

Report No.	19-122
Decision Required	

REGIONAL SOFTWARE HOLDINGS LIMITED 2020-22 STATEMENT OF INTENT

1. PURPOSE

- 1.1. The purpose of this report is to present the Statement of Intent of Regional Software Holdings Ltd to the shareholders of the Company as required by the Local Government Act 2002.

2. RECOMMENDATION

It is recommended that Council:

- a. receives the information contained in Report No. 19-122 and Annex.
- b. agrees to Regional Software Holdings Ltd (RSHL) 2020-22 Statement of Intent.

3. FINANCIAL IMPACT

- 3.1. There is no financial impact as this report is for your information.

4. COMMUNITY ENGAGEMENT

- 4.1. The Statement of Intent is publically available on the Council website.

5. SIGNIFICANT BUSINESS RISK IMPACT

- 5.1. There is no significant risk. However, there is a legislative requirement to agree to a Council-controlled Organisation's Statement of Intent.

6. BACKGROUND

- 6.1. RSHL is a company incorporated and registered under the Companies Act 1993 and is a **Council-Controlled Organisation (CCO)** as defined in section 6 of the Local Government Act 2002.
- 6.2. Horizons Regional Council owns 1,550 shares being 15.50% of the company.
- 6.3. The original draft **Statement of Intent (SOI)** was provided on the hub on 27 February 2019 and Council was invited to provide any feedback to the directors of RSHL before 1 May 2019. No feedback was supplied by the Council and the board adopted the SOI on 10 June 2019.
- 6.4. As part of the Local Government Act 2002, a CCO must deliver a SOI to the shareholders before 30 June each year. This SOI was placed on the hub for council to receive on 25 June 2019, meeting that requirement.
- 6.5. As per the Local Government Act 2002 Council now needs to agree the SOI.
- 6.6. Minimal change has been made to the SOI from when it was presented to Council in February for feedback, however, there has been a change in how the company management is structured. In the final adopted SOI, personnel costs have been separated from management fees. This is to more clearly reflect that RSHL has employed a General Manager. At the time the draft SOI was written it was intended that this role be filled by a full-time secondment. The Statement of Financial Performance on page 8 reflects that

change from the draft version. This has resulted in a change to the budget to reflect that RSHL has employed a General Manager resulting in a small increase to budgeted administration costs.

7. SIGNIFICANCE

- 7.1. This is not a significant decision according to the Council's Policy on Significance and Engagement.

Adrian Smith
ACTING CHIEF FINANCIAL OFFICER

Craig Grant
**GROUP MANAGER
CORPORATE & GOVERNANCE**

ANNEXES

- A SOI 2020-2022