

CORPORATE AND FINANCIAL COMMITTEE 3. 8. 2012

7. DRAFT STATEMENTS OF INTENT FOR COUNCIL CONTROLLED ORGANISATIONS (CCOS): CIVIC BUILDING LIMITED, WORLD BUSKERS FESTIVAL TRUST, TUAM LIMITED, CHRISTCHURCH AGENCY FOR ENERGY TRUST, ROD DONALD BANKS PENINSULA TRUST, RICcarton BUSH TRUST AND NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED, FOR THE YEAR ENDING 30 JUNE 2013

General Manager responsible:	General Manager Corporate Services, DDI 941-8528
Officer responsible:	Corporate Finance Manager
Author:	Diane Brandish

PURPOSE OF REPORT

1. The purpose of this report is to present to Council the draft Statements of Intent (SOI) for the Council Controlled Organisations (CCOs) for review and comment.
2. The Statements of Intent from the following organisations are attached for information.
 - Civic Building Limited (**Attachment 1**)
 - World Buskers Festival Trust (**Attachment 2**)
 - Tuam Limited (**Attachment 3**)
 - Christchurch Agency For Energy Trust (**Attachment 4**)
 - Rod Donald Banks Peninsula Trust (**Attachment 5**)
 - Riccarton Bush Trust (**Attachment 6**)
 - New Zealand Local Government Funding Agency Ltd (**Attachment 7**).
3. The CCOs are required by statute to submit an annual Statement of Intent to the Council. A Statement of Intent must set out the entity's objectives and performance measures, as well as certain other information.
4. Organisations are required by the Local Government Act 2002 to deliver to their shareholders a draft statement of intent on or before 1 March. They must then consider comments on their SOI from their shareholders received by 1 May, and then to issue a final SOI by 30 June.
5. Due to the priority given to matters relating to claims resulting from the Canterbury earthquakes the Statements of Intent are only now being reported to the Council.
6. This is the first Statement of Intent for the New Zealand Local Government Funding Agency Limited as the company was only incorporated during the 2011/12 financial year. Other than as identified below for the Rod Donald Banks Peninsula Trust there are no major surprises or changes in direction signalled in the attached documents.
7. The Trustees of the Rod Donald Banks Peninsula Trust have proposed a change in their investment policy. Previously their policy aligned with that of the Council in that investment funds were deposited only with registered banks with a minimum long-term/short-term rating of A-/A2. Their new policy is attached as **Appendix 6** and provides that no more than 30 per cent of fixed income investments may be invested with counterparties meeting local and ethical criteria with the further restriction that a maximum of 7 per cent may be invested with each non rated Non Bank Deposit Taker and no more than 15 per cent in total.
8. Specific comments on each organisation are provided in the respective Attachments above.

FINANCIAL IMPLICATIONS

9. Not applicable

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

10. Yes

7 Cont'd

LEGAL CONSIDERATIONS

11. Not applicable

Have you considered the legal implications of the issue under consideration?

12. Yes

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

13. Not applicable

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

14. Not applicable

ALIGNMENT WITH STRATEGIES

15. Not applicable

Do the recommendations align with the Council's strategies?

16. Yes

CONSULTATION FULFILMENT

17. Not applicable

STAFF RECOMMENDATION

That the Committee recommend that the Council:

- (a) Review the draft Statements of Intent, and advise the Trustees of the Rod Donald Banks Peninsula Trust that it does not agree with their investment policy.
- (b) Advise officers of any other comment it wishes to make on the draft Statements of Intent.