



Council
Collaboration
Into Action

—
19 June 2025

Tēnā koutou

RE: RSHL 2025-2026 Statement of Intent

The Board of Regional Software Holdings Limited (RSHL) is pleased to present its 2025-2026 Statement of Intent.

The Board has been working on the strategic direction of RSHL as it grows and evolves. Our purpose and objectives have been refined, with a clear focus on delivering value to our shareholders and customers.

Our primary focus over the next three years is the successful implementation of IRIS NextGen in participating councils. Alongside NextGen we will deliver high quality service to all programmes and services delivered by RSHL.

Our Purpose:

To provide high-quality shared services for the regional sector (and associated agencies) that delivers value to shareholders, customers and the sector.

RSHL enables the regional sector and councils to act collaboratively and deliver solutions that would otherwise be unaffordable or unachievable.

Our objectives:

Primary objectives

- Ensure the local government sector is better prepared to respond to current and future challenges.
- Achieve a better return on investment with a focus on quality of outcome and realising the value proposition for the sector
- Achieve consistent good practise process across the sector and within councils.

Supporting objectives

- Increase credibility of the sector as a trusted deliverer with a unified and consistent sector profile.
- Improve key staff attraction and retention.

RSHL has delivered significant operational benefits and financial savings to the regional sector over the last 3 years, and we believe that there is more that we can do to deliver on our purpose.

We have refocussed our company strategy around three pillars:

- Programme Delivery
- Service Management
- Customer Focus

Our goal is high quality delivery to councils and the regional sector, with a laser focus on delivering value.

To assist us in achieving these objectives we have proposed strengthening our governance arrangements, as well as increasing our capacity to manage services and programmes for customers.

Board Composition

The RSHL Board currently has a vacancy following the routine resignation of a director at the AGM in November 2024.

In response to the increasing scale of the organisation and the complexity of the operating environment we recommend changes to the composition of the Board. The changes will provide additional independence and strengthen the governance of the organisation.

As part of the SOI process, the board sought feedback from shareholders on the recommendations. Feedback was supportive, and the board has acted accordingly.

The Chairperson role is currently held by Mike Nield from Taranaki Regional Council, a position he has held since the incorporation of the company in 2012. The board has agreed that Mr Nield will step down as chair on 30 June 2025.

Independent Director Bruce Robertson will take over as Chairperson on 1 July 2025.

Mike Nield will continue as a director of RSHL until he retires by rotation in 2027. On behalf of shareholders, the board wishes to thank Mike for his outstanding leadership and dedicated service to RSHL.

The board will consider appointing an additional independent director from July 2026.

Budget Structure

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

Activity	Description
IRIS Next Generation	The IRIS NextGeneration Programme is underpinned by the IRIS NextGen Partnership Agreement and funded by the ten participating Councils. Non-participating councils make no contribution to this programme and bear no delivery or residual risk in the project.

Activity	Description
IRIS Classic	IRIS Classic is our 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. Non-participating councils make no contribution to this programme and bear no delivery or residual risk in the project.
Te Uru Kahika Support Services	Te Uru Kahika Support Services is the arrangement under which RSHL supports the delivery of Te Uru Kahika work programmes. The activity is underpinned by a Memorandum of Understanding 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 reflected in the Statement of Intent was developed by the Te Uru Kahika Virtual Office and endorsed by the RCEOs Group.
Shared Services	This activity supports a range of shared services provided to groups of councils. This includes the WellsNZ Service and the Local Data Emissions Platform. This budget is set by RSHL with the agreement of the participating councils.
Public Transport Ticketing Programme (PTTP)	The budget and work programme for PTTP is set by the Transport Ticketing Governance Group on behalf of the participating councils.
Corporate	Costs and income that cannot be directly attributed to a work programme are represented in the corporate 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.

The budget provided in the Statement of Intent differs from what was presented in February in the following ways:

- Shared Services Operations have been separated from Te Uru Kahika Support Services to allow for clearer cost allocation and reporting across those activities.
- Consulting and contracting costs have been recategorized to provide more visibility of the types of resources being accessed.
- The draft SOI budget set corporate costs of \$739K. These have been reduced to \$569K in the final version. This has been achieved by deferring the provision for an additional independent director and additional management staff until FY27. This change was to reduce cost pressures on a number of programmes.
- Budgets for Te Uru Kahika, Shared Services and Public Transport Ticketing have been updated based on final approved budgets for those programmes. (IRIS and IRIS NextGen budgets are unchanged).

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

The budget shows a cash loss of \$ 827K. This is not a cause for concern. This is occurring as we expend cash surpluses held on behalf of different programmes.

Thank you for your continued support of RSHL and our work. We extend an offer to present this Statement of Intent and our refreshed strategy to a council meeting when appropriate. Please contact me if that would be beneficial.

Nāku noa nā



Mike Nield
Chairperson