

Notice is hereby given that an Ordinary meeting of the Great South Joint Shareholders Committee will be held on:

Date: Thursday, 3 April 2025
Time: 9:00 am
Meeting room: Great South, 143 Spey Street, Invercargill
Venue:

Great South Joint Shareholders Committee Agenda OPEN

MEMBERSHIP

Rob Scott, Mayor Southland District Council (Chair)	A class shareholder
Ben Bell, Mayor, Gore District Council	A class shareholder
Nobby Clark, Mayor, Invercargill City Council	A class shareholder
Nicol Horrell, Chair, Environment Southland	A class shareholder
Daryl Haggerty, Acting Chief Executive, Southern Institute of Technology	B class shareholder
Sheree Carey, Chief Executive Officer, Southland Chamber of Commerce	B class shareholder
Mark Paterson, General Manager, Maitaura Licensing Trust	B class shareholder
Chris Ramsay, Chief Executive, Invercargill Licensing Trust	B class shareholder
Jackie Flutey, Chief Executive Officer, Community Trust South	Member

TABLE OF CONTENTS

ITEM		PAGE
PROCEDURAL		
1	Apologies	3
2	Leave of absence	3
3	Conflict of Interest	3
4	Extraordinary/Urgent Items	3
5	Confirmation of Minutes	3
REPORTS		
7.1	Great South update	9
7.2	Process review	13
7.3	Great South Director terms expiring on 30 June 2025	25

1 Apologies

At the close of the agenda no apologies had been received.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of Interest

Joint Committee members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Extraordinary/Urgent Items

To consider, and if thought fit, to pass a resolution to permit the Joint Committee to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) The reason why the item was not on the Agenda, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

"Where an item is not on the agenda for a meeting,-

- (a) that item may be discussed at that meeting if-
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion."

5 Confirmation of Council Minutes

5.1 Meeting minutes of Great South Joint Shareholders Committee, 14 February 2025

Great South Joint Shareholders Committee

OPEN MINUTES

Minutes of a meeting of Great South Joint Shareholders Committee held in the Great South, 143 Spey Street, Invercargill on Friday, 14 February 2025 at 9:00 – 11:03 am.

PRESENT

A class shareholders

Rob Scott, Mayor Southland District Council (Chair)
Ben Bell, Mayor, Gore District Council
Nobby Clark, Mayor, Invercargill City Council
Nicol Horrell, Chair, Environment Southland

Member

Jackie Flutey, Chief Executive Officer, Community Trust South

MEMBER APOLOGIES

Sheree Carey, Chief Executive Officer, Southland Chamber of Commerce
Chris Ramsay, Chief Executive, Invercargill Licensing Trust

IN ATTENDANCE

Ian Collier, Board Chair, Great South,
Chami Abeysinghe, Chief Executive, Great South
Bobbie Brown, GM Regional Strategy, Great South
Suzanne Hotton, General Manager Finance, IT and Facilities, Great South
Trudie Hurst, Group Manager Community Engagement and Corporate Services, Invercargill City Council
Vibhuti Chopra, Group Manager Strategy and Partnerships, Southland District Council
Wilma Falconer, Chief Executive, Environment Southland
Michael Day, Chief Executive, Invercargill City Council
Debbie Lascelles, Chief Executive, Gore District Council
Megan Seator, Policy Advisor, Southland Mayoral Forum
Michal Gray, Democracy Advisor, Southland District Council

1 Apologies

Apologies were received from Sheree Carey and Chris Ramsay.

Moved Chair Horrell, seconded Mayor Clark and resolved that the Great South Joint Shareholders accepts the apologies.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

5 Confirmation of Council Minutes

Resolution

Moved Member Flutey, seconded Chair Horrell **and resolved:**

That the Great South Joint Shareholders Committee confirms the minutes of the meeting held on 6 December 2024 as a true and correct record of that meeting.

That the Great South Joint Shareholders Committee confirms the minutes of the Extraordinary meeting held on 13 December 2024 as a true and correct record of that meeting.

Reports

7.1 Joint Shareholder Committee processes

Record No: R/25/2/4386

Resolution

Moved Chair Horrell, seconded Mayor Clark **and resolved:**

That the Great South Joint Shareholders Committee:

- a) requests a report on potential improvements to the director appointments process, Statement of Intent and funding process, to be brought back to the April meeting of the Great South Joint Shareholders Committee.**

7.2 Great South update

Record No: R/25/2/4383

Chami Abeysinghe, Chief Executive, Great South presented this update.

Resolution

Moved Mayor Scott, seconded Mayor Bell **and resolved:**

That the Great South Joint Shareholders Committee:

- a) **receives the report titled "Great South update".**

7.3 Beyond 2025 - 12 Month Year in Review 2023-2024

Record No: R/25/2/4375

The purpose of this report is for Great South to provide the Great South Joint Shareholders Committee with the Beyond 2025 - 12 Month Year in Review 2023-2024.

Resolution

Moved Mayor Scott, seconded Member Flutey **and resolved:**

That the Great South Joint Shareholders Committee:

- a) **receives the report titled "Beyond 2025 - 12 Month Year in Review 2023-2024".**

7.4 Regional Deals Light Touch Proposal for Southland

Record No: R/25/2/4656

Chami Abeysinghe, Chief Executive of Great South has provided the Great South Joint Shareholders Committee with the draft Regional Deals Light Touch Proposal for Southland contained for discussion and feedback from the Committee.

Resolution

Moved Mayor Clark, seconded Member Flutey **and resolved**

That the Great South Joint Shareholders Committee:

- a) **receives the report titled "Regional Deals Light Touch Proposal for Southland".**
- b) **noted that committee members will need to provide feedback on the draft Regional Deals Light Touch Proposal by 21 February 2025**

Great South Joint Shareholders Committee

14 February 2025

7.5 Update from Great South GM Regional Strategy

Record No: R/25/2/4365

Bobbi Brown, GM Regional Strategy, Great South updated the Great South Joint Shareholders Committee on the establishment of a GM Regional Development Advisory Group and on the workstreams of Regional Housing Framework, DISH, and Aquaculture.

Resolution

Moved Mayor Scott, seconded Chair Horrell **and resolved:**

That the Great South Joint Shareholders Committee:

- a) **receives the report titled "Update from Great South GM Regional Strategy".**

7.6 Kelp Blue update

Record No: R/25/2/5608

This is an opportunity for Felicity Perry, Managing director from Kelp Blue and Barry Bragg Interim Chair of Awarua Runanga to provide an update to the Great South Joint Shareholders Committee.

Resolution

Moved Mayor Scott, seconded Mayor Clark **and resolved**

That the Great South Joint Shareholders Committee:

- a) **receives the update.**

Public Excluded

Exclusion of the public: Local Government Official Information and Meetings Act 1987

Resolution

Moved Mayor Scott, seconded Chair Horrell

That the public be excluded from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

C8.1 Great South and SpaceOps NZ draft Statements of Intent 2025-2028

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Great South and SpaceOps NZ draft Statements of Intent 2025-2028	s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of

Great South Joint Shareholders Committee

14 February 2025

	prejudice or disadvantage, commercial activities.	information for which good reason for withholding exists.
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The public were excluded at 10:34 am.

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available unless released here.

The meeting concluded in PE at 11:03 am

CONFIRMED AS A TRUE AND CORRECT RECORD OF A
MEETING OF THE GREAT SOUTH JOINT
SHAREHOLDERS COMMITTEE HELD ON 14
FEBRUARY 2024

DATE:.....

CHAIRPERSON:.....

Great South update

Record no: R/25/3/14109

Author: Michal Gray, Democracy advisor

Approved by: Robyn Rout, Governance legal manager

Decision

Recommendation

Information

Chami Abeysinghe, Chief Executive of Great South, provides the Great South Joint Shareholders Committee with the 'Great South Report' contained in Attachment A.

Recommendation

That the Great South Joint Shareholders Committee:

- a) receives the report titled "Great South update".

Attachments

A Great South Report - 28.03.25



To The Joint Shareholder Committee
Date 28 March 2025

Great South Report

Author	Chami Abeyasinghe, Chief Executive
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General Overview

It's been a busy few weeks since our last meeting, with a number of significant 'wins' for Southland. In terms of advocacy and connections with central government, on behalf of the shareholders we submitted the Regional Deal proposal, hosted MP Andy Foster and Hon James Meager, Minister for the South Island, listened to Hon David Seymour speak at a lunch event organised by the Southland Business Chamber and provided a detailed update to Hon Penny Simmonds.

In addition to Penny, I have also sent copies of the Murihiku Southland Regional Deal Proposal to MP Joseph Mooney, MP Andy Foster, Hon Mark Patterson and Hon James Meager.

Some of the key highlights since the last JSC meeting:

- **Pounamu Tourism Group**

Paul Jackson, Managing Director of Pounamu Tourism along with two of his colleagues visited Invercargill on Wednesday 19 March to progress discussions about new a tourism product for the region. Paul is hoping to offer the Sir Edmund Hillary Explorer South Island Rail & Coach Tour Winter service connecting Invercargill and Dunedin via a train service. He has purchased the carriages, and they are currently being refurbished. We are supporting Paul with this initiative with a hope that the first trial group will visit Invercargill in September 2025.

- **Tourism quarterly report through DISH**

Bobbi and her team have successfully completed the first report from DISH – this was for tourism providing data up until Dec 2024 show that:

- Regional visitor spend had increased by 2.1% to \$354M (from last year)
- Regional number of events hosting over 500 people had increased by 11.5% to 136 (from last year)
- Milford Sound passenger numbers had increased by 19.9% to 757,373 (from last year)

The full report can be viewed on the DISH website and can be accessed [here](#).

- **Regional Tourism Boost Fund**

Great South is proud to be part of a successful collaborative bid that has secured \$350,000 from the Regional Tourism Boost Fund to support a targeted campaign aimed at attracting Australian visitors from the Gold Coast to the lower South Island during autumn and winter 2025.

The Southern Way is a strategic partnership of eight Regional Tourism Organisations across Otago and Southland - Dunedin, Waitaki, Wānaka, Clutha, Central Otago, Queenstown, Fiordland, and Southland.

Southland Regional Development Agency

143 Spey Street, PO Box 1306, Invercargill 9840, Southland, New Zealand
Phone +64 3 211 1400 Email info@greatsouth.nz

greatsouth.nz

Together, the regions are working to encourage longer stays, low-impact travel, and greater regional dispersal through coordinated marketing and shared storytelling.

- **Tourism NZ Collaborations - Minecraft Aotearoa New Zealand World**

The Tourism and Events team have worked incredibly hard to secure not one but two locations in our region for this project; Doubtful Sound and Milford Sound. Oraka Aparima rūnaka were instrumental in working with Piki Studios in developing the 6th indigenous portal. This brought new context to the gamers experience showcasing NZ into Patea/Doubtful Sound to present the magnificent fjords and our ancestral connections. Oraka Aparima supported the storytelling, conceptual design and content and supported access for filming for tourism promotions and game needs.

There are about 70 million people in Minecraft's audience with 85% of these players interested in experiencing New Zealand through the Minecraft platform. We hope to see some of this exposure translate to actual visits to our beautiful region. Great South will also undertake at least four Minecraft-related influencer famils to the region.

- **Russ Cook aka the 'Hardest Geezer' Update**

Committee members may have been aware of the media around the Hardest Geezer who started his Te Araroa Trail run from Bluff earlier this month. He's left Southland experiencing *all* the weather! He had some rough days but had a fantastic day exploring Milford Sound with Mitre Peak Cruises.

Quick Summary: The Hardest Geezer Runs New Zealand campaign with Tourism New Zealand Campaign Goals:

1. Maintain NZ appeal and consideration among UK audiences.
2. Build off-peak familiarity and arrivals.
3. Showcase the depth of off-peak New Zealand experiences through advocacy.

Russ has 260,000 subscribers and the current video for days 1 and 2 have over 10,000 likes, 566 comments and 221,000 views.

- **Housing – Planning Regulatory Review**

This project, under the Murihiku Southland Housing Action Plan is one of four 'housing' projects being delivered by Great South in 2024/2025 SOI. It is now complete, meeting its' timeframe and budget.

- The project was funded from three contributions including Beyond 2025 MBIE funds, Kāinga Ora and Community Trust South. Findings have been presented to Kāinga Ora who are extremely pleased with the project which is somewhat groundbreaking for New Zealand at present, and an offer has been extended to share the findings with Community Trust South.
- Each Council that participated has been individually presented the report and findings have been discussed. All CEOs from the three councils have also been briefed.
- A final presentation was made to an industry sector group of building professionals who participated in the project on 24 March 2025
- Recommendations include:
 - Seven of the nine recommendations are currently being considered by Councils who have sincerely committed to self-improvement.
 - Some Councils have already committed to systemic change which has been in part driven by the findings from this report (which suggests Council Culture Resets).
 - Councils are navigating significant change from Central Government across foundation legislation including Resource Management reform and the Building Act. However,

they remain committed to this pathway forward and this has been acknowledged and appreciated by the wider building sector and professionals.

- It was also acknowledged that there is definitely an opportunity for improved applications from applicants – ways to communicate and partner together are essential to build greater knowledge and understanding.
- This is a piece of work from a single point in time and should be considered as that, accepting that this is a fast-moving, changing environment.
- We are now working to complete:
 - The **Housing Quarterly Data Report** from DISH (due April for Oct-Dec 2024 period).
 - Development of the “**Build South**” website alongside our partner councils and building industry.
 - Organising and hosting a **Regional Housing Forum** event scheduled for mid-2025.

- **Upcoming Priorities**

- Progressing Q3 KPI deliverables
- Understanding changes to RMA and the NPS-HPL announced by central government
- Working through budgets and deliverables for SOI 2025/26 to be finalised before 30 June 2024

Process review

Record no: R/25/3/13480

Author: Michal Gray, Democracy advisor

Approved by: Vibhuti Chopra, Group manager strategy and partnerships

Decision

Recommendation

Information

Purpose

- 1 The purpose of this report is to provide the Great South Joint Shareholders Committee (JSC) with options for simplifying the director appointments process and letter of expectation and statement of intent process for Great South's Statement of Intent 2026/2027.

Executive summary

- 2 At the meeting of the Great South Joint Shareholders Committee (JSC) on 14 February 2025, it was requested that a report be presented to the meeting on 3 April on 'potential improvements to the director appointments process, statement of intent and funding process'. It was agreed SDC would lead this and work with input from other Councils, and provide advice to the JSC.
- 3 Staff from the Councils met on 20 March to discuss possible changes to the director appointment and statement of intent processes. Following the meeting staff prepared this report to provide options to the JSC.
- 4 This report provides:
 - a suggested process for director appointments to be followed this year for the appointments that expire on 30 June 2025
 - a suggested letter of expectation (LOE) process with dates that allow for the LOE for this year to be completed and sent to Great South prior to the local authority elections in October 2025
 - a suggested statement of intent (SOI) process for the Great South Statement of Intent 2026/2027, that would be completed after elections.
5. Three directors of Great South have terms expiring on 30 June 2025. The proposed director appointment process will apply to those director vacancies, if the process is adopted by the JSC at this meeting. There is a separate report on the agenda that has been prepared based on the proposed process being adopted by the JSC. If the JSC makes substantial changes to the proposed process or decides not to adopt it, staff will prepare a new report on the director vacancies for the next meeting of the JSC.
6. Staff recommend to the JSC that in the new triennium a comprehensive review of the directors appointments, LOE and SOI processes is undertaken to align to best practice.

Recommendation

That the Great South Joint Shareholders Committee:

- a) receives the report titled "Process review".
- b) determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.
- c) determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.
- d) adopts the process outlined in the Directors Appointments Process contained in Attachment A for appointment of directors of Great South made during this triennium.
- e) notes the process flow chart for the Great South Statement of Intent 2026/2027 contained in Attachment B and provides feedback to staff.

Background

- 5 At the February meeting of the Great South Joint Shareholders Committee (JSC), it was requested that a report to come to the meeting on 3 April 2025 on 'potential improvements to the director appointments process, statement of intent and funding process'. It was agreed for SDC to lead this and work with other Councils, to provide advice to the JSC.
- 6 Staff from the Councils met on 20 March to discuss possible changes to the director appointment, letter of expectation and statement of intent processes.
- 7 It was agreed to focus on the key issues as they pertain to the remainder of the triennium. Staff have also included a suggested process for completing the SOI 2026/2027 in the new triennium, but note that once that once the new membership of the JSC come into effect a comprehensive review should be undertaken of all processes to align with best practice.

Issues

Director appointments process

- 8 The current director appointment process is outlined in clause 20.3 of the Constitution and is summarised below:
 - the JSC selects an appointments panel
 - the appointments panel calls for nominations from the shareholders (lack of clarity whether it is shareholder members of JSC or the shareholders themselves, also lack of clarity on whether this is all shareholders or only class A shareholders?)
 - the appointments panel advertises or seeks expressions of interest in the manner it determines

- the appointments panel interviews the applicants it considers are suitable taking into account a list of skills
 - the appointments panel selects and presents suitable candidates to the JSC
 - JSC approves the proposed directors
 - the voting shareholders appoint the directors by majority resolution
 - The term of appointment is three years, but eligible for reappointment. There is no limit to number of times a director can be reappointed.
- 9 The issues identified in the current director's appointments process are that it:
- it is overly convoluted
 - provides little flexibility
 - does not define the maximum tenure
 - does not contain guidance on when reappointments are appropriate.
- 10 To resolve some of these issues, staff suggest the JSC follows a new process for the appointment of directors in 2025. That new process is contained in Attached A and incorporates the following changes:
- setting a maximum of 3 terms/9 years of tenure – but tenure over 6 years is only considered on a case by case basis
 - flexibility on whether to advertise vacancies
 - allowing consideration of succession planning, diversity and the skills of the entire board (including tikanga Māori) in making appointments
 - provides options when reappointments are being considered

Letter of expectation and statement of intent processes review

- 11 Staff have identified the following issues with the current LOE and SOI processes:
- lack of clarity around the role of the JSC in the LOE and SOI processes
 - multiple steps in the process and double handling
 - desire by JSC to have a role in oversight of the SOI process.
- 12 SDC staff, with input from the other Councils, are proposing new LOE and SOI processes for the development of the SOI 2026/2027, commencing in July 2025. The two processes are outlined below, with a timeline of the suggested steps. A flowchart of both the LOE and SOI processes is included with this report as Attachment B.
- 13 Staff also gave Great South chief executive, Chami Abeysinghe an opportunity to provide input into the proposed LOE and SOI processes and she was supportive of the proposal for the 2026/2027 SOI.
- 14 Staff suggest that once the new members are appointed to the JSC in the new triennium, a comprehensive review of the LOE/SOI processes is undertaken to align to best practice. Staff note that the processes outlined below are only contemplated by staff for application leading up to the completion of the SOI 2026/2027.

Proposed letter of expectation process

15 The timelines below summarise the current process and the proposed process for the LOE that will guide Great South in its preparation of the draft SOI 2026/2027. The timeline allows for the LOE to be delivered to Great South prior to the local authority elections on 11 October 2025.

Current LOE process

DATE	STEP
October	Great South offer separate workshops to shareholders
October	Council's each decide on priority areas for LOE and funding
	Policy advisor prepares combined LOE
Late October	JSC approves combined LOE and delivers to Great South

Proposed process for LOE 2026/2027

DATE	STEP
July 2025	Great South present workshop to JSC and council staff to review current SOI priorities and direction
by 1 August 2025	Staff prepare combined draft LOE
8 August 2025	JSC approves draft LOE including funding and recommends to Councils
9 August – 15 September 2025	Councils receive the recommended draft LOE from the JSC, approve funding and have an opportunity to add anything else.
19 September 2025	JSC approves final LOE and delivers to Great South
11 October 2025	Local Authority elections

- 16 The key changes in the proposed process for the preparation of the LOE are as follows:
- a draft LOE is prepared by staff of the Councils/mayoral policy analyst following a workshop presented by Great South to the JSC.
 - the JSC takes a lead role and endorses the draft LOE (including proposed funding) and recommends this to the Councils – this is a change from the current process where the JSC considers the LOE after each Council has made a decision.
 - the recommended draft LOE is presented to each council, is approved and there is an opportunity for the Councils to add anything else to the LOE
 - staff suggest that the funding is approved by each council as a total sum rather than split into core/contract amounts
 - after the Councils have made decisions and before to elections, the JSC approves the final LOE and provides it to Great South

- Class B shareholders will be able to provide input into the LOE process at the workshop, when the JSC considers the draft LOE, or by their respective boards considering the draft LOE.
- since this year is not an LTP year it is anticipated that the LOE will be seeking minor changes to the SOI, noting that any significant changes to the SOI are more appropriate in the long term plan years to align the SOI with the Councils' long term plans.

Proposed statement of intent process

The tables below summarise the current SOI process and a proposed process for the 2026/2027 SOI, to commence after the local authority elections in October 2025. Staff suggest that in the new triennium a comprehensive review of the letter of expectation and statement of intent processes is undertaken.

Current SOI process

DATE	STEP
1 December 2025	Great South provides draft SOI to JSC and Shareholders Councils each consider draft SOI and make comments
31 March 2026	JSC provides a combined shareholder response on the draft SOI
1 May 2026	Board must consider the Council's comments by 1 May
15 June 2026	Great South adopts final SOI
July 2026	Councils agree to final SOI or request modifications

Proposed process for 2026/2027 SOI

DATE	STEP
1 December 2025	Great South provides draft SOI to JSC and Shareholders
January/February 2026	JSC reviews draft SOI and makes recommendations to councils on council comments
31 March 2026	Councils consider draft SOI and JSC recommendations and make any comments
1 May 2026	Board must consider council comments by 1 May
15 June 2026	Great South adopts final SOI
15 July 2026	Councils adopt and publish the final SOI

- 17 The JSC does not hold delegations to make comments on the draft SOI. However, the proposed process gives the JSC the role of reviewing the draft and then making recommendations for shareholder comments for the councils to consider whether to adopt.
- 18 This change may provide an opportunity for a more coordinated response by Councils to the draft SOI. It also provides an opportunity for Class B shareholders input into reviewing the SOI (but noting that they do not have statutory rights under the SOI process).

Factors to consider

Legal and statutory requirements

- 19 The Constitution of Great South sets out the current director appointments process.
- 20 Section 64B of the Local Government Act 2002 (LGA) gives shareholders of a council controlled organisation the option of providing a statement of expectations.
- 21 Section 64 and schedule 8 of the LGA sets out the legal requirements for the SOI. The date for the delivery of the final SOI is varied by the Constitution of Great South.
- 22 The proposed LOE and SOI processes are consistent with the delegations held by the JSC under the governance documents.

Community views

- 23 Community views have not been assessed in this process review as the processes are largely legislatively prescribed and administrative.

Costs and funding

- 24 The proposed director appointments process would be more efficient and cost effective.

Policy implications

- 25 The JSC does not currently hold a policy on director appointments.

Analysis

Options considered

- 26 Staff have identified the following options:

Option 1 - adopt the proposed processes for director appointments, letter of expectation and the statement of intent and undertake a comprehensive review in the new triennium.

Option 2 – not adopt the proposed processes for director appointments, letter of expectation and the statement of intent.

Analysis of Options

Option 1 – adopt the proposed processes for directors appointments, LOE and SOI (for the development of the 2026/2027 SOI) and undertake a comprehensive review in the new triennium

<i>Advantages of proposed directors appointments process</i>	<i>Disadvantages of proposed directors appointments process</i>
<ul style="list-style-type: none">• allows for a more flexible and streamlined process for directors appointments• includes consideration of knowledge of tikanga Māori for director appointments which is a legal requirement	<ul style="list-style-type: none">• none identified• allows for less open process when reappointments are being considered than the current process

Great South Joint Shareholders Committee

3 April 2025

<ul style="list-style-type: none"> • includes consideration of the mix of skills of the board, succession planning and governance requirements of GS • sets a maximum tenure of directors 	
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<i>Advantages of proposed LOE process</i>	<i>Disadvantages of proposed LOE process</i>
<ul style="list-style-type: none"> • is consistent with delegations to the JSC and governance documents • clarifies the roles of the JSC and shareholders • may enable a more regional focus to be taken in the LOE • recommending a draft LOE and funding split to councils may streamline the LOE process • continues the practice of considering significant changes in LTP years and more minor changes in the other years • allows Great South increased certainty in its operations in an election year 	<ul style="list-style-type: none"> • councils may make changes to the draft LOE or funding that require it to be reconsidered by the JSC, and a new draft presented to all councils • completing the LOE and approving funding before elections may result in re-working of the funding in the councils annual plan process

<i>Advantages of proposed SOI process</i>	<i>Disadvantages proposed SOI process</i>
<ul style="list-style-type: none"> • is consistent with delegations to the JSC • clarifies the roles of the JSC and shareholders • may streamline the process • the JSC has knowledge of the priorities and direction of Great South and may be better informed to review the SOI and make recommendations to councils gives staff a clear process to follow in the new triennium until a comprehensive review is completed. 	<ul style="list-style-type: none"> • adding in the step of the JSC reviewing and recommending shareholder comments on the SOI could require additional time resource from staff and decision makers

Option 2 – not adopt the proposed processes for director appointments, letter of expectation and statement of intent.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • does not require any change in practice 	<ul style="list-style-type: none"> • does not resolve the issues with the current director appointment process, that it is overly convoluted, provides little flexibility,

	<p>does not define the maximum tenure and does not contain guidance on when reappointments are appropriate.</p> <ul style="list-style-type: none">• does not resolve the issues identified with the current LOE/SOI processes including lack of clarity around the roles, multiple steps and double handling and a desire for more input from the JSC.• it will be difficult to complete the existing LOE process after elections and provide to Great South by 1 December 2025, which may result in difficulty in completing the SOI process within the statutory timeframes.
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Assessment of significance

- 27 Staff have assessed the level of significance of this decision under the councils respective Significance and Engagement Policies. Staff have assessed it as not being significance since it relates to adopting processes to guide staff and stakeholders.

Recommended option

- 28 Staff recommend the JSC adopt the proposed processes for director appointments, letter of expectation and the statement of intent.

Next steps

- 29 If the proposed processes are adopted by the JSC:
- the filling of the director vacancies for terms commencing 1 July 2025 will follow the new directors appointments process. This meeting of the JSC (3 April 2025) contains a report staff have prepared that applies the new process to those director vacancies.
 - staff will arrange for workshops to be presented to the JSC and reports be prepared to the JSC and councils for the new LOE process, based on the dates contained in the timeline contained in paragraph 14.
 - staff will coordinate reports for the new process for the SOI process.

Attachments

- A Proposed director apointment process for 2025
- B LOE and SOI 2026/2027 flowchart

Proposed director appointment process for 2025

Term of appointment

Directors are appointed for a three-year term. The maximum number of consecutive terms for any director is three, but reappointments exceeding a continuous six years are generally discouraged and considered on a case-by-case basis.

Directors should have no expectation of reappointment at the end of their term of appointment.

Appointment process

When a director vacancy arises on the board the following process will be applied:

1. The JSC will decide whether or not to advertise the vacancy and in making this decision it will consider:
 - the costs of any advertising and selection process
 - the urgency of the appointment
 - the known availability of qualified candidates
 - whether reappointment is proposed and it is appropriate that they be considered for reappointment.
2. The JSC will select an appointments panel of up to four members with at least two from members from the A class shareholder representatives on the JSC and one from B class shareholder representatives on the JSC. The appointments panel can also include chairperson of board or any person with particular knowledge or skills that would be beneficial to selection.
3. The JSC may itself complete any or all of the steps outlined below that are otherwise assigned to the appointments panel.
4. The appointments panel will identify the specific skills and experience required for the director vacancy taking the following factors into account:
 - the mix of skills and experience on the board (using the directors skills and experience matrix contained in Schedule 1)
 - encouraging diversity
 - the objectives of Great South as described in the SOI
5. The appointments panel will consider applications, conduct interviews and make recommendations to the JSC of suitable candidates based on the skills and experience required of the director vacancy.
6. The JSC by a majority vote of the shareholder representatives approve the appointment of the proposed directors.

Additional guidance when reappointments are considered

Where a reappointment is being considered the JSC or appointments panel may decide that it is not necessary to interview the incumbent seeking reappointment.

Where reappointment is being considered the JSC will have particular regard to whether reappointment of the incumbent will match the governance requirements of GS (including succession planning) and is appropriate given the mix of skills now on the board.

Conflict of interest

Appointments panel members and applicants must declare any potential conflicts of interests and the appointments panel will consider whether appointment is appropriate.

Appointment of the chair

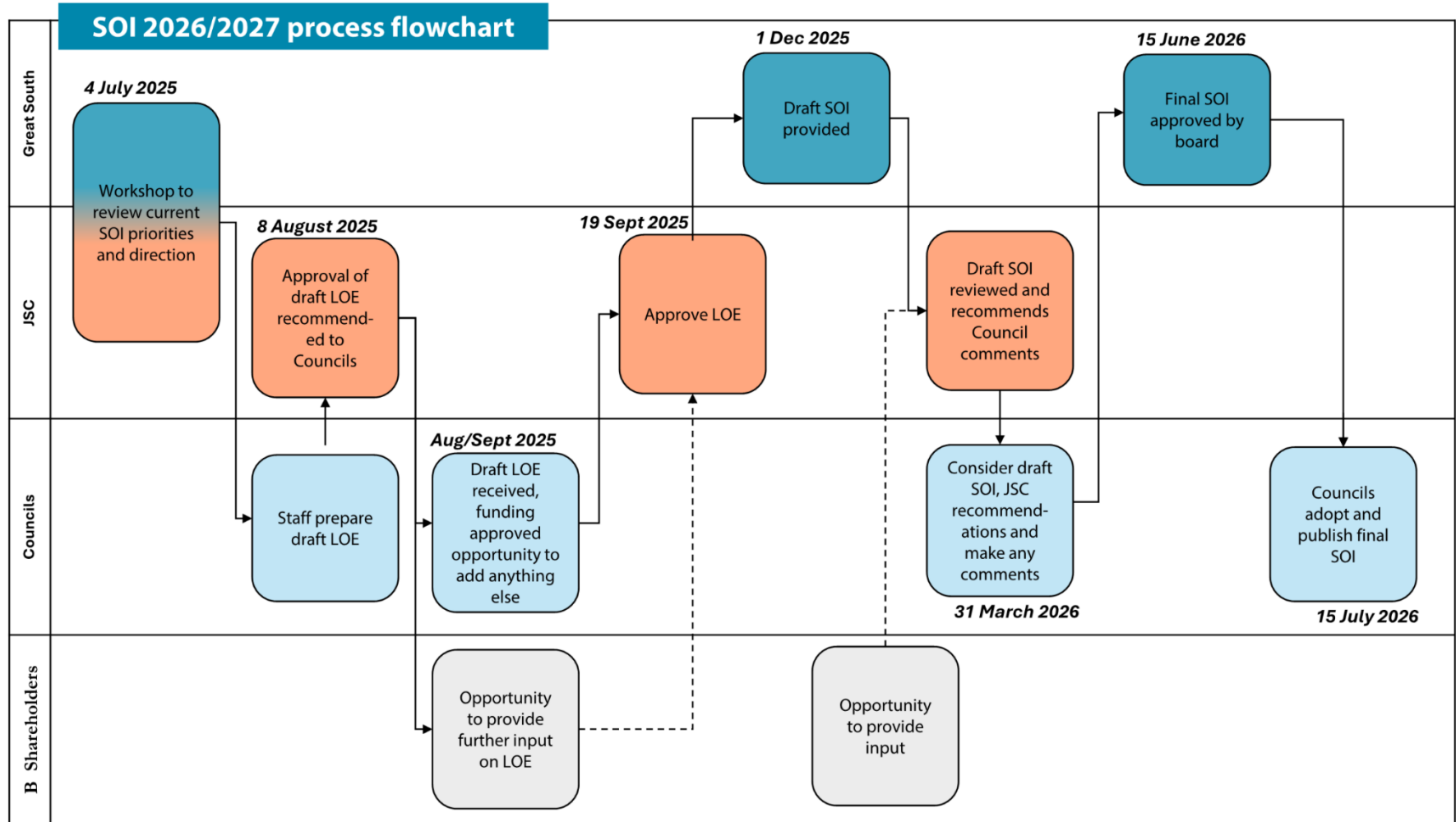
When a director who is also appointed as chairperson is seeking reappointment the process will apply to their reappointment as director.

Schedule 1

Directors skills and experience matrix

The table below lists the collective skills required of the board with an indication of whether they are essential or desired skills.

Skill Area	Description	Essential or desired
Strategy and planning	Experience in developing and implementing long-term strategic plans, particularly in context of the strategic objectives of Great South.	Essential
Economic Development Knowledge	Understanding of regional and national economic development trends, policies and strategies.	Essential
Governance, Risk and Compliance	Understanding of corporate governance principles and processes	Essential
	Ability to identify, assess and manage key risks to in a wide range of areas including financial, legal and regulatory compliance.	Essential
Financial Performance	Knowledge of financial principles, budgeting, and performance analysis. Proficiency in interpreting financial statements and budgets.	Essential
Shareholder and Stakeholder relations	Proven ability to engage with shareholders, stakeholders, including government bodies, private sector, iwi and community groups	Essential
Public sector experience	Familiarity with the workings of local or regional government including funding mechanisms, policies and regulatory frameworks.	Desired
Tikanga Māori	Understanding and knowledge of tikanga Māori	Essential



Great South Director terms expiring on 30 June 2025

Record no: R/25/3/13478

Author: Michal Gray, Democracy advisor

Approved by: Vibhuti Chopra, Group manager strategy and partnerships

Decision

Recommendation

Information

Purpose

- 1 The purpose of this report is for the Great South Joint Shareholders Committee (JSC) to make decisions on the number of director vacancies and how those vacancies will be filled.

Executive summary

- 2 Three of the current directors of Great South are on terms that will end on 30 June 2025, namely Jason Franklin, Jeffrey Grant and Ian Collier.
- 3 At this meeting staff presented a separate report that contains a proposed process for director appointments to Great South. If the JSC adopts that process it will apply now when making the director appointments.
- 4 Mr Franklin has indicated that he will not be seeking reappointment. Mr Collier and Mr Grant have advised that they will be seeking reappointment as directors for a new three year term commencing on 1 July 2025.
- 5 Staff suggest that at today's meeting the JSC makes the following decisions:
 - the number of directors it sees as appropriate for the board of Great South and therefore the number of director vacancies to be filled
 - whether or not to advertise the director vacancies before consideration of reappointments
 - whether or not to select an appointments panel to complete steps in the process
 - if an appointments panel is not appointed, whether the JSC will interview the directors seeking reappointment.
 - whether to direct staff to complete the assessment of the skills of the board of directors (excluding the director who is not seeking reappointment).

Recommendation

That the Great South Joint Shareholders Committee:

- a) receives the report titled “Great South Director terms expiring on 30 June 2025”.
- b) determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.
- c) determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.
- d) determines that from 1 July 2025 six directors will be required for the board of Great South.
- e) determines not to advertise the director vacancies while the reappointment of Ian Collier and Jeffrey Grant are considered.
- f) determines not to establish an appointments panel for the director vacancies.
- g) determines that the Joint Shareholders Committee will not interview the directors seeking reappointment, Ian Collier and Jeffrey Grant.
- h) directs staff to arrange for the board of directors’ skills and experience to be assessed and information be presented in a report to the Joint Shareholders Committee to consider the reappointments of Ian Collier and Jeffrey Grant.

Background

- 6 The Constitution of the Southland Regional Development Agency Limited (Great South) requires Great South to have a minimum of five directors and a maximum of seven directors. Great South currently has seven directors.
- 7 Three of the current directors terms will end on 30 June 2025:
 - Jason Franklin
 - Jeffrey Grant
 - Ian Collier.
- 8 At the meeting, staff have presented a separate report that contains a proposed process for director appointments to Great South. If the JSC adopts that process it will be the process used going forward.
- 9 Mr Franklin has indicated that he will not be seeking reappointment. Mr Collier and Mr Grant have advised that they will be seeking reappointment as directors for a new three year term commencing on 1 July 2025.

- 10 Mr Collier and Mr Grant are both currently in their second term of appointment. Each term of appointment is three years and when their current term ends they will have completed six years as directors. The process states that reappointments exceeding six continuous years are generally discouraged and are considered on a case by case basis.
- 11 Mr Collier is also the currently appointed chairperson on the board. The JSC appoints a director as chairperson of the board under section 21.1 of the Constitution of Great South. Once the appointments process is completed for the director vacancies, the JSC will also need to appoint a chairperson to the board of Great South.

Issues

Number of director vacancies

- 12 The JSC may decide not to fill all three director vacancies, and may instead decide that a board of five or six directors will meet the governance requirements of Great South.

Selecting an Appointments panel

- 13 The JSC is able to select an appointments panel to complete some aspects of the appointments process, or the JSC may complete the entire process. If the JSC decides to establish an appointments panel its membership is to be at-least two members from the A class shareholders and one from the B class shareholders. Members can also be the chairperson of the board or any person with particular knowledge or skills that would be beneficial.

Advertising the vacancies

- 14 The JSC must decide whether or not to advertise the vacancy or vacancies. In making this decision it can consider:
- the costs of any advertising and selection process
 - whether there is urgency of the appointment
 - the known availability of qualified candidates
 - if reappointment is proposed and it is appropriate that they be considered for reappointment.

Directors skills and experience

- 15 The JSC (or appointments panel) will need to identify the specific skills and experience required for the director vacancies. This includes:
- identifying the mix of skills and experience on the board (using the directors' skills and experience matrix)
 - encouraging diversity
 - considering the objectives of Great South as described in the SOI.
- 16 The identification of the mix of the skills on the board (and of the incumbent directors) will assist the JSC in making a deciding whether reappointment of either or both of the incumbent directors is appropriate. The JSC will also need to consider whether potential appointees-match the governance (including succession planning) requirements of Great South.

- 17 Staff suggest that as soon as possible the four remaining directors and the two incumbent directors seeking reappointment complete a self-assessment of their skills and experience, using the matrix contained in Schedule 1 of the process. This would enable strengths and any gaps to be identified, and a summary of this information can be included in future reports to the JSC on director reappointments. If an appointments panel is established then this information can be supplied to the panel.

Reappointments

- 18 If the JSC intends to consider the reappointment Mr Grant and Mr Collier it may decide that advertising is not required at this point, and it may decide not undertake interviews.

Decisions to be made at today's meeting

- 19 Staff suggest that at today's meeting the JSC makes the following decisions:
- the number of directors it sees as appropriate for the board of Great South and therefore the number of director vacancies to be filled
 - whether or not to advertise the director vacancies before consideration of reappointments
 - whether or not to select an appointments panel to complete steps in the process
 - if an appointments panel is not appointed, whether the JSC will interview the directors seeking reappointment.
 - whether to direct staff to complete the assessment of the skills of the board of directors (excluding the director who is not seeking reappointment).
- 20 Staff did consider whether the JSC could make a decision on the reappointment of the directors as this meeting but recommend that the JSC consider the reappointments after the skills and experience of the board is assessed.

Factors to consider

Legal and statutory requirements

- 21 Great South's Constitution sets out the minimum and maximum number of directors and enables the voting shareholders of Great South appoint directors by majority resolution.

Community views

- 22 No specific community views have been sought on this issue.

Costs and funding

- 23 If the number of directors is reduced there will be some decrease in Great South's expenditure.

Policy implications

- 24 The JSC does not hold a policy on director appointments.

Analysis

Options considered

- 25 Staff have identified the following options:

- Option 1 – reduce the number of directors on the board, choose not advertise the two vacancies or not conduct interviews and consider reappointments of the directors seeking reappointment at the next meeting on 23 May 2025.
- Option 2 – reduce the number of directors on the board, advertise the vacancies, select an appointments panel to complete a full process of interviewing and recommending appointments of directors to the JSC to be considered at a subsequent meeting.

Analysis of Options

Option 1 – reduce the number of directors on the board, choose not advertise the two vacancies or not conduct interviews and consider reappointments of the directors seeking reappointment at the next meeting on 23 May 2025.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • reducing the number of directors on the board would reduce Great South’s expenditure on directors fees • not advertising reduces time and expenditure • allows time for identification of the skills and experience on the board and of the directors seeking reappointment • allows time for staff to prepare a report providing information to the JSC on the matters than need to be considered in making reappointments of directors • follows a thorough reappointments process 	<ul style="list-style-type: none"> • other candidates who may be qualified for the roles will not be identified and considered • there would be no new idea skills and experience on the board

Option 2 – reduce the number of directors on the board, advertise the vacancies, select an appointments panel to complete a full process of interviewing and recommending appointments of directors to the JSC to be considered at a subsequent meeting.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • reducing the number of directors would reduce Great South’s expenditure on directors fees • completing a full process provides an opportunity for new candidates to be identified and considered 	<ul style="list-style-type: none"> • it will be difficult to complete the full process before the expiry of the directors terms on 30 June 2025, which may result in the Great South board having insufficient numbers to operate. • will require additional time and expenditure

Assessment of significance

- 26 Staff has assessed the recommended option as being not significant under the respective councils' significance and engagement policies and LGA since it is largely administrative and staff are not recommending the JSC make director appointments at this time.

Recommended option

- 27 Staff recommend Option 1 because it will allow time for the skills of the board to be assessed. Staff will include this information in a report to the JSC when reappointments considered on 23 May 2025:-

Next steps

- 28 The timeline below will apply if the JSC has adopted the proposed director appointment process at today's and if the JSC chooses the option recommended by staff (Option 1).

DATE	STEP
April 2025	Self assessment of directors' skills and experience completed.
23 May 2025	JSC decides on the reappointment of the directors by considering the mix of skills on the board, governance requirements and succession planning.
23 May 2025	JSC appoints chairperson of the board.
1 July 2025	Appointed directors three year term commences.

Attachments

There are no attachments for this report.