
FINAL STATEMENT OF INTENT FOR WELLINGTON VENUES LIMITED FOR THE YEAR 2011/12

1. Purpose of Report

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

2. Recommendations

It is recommended that the Subcommittee:

1. *Receive the information.*
2. *Note that a draft version of the Statement of Intent for Wellington Venues Limited was not received at the meeting of the Council Controlled Organisations Performance Subcommittee on 11 April 2011.*
3. *Note that a final 2011/12 Statement of Intent had not been received from Wellington Venues Limited at the time of going to print with those of other Council Controlled Organisations, but that it was agreed to be received on Wednesday June 8 and circulated separately.*
4. *Note that Council Officers have not had the opportunity to fully review and comment on the 2011/12 Interim Statement of Intent.*

3. Background

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

Under the Local Government Act 2002, CCOs are required to submit a draft SOI to the Council by 1 March in the previous financial year. As a matter of good practice, the Council preceded this with a Letter of Expectation, sent to all CCOs in January, which outlined the Council's expectations in respect of the SOIs to be received. This process provided both the Council and the CCOs with an opportunity to fine-tune respective expectations ahead of

submitting the final SOI for Council approval prior to the beginning of the 2011/12 financial year.

Officers did not receive a draft SOI from WVL to submit with those tabled at the CCOPS meeting on 11 April. However, Glenys Coughlin, CEO of WVL, presented in person to the committee a report that contained many of the key elements that she noted would form the basis of an Interim SOI for WVL. The CEO report noted that as a new entity the senior management team and board wanted to apply due diligence to understanding the true nature of the newly merged entity and set up a strong business strategy to move the organisation forward. She confirmed that WVL would present an Interim SOI to cover the period 2011/12 in time for the next CCOPS meeting on 13 June 2011.

The completed interim SOI from WVL did not arrive in time for publication with those of other CCOs and is presented, therefore, in a separate volume.

4. Entities covered by this report

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

5. Issues for the Subcommittee to consider

5.1 Wellington Venues Limited

Because officers received WVL's Statement of Intent after the close of business on Wednesday 8 June 2011, they have not had the opportunity to fully review the document. They do, however, note that the document received contains no measurable Key Performance Indicators, and that the financial details provided are very limited. As such, officers are concerned that the information provided in WVL's Interim SOI will not enable CCOPS to adequately monitor the performance of this CCO moving forward.

Officers note the following key points that are not addressed in the current Interim SOI:

- A set of measurable Key Performance Indicators that have been agreed with officers;
- A full suite of financial documents, including a balance sheet, cash flows and quarterly phasing;
- The financial position proposed for WVL does not break even until 2013/14; and
- A discussion as to how WVL will undertake to continue supporting iconic events such as WOW and the New Zealand International Festival of the Arts, major arts organisations that are resident in Wellington and community events.

Officers also note the need to finalise the documentation that supports the relationship between WVL and its parent organisation, the Wellington City Council.

Contact Officers:

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Supporting Information

1) Strategic Fit / Strategic Outcome

These entities and projects support 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. Where appropriate the entities do consult with the Council's Treaty Relations unit, and with the Tenth's Trust, as part of normal operations.

4) Decision-Making

This is not a significant decision.

5) Consultation

a) General Consultation

A draft of each entity report will be circulated to the individual entity, with comments passed on to the sub-committee as appropriate

b) Consultation with Maori

See section 3, above.

6) Legal Implications

The Council's lawyers have been consulted during the year as part of normal operations. 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.