



7 December 2020

## **VENTURE TARANAKI TRUST STATEMENT OF EXPECTATIONS**

As part of the process of establishing the Statement of Intent (SOI) each year, the Council issues a Statement of Expectations (SOE) to Council Controlled Organisations (CCOs).

Venture Taranaki Trust's (VTT) SOE should guide VTT's strategic direction and set out the expectations that should be addressed in their SOI.

This SOE has been developed in accordance with the Local Government Act 2002 (LGA) Section 64b including:

- Specifying how the organisation is to conduct its relationship with New Plymouth District Council (NPDC, the Council) and the wider district including our local Iwi and Hapū and other Māori organisations; and
- Requiring the CCO to act consistently with the statutory obligations of the Council and the Council's obligations pursuant to agreements with third parties.

### **Expectations Specific to VTT**

#### **1**     *Communications:*

- A more detailed outline of budgets and spending should be provided in the Statement of Intent (SOI) and quarterly reports, such as a showing proportional investment across activities or other appropriate indicators.
- Performance reporting should continue to update quarterly on the progress of the delivery of Tapuae Roa and Taranaki 2050 (or any Council agreed replacement strategic programme) and six-monthly on the Outcome Logic Model.

#### **2**     *Tapuae Roa:*

- VTT will continue to oversee the coordination and reporting of the implementation and delivery of the Tapuae Roa programme on behalf of the Taranaki Mayoral Forum. This includes the Māori Economy Future area and working with Taranaki Iwi, Hapū and other Māori organisations to see this progress.
- VTT will support Nga Kaiwhakatere o Taranaki to progress the Tapuae Roa and Taranaki 2050 work programmes.

- The NPDC Tapuae Roa funding will be considered during the development of the Long-Term Plan 2021-2031. The draft VTT SOI should indicate how this funding would be used if it was to be approved and provided to VTT. This funding is not for business as usual activities of VTT and detailed reporting is required for this funding to show how it has been spent and made an impact.

### 3 *Review of Venture Taranaki:*

- NPDC is currently undertaking a high-level review of Venture Taranaki, in conjunction with the Board. A shareholder review is due and the timing recognises the current changing regional development environment – in particular with regard COVID-19, the governments push towards net zero carbon emissions and following the development of the Taranaki 2050 Roadmap.
- This review has not been initiated due to any concerns with VTT but seeks to provide clarity of the purpose of VTT, consider how it is situated in the current environment and identify opportunities to increase regional cooperation and inclusivity while optimising shareholder investment on behalf of the community.
- The Major Events Fund is one area being considered as part of the review. One consideration is if the administration of the fund, either in full or the portion that relates to ongoing strategic relationships and events, should be undertaken by Council.
- The Council will consider the outcome of the review and share this with VTT as soon as possible. Initial findings and decisions will be shared before a statement of expectations is confirmed in late 2021 in order for VTT to start reflecting on the outcomes before implementation would be required from 1 July 2022.
- The VTT Board and Management Team should be involved in the review, as appropriate, to enable a complete and fair review is able to be completed.

### 4 *Taranaki COVID-19 Recovery:*

- VTT has developed the “Return to Better” COVID-19 economic recovery plan and is an active and integral member of the regional recovery work.
- VTT should contribute to the successful delivery of this recovery plan however best situated to do so across the areas of focus and projects. This may be as administrator, coordinator, implementer, project owner, lead agency, contributor or other roles.
- The Regional Leadership Group (RLG) has been developed and will oversee the Taranaki regional recovery. The relationship between the RLG and the VTT Board will be further clarified leading up to the draft SOI.

### 3 *Accounting:*

- VTT are expected to meet reporting deadlines. This includes providing a trial balance and additional disclosure information to Council and delivery of fully audited financial statements to fit the Council Annual Report and Audit schedule at Financial Year End. This will be agreed annually in advance
- VTT are expected to provide a quarterly trial balance to Council Officers by the 12<sup>th</sup> working day of the month following.
- Financial reports are expected to represent a fair view of the organisations financial performance and position of the reporting period being presented to Council.
- VTT interim and annual financial statements are expected to comply with the appropriate generally accepted accounting standards (currently being Public Benefit Entity) and the financial reporting requirements of the Local Government Act 2002.
- VTT are expected to manage the trust's financial audit and for resolving any audit issues raised in the "Report to the Board on the audit.
- The signed audit opinion and audit management report will be presented to the scheduled CCOs Committee after it has been reviewed by the VTT Board. Council expect the audit opinion to be unqualified.
- VTT are expected to answer queries on their financial performance as and when requested by Council Officers or elected members.
- Appropriate reconciliations of the financial accounts will need to comply with Audit expectations to ensure a smooth and timely audit process for the annual accounts.

### **General Expectations**

- 1 *Draft SOI:* All CCOs are expected to provide a draft SOI to Council Officers by 1 March each year. The draft SOI will be considered by the CCOs Committee Meeting at their meeting in March 2021. Feedback will be provided at that meeting and the final SOI is to be provided to Council Officers by 30 June.
- 2 *Reporting:* A quarterly report will be provided to the CCOs Committee within two months of the end of each quarter. A half-yearly report will be provided to the CCOs Committee within two months of the end of the first half of the financial year. The Board approved Annual Report will be provided to the CCOs Committee within three months of year end. All reports will be made publicly available within one month of being received.

- 3 *“No Surprises” Policy:* It is expected that you will maintain a “no surprises” policy and inform officers well in advance of any material or significant events, transactions or other issues that would be considered contentious or attract wide public interest.
- 4 *Sensitive Expenditure:* While noting that CCOs operate in a different market than the Council, they need to be cognizant of the fact that they are operating in a public environment and should be aware of the Council’s sensitive expenditure policy.
- 5 *Relationship with NPDC:* To ensure strong communications and alignment between the Council and its CCOs it is planned that an advisor will attend, as an observer, all Board meetings. This is currently the Deputy Chief Executive.
- 6 *Relationship with New Plymouth District Community:* Council expects that VTT’s decisions are for the benefit of the District.
- 7 *Relationship with Iwi, Hapū and other Māori organisations:* The Council expects ongoing and meaningful relationship building to occur with Taranaki Iwi, Hapū and other Māori organisations.
- 8 *Obligations:* VTT must act at all times in a manner consistent with the statutory obligations of NPDC and also those pursuant to agreements with third parties (including Iwi, Hapū, or other Māori organisations).

Yours faithfully

Richard Jordan  
CHAIRPERSON CCOS COMMITTEE