
REPORT 14
(1215/11/IM)

Report of the Council Controlled Organisations Performance Subcommittee
Meeting of Friday 19 June 2009

Members: Mayor Prendergast, Councillors Coughlan, Foster, Pepperell and Ritchie, James Ogden (Chair) and Allan Isaac.

MATTERS CONSIDERED BY THE COMMITTEE

The Strategy and Policy Committee dealt with a number of issues for which it has delegated powers to act and therefore these are before the Council for noting.

The Committee hereby recommends that the information be received.

1. **ITEM 033/09FM FINAL STATEMENTS OF INTENT FOR COUNCIL CONTROLLED ORGANISATIONS FOR THE YEAR 2009/10**

THAT Council:

1. *Receive the information.*
2. *Note that following the 20 April 2009 Subcommittee meeting the Chair wrote to the Council Controlled Organisation's requesting changes to be made in their Statements of Intent and that many of these changes have been included in the final Statement of Intent.*
3. *Note that the usual practice is for the Strategy and Policy Committee to approve Statement of Intent's however, given that there are no more Strategy and Policy Committee meetings before 30 June 2009, officers advise that the Subcommittee should make its recommendations direct to Council.*
4. *Agree to recommend that Council approve the following 2009/10 Statement of Intent's:*
 - (a) *Positively Wellington Tourism*
 - (b) *Wellington Cable Car Limited*
 - (c) *Wellington Zoo Trust*
 - (d) *Wellington Regional Stadium Trust, subject to approval by Greater Wellington.*

5. *Agree to recommend that Council approve the St James Theatre Trust 2009/10 Statement of Intent and note that the Trust's cash flow pressures are likely to continue over the year that the Statement of Intent covers, and that officer's will continue to monitor the situation.*

6.
 - (a) *Agree to recommend that Council approve the Wellington Museums Trust 2009/10 Statement of Intent and note that the Trust is forecasting a deficit after depreciation for the next three years and states that subsequent deficits and / or reductions in service levels are likely unless it achieves budget or better in the previous three financial years and an inflation adjustment to Council's baseline funding is approved in 2012/13 and subsequent years.*

 - (b) ***However officers have confirmed that for the 2012/2013 financial year, regardless of the level of Council's baseline funding the Trust must achieve at least a break even position after depreciation.***

7. *Agree to recommend that Council approve the:*
 - (a) *Basin Reserve Trust 2009/10 Statement of Intent subject to:*
 - (i) *The revision of the Trust's financial forecasts to reflect the fact that any approved Council funding for the new practice wickets would be recorded in the Council's financial records as internal capex upgrade funding of an existing (owned) asset.*
 - (ii) *The Trust explaining the rationale for its forecast losses almost doubling since the previous Statement of Intent.*
 - (iii) *The Trust committing to preparing an Asset Management Plan as a matter of urgency.*

 - (b) *Capacity 2009/10 Statement of Intent subject to:*
 - (i) *The final Service Level Agreement between Capacity and Council being agreed, and the Service Level Agreement and Statement of Intent being aligned in terms of strategy, outputs and performance measures*
 - (ii) *The Statement of Intent being approved by Hutt City Council, Capacity's other shareholder.*

 - (c) *Wellington Waterfront Limited (WWL) 2009/10 Statement of Intent subject to:*
 - (i) *the final Waterfront Development Plan, as approved by Strategy and Policy Committee after consultation, being accurately reflected in the final Wellington Waterfront Limited Statement of Intent.*

8. *Note that Positively Wellington Tourism will report back to the Council before the end of June 2009 to update officers on the status of the Karori Wildlife Sanctuary's marketing plan for the opening of the Visitor Centre.*

9. *Note that Positively Wellington Tourism is approaching the Council with a new initiative funding request to invest in the Australian market; this request will be considered as part of the Long Term Council Community Plan deliberations, and any Council commitment would be contingent on at least an equivalent amount of funding being received from external funding sources.*

10. *Agree to recommend that Council agree that, in order to give the incoming board a reasonable opportunity to engage and set strategic direction for the organisation, Strategy and Policy Committee consider the Karori Wildlife Sanctuary's 2009/10 Statement of Intent in September 2009.*

James Ogden
Chair