

## **REVISED FINAL INTERIM STATEMENT OF INTENT FOR WELLINGTON VENUES LIMITED FOR THE YEAR 2011/12**

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### **1. Purpose of Report**

To provide the Council with the revised 2011/12 Interim Statement of Intent received from Wellington Venues Limited (WVL), a Council Controlled Organisation (CCO), as requested by the Council Controlled Organisation Performance Subcommittee (CCOPS) and in compliance with Local Government Act 2002 and Council reporting requirements.

### **2. Recommendations**

It is recommended that the Council:

1. *Receive the information.*
2. *Note that at their meeting on 13 June 2011, the Council Controlled Organisations Performance Subcommittee recommended that the Strategy and Policy Committee not approve the 2011/12 Interim Statement of Intent from Wellington Venues Limited, prior to a revised Interim Statement of Intent being received no later than Monday 20 June 2011 with the following amendments:*
  - (a) *A set of Key Performance Indicators with corresponding measurements;*
  - (b) *A full suite of financial documents, including a balance sheet, cash flows and quarterly phasing;*
  - (c) *A review of the financial forecasts for 2012/13 and 2013/14 with a view to achieving a breakeven financial result by the end of 2012/13.*
3. *Note that Council officers received a revised Statement of Intent from Wellington Venues Limited within the designated time frame.*
4. *Note that the revised Statement of Intent from Wellington Venues Limited addressed the requested amendments.*
5. *Note that Wellington Venues Limited will undertake regular reviews of the financial forecasts for 2012/13 and 2013/14, using their best endeavours to achieve a breakeven position by the end of 2012/13. Progress will be reported regularly back to the Council Controlled Organisations Performance Subcommittee.*

6. *Agree to approve the revised 2011/12 Interim Statement of Intent received from Wellington Venues Limited.*

### **3. Background**

The requirements for Statements of Intent (SOIs) are prescribed in the Local Government Act 2002.

Wellington Venues Limited is a new CCO that brings the operations of the Wellington Convention Centre (a business unit of the Council) and the St James Theatre Trust (a CCO) together as a single trading organisation. WVL as a trading entity came in to existence on 1 February 2011 and is monitored by CCOPS through the Council's CCO unit.

At their meeting on 13 June 2011, CCOPS recommended that the Strategy and Policy Committee (SPC) not approve the 2011/12 Interim Statement of Intent from Wellington Venues Limited, prior to a revised Interim SOI being received no later than Monday 20 June 2011 with the following amendments:

- (a) A set of Key Performance Indicators with corresponding measurements;
- (b) A full suite of financial documents, including a balance sheet, cash flows and quarterly phasing;
- (c) A review of the financial forecasts for 2012/13 and 2013/14 with a view to achieving a breakeven financial result by the end of 2012/13.

The CCOPS recommendation was communicated to the Chair and CEO of WVL in a letter from the Chair of CCOPS on Tuesday 14 June 2011.

A revised 2011/12 interim SOI was received from WVL on Monday 20 June 2011.

### **4. Entities covered by this report**

A revised 2011/12 Interim Statement of Intent has been received from Wellington Venues Limited.

### **5. Issues for the Council to consider**

Officers note the revised SOI received from WVL addresses the following key points that CCOPS requested:

- A set of measurable Key Performance Indicators that have been agreed with officers; and
- A full suite of financial documents, including a balance sheet, cash flows and quarterly phasing.

The third point that WVL was asked to address was as follows:

- A review of the financial forecasts for 2012/13 and 2013/14 with a view to achieving a breakeven financial result by the end of 2012/13.

In response to this, the WVL Board will undertake regular reviews of the financial forecasts for 2012/13 and 2013/14, using their best endeavours to achieve a breakeven position by the end of 2012/13. Progress will be reported regularly back to the Council Controlled Organisations Performance Subcommittee.

## **6. Conclusion**

Officers recommend approving the revised SOI received from Wellington Venues Limited.

Contact Officers:

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## **Supporting Information**

### **1) Strategic Fit / Strategic Outcome**

*This entity supports the achievement of a range of outcomes across most strategic areas. CCOs are required to state in their Statements of Intent how they contribute to Council's strategic goals.*

### **2) LTCCP/Annual Plan reference and long term financial impact**

*Please refer to the individual covering report that prefaces each entity.*

### **3) Treaty of Waitangi considerations**

*This report raises no new treaty considerations.*

### **4) Decision-Making**

*This is not a significant decision.*

### **5) Consultation**

#### **a) General Consultation**

*This report did not require general consultation*

#### **b) Consultation with Maori**

*See section 3, above.*

### **6) Legal Implications**

*There are no new legal issues raised in this report.*

*A Statement of Intent is a legal requirement for CCOs under the Local Government Act 2002.*

### **7) Consistency with existing policy**

*This report is consistent with existing WCC policy.*