


8. CCHL STATEMENT OF INTENT



Officer responsible:	Chief Executive Officer, Christchurch City Holdings Limited
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PURPOSE OF REPORT

1. The purpose of this report is to recommend the adoption of the Christchurch City Holdings Ltd ('CCHL') Statement of Intent ('Sol') for 2005/06.

EXECUTIVE SUMMARY

2. The Statement of Intent is a statutorily-required document. The Local Government Act 2002 requires council-controlled trading organisations to submit draft Sols to their shareholders by 1 March.
3. The attached draft Sol has been approved by the CCHL Board for submission to the Council. Essentially, its content is similar to the previous year, with just a few changes including:
 - A new performance objective to develop a strategy with regard to the promotion of regional economic growth; and
 - A slight modification of the requirement for CCHL to obtain the prior consent of the Council before acquiring any shares in a company. For administrative convenience, it is proposed that CCHL be permitted to acquire shares in a group company if the acquisition does not exceed 2% of CCHL's total assets, without the prior consent of the Council.
4. CCHL will be reviewing the Sols of its subsidiary companies in March 2005 and, in accordance with the requirements of its constitution, will then submit these to the Council for approval.

STAFF RECOMMENDATIONS

It is recommended that the Council approve the attached Statement of Intent from CCHL.