



Council
Collaboration
Into Action

—

30 June 2023

Tēnā koutou,

RE: RSHL 2024 Statement of Intent

Regional Software Holdings Limited is pleased to present its 2024 Statement of Intent.

RSHL enables Te Uru Kahika¹ to act collaboratively and deliver solutions that, in the normal course of events, would be unaffordable or unachievable. Further, it assists the sector to act and speak as one.

Over the last few years, the company has grown the scope of collaborative services that it provides, and the number of organisations benefiting from those services.

This Statement of Intent continues the growth and development of your collaborative investments.

When we presented the 2023 Statement of Intent to you, RSHL was at a transitional point in its history with two significant changes ahead. The first was the transition to be the regional sector shared services organisation. The second was the transition from IRIS Classic to IRIS Next Generation.

The transition into the Regional Sector Shared Services Organisation is now largely complete and the IRIS Next Generation Programme is fully established. The 2024 Statement of Intent reflects a more regular basis of operation, while signalling future opportunities for growth in support of Te Uru Kahika.

¹ Te Uru Kahika is the collective of the 16 regional councils and unitary authorities that make up the regional sector.

Te Uru Kahika established this shared services organisation to achieve:

- A sector that is better prepared to respond to future challenges
- Better return on investment with a focus on quality outcomes and realisation of the sector value proposition
- Increased credibility of the sector as a trusted deliverer with a unified and consistent sector profile
- Improved staff attraction and retention
- Consistent good business practice across the sector and within councils.

RSHL continues to work with Te Uru Kahika to ensure it is fit for purpose to meet these objectives. RSHL will continue to evolve with Te Uru Kahika.

The budget contained in the Statement of Intent is separated into four activities.

Activity	Description
IRIS Next Generation	The IRIS NextGeneration Programme is underpinned by the IRIS NextGen Partnership Agreement and funded by the nine participating Councils. The programme budget was approved by the IRIS NextGen Programme Steering Group.
IRIS Classic	IRIS Classic is RSHLs longest running programme, underpinned by the IRIS Advisory Group Terms of Reference. The programme is funded by the seven councils that use IRIS. The budget was approved by the IRIS Advisory Group.
Sector Financial Management System	The Sector Financial Management System is the arrangement under which RSHL supports the delivery of Te Uru Kahika work programmes. The activity is underpinned by an MOU between RSHL and the Regional Chief Executive Officers (RCEOs) Group. The work programmes are funded by the sixteen participating councils, as well as government entities. The budget provided in the Statement of Intent was developed by the Te Uru Kahika Office, and endorsed by the RCEOs Group.
Overheads	Costs and income that cannot be attributed to a work programme are represented in the Overheads activity. Costs in this activity are those generally associated with the governance, management and operation of the company. A share of overhead costs is allocated to each of the other activities based on proportion of revenue.

Financially, the company remains in a sound position. All programmes operate on a cost-recovery basis with small annual surplus or deficit.

The IRIS Programme shows a book loss of \$469K but this is entirely driven by depreciation as the IRIS software product reaches end of life. This is not a deficit that RSHL is seeking shareholder funding for.

When we presented the draft SOI for feedback from member councils we encouraged, and fully expected feedback.

Members asked us to improve the presentation of the Statement of Intent which we have done, including the more use of Te Reo. We are committed to increasing the use of Te Reo each year.

Members asked us to provide more information about Te Tiriti responsibilities. Acting in accordance with the principles of Te Tiriti o Waitangi is one of the principles of this organisation and we are committed to that journey. Te Uru Kahika is working to better understand how to meet its Te Tiriti obligations. RSHL intends to align itself with the outcomes of this work.

We were asked to include an environmental and sustainability ethics statement and have done so.

It was noted that in general, the performance targets and measures were broad and not clearly linked to the achievement of the scope of activities to be undertaken. We acknowledge this feedback and it is our intention to incorporate more specific performance indicators in the next SOI. This timing aligns with a strategic initiative to be undertaken in the next 12 months to better define and measure the services that RSHL provides to Te Uru Kahika.

Thank you for your continued support of RSHL and our work.

Nāku noa nā



Mike Nield
Chairperson