

20 October 2025

VENTURE TARANAKI TRUST – TE PUNA UMANGA 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).

This Venture Taranaki Trust – Te Puna Umanga (VT) SOE has been developed in collaboration with VT. Its purpose is to guide their strategic direction and set out the expectations that should be addressed in their SOI 2026/27.

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, the shareholder) 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.

Context

The Council commissioned a review of VT in 2021. The review found general satisfaction with VT and did not identify any serious concerns.

The VT review was initiated to improve the clarity of the purpose of VT, consider how it is situated in the current operating environment and to identify opportunities to further increase regional cooperation and inclusivity while optimising shareholder investment on behalf of the community.

The VTT Board have successfully responded to the review findings and are continuing to implement changes. The Board has approved a new vision and strategic framework. They have also developed a Value Creation Framework which looks at the direct economic impact of projects as well other benefits such as those related to social, cultural, environmental and wellbeing measures.

Expectations Specific to VT

1 Strategic framework:

- VT must continue to implement the strategic framework and workplan presented during the 2025/26 year.

- The VT strategic framework and direct economic impact framework should guide and prioritise the activities of VT and be reported on during the year. This should also help frame up discussions with and reporting to the other Taranaki Councils.

2 *Communications:*

- Council acknowledges the progress made and work completed by VT to respond to the review around communications. Council encourages VT to continue promoting the value it adds to the community at all opportunities appropriate and grow engagement with the wider community through proactive communication and events.
- Stakeholder communications and strategic partnerships will continue as a focus for VT and will be reported against during the 2026/27 year. Stakeholders include, but are not limited to, customers, funders, partners and other groups with a material interest in the activities of VT.
- VT should provide early advice to Council on risks they have identified as facing the Taranaki economy or VT itself.

3 *Accountability:* An outline of budgets and spending should continue to be provided in the Statement of Intent (SOI) and half-yearly reports, showing proportional investment across programmes and performance against other appropriate indicators. This is to provide transparency of allocation of resources across programmes and the prioritisation of these.

4 *Regional strategy:*

- Council acknowledges the completed review of the Tapuae Roa Regional Economic Development Strategy. VT should continue to update the Council 6 monthly on the progress of the delivery of Tapuae Roa actions and work with the Taranaki Mayoral Forum and Ngā Iwi o Taranaki on progressing the strategy as appropriate.
- VT will support a regional development governance group if requested, in a secretariat role and in other ways as agreed with the VT Board.
- VT should collaborate with, and support, key stakeholders in the community to provide support to enterprises, where appropriate. This will ensure the best outcomes for the community and that there is not a doubling up of effort.

5 *Accounting:*

- VT 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.

- VT are expected to provide a quarterly trial balance to Council Officers by the 12th working day of the month following or as agreed.
 - Financial reports are expected to represent a fair view of the organisation’s financial performance and position of the reporting period being presented to Council.
 - VT 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.
 - VT 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 VT Board. Council expects the audit opinion to be unqualified.
 - VT 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 must comply with Audit expectations to ensure a smooth and timely audit process for the annual accounts.
- 6 Funding Diversification: VT are encouraged to investigate all potential sources of alternative revenue to support its activities in the delivery of economic outcomes for the Region, and pursue funding diversification or revenue generation opportunities consistent with its purpose and trust deed.
- 7 *Employer obligations:* A principal role of a CCO is to be a good employer as per the definition for a local authority under section 36 of the LGA. VT must meet these obligations and where and when possible and practicable align practices with Council. This is to provide equity and consistency for those with the experience and skills required to achieve the outcomes for the community.

General Expectations

- 8 *Draft SOI: All CCOs must provide a draft SOI to council officers by 1 March each year. The draft SOI will be considered by Council or appropriate Committee. Feedback will be provided at draft stage, and the final SOI is to be provided to council officers by 30 June.*
- 9 *Reporting:*
- A quarterly report will be provided to Council Officers within two months of the end of each quarter. The Board approved Annual Report will be provided within

three months of year end. All reports will be made publicly available within one month of being received.

- The half-yearly and end-of-year reports must be appropriately detailed and include updates on all measures and activities (where applicable). The quarter one and three reports may be less detailed dashboard style reports.

10 *Council / Committee Meetings:* The board Chair or in their absence a board member, must attend Council or appropriate Committee meetings to present quarterly updates unless otherwise instructed. The Chief Executive and/or management should attend to answer questions for clarification.

11 *“No Surprises” Policy:* It is expected that VT will maintain a “no surprises” policy and inform Council officers well in advance of any material or significant events, transactions or other issues that would be considered contentious or attract wide public interest.

12 *Sensitive Expenditure:* While noting that CCOs operate in a different market than the Council, they need to be cognisant of the fact that they are operating in a public environment and should be aware of the Council’s sensitive expenditure policy.

13 *Environmental Sustainability:* NPDC has a strategic goal “Environmental Excellence Te Kounga ā-Taiao”. NPDC’s Environmental Sustainability Policy outlines our main environmental priorities. CCOs must be aware of these and assist in the achievement of them where and when appropriate. This should be reported on in the half-yearly and end-of-year reports.

14 *Climate change reporting:*

- NPDC requests each CCO to undertake climate-related disclosures in 2026/27. These disclosures should be aligned to the New Zealand Climate Standard, but strict adherence to that Standard is not required and CCOs are asked to focus on fit-for-purpose reporting instead.
- NPDC has joined the Local Government Funding Agency’s Climate Action Loans to provide an interest rate discount for Council debt. This requires all CCOs to be included within NPDC’s emissions boundary. Therefore, NPDC will require you to monitor, report on, and reduce your operational emissions (including scope 1, 2 and 3 emission sources).

15 *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.

16 *Relationship with New Plymouth District Community:* Council expects that VT’s decisions are for the benefit of the District and Region.

- 17 *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. Opportunities to partner with Ngā Iwi o Taranaki are strongly encouraged recognising te tiriti obligations of Local Government and subsidiaries.
- 18 *Obligations:* VT must always act 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



Gareth Green
CHIEF EXECUTIVE