

NEC Operating Model Changes – Q&A

Background

ESNZ is changing the operating model for the two NECs to ensure these key assets that provide both value and risk to ESNZ are managed in a way to ensure alignment to our strategy and be fit for purpose for the new legislation and related financial reporting standards.

1. Who owns the NECs
The NECs are assets that are owned and operated by ESNZ. All leases and other legal obligations are the responsibility of ESNZ and the Board.
2. Why are we changing the operating model?
Under new legislation for Incorporated societies and resulting financial reporting requirements ESNZ has determined that a revised operating model will help to meet compliance and ensure the sites continue to be maintained and developed in line with the expectations of our disciplines and our members.
3. What were the other considerations for the change
We also recognise the way in which the NECs operate is impacted by resource management laws (discharges, waste), building compliance, bank requirements, health and safety, and employment laws. All these need to be managed well to avoid exposing ESNZ and its members to unacceptable risk.
4. Why are we removing the NECs from the Constitution?
It is not normal practice for assets to be managed via a constitution. Removal will allow more decision-making flexibility for responding to the needs of the business.
5. What is the role of the advisory group?
An advisory group will be established for each NEC to help develop strategy and plans for the operation and development of each facility. These groups will have discipline representation along with ESNZ management and independent members who will bring relevant expertise to the group.
6. How will members of the Advisory group be determined?
The disciplines will appoint a person to each of the Advisory groups. Independent positions will be advertised, and selection will be made using an agreed skills matrix to identify the other key skills required on each advisory group.
7. How will we ensure local engagement and discipline voice?
This will be achieved both through discipline representation on the Advisory groups and as part of the key functions of the Facility Manager roles.
8. How will decisions be made around capital investment?
A capital investment plan will be a key output of the strategic planning guided by the advisory groups and approved by the ESNZ board.
9. How will the operating budgets be determined?
Budgets will be set annually in consultation with the advisory group. These will be presented and signed off by ESNZ board in line with the rest of the business.
10. Are there position descriptions for the facilities manager and administrator roles?
Position descriptions have been developed and will be used to recruit the positions.

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11. Will the employed roles be openly advertised?

Yes, they will be.

12. Why are we paying the facility managers?

The facility manager roles are a key part of delivering the agreed strategic plans. Given the value and risk associated with these facilities it is important they sit within a clear accountability framework that reports through to the ESNZ board who holds the ultimate responsibility for compliance and performance of these assets. It also brings the NEC operating model in line with how the disciplines operate and means that all key roles report through other employed staff and all are protected by employment law and key HR policies.

13. Will there be a review of the new operating model?

The NECs will have an annual review as part of normal operations. A full review will be completed after 2 years of operation.