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# Board and Board Subcommittee Quorum Numbers Review

## Recommendation

That the Board:

- i. Approve proposed changes to the Board Subcommittee Charters as outlined below.

## Executive summary

The Board and Board Subcommittee Charters were reviewed and updated in July 2018. Recent issues in getting the minimum number of directors to be present at some committee meetings have highlighted a need to review the quorum numbers currently mandated in the relevant charter documents. This document outlines issues considered and recommended options for the Board's consideration.

## Issues and Options

Document	Current quorum	Proposed change	Rationale
Board Charter	<ul style="list-style-type: none"><li>• Board membership can be 6 to 8 directors with voting rights. Current charter says the quorum for the full board of directors is the majority of directors which would be <b>five</b> directors based on the current level of eight directors.</li><li>• There is an NZTA representative, but that person has no voting rights.</li></ul>	None. Retain quorum for the board at the majority of directors or five directors if the number of voting directors is eight.	Retain the current situation and make no changes as this is the main board and decisions should be based on a majority of all voting directors.

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Document	Current quorum	Proposed change	Rationale
Finance, Capital and Risk Committee	<ul style="list-style-type: none"> <li>The current FCRC charter says the quorum is a majority of directors. It also says the FCRC membership comprises all directors, so this means the current quorum is <b>five</b> directors.</li> </ul>	Change from: <b>Five</b> directors To: <b>Three</b> directors	We do not recommend having fewer than three directors forming a quorum given the significance of issues reviewed by this sub-committee.  The quorum number will be specified in the charter.
Customer and Innovation Committee	<ul style="list-style-type: none"> <li>The CIC charter says the quorum is the majority of committee members and the membership of the CIC is the full board. This means the current quorum is five directors.</li> </ul>	Change from: <b>Five</b> directors To: <b>Three</b> directors	We do not recommend having fewer than three directors forming a quorum given the significance of issues reviewed by this sub-committee.  The quorum number will be specified in the charter.
Safety and Human Resources Committee	<ul style="list-style-type: none"> <li>The SHRC charter says the quorum is a majority of committee members and the membership is a full committee of the board. So, the current quorum is five directors.</li> </ul>	Change from: <b>Five</b> directors To: <b>Three</b> directors	We do not recommend having fewer than three directors forming a quorum given the significance of issues reviewed by this sub-committee.  The quorum number will be specified in the charter.
Regional Transport Committee	We recommend a similar approach to the other committees and we will draft the new charter document for this committee in the next few weeks. Given this committee approves the Regional Land Transport plan it is likely we will position the quorum as a majority of the full board compliment – currently eight directors – so the quorum would be five directors.		

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## Next steps

Subject to the Boards approval of the proposed changes, the sub-committee charters will be updated to reflect the new quorum numbers.

## Attachments

N/A	

## Document ownership

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<b>Recommended by</b>	Rodger Murphy <b>Executive General Manager Risk &amp; Assurance</b>	
<b>Approved for submission</b>	Shane Ellison <b>Chief Executive</b>	

## Glossary

Acronym	Description
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