

## 12. DRAFT STATEMENT OF INTENT FOR TUAM LTD (PREVIOUSLY TRAVIS FINANCE LTD)

<b>General Manager responsible:</b>	Director Strategic Investment, DDI 941-8411
<b>Officer responsible:</b>	As above
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### PURPOSE OF REPORT

1. The purpose of this report is to recommend that the Council approve a draft Statement of Intent for Tuam Ltd (formerly Travis Finance Ltd) in respect of the 2005/06 financial year.

### BACKGROUND ON DRAFT STATEMENT OF INTENT FOR TUAM LTD

2. At its meeting on 8 June 2006, the Council approved Travis Finance Ltd as the vehicle for the purchase of the existing Tuam Street property owned by the Council (including on the north side the land and buildings comprising the crèche, the old Millers building and the annex, and on the south side, the land and buildings comprising the café, parking unit building, Chequers, lean-to and the car park, but not the Peter Scoular reserve), and subsequent leaseback to the Council. It also approved Travis Finance Ltd as the entity responsible for the future construction and management of the proposed new civic building.
3. Travis Finance Ltd is wholly owned by the Council, and has been dormant since its last statement of intent was issued in 2000. In view of its new role, the name of the company has been changed to Tuam Ltd, and henceforth will be referred to in this report by that name. The directors of Tuam Ltd are currently Bob Lineham and Roy Baker.
4. It had been envisaged in the report provided to the 8 June meeting that new directors (from the Christchurch City Facilities Ltd board) would have been appointed to Tuam Ltd prior to 30 June 2006. However, time constraints and the demands of the Long-Term Council Community Plan have effectively made this impossible. Instead, the existing directors of Tuam Ltd will sign the required legal documentation to effect the sale and purchase of the Tuam Street properties by 30 June 2006, and a report will be brought to the Council early in 2006/07 recommending the appointment of new directors.
5. Given the new role of Tuam Ltd, a new statement of intent is necessary. The attached draft statement of intent is in respect of the 2005/06 financial year, and hence covers the period in which the company purchases the Tuam Street properties from the Council. The sale and purchase agreement has an effective date of 30 June 2006.
6. Once the new board of Tuam Ltd is in place early in the 2006/07 year, it is envisaged that a new statement of intent for 2006/07 will be submitted to the Council for approval.

### RECOMMENDATION

It is recommended that the Council approve the draft Statement of Intent for Tuam Ltd for the 2005/06 year.