the end of September 2023.

### 1. Nature of Decision or Issue and Report Origin

- 1.1 To determine the preferred methodology for delivery of parks maintenance services.
- 1.2 This report is staff generated.
- 1.3 The decisions in this report are of medium significance in relation to the Christchurch City Council's Significance and Engagement Policy. The level of significance was determined by considering the number of people affected, the likely cost risks, whether the decision can be easily reversed and the impact on functionality of a strategic asset.
- 1.4 The primary purpose of the report is to further inform the council of the operational cost risks associated to the ongoing provision of maintenance services for the Community Parks portfolio across the city and options to mitigate these risks.
- 1.5 Staff briefed the Council on the 16<sup>th</sup> of May 2023 on four possible options for ongoing maintenance service for community parks post the expiry of the current contracted service on the 30<sup>th</sup> of June 2024. Four options were presented:
  - Continuation of the current hybrid model which is predominant service provided by contracted services and specialist services by internal staff teams.
  - An increase in services by internal teams including sports field provision and general parks maintenance services. Amenity mowing would remain under contract.

- Full-service provision via in house service provision.
  - Revert to full commercially contracted service provision.
- 1.6 The briefing focused on historical performance over the contract term (8 years to date, 1 remaining) and the Opex cost risk associated with all options, that would need to be considered as part of the 2024-34 Long Term Plan.
- 1.7 Cost risks were assessed following an independent report on the likely cost of the same services provided under contract with updated unit rates for each activity (report attached).
- 1.8 The briefing focused on variable cost avoidance opportunities for each option tabled, for the 2024-34 Long Term Plan period.
- 1.9 Council advised staff that it wished to see more detail associated to two of the options in particular:
- An increase in services by internal teams (sports field provision) with general parks maintenance, including refuse management, amenity mowing and horticultural services.
  - Full-service provision via in house service provision.
  - The option for continuing with the current service model is provided as a baseline for comparison of the two options.
  - The fourth option is not provided within this report due to the identified costs associated with this approach, which would include, [REDACTED]  
[REDACTED] Council signalled at the briefing that they did not wish to pursue this option.



## 2. Officer Recommendations Ngā Tūtohu

That the Council

1. agrees to implement general parks maintenance services through internally resourced teams, effective from the 1st of July 2024, noting the rates increase avoidance detailed within this report.
2. agrees that each community board area shall have a dedicated team exclusively responsible for the maintenance of parks within their respective areas. Resource allocation for these teams shall be based on the asset volumes present in each area, to enable adequate and tailored service provision.
3. acknowledges the importance of monitoring and reporting performance against established standards of service delivery. To ensure transparency and accuracy, the Council shall engage independent auditing services for the purpose of monitoring and reporting on performance.
4. recognises the specialised nature of tree maintenance and Sexton services. Accordingly, the Council confirms that such services will continue to be delivered through commercially contracted providers, ensuring the availability of expertise and specialised resources.
5. acknowledges the capital investment required to transition to a full internal service provision. To facilitate timely mobilisation and effective internal service provision commencing in July 2024, \$ 7.4M of additional capital funds will be allocated into the Parks capital programme for FY 24 for the acquisition of plant and equipment.
6. notes that staff will look across the Parks unit budget to cover an estimated \$180 K (0.005%) cost of onboarding 50% of the new personnel for June 2024 to enable a smooth transition into the new service delivery model.

7. agrees that this report can be released post decision. Report release is scheduled to be by the end of September 2023.


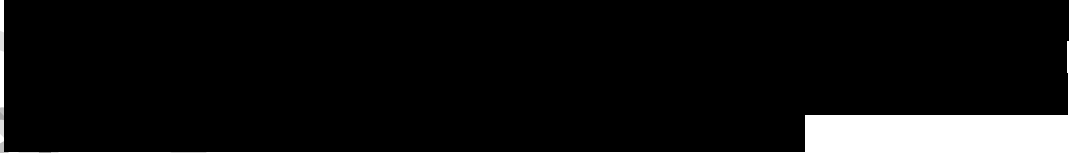
### 3. Reason for Report Recommendations Ngā Take mō te Whakatau

- 3.1 
- 3.2 Service provision over the term of the contract has not met resident satisfaction targets year on year.
- 3.3 
- 3.4 Relative low risk associated to providing all services in house.
- 3.5 The ability to replicate the agile, proactive response service seen over recent years with the in-house community parks ranger services.

### 4. Alternative Options Considered Ētahi atu Kōwhiringa

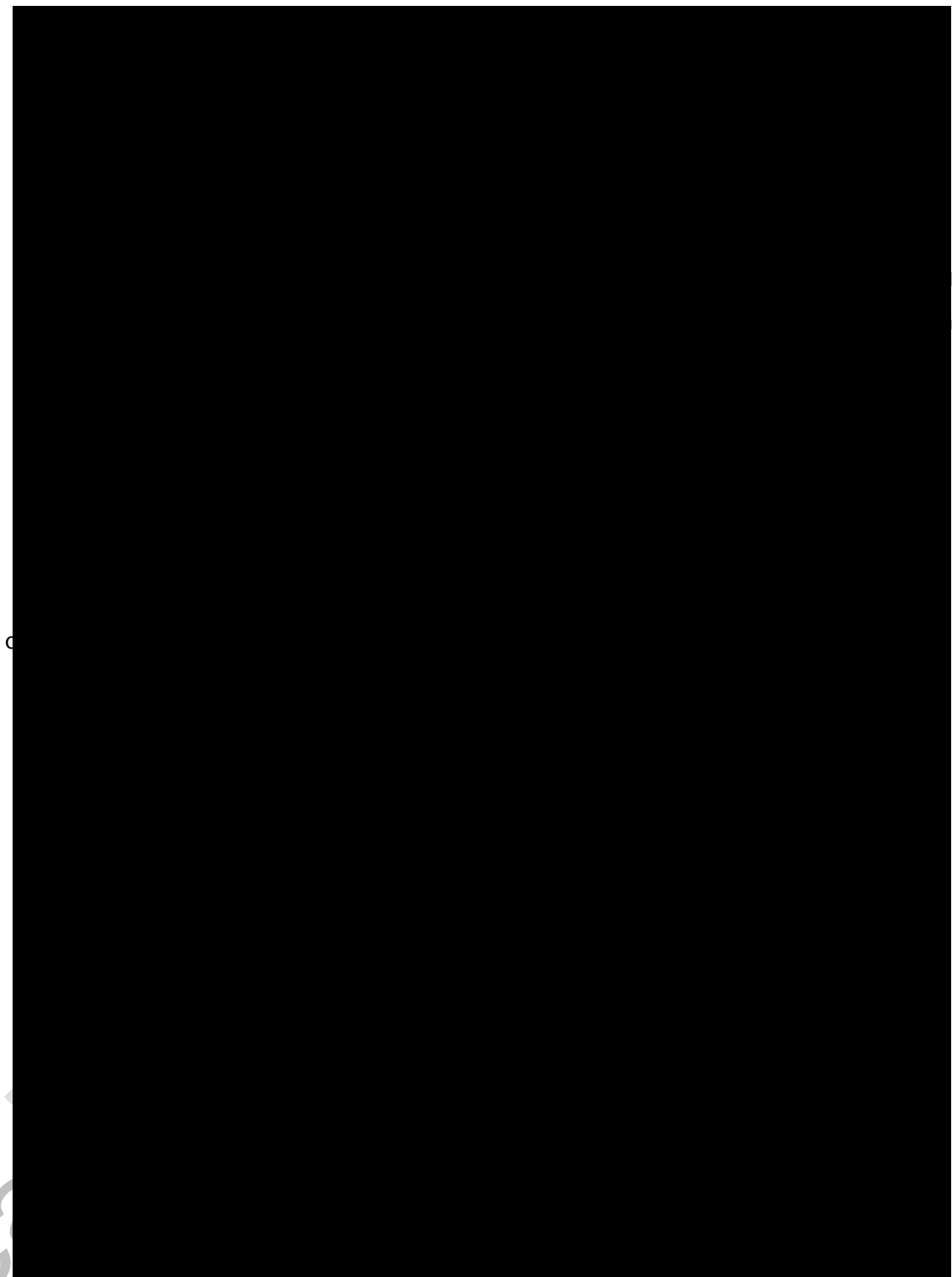
- 4.1 Continue with the existing Hybrid model.
- 4.2 Modified hybrid model.
- 4.3 Full in-house service provision.

### 5. Detail Te Whakamahuki

- 5.1 A Parks maintenance report to the Council in May 2019 sought endorsement for changes to the Parks maintenance contracts, including developing more integrated contracts, moving some services in-house and the expanding local partnerships.
- 5.2 The issues to be addressed included:
  - 5.2.1 
  - 5.2.2 
  - 5.2.3 Performance pertaining to resolution of CSR (Customer Service Requests) within the service level agreements (SLAs).
- 5.3 A S17A review of Parks services completed in 2017, focusing on parks maintenance services highlighted the following opportunities to address the identified issues:
  - 5.3.1 More flexible and responsive services, including additional front-line staff who could focus on a faster response to customer service requests (CSR) by not having to utilise formal contractual communication mechanisms.
  - 5.3.2 Increased opportunity for citizen engagement and volunteer involvement, particularly places of special interest for the community e.g. cemeteries, garden and heritage sites and parks where "Friends of" or other regular volunteer input is occurring.
  - 5.3.3 Development of area-based teams to enable localised integrated service approach.

- 5.3.4 A greater number and range of community partnerships.
- 5.3.5 More innovative approaches, including opportunities and capacity to develop work force training, internship, and cadet programmes.
- 5.4 The response at that time, 2019, focused on what was seen as the most pressing need in terms of change. Small in-house teams were developed to tackle these matters. The option to develop community-based teams did not progress at that time other than Banks Peninsula due to the remote location and the opportunity to employ locals in these teams. This has proven to be very successful. Other services are listed below:
- 5.4.1 Cemeteries maintenance (excluding sexton and buildings maintenance delivered by Citycare Limited), first response to customer service requests (CSR's) playgrounds and minor fixtures. Full in-house services also are delivered across the Garden and Heritage Parks. The outcome of this decision is considered nett positive particularly in relation to councils' response to Customer requested service responses.
- 5.5 The contract performance of the service provision has been considered adequate, without being able to deliver a quality of service that is regularly meeting the expectations of stakeholders and citizens. At various times we receive complaints regarding areas or reserves that have missed their maintenance cycles including occasional negative media coverage relating to sports field preparation. Primarily these events occur during difficult grow or weather-related conditions.
- 5.6 [REDACTED]
- 5.7 Another concerning matter that has come to light is the lack of qualified horticulturalists working within the parks and reserves. This has had a detrimental effect on the quality of the gardens within the parks.
- 5.8 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
- 5.9 An independent assessment was commissioned that looked at the potential cost of service for the current service delivery model if Council was to tender in the market presently. [REDACTED]  
[REDACTED]
- 5.10 [REDACTED]  
[REDACTED]

5.11



5.12 In terms of services provided by the relevant contractor, the most frequent Customer Service Requests (CSR's) in descending order are for:

1. Garden maintenance
2. Mowing
3. Sports ground maintenance.

5.13 All wards and Community Board Areas are affected by this proposal.

## 6. Options

- 6.1 The following options are available for council to consider for the future provision of maintenance services.
- 6.1.1 Baseline Option – Continue with the current service provision approach.
- 6.1.2 Modified Hybrid service model- more in-house service delivery.
- 6.1.3 Full in-house service delivery.
- 6.1.4 Full-service delivery via an external commercial contract. Note this has been discounted due to the significant financial risk and Staff redundancies.

### Option 1- Current Hybrid Service

- 6.2 The current model has non specialist services delivered via a commercial contracts x 2.
- 6.3 Other services are delivered directly by in-house dedicated teams, including Banks Peninsula whose internal team delivers all parks services.
- 6.4 Continuation of this programme would see the following services competitively tendered in the open market:
- All mowing services including sports field provision.
  - All horticultural services.
  - General parks maintenance services, such as litter and refuse removal and weed spraying.

6.5 [REDACTED]

- 6.6 The current cost of service is \$6.3 million of programmed work plus an average of \$500K per annum for unplanned works.

6.7 [REDACTED]

#### Advantages of this option include:

- Relatively simple process to go to market.
- Commercially cost competitive process.

- [REDACTED]

#### Disadvantages of this option include:

- Increased Opex costs year on year, [REDACTED] This option has the greatest impact on rates.
- Less agile workforce as it is split between a contractor and staff.
- Unlikely to see an increase in performance relating to areas of parks maintenance due to lack of agility in the contract model.
- Opportunity to enhance the urban forest not available at no additional cost.

## Public Excluded Item 14

- | COMMUNITY BOARD                       | % OF TOTAL VOLUME |
|---------------------------------------|-------------------|
| Te Pātaka O Rākahautū Banks Peninsula | 0.1%              |
| Waihoru Spreydon-Cashmere-Heathcote   | 17.5%             |
| Waitai Bur-Coastal-Burwood-Linwood    | 30.4%             |
| Waipapa Papanui-Innes-Central         | 12.6%             |
| Waimāero Fendalton-Waimari-Harewood   | 13.6%             |
| Waipuna Halswell-Hornby-Riccarton     | 25.9%             |
|                                       | 100%              |

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[illegible]

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- 6.15 Peak load resourcing is based on spring demand meaning staff will be able to focus on other maintenance activities such as repairs and maintenance to furnishings and plantings in autumn and winter.
- 6.16 Other services are delivered directly by inhouse dedicated teams, including Banks Peninsula whose internal team delivers all parks services, would be retained.

6.17

[REDACTED]

Advantages of this option include:

- The Opex budget increase for parks maintenance services can be reduced, from an [REDACTED] per annum therefore not impacting rates to the same degree.
- Link between Community boards and teams responsible for service delivery for some services.
- Creates an opportunity to recruit and train horticulturalists for a long-term sustainable service delivery – (currently lacking in the market)- address community concerns.
- Teams would be community based aligned to Community Board areas.
- Teams can assist with Urban Forest implementation at no extra cost adding value to councils' allocation of the Crowns 'better off funding'.
- Council will have an agile service able to respond to community requests for some services promptly.
- Council brand increases.

Disadvantages of this option include:

- Increased Opex costs year on year.
- Less agile workforce as it is split between a contractor and staff.
- Initial capital cost for set up including plant, equipment, and depots.
- Risks associated to recruitment and retention.

**Option 3 – Full inhouse delivery of services**

- 6.18 This service would be delivered by several teams, led by a team leader, and aligned to Community Board areas. Resources allocated to these teams will be determined by the volume of asset that is required to be maintained. Note the Banks Peninsula team already is in place but would require additional resourcing to manage the Whakaraupo/ Harbour area.
- 6.19 These teams will be responsible for all parks maintenance activities.
- 6.20 Sports field maintenance would be completed by a citywide team aligned with the existing sports turf specialist team responsible for Hagley Park, Nga Puna Wai and Orange theory stadium. Note this team already manages the sand-based sports turf across the city.
- 6.21 The asset allocation for general parks maintenance is outlined in the table below and teams would be established accordingly.



Community Board Area	% Asset
Sprey-Cash-Heath	15%
Te Pātaka O Rākaihautū Banks Peninsula	2%
Waipuna Halswell-Hornby-Riccarton	26%
Waitai Bur-Coastal-Burwood-Linwood	30%
Waimāero Fendalton-Waimari-Harewood	14%
Waipapa Papanui-Innes-Central	13%
	100%

[REDACTED]

[illegible]


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6.25 Peak load resourcing is based on spring demand meaning staff will be able to focus on other maintenance activities such as repairs and maintenance to furnishings and plantings in autumn and winter.

6.27 [REDACTED]

As staff numbers will be matched to the available existing budget:

- The Opex budget allocated to parks maintenance can be maintained at current levels
- The allocation of budget to actual physical works would increase from 78% to 91% due to the lower overhead costs and no profit allocation. As per section 5.8 of this report
- Strong link between Community boards and teams responsible for service delivery

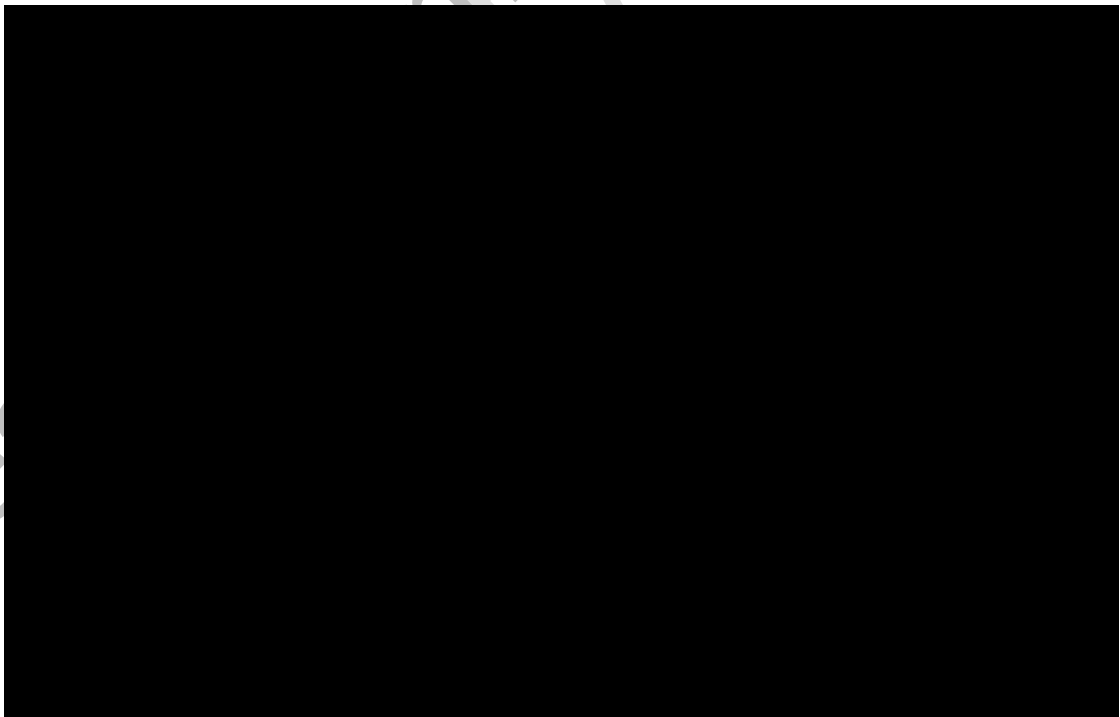
- 
- Council will have an agile service able to respond to community requests promptly
- Council brand very visible in the parks, matching regional park model
- Provides the best opportunity to train and develop a pool of horticulturalists that have disappeared from the market in recent years
- Teams can assist with Urban Forest implementation at no extra cost adding value to
- Council's allocation of the Crowns better off funding
- Resources balanced against available budget year on year
- Larger pool of staff to manage critical areas when the climate is variable
- One provider only in parks - no confusion over who delivers what
- Other associated cost avoidance - development of business to business (B2B) IT systems for specific suppliers

Disadvantages of this option include:

- Initial capital cost for set up including plant, equipment, and depots
- Risks associated to recruitment and retention

**Options financial analysis**

6.29 The following table details the financial implications for each option presented above.



## 7. Policy Framework Implications Ngā Hīraunga ā- Kaupapa here

### Strategic Alignment Te Rautaki Tīaroaro

- 7.1 This report supports Council's strategic priority of "Ensuring rates are affordable and sustainable" and Council's Community Outcome "21<sup>st</sup> century garden city we are proud to live in".
- 7.2 This report supports the [Council's Long Term Plan \(2021 - 2031\)](#):
- 7.3 Parks, Heritage, and Coastal Environment
  - 7.3.1 Activity: Parks and Foreshore
    - Level of Service: 6.0.1 All Parks are managed and maintained in a clean, tidy, safe, functional, and equitable manner (Maintenance) - Maintenance plan Key performance indicators >= 90% achieved
    - Level of Service: 6.0.3 Overall customer satisfaction with the presentation of the City's Community Parks - Community Parks presentation: resident satisfaction >=60 %

### Policy Consistency Te Whai Kaupapa here

- 7.4 The decision is consistent with Council's Plans and Policies.

**Impact on Mana Whenua Ngā Whai Take Mana Whenua** (s77 of the Local Government Act states that any option involving a significant decision in relation to land or a body of water, requires that staff advice take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga. In this section state whether the decision impacts on Mana Whenua in relation to s77 as well as agreed partnerships priorities with Ngā Papatipu Rūnanga and then explain how it does or does not.
- 7.5 The decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does specifically impact Mana Whenua, their culture, and traditions.
- 7.6 The decision does not involve a matter of interest to Mana Whenua and will impact on our agreed partnership priorities with Ngā Papatipu Rūnanga
- 7.7 The decision relating to this report only affects how we deliver an existing service to maintain land, rather than a significant change to how we manage the land.

### Climate Change Impact Considerations Ngā Whai Whakaaro mā te Āhuarangi

- 7.8 If all Parks maintenance services were to be provided internally, the intent is to acquire electric operational plant for the majority of activities wherever possible. There are some constraints where electrified fleet is not currently available. Where this is apparent, hybrid fleet will be sought as the first-choice alternative before any fossil fuel option is considered. Note that low and zero emission plant technology is advancing relatively quickly and given the lifespan of mowing equipment is approximately 5 years, it is highly likely all operational fleet would be emission free by 2030.
- 7.9 In addition, parks operational facilities will develop solar power generation for charging of elective plant and equipment progressively as we renovate or develop required facilities.
- 7.10 The ability to efficiently increasing local horticultural inputs will result in a beneficial outcome for biodiversity and ultimately long-term positive climate impacts.

### Accessibility Considerations Ngā Whai Whakaaro mā te Hunga Hauā

- 7.11 Not applicable

## 8. Resource Implications Ngā Hīraunga Rauemi

### Capex/Opex Ngā Utu Whakahaere

8.1

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

### Other He mea anō

8.5 Note the commencement of services will need to be through a transitional process post the end of the current contract. As this is the lowest period of demand for services it is estimated that approximately 50% of the workforce would need to be employed for 1 month for training purposes to enable a smooth transition to the new service.

It is anticipated that many of the existing contractor personnel would likely seek employment with council which would minimise disruption risk.

## 9. Legal Implications Ngā Hīraunga ā-Ture

### Statutory power to undertake proposals in the report Te Manatū Whakahaere Kaupapa

9.1 Local Government Act 2002 (LGA).

### Other Legal Implications Ētahi atu Hīraunga-ā-Ture

9.2 There is no legal context, issue, or implication relevant to this decision.

## 10. Risk Management Implications Ngā Hīraunga Tūraru

10.1 The following risks will need to be managed to implement this new service programme.

10.1.1 Reduction in current contractor performance as there is no opportunity for the incumbent to tender for future service provision.

Mitigation

- Stringent contract management to ensure all services are delivered to an adequate standard. Note it is not unusual to have to manage change of suppliers and companies are aware of negative referee checks for future works.

10.1.2 A challenging timeframe for delivery and acquisition of plant and equipment and staff recruitment.

Mitigation

- Early decision to allow maximum timeframe for procurement and recruitment.
- Engage directly with the incumbent to explore recruitment of existing contractor personnel who wish to transfer to CCC.

## Attachments Ngā Tāpirihanga

No.	Title	Reference	Page

In addition to the attached documents, the following background information is available:

Document Name – Location / File Link
Not applicable

## Confirmation of Statutory Compliance Te Whakatūturutanga ā-Ture

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

## Signatories Ngā Kaiwaitohu

Author	Andrew Rutledge - Head of Parks
Approved By	Peter Langbein - Finance Business Partner Mary Richardson - General Manager Citizens & Community

## 15. Lyttelton Port Company Ltd (LPC) - Appointment of Director

Reference / Te Tohutoro: 23/945614

Report of / Te Pou Linda Gibb, Performance Advisor, Resources  
Matua: (linda.gibb@ccc.govt.nz)

Senior Manager / Leah Scales, General Manager Resources/Chief Financial Officer  
Pouwhakarae: (Leah.Scales@ccc.govt.nz)

### Confidentiality

<b>Section under the Act:</b>	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
<b>Sub-clause and Reason:</b>	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.
<b>Plain English Reason:</b>	To protect the identity of the candidate and his/her reputation.
<b>Report can be released:</b>	As soon as the decision is made by the Council and the candidate is notified.

### 1. Nature of Decision or Issue and Report Origin

- 1.1 To approve the appointment of a director to the board of Lyttelton Port Company Ltd (LPC).
- 1.2 Receipt of a report from Christchurch City Holdings Ltd (CCHL) on 18 July 2023.
- 1.3 At its meeting on 30 November 2022, the Finance and Performance Committee approved an increase in the size of Lyttelton Port Company Ltd's board by one member bringing the total number of directors to seven. The Committee noted that an appointment to that role would be proposed in 2023 following completion of an appointments' process that meets the requirements of the Council's Policy for the Appointment and Remuneration of Directors of Council Organisations (Appointments Policy) (FPCO/2022/00044 refers).
- 1.4 At the Council's meeting on 7 June 2023, CCHL advised that an ongoing candidate search was being conducted for a director who could fill the role of chairperson of its Audit and Risk Management Committee (CNCL/2023/00069 refers).
- 1.5 CCHL's report at **Attachment A** proposes the appointment of Ms Karen Jordan as a director of LPC for a term of three years commencing 1 August 2023, subject to the completion of police checks. CCHL's report includes a discussion of the process it undertook and a board skills and capabilities' matrix.
- 1.6 The process undertaken by CCHL meets the requirements of the Council's Appointments Policy.
- 1.7 The decision in this report is of low significance in relation to the Christchurch City Council's Significance and Engagement Policy. The level of significance was determined by considering the extent to which the recommended director appointment might impact the community.

## 2. Officer Recommendations Ngā Tūtohu

That the Finance and Performance Committee:

1. Approves the appointment of Ms Karen Jordan to the board of Lyttelton Port Company Ltd, for a three year term commencing from 1 August 2023, subject to the completion of police checks; and
2. Agrees that this report is released to the public after the Council's decision is advised to the candidate.

## 3. Reason for Report Recommendations Ngā Take mō te Whakatau

- 3.1 CCHL's appointments process has met the requirements of the Council's Appointments Policy.

## 4. Alternative Options Considered Ētahi atu Kōwhiringa

- 4.1 The only practical alternative option is to forgo the appointment of an extra director to the LPC board. The board is legally able to perform at the current size of six members, but would not have the depth of financial and commercial skills, in particular experience in audit and risk, that is desirable.

## 5. Policy Framework Implications Ngā Hīraunga ā- Kaupapa here

### Strategic Alignment Te Rautaki Tīaroaro

- 5.1 This report is consistent with the Council's governance policy which reflects its views of good governance in the local government context. It is not specifically related to the [Council's Long Term Plan \(2021 - 2031\)](#).

### Policy Consistency Te Whai Kaupapa here

- 5.2 The decision sought is consistent with the Council's Plans and Policies. In particular, the requirements for director appointments contained in the Council's Appointments Policy.

### Impact on Mana Whenua Ngā Whai Take Mana Whenua

- 5.3 The decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does specifically impact Mana Whenua, their culture and traditions.
- 5.4 The decision does not involve a matter of interest to Mana Whenua and will not impact on our agreed partnership priorities with Ngā Papatipu Rūnanga.

### Climate Change Impact Considerations Ngā Whai Whakaaro mā te Āhuarangi

- 5.5 The proposals in this report will not impact adaptation to the impacts of climate change or emissions reductions as there is no operational impact on LPC, CCHL or the Council.

### Accessibility Considerations Ngā Whai Whakaaro mā te Hunga Hauā

- 5.6 Not relevant to this report.

## 6. Resource Implications Ngā Hīraunga Rauemi

### Capex/Opex Ngā Utu Whakahaere

- 6.1 Cost to Implement – around \$55,000 per annum.
- 6.2 Funding Source – board fees paid to directors are met from the company's profits.

## 7. Legal Implications Ngā Hīraunga ā-Ture

### Statutory power to undertake proposals in the report Te Manatū Whakahaere Kaupapa

7.1 LGA.


### Other Legal Implications Ētahi atu Hīraunga-ā-Ture

7.2 The proposal is consistent with the provisions of LPC's constitution, which requires a minimum of six directors.

## 8. Risk Management Implications Ngā Hīraunga Tūraru

8.1 The proposal minimises the governance risk of LPC breaching the minimum number of directors required should there be an unexpected resignation or retirement.

## Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A 	Lyttelton Port Company Ltd - CCHL report	23/1134667	34

In addition to the attached documents, the following background information is available:

Document Name – Location / File Link
Not applicable

## Confirmation of Statutory Compliance Te Whakatūturutanga ā-Ture

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

## Signatories Ngā Kaiwaitohu

Author	Linda Gibb - Performance Monitoring Advisor CCO
Approved By	Leah Scales - General Manager Resources/Chief Financial Officer



## Report for Council

**Date:** 18 July 2023

**To:** Dawn Baxendale, CEO, Christchurch City Council

**From:** CCHL Appointments Committee

**Subject:** Recommendation of Director Appointment to the LPC Board of Directors

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### Purpose

The purpose of this report is to:

- provide an overview to Council on the process to appoint and select the final director for the Board of Lyttleton Port Company (LPC); and
- recommend the appointment of Karen Jordan as independent Director for the LPC Board.

### Background

As previously discussed with Council, [REDACTED]

[REDACTED] Subsequently, a further director, Fiona Mules, made the decision to resign from the LPC Board for personal reasons.

On 7 June 2023 Council approved the appointment of three LPC Directors, the Chair, Barry Bragg, and two independent Directors, Nicki Crauford and Julian Hughes. The Appointments Committee has continued to work with Propero to identify additional candidates with the necessary skill set and experience to add value to the LPC Board as the financial expert and Audit & Risk Committee Chair.

### Process

Appointments to the LPC Board are governed by Council's policy on the Appointment and Remuneration of Directors of Council Organisations under which the Appointments Committee for CCHL subsidiaries is made up of the chair of CCHL, the chair of the relevant subsidiary board and up to two other members. The Appointments Committee was made up of the members of the CCHL Governance and Appointments Committee being Abby Foote (as chair of CCHL), Gill Cox and Sara Templeton and Barry Bragg, the Chair of LPC.

As noted to Council in support of the appointments made on 7 June 2023, Propero worked with the Appointments Committee to develop an overarching LPC Board skills matrix. This appointment process has focussed on identifying someone with commercial experience and financial expertise including the capability to chair the Audit and Risk Committee.

For this role, Propero identified a long list of candidates with the capabilities identified, drawing on their extensive networks, candidates identified through the CCHL recruitment process, personal recommendations and self-referrals. The Appointments Committee considered a long list of 17 candidates (6 female) for this position and identified a short list of 5 candidates for interview (two females and three males). The interviews were held on Monday 17 July with all members of the

Appointments Committee and Propero in attendance. Each candidate was objectively assessed at interview against the skills matrix, other relevant selection criteria, and their responses to the pre-prepared interview questions.

Full reference checks have been undertaken for Karen Jordan and we are in the process of obtaining police checks. There is some delay in receiving the results of these checks so we are recommending that the appointments be made subject to receiving these checks and are recommending an effective date of appointment which allows for these checks to be completed.

A copy of the LPC skills matrix and an overview of the candidate recommended for appointment is attached.

### **Independent Director Appointment**

The Appointments Committee recommends the appointment of Karen Jordan to the board of LPC. Karen's has considerable professional expertise in the areas of finance, risk, audit, commercial strategy and business transformation.

[REDACTED] Karen has over 20 years' executive experience in the UK energy and infrastructure industry with significant roles at National Grid plc and British Gas plc. While in the UK she also served as an Independent Director/Member at the Cabinet Office, UK Government Department of State; and at HM Treasury, Government Internal Audit Standards Board.

Karen is currently a director of Steel & Tube (an NZX listed company) where she is chair of the Audit Committee and an independent member of the New Zealand Defence Force Risk & Assurance Committee. Karen has also served as a director of City Rail Link in Auckland and as Chair and Interim CEO of Waimea Water, a CCO responsible for the construction and operation of the Waimea dam.

Karen holds a Bachelor of Social Science (Hons) from University of Birmingham, UK. She is a Fellow of the Chartered Institute of Management Accountants and a Chartered Fellow of the New Zealand Institute of Directors.

The Appointments Committee believes that Karen will bring considerable experience in disciplined, outcome focused audit committee processes in scale infrastructure operations. She brings strong expertise in both risk management and audit oversight. The Appointments Committee expects that Karen will make a positive contribution to the diversity of thought of the LPC Board bringing a different perspective to other directors.

### **Summary**

The Appointments Committee have run a thorough process to identify the final candidate for the LPC Board. The Appointments Committee believe that this final recommendation ensures strong financial experience with relevant expertise in risk, strategy, commercial experience and audit committee governance for LPC and that Karen will be a positive complement to the board appointments made on 7 June 2023.

### **Recommendation**

The Appointments Committee recommend:

- subject to the receipt of satisfactory criminal record checks, the appointment of Karen Jordan as independent Director for the LPC Board effective 1 August 2023.

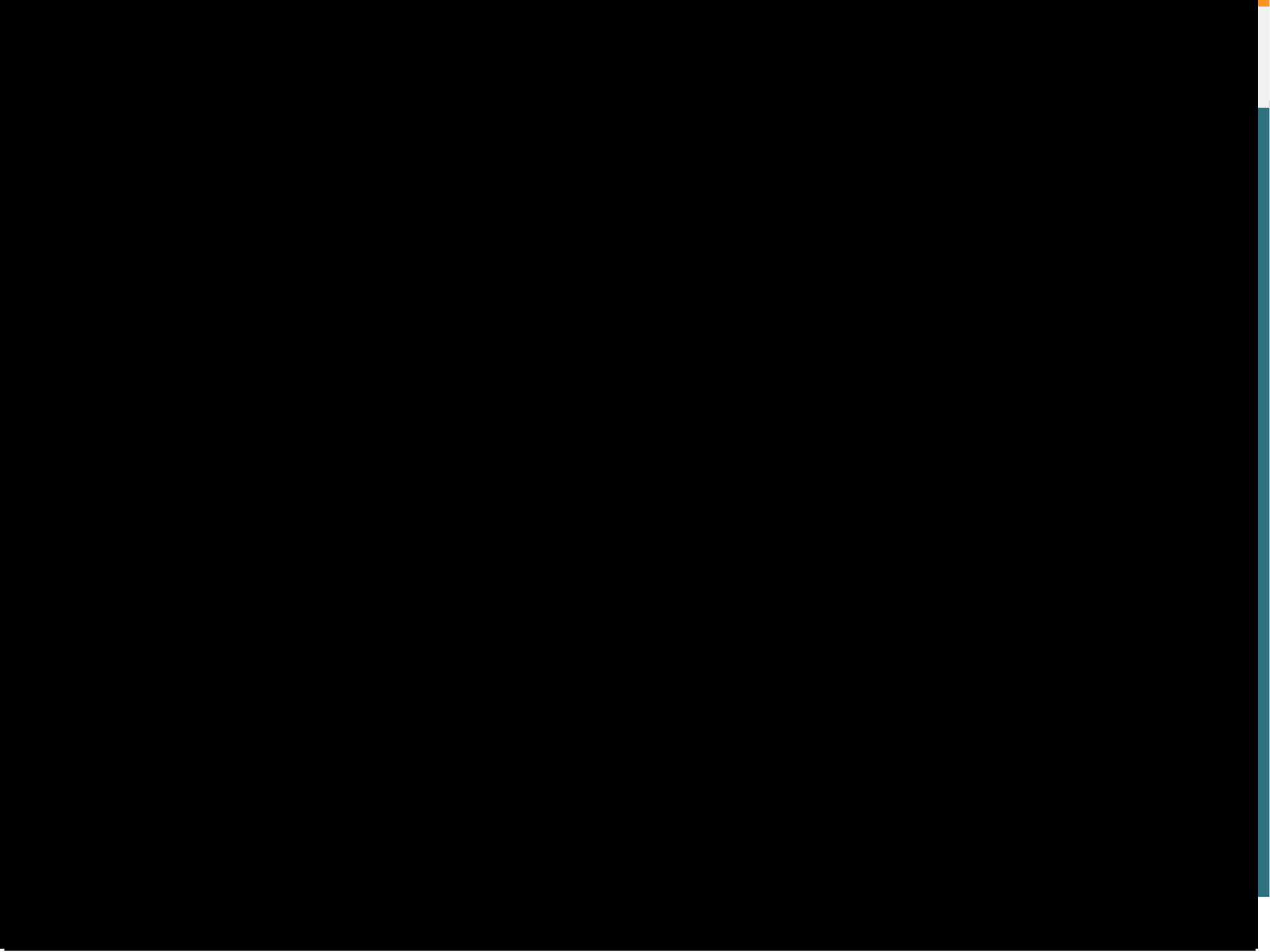
Abby Foote  
Chair CCHL

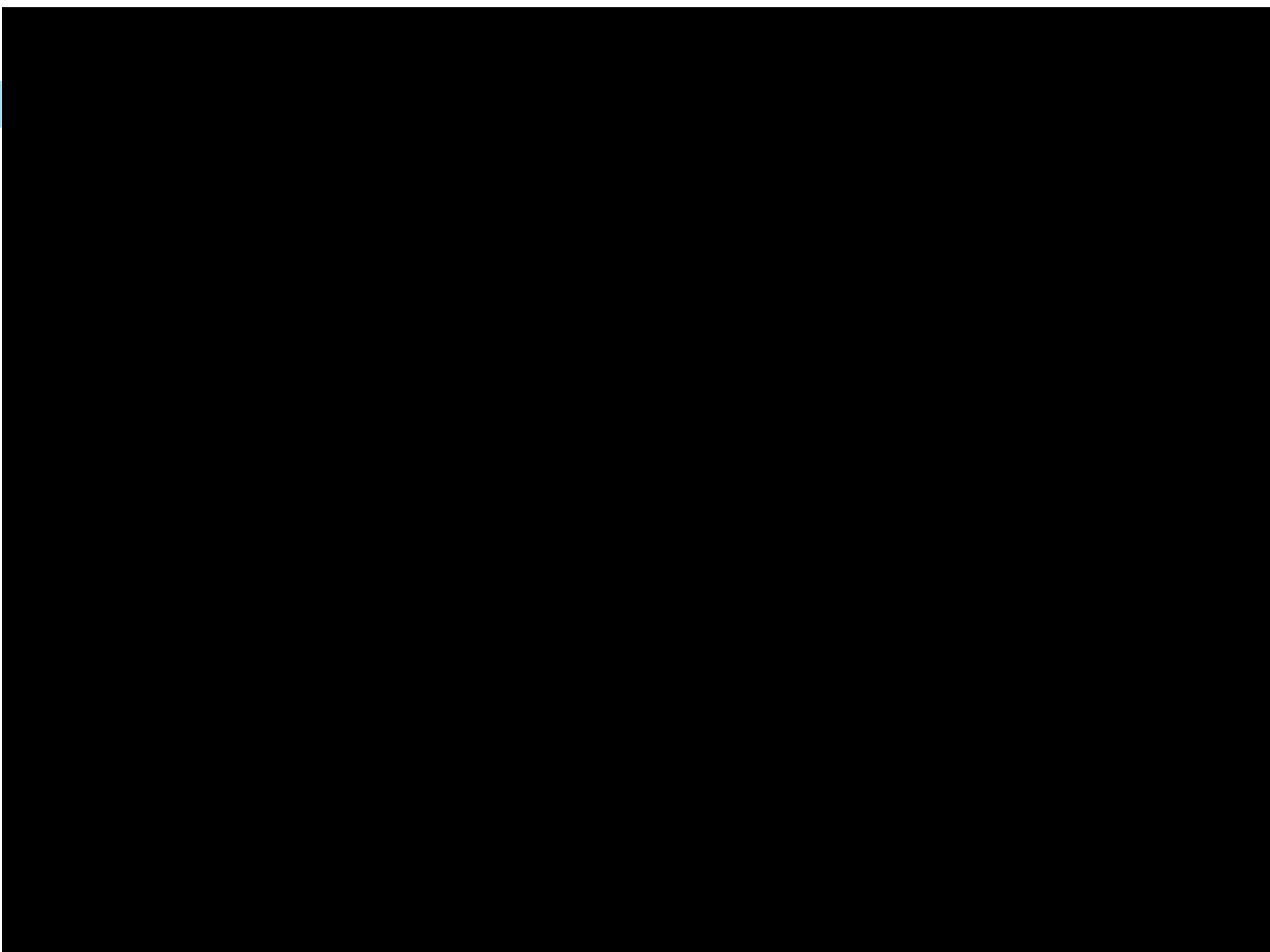
**Attachments:**

Propero Consulting report containing LPC Board skills matrix and candidate overview.

Released From Public Excluded







## 16. Re-appointment of directors to Christchurch City Holdings Ltd, its subsidiaries and to ChristchurchNZ Holdings Ltd and Venues Ōtautahi Ltd.

Reference / Te Tohutoro: 23/1044199

Report of / Te Pou  
Matua: Linda Gibb, Performance Advisor, Resources  
(linda.gibb@ccc.govt.nz)

Senior Manager /  
Pouwhakarae: Leah Scales, General Manager Resources/Chief Financial Officer  
(Leah.Scales@ccc.govt.nz)

### Confidentiality

<b>Section under the Act:</b>	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
<b>Sub-clause and Reason:</b>	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.
<b>Plain English Reason:</b>	To protect the identity of the candidate and his/her reputation.
<b>Report can be released:</b>	As soon as the Council has made its decisions and the candidates have been advised.

### 1. Nature of Decision or Issue and Report Origin

- 1.1 To approve the re-appointment of directors to the boards of Christchurch City Holdings Ltd's (CCHL's) parent and subsidiary companies and to Council-controlled organisations (CCOs).
- 1.2 Following receipt of CCHL's report on 17 July 2023.
- 1.3 CCHL's report at **Attachment A** recommends the re-appointment of six incumbent directors to its parent and subsidiary boards, two to the ChristchurchNZ Holdings Ltd (CNZHL) board and two to the Venues Ōtautahi (VŌ) board.
- 1.4 CCHL's recommendations meet the requirements of the Council's Policy for the Appointment and Remuneration of Directors of Council Organisations (Appointments Policy) with one exception. Skills and expertise matrices of each board's governance requirements and how the proposed mix of directors meet the requirements (new clauses 7.15 and 8.8) has not been provided as work to finalise the assessment framework across the CCHL group and CCOs has not yet been completed. CCHL's report identifies how it has gained assurance that the re-appointments are optimal for best practice governance.
- 1.5 The Appointments Policy provides that appointments to the CCHL parent and subsidiary boards and CCO boards will generally be for no more than two terms of three years each, unless the Council decides otherwise (clauses 7.7 and 8.4). In addition, a director appointed as chair may serve in that role for a maximum of two terms (six years) unless the Council decides otherwise (clause 7.19). CCHL proposes that the Council approves a third term for two directors and two chairs, for reasons set out in its report.

- 1.6 The decisions in this report are of low significance in relation to the Christchurch City Council's Significance and Engagement Policy. The level of significance was determined by considering the extent to which the recommendations would impact the community.

## 2. Officer Recommendations Ngā Tūtohu

That the Finance and Performance Committee:

1. Approves the re-appointment of the following directors to Christchurch City Holdings Ltd group boards for terms of three years each effective from 2023 annual general meetings:
  - a) Ms Abby Foote, chair, Christchurch City Holdings Ltd;
  - b) Ms Sally Farrier, director, Orion New Zealand;
  - c) Mr Justin Murray, Chair, Enable Services Ltd; and
  - d) Mr Mark Christensen, director, EcoCentral Ltd.
2. Approves the re-appointment of the following directors to Council-controlled organisation boards for terms of three years each effective from 2023 annual general meetings:
  - a) Mr Gill Cox, chair, Venues Ōtautahi; and
  - b) Ms Susan Goodfellow, director, Venues Ōtautahi.
3. Approves the re-appointment of the following directors to Christchurch City Holdings Ltd and Council-controlled organisation boards for third terms from 2023 annual general meetings:
  - a) Ms Kate Morrison, director, Christchurch International Airport Ltd;
  - b) Mr Mark Jordan, chair, EcoCentral Ltd;
  - c) Mr Stephen Barclay, director, ChristchurchNZ Holdings Ltd; and
  - d) Dr Therese Arseneau, chair, ChristchurchNZ Holdings Ltd for one year only.
4. Agrees that this report is released to the public after the Council's decisions are advised to the candidates.

## 3. Reason for Report Recommendations Ngā Take mō te Whakatau

- 3.1 CCHL has met the requirements of the Council's Policy for the Appointment and Remuneration of Directors of Council Organisations to the greatest extent possible.

## 4. Alternative Options Considered Ētahi atu Kōwhiringa

- 4.1 CCHL would need to go to the market to attract new directors to ensure the boards are compliant with their constitution's requirements and that they represent best practice governance.

## 5. Detail Te Whakamahuki

- 5.1 The following are the provisions of the Council's Appointments Policy relevant to CCHL's recommendations:
- CCHL is responsible for undertaking the process for recommending the appointment of directors to its subsidiary companies and for CNZHL and VŌ (clauses 8.2 and 8.3);
  - in considering re-appointments of incumbent directors, matters to be considered include whether the skills of the incumbent add value to the work of the governing body



or other skills are needed, the director's length of tenure, and/or succession planning (clauses 7.15 and 8.14);

- appointments to the CCHL parent and subsidiary boards and CCO boards will generally be for no more than two terms of three years each, unless the Council decides otherwise (clauses 7.7 and 8.4);
- a director appointed as chair to CCHL or other CCO may serve in that role for a maximum of two terms (six years) unless the Council decides otherwise (clause 7.19); and
- all proposed appointments and re-appointments to be accompanied by a skills and expertise matrix of the board's governance requirements and how the proposed mix of directors meet the requirements (clauses 7.15 and 8.8).

## 6. Policy Framework Implications Ngā Hīraunga ā- Kaupapa here

### Strategic Alignment Te Rautaki Tīaroaro

- 6.1 This report is consistent with the Council's governance policy which reflects its views of good governance in the local government context. It is not specifically related to the [Council's Long Term Plan \(2021 - 2031\)](#).

### Policy Consistency Te Whai Kaupapa here

- 6.2 The decisions sought are consistent with the Council's Plans and Policies. In particular, the requirements for director re-appointments contained in the Council's Appointments' Policy.

### Impact on Mana Whenua Ngā Whai Take Mana Whenua

- 6.3 The decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does specifically impact Mana Whenua, their culture and traditions.
- 6.4 The decision does not involve a matter of interest to Mana Whenua and will not impact on our agreed partnership priorities with Ngā Papatipu Rūnanga.
- 6.5 The recommendations in this report seek to maintain governance status quo only.

### Climate Change Impact Considerations Ngā Whai Whakaaro mā te Āhuarangi

- 6.6 The proposals in this report will not contribute to adaptation to the impacts of climate change or emissions reductions as they maintain the status quo and do not lead to any change in operational activity.

### Accessibility Considerations Ngā Whai Whakaaro mā te Hunga Hauā

- 6.7 Not relevant to this report.

## 7. Resource Implications Ngā Hīraunga Rauemi

### Capex/Opex Ngā Utu Whakahaere

- 7.1 There are no incremental costs arising from the recommendations in this report.

## 8. Legal Implications Ngā Hīraunga ā-Ture

### Statutory power to undertake proposals in the report Te Manatū Whakahaere Kaupapa

- 8.1 LGA.


### Other Legal Implications Ētahi atu Hīraunga-ā-Ture

- 8.2 The Companies Act 1993 and company constitutions provide legal requirements for the minimum and maximum size of boards and quorums for decision-making. These requirements have been taken into account in the development of the recommendations in CCHL's report.

## 9. Risk Management Implications Ngā Hīraunga Tūraru

- 9.1 Maintaining good governance practices are key to the value proposition of the CCHL group and the CCOs.

### Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A 	CCHL - re-appointments to CCHL parent and subsidiary boards and CCO boards	23/1124994	45

In addition to the attached documents, the following background information is available:

Document Name – Location / File Link
Not applicable

### Confirmation of Statutory Compliance Te Whakatūturutanga ā-Ture

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

### Signatories Ngā Kaiwaitohu

Author	Linda Gibb - Performance Monitoring Advisor CCO
Approved By	Leah Scales - General Manager Resources/Chief Financial Officer



## Council Report

**Date:** 16 July 2023

**To:** Dawn Baxendale, CEO, Christchurch City Council

**From:** Christchurch City Holdings Limited

**Subject:** 2023 CCHL, Subsidiary & CCO Board Reappointments

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### Purpose

The purpose of this report is the following:

- To provide an overview to Council on the 2023 reappointment process for independent directors of CCHL, CCHL subsidiary, Venues Ōtautahi and ChristchurchNZ boards.
- To provide a recommendation on the reappointment of the following Independent Directors for a further term (three years):
  - Abby Foote, CCHL Chair
  - Mark Jordan, EcoCentral Chair
  - Mark Christensen, EcoCentral
  - Sally Farrier, Orion
  - Kate Morrison, CIAL
  - Justin Murray, Enable Chair
  - Therese Arseneau, ChristchurchNZ (for one year term)
  - Stephen Barclay, ChristchurchNZ
  - Gill Cox, Venues Ōtautahi Chair
  - Susan Goodfellow, Venues Ōtautahi

### Background

Following the recommendations of the Northington Report, CCHL has completed a review of its governance programme to ensure the appropriate processes and procedures are in place to deliver best practice governance across the Group. The review was also driven by the changes made to Council's Policy on the Appointment and Remuneration of Directors (the Policy) in early 2023. CCHL received a copy of the final updated Policy in early July 2023.

The Policy sets out the following requirements, which have been incorporated into CCHL's annual governance programme processes and procedures (undertaken by CCHL's Governance & Appointments Committee (GAC)):

- a limit to director terms of 6 years;
- all director appointments and reappointments to be approved by Council;
- all Chair appointments and reappointments to be approved by Council; and
- when submitting recommendations on the appointment or reappointment of directors/Chairs to Council Controlled Organisations (CCO) boards, CCHL is required to include a skills and expertise matrix for the relevant board.

CCHL (assisted by Kerridge & Partners) is in the process of developing a generic skills matrix to be used across CCHL, subsidiary and CCO boards (including relevant aspects that cover all board roles). When finalised, this tool will allow each board to add specific skills and attributes relevant to their own board and will include an assessment tool. CCHL, subsidiary and CCO boards will use the assessment tool on an annual basis to assess themselves and each other against the skills and attributes agreed upon in the matrices.

The skills matrices and assessment tool is a work in progress and CCHL is not able to use this material for the reappointments process in 2023. The skills matrices and assessments will be completed by subsidiaries in August and will support the recruitment of the vacant director positions in 2023. CCHL's Chair has instead consulted with the subsidiary and CCO Chairs and sought feedback from them on their assessment, informed by their most recent board effectiveness/performance review, of each retiring (and eligible for reappointment) director's performance.

### **2023 Director Reappointments**

The rotation schedule for each CCHL subsidiary, ChristchurchNZ Holdings Ltd and Venues Ōtautahi Ltd is attached (refer Appendix 1).

A summary of the 2023 reappointment process for independent directors of CCHL, CCHL subsidiary, Venues Ōtautahi and ChristchurchNZ boards is set out below.

Entity	Constitutional requirements	Name of director	Tenure at 2023 AGM	Key considerations (application of policy, feedback, etc)	Recommendation
CCHL	Clause 14.6 b) requires, when there are four or more Non-Council Directors, then two Non-Council Directors shall retire annually in accordance with this clause	Abby Foote	7 months	<ul style="list-style-type: none"> <li>Appointed on 1 March 2023 as CCHL Chair</li> <li>Within policy – retiring by rotation, eligible for re-election</li> </ul>	Reappoint
		Alex Skinner	7 years	<ul style="list-style-type: none"> <li>Not eligible for reappointment, noting Council's six-year limit on director terms</li> <li>Chris Day's appointment was approved on 26 April 2023, effective 1 September 2023 to fill the vacancy created by Alex Skinner's retirement</li> </ul>	Retire at AGM
Orion	At least one director shall retire in each year (if the number of directors is five or less), noting that at present the Orion board comprises five directors with one vacant position. Directors must retire by rotation after serving three years	Sally Farrier	3 years	<ul style="list-style-type: none"> <li>Completed the first term</li> <li>Within policy – retiring by rotation, eligible for re-election</li> <li>[REDACTED]</li> </ul>	Reappoint
CIAL	Each director to be eligible for rotation every three years	Kate Morrison	6 years	<ul style="list-style-type: none"> <li>Completed two terms (six years), last reappointed in 2020</li> <li>Based on discussions with the CIAL Chair, CCHL is proposing reappointment in line with section 7.7 of the Policy</li> <li>[REDACTED]</li> </ul>	Reappoint

				<ul style="list-style-type: none"> <li>• [REDACTED]</li> </ul>	
		Catherine Drayton (Chair)	14 years	<ul style="list-style-type: none"> <li>• Not eligible for reappointment, noting Council's six-year limit on Chair term</li> <li>• Catherine indicated last year she would be stepping down as Chair at the end of her term</li> <li>• Sarah Ottrey confirmed as Chair Elect in 2022 and will be appointed Chair at 2023 AGM</li> <li>• Formal recruitment process for the vacancy is underway</li> </ul>	Retire at AGM
Enable	Each director is required to rotate every three years they serve.	Justin Murray (Chair)	3 years	<ul style="list-style-type: none"> <li>• Has completed one term as Chair</li> <li>• In accordance with the Policy (section 7.19), a director appointed as Chairperson may serve in that role for a maximum of two terms (six years)</li> <li>• Within policy – retiring by rotation, eligible for re-election</li> <li>• [REDACTED]</li> </ul>	Reappoint
		Craig Elliott	6 years	<ul style="list-style-type: none"> <li>• Not eligible for reappointment, noting Council's six-year limit on director terms</li> </ul>	Retire at AGM

				<ul style="list-style-type: none"> <li>Formal recruitment process for the vacancy is underway</li> </ul>	
Citycare	Two (at least one-third of directors) directors must rotate annually if the board comprises six directors (which it currently does), provided that no director shall continue in office for three consecutive years without being subject to re-election	Jen Rolfe	9 years	<ul style="list-style-type: none"> <li>Not eligible for reappointment, noting Council's six-year limit on director terms</li> <li>Formal recruitment process for the vacancy is underway</li> </ul>	Retire at AGM
		Kevin Young	2 years, 7 months	<ul style="list-style-type: none"> <li>Kevin has advised he is not seeking to be reappointed and will retire at the end of 2023, before being in office for three consecutive years (appointed in January 2021)</li> <li>Bryan Jamison (Chair) has agreed with Kevin he will retire effective 31 December 2023</li> <li>Formal recruitment process for the vacancy is underway</li> </ul>	Retire on 31 December 2023
EcoCentral	The constitution is silent on specific rules in relation to rotation of directors, nor the length of tenure. In line with CCHL's policy, EcoCentral directors are required to retire every three years.	Mark Jordan (Chair)	6 years	<ul style="list-style-type: none"> <li>Has completed two terms (one term as a director and one term as Chair)</li> <li>Appointed Chair at 2020 AGM</li> <li>In accordance with the Policy (section 7.19), a director appointed as Chairperson may serve in that role for a maximum of two terms (six years)</li> <li>Within policy – retiring by rotation, eligible for re-election</li> <li>[REDACTED]</li> <li>[REDACTED]</li> <li>[REDACTED]</li> </ul>	Reappoint
		Mark Christensen	3 years	<ul style="list-style-type: none"> <li>Completed the first term</li> <li>Within policy – retiring by rotation, eligible for re-election</li> </ul>	Reappoint

				<ul style="list-style-type: none"> <li>• [REDACTED]</li> <li>• [REDACTED]</li> <li>• [REDACTED]</li> </ul>	
ChristchurchNZ (CNZ)	<p>At least one third of the Independent Directors (or if the number of directors is not a multiple of three then at least one Independent Director), shall retire, providing that no Director shall continue in office for three consecutive years without being subject to re-election. The Independent Directors selected for retirement shall be those who have been in office the longest since appointment or reappointment</p> <p>The CNZ board currently comprises eight directors, which requires two directors to retire at the 2023 AGM</p> <p>ChristchurchNZ has budgeted for additional Director fees through to 30 June 2024, while the CNZ board carries an eight director (above their approved director fee cap of \$304,000). Noting that in FY22 and FY23 CNZ carried a director vacancy. Refer to supporting memo at Appendix 2</p>	Therese Arseneau	6 years, 3 months	<ul style="list-style-type: none"> <li>• Therese had previously signalled her intention to step down as Chair at the end of her term in 2023</li> <li>• Therese has now confirmed with the Council CEO that she will remain as CNZ Chair for a further one-year term, noting she intends to transition out of the role by 30 June 2024</li> <li>• The CNZ board will start a process to complete an assessment of the three internal candidates who have indicated their interest in the CNZ Chair role in early 2024</li> <li>• The preferred internal candidate will be interviewed by the GAC as part of CCHL's process for recommending the Chair appointment to Council</li> </ul>	Reappoint for one year term to October 2024
		Steven Barclay	5 years, 4 months	<ul style="list-style-type: none"> <li>• Completed two terms, last reappointed in 2020</li> <li>• Based on discussions with the CNZ Chair, CCHL is proposing reappointment in line with section 7.7 of the Policy</li> <li>• A three-year reappointment is recommended to better manage CNZ's rotation schedule (noting both Therese and Paul Bingham are due to retire in 2024 and the three newly</li> </ul>	Reappoint



				appointed directors retire by rotation in 2025)	
Venues Ōtautahi	At least two directors retire/rotate each year	Gill Cox (Chair)	2 years	<ul style="list-style-type: none"> <li>Appointed as VŌ Chair in September 2021</li> <li>Within policy – retiring by rotation, eligible for re-election</li> <li>[REDACTED]</li> </ul>	Reappoint
		Susan Goodfellow	1 year, 7 months	<ul style="list-style-type: none"> <li>Appointed in January 2022</li> <li>Within policy – retiring by rotation, eligible for re-election</li> <li>[REDACTED]</li> </ul>	Reappoint
Development Christchurch Ltd (DCL)	The transitional board (of a sole director, CCHL Interim CEO, Paul Silk) will continue until the completion of the amalgamation of DCL into ChristchurchNZ				No action required, amalgamation is expected to be completed in early FY24
RBL Property Limited	The final transitional board of Tony King (Executive Director) and Paul Silk (as Acting CCHL CEO) remains in place for the trading entity until such time as a decision is made regarding the [REDACTED] site				No action required, in a holding pattern pending the outcome of the Strategic Review
Christchurch Adventure Park (CAP)	DCL, as majority shareholder in CAP, controls board appointments to the CAP board and holds the legal rights to appoint/remove Directors with				No action required

	no requirement for director rotation/s. [REDACTED] [REDACTED] [REDACTED]				
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Released From Public Excluded

## **Recommendations:**

The CCHL Board recommends that Council:

- Notes the overview provided by CCHL on the 2023 reappointment process for independent directors of CCHL, CCHL subsidiary, Venues Ōtautahi and ChristchurchNZ boards.
- Approves the reappointment of the following Independent Directors for a further term (three years) from the 2023 AGM:
  - Abby Foote, CCHL Chair
  - Mark Jordan, EcoCentral Chair
  - Mark Christensen, EcoCentral
  - Sally Farrier, Orion
  - Kate Morrison, CIAL
  - Justin Murray, Enable Chair
  - Therese Arseneau, ChristchurchNZ (for one year term)
  - Stephen Barclay, ChristchurchNZ
  - Gill Cox, Venues Ōtautahi Chair
  - Susan Goodfellow, Venues Ōtautahi

## **Abby Foote**

CCHL GAC Chair

## **Attachments**

- Appendix 1: Rotation Schedules as at June 2023
- Appendix 2: Memo from ChristchurchNZ



## Director Appointment and Rotation Schedule

updated as at: **Jun-23**

Surname	First name	First Appointed	Current Tenure	Last Appointed	Next Rotation	Notes
Foote	Abby	Feb-23	0.3	Feb-23	AGM 2023	Appointment approved by Council on 1 March 2023
Cox	Gill	Mar-23	0.3	Mar-23	AGM 2025	Appointment approved by Council on 22 March 2023
Skinner	Alex	Nov-16	6.6	Nov-22	AGM 2023	Alex appointed as Acting Chair, 29 August 2022. Appointed Interim Chair for 12 month period from 3 October 2022 - confirmed to retire at November 2023 AGM
Templeton	Sara	Dec-19	3.5	Feb-23	2025 Election	Automatically retired post 8 October 2022 local body election on 8 January 2023 (3 months) - reappointed as Councillor director on 1 February 2023
MacDonald	Sam	Feb-23	0.3	Feb-23	2025 Election	Appointed as Councillor director on 1 February 2023 post Appointments Committee process
Goldfinch	Martin	Apr-23	0.2	Apr-23	TBC	Appointment approved by Council on 26 April 2023
Hunt	David	Apr-23	0.2	Apr-23	TBC	Appointment approved by Council on 26 April 2023
Day	Chris	Sep-23	to appoint	Sep-23	TBC	Appointment approved by Council on 26 April 2024
Giesen	Bridget	Apr-23	0.2	Apr-23	TBC	Appointment approved by Council on 26 April 2023



## Director Appointment and Rotation Schedule

updated as at:

**Jun-23**

Surname	First name	First Appointment	Current Tenure	Last Appointed	Next Rotation	Notes
Munro	Paul	Feb-22	1.3	Nov-22	AGM 2025	Council approved at 24 February 2022 meeting: the appointment of Mr Paul Munro as Interim Chair of Orion New Zealand Ltd to take effect immediately and to expire at the time of Orion New Zealand Ltd's 2022 Annual General Meeting. Confirmed by Council as Orion Director & Chair in Aug 22
Farrier	Sally	Aug-20	2.8	Aug-20	Aug-23	Melbourne based
McDonald	Jason	Aug-17	5.8	Aug-22	2025 Election	Reappointed for further term at Orion 2022 AGM
Crawford	Jennifer	Aug-21	1.8	Aug-21	Aug-24	SDC representative appointed at 2021 AGM for three years
						Vacancy to replace Bruce Gemmell who retired in 2022
Sang	Michael	Aug-21	1.8	Aug-21	Aug-24	CCHL representative appointed "in consultation with SDC" at 2021 AGM for three years



## Director Appointment and Rotation Schedule

updated as at:

**Jun-23**

Surname	First Name	First Appointment	Current Tenure	Last Appointed	Next AGM Rotation	Notes
Drayton	Catherine	Oct-09	13.7	Oct-20	Oct-23	Appointed Chair in 2017
Morrison	Kate	Oct-17	5.7	Oct-20	Oct-23	Kate Appointed AGM 2017 and made Audit Chair
Reid	Paul	May-18	5.1	Apr-21	Apr-24	Crown reappointed Paul from 1 May 2021 up to 30 April 2024
Paulsen	Chris	Oct-10	12.7	Oct-22	Nov-24	Reappointed in 2016 for only 1 year at his request. Then reappointed for a further term of two years to 2019. Reappted 2019 for 1 more year to 2020. Reappted for 2 more years to 2022. Reappointed for further 2 year term to 2024.
Barlass	Andrew	Sep-21	1.7	Sep-21	Apr-24	Appointed by Crown - from 15 Sep 2021 to 30 April 2024
Ottrey	Sarah	Mar-19	4.3	Oct-21	Oct-24	Commencement date 1 March 2019, appointed Chair Elect at 2022 AGM

## Director Appointment and Rotation Schedule

updated as at: **Jun-23**

Surname	First name	First Appointed	Current Tenure	Last Appointed	Next Rotation	Notes
Dwyer	Bill	Sep-15	7.7	Nov-21	Nov-24	Appointed to temporary vacancy when LC resigned Sept 2015 appointed to permanent in May 2017. Reappt in 2019 for 2 years to spread future rotation timing of Board.
Easy	Nick	Oct-20	2.7	Oct-20	Oct-23	Reappointment approved by Council on 7 June for further term from October 2023 AGM
Doig	Vanessa	Jan-23	0.4	Jan-23	Nov-25	Approved by Council at 30 November 2022 meeting
Bragg	Barry	Jun-23	0.0	Jun-23	Oct-25	Appointment approved by Council on 26 April 2023 - interim appointment as director Council approved appointment as Chair effective immediately on 7 June 2023
						Vacancy - approved by Council on 30 November 2022
Crauford	Nicki	Jun-23	0.0	Jun-23	Oct-25	Council approved appointment effective 19 June 2023
Hughes	Julian	Jun-23	0.0	Jun-23	Oct-25	Council approved appointment effective 19 June 2023

## Director Appointment and Rotation Schedule

updated as at: **Jun-23**

Surname	First name	First Appointed	Current Tenure	Last Appointed	Next Rotation	Notes
Murray	Justin	Oct-20	2.7	Oct-20	Oct-23	Justin was appointed as Chair Elect 1 July 2021 and became Chair when Mark Bowman retired in October 2021
Petrie	Mark	Jun-19	4.0	Oct-21	Oct-24	
Elliott	Craig	Oct-17	5.7	Oct-20	Oct-23	
Weenink	Scott	Nov-18	4.6	Oct-21	Oct-24	
Horne	Keiran	Jan-23	0.4	Jan-23	Oct-25	Council approved appointment 25 Jan 23
Lawrie	Geoff	Jul-21	1.9	Oct-21	Oct-24	



# **Director Appointment and Rotation Schedule**

updated as at: **Jun-23**

Surname	First name	First Appointed	Current Tenure	Last Appointed	Next Rotation	Notes
Jamison	Bryan	Oct-19	3.7	Oct-22	Oct-25	Appointed Chair-elect in Oct 2019. Took over as Chair in March 2020. Appointed executive Chair in October 2020.
Todd	Mark	Oct-12	10.7	Oct-21	Oct-24	
Young	Kevin	Jan-21	2.4	Jan-21	Oct-23	
Rolfe	Jen	Oct-14	8.7	Oct-20	Oct-23	
Hoogerwerf	Penny	Nov-17	5.6	Oct-22	Oct-25	Rotation brought forward to 2019 Approved by CCHL Board March 2019
Trout	Elena	Jan-22	1.4	Jan-22	Oct-24	



## Director Appointment and Rotation Schedule

updated as at:

Jun-23

Surname	First name	First Appointed	Current Tenure	Last Appointed	Next Rotation	Notes
Christensen	Mark	Jan-21	2.4	Jan-21	AGM 2023	
Horgan	Sinead	Oct-15	7.7	Feb 22 *	AGM 2024	* 2021 AGM delayed til Feb 22
Reed	Ben	Oct-19	3.7	Mar 23*	AGM 2025	* 2022 AGM delayed until Mar 23
Jordan	Mark	Oct-17	5.7	Oct-20	AGM 2023	Appointed Chair-elect to replace David Kerr at 2020 AGM



## Director Appointment and Rotation Schedule

updated as at:

Jun-23

Surname	First name	First Appointed	Current Tenure	Last Appointed	Next Rotation	Notes
Silk	Paul	Sep-22	0.7	Sep-22	N/A	Appointed director post Tim Boyd resignation

**renamed - RBL Property Ltd as from Dec-20**

updated as at:

**Jun-23**

Surname	First name	First Appointed	Current Tenure	Last Appointed	Next Rotation	Notes
King	Tony	Nov-20	2.6	Nov-20	AGM 2023	Tony reappointed to the Board as Executive Director as per CCHL request (Nov 20)
Silk	Paul	Feb-23	0.3	Feb-23	AGM 2025	Appointed to replace Claire Evans



## Director Appointment and Rotation Schedule

updated as at:

Jun-23

Surname	First name	First Appointed	Current Tenure	Last Appointed	Next Rotation	Notes
Arseneau	Therese	Jul-17	5.9	AGM 2022	AGM 2023	Reappointed in 2022 for 1 year term to AGM 2023
Barclay	Stephen	May-18	5.1	AGM 2020	AGM 2023	
Crawford	Jen	Jan-23	0.4	Jan-23	AGM 2025	Approved by Council on 14 December 2022
Selman	Toby	Jan-23	0.4	Jan-23	AGM 2025	Approved by Council on 14 December 2022
Henstock	Victoria	Mar-23	0.3	Mar-23	AGM 2025	Approved by F&P Committee on 22 March 2023
McLellan	Jake	Mar-23	0.3	Mar-23		Approved by F&P Committee on 22 March 2023
Quaintance	Lauren	Jan-23	0.4	Jan-23	AGM 2025	Approved by Council on 14 December 2022
Bingham	Paul	May-18	5.1	AGM 2021	AGM 2024	

**Director Appointment and Rotation Schedule**

updated as at:

**Jun-23**

Surname	First name	First Appointed	Current Tenure	Last Appointed	Next Rotation	Notes
Barber	Kelly	Mar-23	0.3	Mar-23	2025 Election	F&P approved appointment on 22 March 2023
Scandrett	Tim	Nov-13	9.6	Mar-23	2025 Election	Automatically retired in Jan 2023, pending outcome of Councillor Director appointments process in March 2023. Reappointed by F&P on 22 March 2023
Cox	Gill	Sep-21	1.7	Sep-21	AGM 2024	Appointed as Chair in Sep 2021
Goodfellow	Susan	Jan-22	1.4	Jan-22	AGM 2024	
Ford	Brent	Jul-20	2.9	Aug-22	AGM 2025	Financial / AC Chair

# ChristchurchNZ

## memo.

<b>To:</b>	Abby Foote, Chair CCHL
<b>From:</b>	Laura Dawson, Company Secretary, ChristchurchNZ Holdings
<b>Date:</b>	17 July 2023
<b>Subject:</b>	Chair and Board Succession - ChristchurchNZ Holdings

### Recommendations

1. The appointment process for the new Chair of ChristchurchNZ Holdings (CNZH) begins in early 2024.
2. Dr Therese Arseneau (Chair) has her term extended by one year.
3. Stephen Barclay has his term extended by three years.
4. Note Dr Therese Arseneau and Stephen Barclay's total terms would exceed 6 years.
5. Note ChristchurchNZ has budgeted for additional Director fees through to 30 June 2024, while the Board carries an additional director (above the Director fee cap of \$304,000)

### Policy/MOU

The Christchurch City Council's policy for the Appointment and Remuneration of Directors to Council Organisations and the MOU between Council, CCHL and CNZH (2017) states that CCHL will be responsible for recommending appointments and reappointments to the Company's Board in accordance with the Council's policy on appointments. The appointment policy requires that the appointment committee must include the Chair of the board to which the appointment is sought.

### Background

The Chair of the ChristchurchNZ Holdings board, Dr Therese Arseneau, was appointed in October 2016. She had indicated to the shareholder in 2022 that she was planning to step down as Chair at

the 2023 AGM. This was predicated on a succession plan that included new independent directors being appointed by AGM 2022 and new Councillor directors being appointed shortly after the October 2022 local body elections.

Due to a range of factors outside the control of CNZH both the independent and councillor director appointments were delayed, with the full board only in place from April this year.

An extensive selection process was undertaken for the independent directors with a view to one of them being able to step up as chair once they had gained experience around the CNZ board table. Council approved the appointment of three directors, for two vacancies, noting that Chair Therese Arseneau was intending to retire at the 2023 AGM.

The new Board has met three times and early indications are excellent in relation to the calibre and diversity of the new directors. However, given the delays in appointments the Board needs more time to work together and for the new directors to gain a deeper understanding of the business, prior to the selection process for the chair role.

From an operational perspective there has also been change with a relatively new CEO and two out of five General Managers appointed in the last 12 months. The organisation is facing some significant strategic issues and opportunities – a new City Economic Ambition, CNZ Strategy, city brand and Destination Management Plans. Work on capitalising the urban development function has also been delayed and we are part way through a Long-Term Planning process in a challenging fiscal environment.

A managed succession plan for the Board is strongly recommended to ensure ongoing effective governance for ChristchurchNZ.

To enable the managed succession for the Chair and Director roles, consistent with the CNZH Letter of Expectation, it is recommended that Therese Arseneau and Stephen Barclay's terms are extended to account for the delay in the appointment of the new independent/councillor directors.

#### **Director Appointment and Rotation Schedule – June 2023**

*The CNZH Board constitution requires between 5 and 10 directors, with a funding cap (2023/24 \$304,000) set by Council for 7 Directors including the Chair*

First name	Surname	First Appointed	Last appointed	Next Rotation	Proposed Extension
Therese	Arseneau	July 2017	AGM 2022	AGM 2023	AGM 2024 (1 Year) CHAIR
Stephen	Barclay	May-18	AGM 2020	AGM 2023	AGM 2026 (3 Years)
Paul	Bingham	May-18	AGM 2021	AGM 2024	
Jen	Crawford		Jan-23	AGM 2025	
Lauren	Quaintance		Jan-23	AGM 2025	
Toby	Selman		Jan-23	AGM 2025	
Victoria	Henstock	March-23	AGM 2023	AGM 2025	COUNCILLOR
Jake	McLellan	March-23	AGM 2023	AGM 2025	COUNCILLOR



### **Benefits/Risk Mitigation**

The extension of Therese and Stephen for one year and three years respectively provides continuity and an opportunity for the new directors to gain a deeper understanding of the business of ChristchurchNZ and its critical role in the sustainable economic development of the city.

ChristchurchNZ was requested by Council to take on the functions of Development Christchurch Ltd (DCL) in 2020. Due to delays in the capitalization of ChristchurchNZ it is likely that the amalgamation with DCL will now occur in late 2023.

Director Stephen Barclay has been the Chair of the Urban Development Committee of the board, which have governed this work. Extending Stephen's term for a further three years is recommended to ensure governance continuity with this significant change in the risk profile of the organization.

### **Next Steps**

We have been advised that CCHL will provide, in early July, a generic skills matrix and assessment tool that we will be able to use to demonstrate the linkages each of the directors have to our strategy and how each director meets the skills matrix. This will be a valuable input into the Chair appointment process, which we recommend should start in early 2024.

ChristchurchNZ does currently have a skills matrix and can provide details on the how each of the current directors meets this skills matrix, and any other information required to support the reappointment process.