

8. TRANSWASTE CANTERBURY LTD - DIRECTORS FEES

Officer responsible City Water and Waste Manager	Author Zefanja Potgieter, DDI 941- 8271
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The purpose of this report is to recommend a review of fees paid to Transwaste Canterbury Ltd (TCL) directors.

BACKGROUND

Transwaste Canterbury Ltd was formed on 31 March 1999 with eight directors - four appointed by the shareholder councils of the Canterbury Waste Subcommittee (CWSC), and four by the commercial partners, Canterbury Waste Services Ltd.

The four Canterbury Waste Subcommittee directors currently are:

- Councillor Denis O'Rourke, Chairman of Transwaste Canterbury Ltd (Christchurch City Council)
- Councillor Bill Woods (Selwyn District Council)
- Mr Gerry Clemens
- Mr Gill Cox

Since 1999 the amount of work done by Transwaste Canterbury Ltd has increased substantially, and so has the workload on directors. The Environment Court hearings on Kate Valley have been completed, and with the expected confirmation of the consents issued by Environment Canterbury and Hurunui District Council, possibly in April 2004, it is an appropriate time to review directors' fees.

It should be noted that the policy on the appointment of directors to TCL adopted by the Subcommittee in June 2003 provides for the CWSC to make recommendations to TCL on the level of remuneration made available to its nominee directors on the TCL Board (clause 6 of the policy refers).

The policy also states *"In general it is intended that directors of TCL should receive a level of remuneration that is competitive with the general market --- professional advice will be sought when necessary"*.

At the time directors' fees were fixed at \$12,000 per year and have not since been reviewed. It is recommended that Mr Mike Stenhouse of Sheffield Ltd be appointed to review:

- (a) whether an increase in directors' fees is justified, and if so how much; and
- (b) whether the Chairman should have a margin over the other directors.

SUMMARY

No review of Transwaste Canterbury Ltd directors' fees has taken place since the inception of the company in March 1999, and a review of directors fees by an independent consultant is recommended.

Staff

Recommendation: That Mr Mike Stenhouse of Sheffield Ltd be appointed to review directors' fees as set out in the report.

Chairman's

Recommendation: None.