

## 6. CHRISTCHURCH CITY HOLDINGS LTD: DRAFT STATEMENT OF INTENT



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### PURPOSE OF REPORT

1. The purpose of this report is to present the Christchurch City Holdings Ltd ('CCHL') draft Statement of Intent ('Sol') for 2006/07 for the Council's approval (attached).

### RECOMMENDATION

It is recommended that the Council approve the draft CCHL Sol.

## BACKGROUND ON CHRISTCHURCH CITY HOLDINGS LIMITED - DRAFT STATEMENT OF INTENT

2. The process for the approval of Sols is set out in Schedule 8 of the Local Government Act 2002, which provides:

**“2. Statements of Intent for council-controlled organisations**

*The board of a council-controlled organisation must deliver to its shareholders a draft statement of intent on or before 1 March each year.*

**3. Completion of Statements of Intent**

*The board must:*

- (a) *Consider any comments on the draft statement of intent that are made to it within 2 months of 1 March by the shareholders or by any of them; and*
- (b) *Deliver the completed statement of intent to the shareholders on or before 30 June each year.”*

## CCHL STATEMENT OF INTENT

3. Following a strategic review undertaken by the CCHL Board over recent months, the Council's recently-completed visioning exercise, the Canterbury Regional Economic Development Strategy ('CREDS') and "Prosperous Christchurch's" strategies for economic growth, the draft CCHL Sol contains a change of emphasis from the previous year.
4. CCHL is very supportive of the general direction taken by the Council and of the conclusions of CREDS and Prosperous Christchurch, and believes it has a role to play in bringing the desired outcomes to fruition.
5. The main changes to the Sol compared with last year are as follows:
- Page 2 – new section "Mandate for change" – describes the context in which this changed emphasis of approach has arisen.
  - Page 3 – new section "Future infrastructure needs" – refers to the need to identify future infrastructure requirements.
  - Page 3-4 – new section "CCHL strategy" – description of the process undertaken by CCHL in reviewing its strategy, and a proposed review of CCHL's own structure and resources to ensure it has sufficient capacity to deliver.
  - Page 4 – revised mission statement.
  - Page 4 – new objective "to identify present and future regional infrastructure needs".
  - Page 10 – new performance objective to bring report to the Council on CCHL's structure and resources.
  - Page 13 – no current intention to renew CCHL's commitment to expenditure of \$250,000 per annum for tourism support measures beyond 2006/07 (it is recommended that the Council take this into account in its review of tourism in Canterbury).
  - Page 14 – CCHL's ability to make equity investments that are less than 2% of CCHL's total assets extended to cover external investments as well as intra-group investments.
  - Page 14 – reference made to the takeover for shares in Lyttelton Port Company Ltd and the proposed joint venture with Hutchison Port Holdings.
  - Page 14 – CCHL intends to review its shareholding in Selwyn Plantation Board Ltd with a view to bringing a report to the Council.