

30 November 2021

Nigel Brereton,  
Chair,  
Te Pae Taurima o Te Tai Tokerau (NECT 2021)

Dear Nigel

***Te Pae Taurima o Te Tai Tokerau (NECT 2021) Operating Grant and expectations***

Council has exempted the Trust as an organisation exempted under section 7 of the Local Government Act 2002 until 1 January 2022. The Trust is therefore required to develop a statement of intent for the 2022/2023 financial year, with the draft to be provided to Council on 1 March 2022 and the final statement of intent on 30 June 2022.

Council's performance expectations for the Northland Events Centre until 30 June 2022 are that it will:

- i. Operate as a multipurpose, community facility for the benefit of Northland
- ii. Deliver large events which raise the profile and contribute to the vibrancy of the District/Region
- iii. Be managed on a commercial basis according to industry best practice
- iv. Be financially successful based on contribution to the economic impact on local businesses, rather than by profit generated.
- v. Deliver the outcomes of the Whangarei District Council Events Strategy – building local confidence, local capability and local connection
- vi. Act as a hub to support sporting codes in a post-COVID-19 environment
- vii. Attract external funding to support facility development and event delivery.

Council has allocated the Trust council funding of \$685,620, comprising a \$39,000 rent concession and a full year annual operating grant of \$646,620. The annual operating grant is expected to cover all costs including set up and operations for the 2021/2022 financial year.

The operating grant will be paid in two equal installments of \$323,310 on 1 December 2021 and 1 February 2022, upon receipt of an invoice quoting Purchase order number CH10013.

To assist with planning for next year, Council's LTP assumptions are that the operating grant to the Trust for the full year 2022/2023 will be \$646,620 plus a 2.5% inflationary adjuster (LGC1). The 2021/2022 100% rent concession is based only on the office space at the stadium. WDC is currently reviewing its policy and it is likely that next year the 100% rent concession for the events centre will cover the whole building, since the Trust has sole use of the facility and receives income from the tenancies and hireage.

Yours faithfully



Sandra Boardman  
General Manager Community