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Report 00.879

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Report to the Policy and Finance Committee
from Greg Schollum, Chief Financial Officer

Stadium Trust – Is it a LATE or not?

1. Purpose

To update the Committee on the efforts of officers to clarify the answer to the key question – Is the Stadium Trust a LATE?

2. Background

As the Committee will be aware, we have been trying for approximately two years, in conjunction with the Stadium Trust, and officers of the Wellington City Council and advisors, to clarify the accountability and tax status of the Stadium Trust.

The last report considered by the Committee on this subject was report 00.583 on 3 August 2000. In report 00.583 I outlined our approach at that time which was to seek amendment to the Stadium Empowering Act as being the approach likely to achieve the most certainty.

In August the Committee endorsed such an approach and resolved that:

“officers, in conjunction with the Chairman, complete the necessary consultation with interested parties prior to beginning the formal processes for introducing the Bill into Parliament”.

In subsequent discussions with Ministers we have ascertained that the Government is unwilling to support a legislative change as a means of clarifying the current situation regarding the Stadium Trust.

3. Comment

On 9 November 2000 Councillor Buchanan, the General Manager and I met with officers of the Wellington City Council, Stadium Trust and advisors in order to reassess our options.

We agreed the best way forward was to seek a declaratory judgement from the High Court to try and clarify once and for all whether the Stadium Trust is a LATE.

The preparations for this are underway, although we do not expect a decision until July/August 2001.

4. **Communication**

Nothing of substance to report at this stage.

5. **Recommendations**

That the report be received and the contents noted.

GREG SCHOLLUM
Chief Financial Officer