

## 15. DRAFT STATEMENT OF INTENT FOR CCC TWO LIMITED

<b>General Manager responsible:</b>	General Manager Corporate Services, DDI 941-8528
<b>Officer responsible:</b>	Funds & Financial Policy Manager
<b>Author:</b>	Steve Kelsen, Funds & Financial Policy Manager

### PURPOSE OF REPORT

1. The purpose of this report is to present the CCC Two Limited (CTL) draft Statements of Intent (SOI) for 2009/10 and 2010/11

### BACKGROUND

2. On 29 July 2009 the Council resolved to acquire the assets and liabilities of the Meta group of companies via Council's subsidiary company CTL. At the time, and again in December 2009, the Council indicated that the ownership and operation of Meta's assets by CTL may be a temporary arrangement and resolved to review, at a future date, long term options for the operation of the Materials Recovery Facility (MRF) and transfer stations.
3. Although the Council has yet to determine the long term future of CTL, as a Council Controlled Organisation as defined by the Local Government Act 2002 (LGA) the Transitional Board are required to deliver a draft statement of intent to the Council by 1 March each year. This draft SOI must relate to a three-year period. Council is required by the LGA to make any comments on the draft SOI by 30 April, and CTL must then consider these comments and deliver its completed SOI to the Council by 30 June.
4. Until 4 August 2009 CTL was an inactive company. On that date CTL acquired the assets and liabilities of the Meta group of companies and commenced operations. Because CTL was not activated until 4 August it does not currently have a SOI for the 2009/10 year. CTL is therefore presenting draft SOIs for both the current year of operations and 2010/11.
5. The Council has received a number of documents from the Transitional Board of CTL which are listed below:
  - (a) CTL draft Statement of Intent for the year ending 30 June 2010 (**Attachment A**).
  - (b) CTL draft Statement of Intent for the year ending 30 June 2011 (**Attachment B**).
6. Because the long term future of CTL has not yet been resolved the SOI's have been prepared on a going concern basis and this will be subject to a report to Council before the end of June 2010. Council staff and the Transitional Board of CTL note that this assumption is subject to future resolutions by the Council.

### STAFF RECOMMENDATION

It is recommended that the Council:

1. (a) Receive the CCC Two Ltd draft Statement of Intent for the year ending 30 June 2010.  
(b) Receive the CCC Two Limited draft Statement of Intent for the year ending 30 June 2011.
2. Note that the Statements of Intent have been prepared on a going concern basis and Council will make a decision on the long-term options for the operation of the Materials Recovery Facility and transfer stations before the end of June 2010.
3. Decide whether or not to make any formal comments to CCC Two Ltd regarding the draft Statements of Intent.
4. Agree to the Statements of Intent if it does not wish to make any formal comment.