

**Report** PE04.363  
**Date** 21 June 2004  
**File** CFO/21/3/1

**Committee** Policy, Finance and Strategy  
**Author** Margaret Shields, Chairperson

## **CentrePort Director Vacancies**

### **1. Purpose**

- To advise the Committee of two vacancies on the CentrePort Board of Directors and of the process followed to date to find suitable candidates to fill such vacancies.
- To seek the endorsement of the Committee to the appointment of a new Director to fill one of the two vacant positions.

### **2. Exclusion of the Public**

Grounds for the exclusion of the public under section 48(1) of the Local Government Official Information and Meetings Act 1987 are *that the public conduct of the whole or relevant part of the meeting would be likely to result in disclosure of information for which good reasons for withholding exists i.e. to protect the privacy of natural persons.*

### **3. Background**

On 16 April 2004 I received verbal advice from Nigel Gould, the Chairman of CentrePort, that Mike Cashin was intending to resign before 30 June 2004 as a Director of CentrePort. Nigel also advised me that a minimum number of six Directors was required for the Port Company to operate under the Port Companies Act 1988. Based on the fact that the CentrePort Board size has been six Directors, including Mike Cashin, I agreed that it was prudent for the shareholders to commence the process of searching for two new Directors:

- One to replace Mike Cashin
- One to bring the Board number to seven to create some flexibility in the future

I also advised Nigel that the Council's policy on the appointment and remuneration of Directors required a screening group to be set up (CentrePort Chairman, Horizons Regional Council Chairman, Port Investments Ltd Chair)

to determine which candidate(s) would be recommended to shareholders for appointment as Directors.

On 20 April 2004 I was able to brief the Directors of Port Investments Ltd about the position and the process being followed to find two new Directors for the CentrePort Board.

Nigel Gould wrote to me on 20 May 2004 detailing the screening process that had been carried out by reference to the Institute of Directors database along with a recommendation to appoint Richard Janes. Unfortunately I did not receive that letter until it was recently resent, along with a cover letter dated 14 June (refer **Attachment 1**).

On 18 June 2004 I met with Richard Janes and based on his credentials I am prepared to recommend that the Committee endorse his appointment as a Director of CentrePort. Richard has good governance experience and is very familiar with the primary sector, a key sector for CentrePort.

I understand that Chris Lester has indicated to Nigel Gould that Horizons Regional Council is also comfortable that Richard Janes is appointed as a Director of CentrePort.

#### **4. Comment**

It is fair to say that while I am not totally comfortable with the process that has been followed leading to the recommendation of Mr Janes as a Director of CentrePort, the loss in the post of Nigel Gould's 20 May letter has certainly not helped matters.

There is also a seventh Director to be appointed which can be done in a more measured way over the coming months. During this process nominations received from PIL Directors Anne Blackburn and Rick Long will be considered along with other potential candidates.

Notwithstanding my process concerns, I consider that Richard Janes will make an effective Director of CentrePort and his nomination by the screening group should be supported.

As the Committee is aware, Port Investments Ltd (as shareholder) is the party responsible for making Director appointments to the CentrePort Board. However, I felt it was prudent to seek endorsement on this occasion prior to PIL considering this matter.

## **5. Recommendations**

*That the Committee recommend that Council:*

- (1) receive the report and note its contents.*
- (2) note the resignation of Mike Cashin as a Director CentrePort.*
- (3) endorse the appointment by Port Investments Ltd of Richard Janes as a Director of CentrePort.*
- (4) note the process of appointment of the seventh Director of CentrePort.*

Report prepared by:

**Margaret Shields**  
Chairperson

**Attachment 1:** Letter from Nigel Gould dated 14 June 2004  
Letter from Nigel Gould dated 20 May 2004  
Richard Janes - CV

Public excluded