Issue 209. July 2024

Round about.

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From top left: Ankur Dakwale, Stuart Bode, Alister Hitchcock, Wesley Gerber, Matt Clifford, Mark Preston, Beterly Pan, Brendan Graves, Sunil Bhana, Craig Smith

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In This Issue

Cover: Justin Flitter delivered an informative Ai presentation to our RBA members in July.

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From My Perspective

Phil Clode, Business Development Manager, phil@rosebankbusiness.co.nz

RIP Jennifier

It is with great sadness that I share the news of the passing of Jennifer Wyatt Sargent.

Jennifer was a friend of the RBA and had been a member for many years.

She was a regular visitor to our offices here in Rosebank and a valued contributor to our Roundabout magazine.

Jennifer lived a full life. She was an expert in HR and ran Wyatt Sargent & Associates Ltd for the last 26 years. She has been an editor of books and articles on all manner of topics. Jennifer had a sharp mind, and she was full of wonderful advice that she was happy to share when asked. She will be dearly missed by all who shared time with her. Rest in peace, Jenn.

In this month's issue of Roundabout, we're pleased to profile the new Patiki Café and Bar at 42 Patiki Road.. Owners Guru Singh Gill and Head Chef Gagan Chitchot have created their café/bar "with a twist" on the foundation of their many years of professional experience in the hospitality industry. Guru is also an award-winning barista, so if you want a great coffee along with awesome food, drop down to the Patiki Café.

We're also celebrating 30 years in business with Enterprize Steel. Keith Munro started the engineering firm over three decades ago in Rosebank, with this year marking the 30th anniversary of their registering as a company. A few years after launching, Keith brought Sarath Fernando into the business, and as the business grew, they moved to their present location at 583 Rosebank Road.

Enterprize Steel have done the steel construction for a large number of building projects in Auckland and elsewhere in New Zealand, including elements of the Sky Tower and the Westgate shopping centre.

Finally, we have an exciting newcomer to the RBA Reward Program. We want to thank Chevalier Products for joining the reward program with an offer of 10% off fresh fruit and vegetables, with free delivery to any Rosebank business. Check out all our RBA Reward Program offers at https://rosebankbusiness.co.nz/rosebank-rewards/

If you haven't got an RBA Reward Program card and your business is an RBA member, please contact me directly to take advantage of the special offers available to you.

Regards,
Phil Clode,
Business Development Manager

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Dr Grant Hewison

RBA Submission To The Draft Regional Land Transport Plan 2024-2034

The RBA recently made a submission to the draft Regional Land Transport Plan 2024-2034 ('Draft RLTP').

Overall, the RBA emphasised the need for the Draft RLTP to prioritise network optimisation programmes, freight network improvements and introduction of the time of use programme (congestion charging).

More particularly, the RBA asked that the Rosebank Road upgrade signalled in the 2018-2028 RLTP (upgrading the existing Rosebank Road to improve vehicle and freight access to and from State Highway 16 costed at $36M) be included/funded in the Draft RLTP. There was a need to see real improvements for Rosebank in terms of traffic management. The RBA asked for consideration to be given to the introduction of a dynamic traffic lane on Patiki Road to improve peak traffic flows.

Also emphasised was support for the Northwest Rapid Transit system along SH16 and that this must service the Rosebank employment area. There are over 9,000 FTEs working in Rosebank and the second largest secondary school in NZ, Avondale College, is close by. The new bus network must also link with the Avondale Train Network. However, of most concern was that there was no bus station planned at Rosebank, despite the need to address the projected increases in employment.

More generally, the RBA agreed that rapid population growth in Auckland has brought with it significant transport challenges. Support must be given to proposals for: a faster and more reliable public transport system; improved transport network resilience and sound asset management; improved regional economic productivity, including reduced congestion and faster travel times; improved safety and reduced deaths and serious injuries; and continued decarbonisation of the transport system towards the 2050 emissions reduction target.

The RBA also agreed that the Draft RLTP should confirm funding for renewals and the maintenance of local roads, rail and state highway networks; existing public transport services, along with improvements such as more rail services enabled by the City Rail Link and the expansion of the frequent bus network; and completing projects that had already been committed to and are in progress.

There was agreement that public transport projects should generally be of highest priority for funding, followed by projects to optimise local roads and address growth challenges. However, the RBA said its preference was for priority to be given to network optimisation programmes, freight network improvements and the time of use programme (congestion). These increase travel times through key routes and corridors for freight and business-related transport. Emphasis was also placed on improving the coordination of traffic lights, the use of dynamic lanes at peak times, and removing bottlenecks to mitigate congestion. Maximising the benefits from new technology and taking opportunities to influence travel demand were also important, as well as introducing pricing to address congestion.

The RBA acknowledged the draft Government Policy Statement ('GPS') had signaled a shift in Government transport priorities towards economic growth and productivity, with less focus on the climate and environment, but also that the Auckland Council Long Term Plan had shifted the Council's emphasis even more to meeting 2050 emission reduction targets in line with Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan. In making any final decisions, the RBA said that Auckland Transport should take its direction from Auckland Council (even if it meant less funding from the GPS). The RBA supported the ongoing work in the Draft RLTP work on the Decarbonisation of Ferries Stage 1.

Finally, as we are experiencing another very uncertain year, especially for small and medium sized businesses, the RBA asked that there be a focus in the Draft RLTP on how transport initiatives can grow the economy and support job creation.

The new bus network must also link with the Avondale train network.

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Kimmy's Korner

Kim Watts RBA Executive Engagement Manager
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Bouncing Around

Thursday 13th June saw 60 enthusiastic employees from Rosebank businesses gather at Bounce Avondale's exciting new setup on Jomac Place. Anticipation filled the air as participants eagerly awaited the array of activities ahead.

Bounce's new setup did not disappoint. Teams rotated to face off against other business groups, with the day's objective being to "enjoy friendly competition while having fun." Laughter and smiles filled every corner of the venue, creating an infectious energy that underscored the event.

Trampolining is well-known for boosting wellbeing by improving cardiovascular health, muscle strength, coordination, and immunity. It releases endorphins, lifting moods and reducing stress while enhancing cognitive functions, happiness, and social connections.

The Bounce event featured an impressive lineup of five engaging activities. Dodgeball tested agility, speed, and accuracy, with some competitors showcasing exceptional skill. The newly

introduced X-Run, a hit among those aspiring to be ninja warriors, featured a blend of monkey bars, ropes, and ladders. Sam and Tessa from C-Tech emerged as the fastest male and female in this rigorous event.

The Wall Climb presented a vertical challenge that demanded agility and strength, with Hilton and Jackie from GWA proving the quickest climbers. Laughter echoed throughout the venue as participants pushed their bodies to match the swift expectations they had set for themselves.

Meanwhile, the Basketball Shoot the Hoop competition proved to

be a crowd favourite, challenging employees to blend bouncing and shooting. Once the technique clicked, many showcased impressive skills.

Lastly, the Foam Pit Tower Build saw teams racing to construct the highest foam tower in two minutes, ensuring it stood for another minute. The resulting towers were hilariously wonky and couldn't stand the test of time. This activity fostered teamwork and creativity among participants.

Special thanks go to the fantastic staff at Bounce for organising and running the activity course; they ensured everyone had a blast and that the event ran smoothly. It was great to see businesses interacting over shared food, further enhancing the day's camaraderie and fun.

Congratulations to Robin, Jerry, Tomeniko, Pale, Gregory, and Alatina from Autex Industries, who were the overall winners of the RBA Bounce Event.

Winners - AUTEX

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Rosebank News & Events

News, views and any other tidbits from the Rosebank Business Community.

Economic Update with Alan McDonald

Presented by
Alan MacDonald
Head of Advocacy,
Strategy and Finance
at the EMA

Join the EMA's Head of Advocacy, Strategy & Finance Alan McDonald for an economic update, covering what's in store for business, details of the Government's latest policy changes, and their approach to addressing our infrastructure deficit and rebuilding the economy. You'll hear the latest statistics, analysis, and economic forecasting, with time for Q&A.

EMA Economic Update

Where: Browne St Eatery, 50 Rosebank Rd
When: Tuesday, 6th August, 2024
Time: 7.45am - 9.30am
RSVP: maureen@rosebankbusiness.co.nz

CELEBRATIONS GROUP Hosting

Save this date

Celebrations Group Hosting

Where: 55-57 Patiki Road, Avondale
When: Thursday, 22nd August, 2024
Time: 5.00pm - 7.30pm
RSVP: maureen@rosebankbusiness.co.nz

MyHR Seminar

Save this date

MyHR Seminar

Where: Browne St Eatery, 50 Rosebank Rd
When: Tuesday, 10th September, 2024
Time: 7.45am - 9.30am
RSVP: maureen@rosebankbusiness.co.nz

Te Kōwhai Nui (The Big Yellow) safeguards marine ecosystem during Te Whau Pathway construction

Leaving minimal impact on the environment is top of mind as Auckland Council builds a pathway linking the Waitematā and Manukau harbours.

That's why a massive piece of machinery – Te Kōwhai Nui, or the Big Yellow – has been put in place over the Whau River at Te Atatū Peninsula as construction of the boardwalk over this part of the Waitematā continues.

Councillor Shane Henderson has been involved in this partnership project with Te Whau Coastal Pathway Environment Trust since it began in 2014. He says he's pleased to see the project making progress.

"I'm thrilled to see Te Whau Pathway is progressing, which will allow Aucklanders to walk or cycle from one side of the Auckland isthmus to the other.

"Te Kōwhai Nui will mitigate the environmental impact of the pathway's construction over the Whau River.

"The local Auckland economy has been boosted by this project with a local company - McConnell Dowell Constructors - doing the fabrication work of Te Kōwhai Nui."

Taryn Crewe, Auckland Council's General Manager Parks and Community Facilities says using Te Kōwhai Nui in the construction project is crucial to protect the environment.

"Leaving as little impact on the environment is at top of mind during the Te Whau Pathway project.

"Utilising Te Kōwhai Nui means the boardwalk will be constructed from the top down, that is, building a section of the pathway and moving along on the top to reduce our impact on the mangroves and surrounding environment below."

Local community involvement in the project saw Te Kōwhai Nui named by Freyberg Community School in September 2022 following a competition in which each class suggested a name from which the winner was picked.

Construction on Te Whau Pathway restarted in December 2023 and the estimated completion time for the boardwalk connecting the Northwestern Cycleway and Horowai Reserve (Roberts Field) is December 2026.

Te Whau Pathway is a partnership between Auckland Transport (AT), Ngāti Whātua Ōrākei, Te Kawerau ā Maki, the Whau and Henderson-Massey local boards, the government as a major funder, Auckland Council delivering the construction and working closely with Te Whau Pathway Environment Trust.

Te Whau Pathway follows a traditional Māori taonga waka (portage). Fully delivered, all sections of the proposed pathway will connect Manukau Harbour at Green Bay to the Waitematā Harbour at Te Atatū Peninsula.

Ai Lunch with Justin Flitter

On June 25, 130 RBA members had the pleasure of attending a lunch with NewZealand.ai founder Justin Flitter.

Justin shared the latest information on artificial intelligence and showcased the practical ways SMEs can start using this remarkable technology. He gave insight into how businesses need to put in place rules on how to make Ai available to their employees so there is transparency around its use.

Justin gave a non-technical, informative, and entertaining presentation that produced many questions from the audience.

If you missed Justin's presentation here in Rosebank, you can attend another presentation in Auckland on September 5. Visit the event link for more details: https://events.humanitix.com/auckland-the-great-nz-ai-roadshow

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Gagan Chitchot and Guru Singh Gill

Patiki Cafe and Bar:

Taste the Difference

Eggs benny on a crisp, fried onigiri rice cake. Fenugreek potatoes with haloumi and your choice of bacon or salmon. Authentic Italian pasta dishes, winter warmers like boeuf bourguignon, and an award-winning barista behind the espresso grinder. If you're looking for a tasty new take on cafe food and casual dining, look no further than Patiki Cafe and Bar on Patiki Road.

"We do cafe food with a twist," says co-owner and Restaurant Manager Guru Singh Gill, who founded Patiki with Head Chef Gagan Chitchot. The business partners and longtime colleagues in the hospitality industry launched their cafe/bar just two months ago, and they're keen to welcome Rosebank employees through the doors to discover their wide-ranging menu.

"Our concept is picking up dishes from different cuisines and putting them on one menu," says Guru. "Nice, quality food with a twist. People should definitely come and try us out."

Guru and Gagan's culinary creativity is supported by a solid foundation of professional experience. Head Chef Gagan has worked in the industry for over a decade; his diverse resumé includes stints at a busy Italian restaurant in Taupō, a top French cafe here in Auckland, and Mikano on Quay Street.

"He's really good at pasta," raves Guru. "He makes pasta in the real Italian way - it's authentic." Gagan is so skilled, in fact, that Patiki puts on "pasta night" every Thursday evening to treat diners to delicious Italian dishes. "We do fettuccine carbonara, spaghetti bolognese, lemon prawn linguine, and spaghetti pomodoro," he says, naming but a few of the options on offer. "We also have the full dinner menu along with the pasta specials."

Guru, who works with Gagan to develop the menu ("We're always trying new things, every chance we get") is also a seasoned hospitality veteran. Originally from Punjab in northern India, Guru arrived in New Zealand 13 years ago with a driving desire to make something of himself - and he wasn't afraid to roll up his sleeves and get to work.

"I didn't know anything about hospitality when I was in India," he recalls. "When I came to New Zealand, from the very first day, I've been working in hospitality - I've never done any other job. First I started in the kitchen, and I learned about the kitchen, and then I moved to the bar and worked in a lot of bars in Auckland as a bartender."

Eventually, the long hours and hard work led him to start drinking coffee - and a new passion was born. "Once I started drinking coffee," he laughs, "I said, 'Okay, let's see how to make good coffee,' and I became a barista as well." (He even won the Kōkako Latte Art competition in 2015). Over the years, Guru says, he has worked alongside experienced restaurateurs and played a key role in opening nine other restaurants across Auckland. Then, for two years, he co-owned and ran Balter Bar and Kitchen in Carterton in the Wairarapa. “I learned something every day. This is the good thing about hospitality: it’s never ending. New food, new drinks, every day.”

Now, Guru is very pleased to co-own his own establishment here in the City of Sails. He and Gagan are keen to impress local fans of quality cafe fare, and Guru says that they offer an array of conveniences that pair temptingly well with their food.

“We can do most of the dishes on our menu as gluten-free,” he says. “We have vegan options as well, like the cauliflower fritters on our lunch menu. We wanted to create something really tasty that everyone could enjoy, even if they’re not vegan. The cauliflower fritters have a bit of everything: some citrus and sweetness, and they have a bit of spice as well.”

Patiki Cafe and Bar has ample seating and plenty of parking, too, not to mention high chairs and a dedicated kids’ menu for the littlest foodies. For patrons seeking breakfast on the go, their cabinet is stocked with “substantial” fare like bacon and egg butties and filled rolls (including braised beef, jerk chicken, and haloumi for vegetarians), and they offer a daily

morning deal of coffee and a cabinet selection for only $10.

If an evening meal is more to your taste, Patiki is open late on Thursdays, Fridays, and Saturdays for a fully licensed dinner service with local and international wines. Saturday nights feature $27 steaks, and the full dinner menu includes entrees like dumplings and arancini balls, mains like pork belly and chicken burgers, and desserts like panna cotta or a hot chocolate brownie with vanilla ice cream.

Guru says that he loves connecting with and chatting to his customers, and he looks forward to meeting more of his neighbours in Rosebank. “We’re doing good quality food, the same style of cafe and bar food people are looking for, but we’re doing things a bit differently,” he says. “Come and give us a try.”

Patiki Cafe and Bar is open from 6am - 3:30pm on weekdays and 8:30am - 3:30pm on weekends, and they’re open late for dinner (until 9pm) on Thursday, Fridays, and Saturdays. Visit them at 42 Patiki Road and find their full menu online under their Google listing.

Now It's Personal:

Bringing Family into Your Business

Friends and money may not mix, but business and family certainly seem to. Among SMEs, it's not uncommon to find a family member or two on the payroll, if not several whole branches of the family tree.

For some business owners, bringing family into the fold has been a feature since day dot, while for others, it's part of the natural evolution of an operation that began as a solo mission. However it comes to pass that you're spending work hours with your relatives, running a family business comes with a host of positives and challenges.

"Family businesses share a lot of the benefits and challenges that are not uncommon with any private business," says Darren White, Director of Family Office Advisory Ltd. "If you add the family dynamic, in some respects that magnifies some of those benefits and challenges, and other times turn some of them on their head."

Along with general education and support with taxes and financial reporting, Darren assists family businesses with succession planning (in its many forms) and governance, both in the business and family sense. He says it's clear why so many SMEs choose to hire from within their own gene pool: if managed correctly, the family aspect of your business can be your superpower. But to harness that power, it's critical to understand where family involvement creates benefits – and potential pitfalls.

"For any private business owner, one of the hallmarks is a person who fulfils their own purpose and strategy, pursues a dream or passion, and they enjoy being their own boss," explains Darren.

"At the same time, they're on their own. Often there are financial constraints, and there's usually only one way out, and that's to sell the business at some point. With a family business, you're not on your own, which may be a good thing, but at the same time, you've got the challenge of determining the direction of that business in combination with other family members and generations. It might be that the family is blessed with the ability to reach a consensus and move forward under their own discussion of the matter, but it's fair to say that can be a challenge."

Darren says that there are a number of dynamics, like the involvement of multiple generations, that can be both a benefit and a troublespot. "A family business is what fuels the home and the family fortunes, and there's nothing like money to create some challenges and tensions in how people are remunerated and how they share in the ups and downs of the business.

"Having said that, the flipside is that rather than mum and dad doing it on their own, you've got the strength of the family network that supports the business. And, to me, that whole aspect of longevity and multiple generations and the ability of a family business to take a long-term view is one of its potential superpowers."

To support your business to reach its full potential, Darren says that good governance is key – and not just business governance. Family governance and business governance go hand in hand, he says, and both are equally important. But whereas business governance involves establishing your purpose and strategy (and getting everyone, sometimes from multiple generations, to buy into it), family governance is more about navigating the journey of your business as a family.

"This isn't trying to police the family dynamics," emphasises Darren, adding that "no one in their right mind" would try to govern how a family works or what they talk about around the dining room table. Instead, it's about laying down some ground rules. "We talk about establishing a family charter and a family council to assist with oversight on how the family manages itself with its dealings with the business, rather than having a hodgepodge of independent interactions by happenstance."

Open communication and information sharing is key, he adds. As long as the information sharing fits within the boundaries of privacy and confidentiality laws, being transparent within the family about what's happening with the business can go a long way towards keeping everyone on the same page.

Just as important is to bear in mind are the impacts of family involvement on other, non-family staff. With a family business, Darren says, tension and confusions can arise when there are multiple bosses or managers. In some cases, incoming family members may be greeted with a lack of trust or respect by the rest of the team, especially if it's not clear that they've earned their place in the business on their own merit.

"At the very least, professional norms and good process should be followed," says Darren. "Other staff will be looking for direction, typically from the more senior members, and when you have other family members come in and attain management roles, or when more senior owners step back, where does the balance of power sit?" He notes that suppliers and customers also need clarity on who to talk to about what – and whose word is the final one.

Another sticky spot to watch out for is family members closing ranks when it comes to decision-making, and non-family employees feeling excluded from the inner circle. "I think there's an onus on the family business to take a wider sense of who they are and what they're about, and create that inclusive environment," says Darren. This includes understanding what needs to be done or discussed solely at work, versus of an evening at home. "A family business, like any private business, will need to make decisions around the board table, not the kitchen table. They need to be cognisant of having everyone in the room."

He encourages family businesses to consider bringing in independent management, directors, or advisors if they need an impartial voice, as well as doing things by the book.

"There might be a tendency to take a more relaxed and informal approach to how things are done, how people are brought into a business, and how they're rewarded, not necessarily just in terms of salary, but perhaps with bonuses or even vehicles," says Darren. "I'd suggest endeavouring to ensure there is as much comparability and equity about how a family member is treated versus how another member of the staff or the team is treated. It's never going to end well if there's a clear disparity."

Not only that, but he advises diversifying the team with non-family whenever necessary, especially when it comes to roles like human resources and payroll. "No matter how talented and sizable a family is, there are always going to be skills and experiences required that family members may not be able to fulfil. Where possible, if that's not happening naturally, I think a deliberate process of bringing on board non-family members into management roles or at the ownership/governance level is a positive step. This helps to create an element of 'arms length' about dealings between the people within the business, both family and non-family, and brings an external perspective to the table that's typically invaluable."

Finally, Darren says, the topic of succession is an important one that has many facets that bear thinking about – not just who's going to take over once the founders have retired. "Succession can take a whole bunch of different avenues. It's the knowledge surrounding the business and its history; it's the values of the founders, grandparents that might now be deceased, and how that's passed on. It's the succession of people: the next generation's education and development. And it's the more common business-related succession: succession of management and succession of governance, when it might be helpful to bring in independent people to help manage or direct the governance of the business."

"For smaller family businesses," he adds, "to be fair, that's probably a step beyond where they're at at the moment. But it's certainly worth considering."

Special thanks to Darren White of Family Office Advisory Ltd. (https://foa.net.nz/) for his contribution to this article.

Enterprize Steel Celebrates 30 Years

Three decades ago, from their shop on Rosebank Road, a small business took on a very tall order. How tall? Try fabricating jump platforms, crane restraints, and steel cladding for the highest free-standing structure in the Southern Hemisphere, 326 metres above street level.

"The Sky Tower and casino really put us on the map," says Keith Munro, the entrepreneurial welder who founded Enterprize Steel in the early 1990's. Operating then out of 303 Rosebank Road, the steel construction business had been slowly building up their reputation for quality workmanship. Winning the tender to work on the Sky Tower project in 1994, the same year they officially registered as a company, meant that their efforts had paid off. "We did all the jump platforms for the Sky Tower - they were the platforms that followed it up as they were making it - and we did all the crane restraints and rotating platforms on top to clad it. For the [SkyCity] casino, we did the support steel for the car park, all the canopies around the casino, and all the roofs on the casino, contracting to another company."

Until joining that project, Enterprize Steel had done mainly workshop maintenance, including work for McCallums Concrete. "We used to do their plant, the new trucks for them, and repair their old trucks," he recounts. After a few years, and a shift to their present location at 583 Rosebank Road, Keith took on a partner,

Owners Keith Munro & Sarath Fernando

Sarath Fernando. And although there was a quiet spell following the end of the three-year Sky Tower project, business soon properly took off – and never slowed down.

"Once you get known as a company doing the bigger buildings," Keith says, "they come to you and ask you to tender. They give you a set of drawings – a concept of what they're doing, and it's got quantities of steel in it – and you give them a price to do it. And if they agree to it, then we draw it, we make it, and we put it up. We've done a lot of work for Fletcher Building – for most of the major companies that put up buildings. We've done Westgate Mall; we've done PAK'nSAVE at Westgate."

And that's not nearly all. Enterprize Steel has built plenty of large buildings in the city for Mansons TCLM Ltd and erected several buildings in Wynyard Quarter, including Fonterra's innovative, seven-storey headquarters building. The massive project required some out-of-the-box thinking; the team worked hard to fabricate and assemble architecturally designed internal staircases that were lifted in one at a time by tower cranes.

Enterprize has also built several hotels in the international Wyndam franchise, including LQ Ellerslie, Ramada Newmarket, Ramada Parnell, Ramada Manukau, and two hotels in Queenstown: the Ramada in Queenstown's Town Centre and LQ by Queenstown Airport.

With Queenstown's breathtaking scenery and extreme sports, it was a project the team particularly loved working on.

But it hasn't been all squares and rectangles. In 2014, Enterprise fabricated a steel "tree" structure for ChildFund's "Tree of Bikes" Christmas charity display and event on Queens Wharf. The tree held 150 bicycles donated for children living in poverty, in alignment with the theme of "Break the cycle of poverty."


Childfund - Tree of Bikes

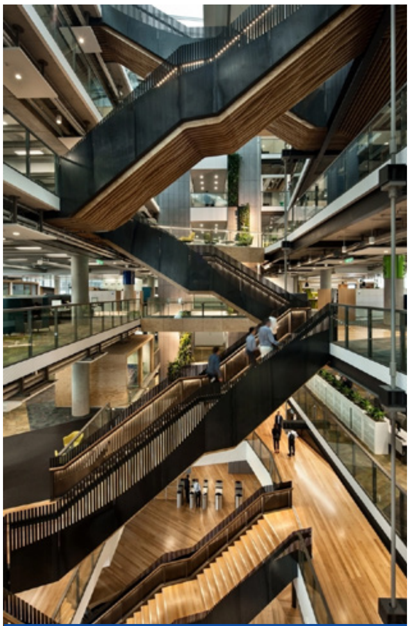
Today, after 30 years as a registered company, the business is doing well, despite the current economic downturn. They have quite a few promising projects in the pipeline, including several local schools and Summerset Retirement Villages.


Greenwich Retirement Village - Albany

Keith says that the secret to their success is doing everything in-house – and having a great team. "We have good leadership in our business, from our quantity surveyors through to our accountants and draughtsman. Some of our employees have been here for 30 years. We have do's for them, we have midwinter outings, we have all sorts of things."

As for what he likes best about working in steel construction? Keith says it's the people he works with. "They're my-way-of-thinking-type people. It's my industry." And with on-the-job stories that would curl your hair ("In the old days, the safety requirements weren't as hard"), he says the changes in the industry over the past three decades have been positive ones, even if that means project costs have gone up. "It costs a lot more to do a project now because of all the testing, paint testing, guarantees, and all that sort of thing. The industry has changed quite a lot over the last 30 years - it's not as cost-effective now - but for the better, definitely for the better."

For more information about Enterprize Steel, visit their website: https://www.entsteel.co.nz/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EBSA has established itself as the industry leader in operable facades, supplying commercial window automation, operable glass roofs, and architectural glass louvres. A focus on design consultation provides outcomes that combine functionality and aesthetics and ensures successful implementation during the construction phase. EBSA offers ongoing support through a dedicated service and maintenance team, ensuring their products continue to “make buildings breathe.”

EBSA has been delivering sustainable solutions to meet changing construction needs since 2012, using thermally efficient designs to provide natural ventilation and daylight to improve indoor air quality. The company is also a specialist in the field of smoke control, providing solutions for natural smoke exhaust as well as both relief and make-up air for mechanical systems.

EBSA’s projects are featured in contemporary commercial retail developments, health facilities, and high-rise residential and education buildings. The company’s commitment to quality and innovation has made them a favoured choice amongst architects, engineers, commercial builders, and specifiers designing within these sectors.

EBSA has longstanding partnerships with three of Germany’s industry leaders (Schneider Louvres, D+H Mechatronic, and Lamilux). This ensures one of the largest product ranges that meets most project requirements can be designed, installed, and commissioned as a turnkey solution from a single supplier.

The market acceptance of this model has seen the company expand to now include offices in Brisbane, Sydney, and Melbourne, and the EBSA Group has expanded to include EBSA New Zealand and EBSA Canada, providing further opportunities for growth.

EBSA’s Vision is to be the respected market leader for architectural glass louvres, operable glass roofs, and commercial window automation solutions. Their mission is to instil confidence by striving for the highest levels of sales and technical support, project management, and customer service.

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The Working In team is based in Auckland, with additional staff in the United Kingdom, South Africa, the Philippines, and India. Since 2015, they have assisted Kiwi companies in providing settlement services to their migrant employees, ensuring they meet the new settlement guidelines required by Immigration New Zealand and that new employees are well looked after. Working In makes it their mission to find the people you need from around the world, and they have a flexible model that offers risk-free permanent or contracting solutions.

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Business Nuts & Bolts

Business to Business advice from **RBA Members & Partners**

Returning to the Office and Hybrid Work

Jason Ennor
MyHR Co-founder and CEO

In the wake of the COVID-19 pandemic, many employees are used to working remotely, at least some of the time. But plenty of employers would like their team back in the workplace more often to boost collaboration, culture, and efficiency.

So how can business owners go about bringing workers into the office without coming across like the big bad boss who's taking away employee freedoms?

Legal considerations

Employers can legally request employees return to the workplace based on the location of work written in the employment agreement. Employees also have the right to request flexible working arrangements, which employers must consider before agreeing or declining.

Employers can alter flexible working arrangements, but the change should be based on strong reasoning, whether that is to better manage employees or better support them. You should consult with people on any change, explaining your reasons, providing a genuine opportunity for feedback, and responding to employee concerns.

Work with your people

Flexible working often works best if an organisation has a policy in place and is willing to find solutions with staff so everyone can work to their best ability, be that at work or home.

If you get pushback on bringing people into the office more, explain the benefits of having people at work, such as improving collaboration, building culture, learning skills, and getting energy from social interaction.

But also realise that research has found that the majority of people who work in hybrid environments are more innovative and productive. The social nature of the workplace can be distracting or over-stimulating, and employees may be better at getting important work done away from the office.

However, new hires or staff who are struggling will benefit from coming into work more to get support and on-the-job training.

If you are going to instigate any change in requirements, provide transition time, as workers will have built their lives around the current flexible arrangement and will need to adapt.

It doesn't have to be all or nothing

Plenty of companies are striking a balance between work in the office and from home, creating hybrid models based on what works best for customers, the business, and individuals.

Getting staff or teams to all come in on certain days can work better than a blanket, mandatory approach. Look at offering perks, like transport assistance or free car parking on certain days, or organise fun experiences, like team get-togethers. Ensuring that leaders and managers are visible in the office can also encourage people to come in.

Watch out for your employer brand

While you might be able to get away with a tough stance on bringing people back into the workplace in the current job market, it may hurt your employment brand in the long run.

Flexible work is now the norm for many New Zealand workers. Stats NZ reports that in 2023, four out of five businesses across New Zealand offered employees flexible working hours, and 43% offered their employees the option of working from home.

Insisting that everyone comes back into the workplace full-time may make your business seem less modern and adaptable to workforce changes, which could decrease your competitive advantage and make it harder to attract talented staff in the future.

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Tam Irvine
Smith & Partners Lawyers

Shareholder current accounts - risks and remedies

In an ideal world, owners of small privately held companies would always separate their business and personal expenses. In reality, this doesn't always happen, and many owners may be unknowingly indebted to the very company they are utilising to insulate themselves from debt.

This article discusses the dangers involved when the line between personal spending and business spending becomes blurred; and the steps that you can take to restore this distinction; eliminating (or at least reducing) the associated financial risks.

Consider an owner of a building company. On the one hand, the company itself will have many routine business expenses (fuel, replacing inventory, routine overheads such as insurance etc). Separately, the owner (in their individual capacity) will have personal expenses of their own. Certain expenses - for example the cost of a lunch - could arguably be attributed as either a business or personal expense (depending on the circumstances in which the cost was incurred).

With such an easy scope for overlap, it is easy to understand why many small business owners end up using company bank balances as an extension of their own personal finances.

Afterall, the whole point of owning a business is to earn money from it.

While making money is indeed the ultimate aim of going into business, the major advantage of owning a business through a company is to protect the business owner from the financial consequences of the business failing (so much as is possible). It is better for your company to enter liquidation then it is for you to be personally adjudicated bankrupt.

Unfortunately, taking a casual approach to company and personal spending can risk both occurring. Negating the advantage of running your business through a company and risking experiencing the worst of both worlds.

To guard against such a financially calamitous double whammy, the best course of action is to vigilantly respect the distinction between your company as a legal 'person' and yourself as an (actual) person. In practical terms, this means only taking money out of their business in the form of your wages/salary or by way of dividends (which are taken from the net profits of the company).

While the above represents what company owners should do in an ideal world, the reality is that most business owners will, from time to time, use company funds on a personal expense.

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Understanding shareholder current accounts

Consider the example of a company owner regularly drawing money from an ATM using a company credit card. The company owner then takes that money and spends it on non-business related expenses over the course of a few weekends. Over time, the company owners acquires the habit of reaching for the company's money in circumstances when they should be utilising the money that they personally own.

An observer might question whether this is even a problem. After all, the company owner owns the company and the company owns the money. Indeed even the author acknowledges that it is tempting to see the standard methods of drawing money from a company (salaries, dividends) as cumbersome bureaucratic hurdles keeping a person separated from 'their' hard-earned money.

As annoying and obstructive as observing these payment formalities may feel, deciding to ignore them changes the nature of a payment from a company to its owner entirely (even if the payment is not made to the owner directly, but simply on their behalf). Such payments are actually extensions of credit – individual loans that closely resemble bank overdrafts.

Taken together, the sum of all these individual loans are legally treated as being debited against the owner's (notional) 'shareholder's current account' (which functions like a form of overdraft).

The danger of unchecked shareholder current account debt

Unlike a bank overdraft, there is nothing (except the owner's restraint and the availability of funds) to provide an upper limit on what can be drawn from a shareholders current account.

This can, in combination with other factors, result in the liquidation of the company. If liquidation occurs, the liquidator will scrutinise the shareholder's current account and demand immediate repayment of any outstanding balance.

If not repaid, court proceedings can be issued by the liquidator against an owner in respect of their shareholder current account. This can result in bankruptcy for the owner and personal sanctions for failed director duties. The legal separation of company and owner will afford no protection when years of shareholder current account drawings have been allowed to mount up unchecked.

Mitigating the risk

To mitigate this danger, owners should reflect on the possible consequences of cavalier company crediting and adjust their day-to-day business practices by keeping personal and business expenses strictly separate at all times. Straightforward examples would be to use separate business and personal debit cards as appropriate (leaving the company card at home on the weekend to reduce the chances of acting on temptation).

Effective management of shareholder current accounts is also vital for maintaining financial stability in closely held companies – especially in industries where profit margins can be thin and easily buffeted by unexpected adverse events. As a shareholder, the best course of action is to pay yourself last after expenses.

When personal and business expenses haven't been separated – say for example if you are caught short at the supermarket or on a large personal expense - thought should be given to how overdrawn accounts might be resolved.

Where sufficient personal cash is unavailable to simply repay an overdrawn amount on the day, owners may instead work with their accountant (or legal adviser) to:

- Declare a dividend that matches the overdrawn amount.
- Issue a shareholder salary to offset the overdrawn amount.

The above methods are only available when the company is solvent and, before utilising either method, it is important that owners involve their professional advisors (particularly accountants) before taking these steps.

Tam Irvine is a senior solicitor in Smith and Partners Lawyers' commercial team and is well placed to provide such help. He can be reached on 09 837 6837 or email tam.irvine@smithpartners.co.nz.

Kate de Lautour
The Icehouse

New CEO at The Icehouse

Business growth hub The Icehouse has announced a change in leadership, with current Chief Growth Officer Olivia Blaylock taking the reins as chief executive officer from July.

David Downs, The Icehouse Board Chair, says Olivia is stepping forward at a time when the business landscape is quickly evolving.

"A recession is in full swing, and the new budget has been delivered. The current state of play means our business leaders need impactful advocacy, mentorship, and support from a team who gets it."

Olivia is an Icehouse Owner Manager Programme alumnus and brings to the role 25 years of experience leading and growing businesses. She says her personal purpose has always been to "improve the lives of New Zealanders."

"I think New Zealand is the greatest country in the world, and I want to make it better for New Zealand businesses. All of my career has been aligned with this purpose. Now the opportunity to impact business leaders every day at The Icehouse is something I don't take lightly."

Liz Wotherspoon has been The Icehouse CEO for the past two years. She will stay in the organisation in a new role as Chief Customer Solutions Officer.

David Downs says the change will set in motion a fresh era of impact for The Icehouse.

"Having Olivia's experience, skills, and heart in the CEO role, with Liz remaining at the forefront of the delivery of our programmes, is the ideal scenario for this new phase. For 23 years, The Icehouse has listened to and mentored 4,000-plus Kiwi business leaders to achieve an average post-programme growth of 250% within their businesses. As the business landscape is in an important period of change, the entire Icehouse team is focused on delivering up-to-the-minute nationwide support of owner managers and their teams."

For Liz, it has been exciting to have spent the past two years in the CEO role, leading The Icehouse business.

"This has not been without its challenges, with the market shifting and changing and requiring us to be agile and adaptive. As a business, I think we can be proud of how we have navigated this and what we have achieved. Last year, I signalled that I wanted to step away from the CEO role and play a different role, a role that would allow me to play to my strengths, passionately do the best work I can, and for as long as I choose to be part of this amazing organisation, continue to add value, most importantly to our amazing alumni, community, customers, the incredible network of talented people who work with and for us, and ultimately to the organisation.

"Specifically, I will be leading the design and delivery of our programmes and other customer solutions, evolving these to

Pictured left Olivia Blaylock
and Liz Wotherspoon

meet the ongoing needs of our customers and ensuring we remain focussed on our key stakeholders: the SMEs we help and support. This role will allow us to keep stepping up our impact and evolving and fine-tuning our offerings.

"Olivia has shown herself to be an excellent leader, with a real grasp of what growing businesses requires. As an Icehouse Owner Manager Programme alumnus herself, Olivia brings empathy and experience to the role and will continue the great work of the Icehouse team, while also being bold in envisioning what the next curve looks like."

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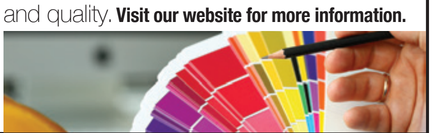

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Pierre Wong, Senior Solicitor
Henderson Reeves

Sports clubs may need to shape up!

You may think The Incorporated Societies Act 2022 has nothing to do with you, but if your child is in the local soccer club, or you're on the board of the squash club, chances are you will be affected by recent changes to the Act.

The gist of the changes are that "officers" of incorporated societies can now be personally liable for not running the club properly, and that members are entitled to expect higher standards of governance from their club. In short, the new Act aims to improve the governance, accountability, and transparency of incorporated societies - and there are now consequences for failure to meet those standards.

Who is affected?
The New Act affects all existing societies incorporated under the old 1908 Act, this includes your local sports club, Resident Associations, and any other special interest group.

Any new society seeking incorporation from 5 October 2023 will also need to comply with the New Act.

What's changed?
The New Act introduces a number of changes

1. *Governance Requirements:* The Act introduces clearer governance requirements for societies, including duties for committee members similar to those of directors of companies. This includes acting in good faith, exercising care and diligence, and acting in the best interests of the society at all times.

2. *Dispute Resolution:* the New Act mandates that societies must have a clear procedure for resolving disputes among members of the society and those between a member and the society itself.

3. *Financial Reporting:* Societies are required to keep proper financial records and, depending on their size, may need to have their financial statements reviewed or audited.

4. *Constitutional Requirements:* The Act specifies certain minimum requirements for the content of a society's constitution, aiming to ensure that societies are run fairly and transparently. For example, a constitution must now include procedures on how the constitution can be amended, and how a member can be appointed or removed as contact person.

5. *Dissolution and Amalgamation:* The Act provides detailed processes for the dissolution and amalgamation of societies. This makes it easier for two or more societies to amalgamate, making the transfer of assets or contractual obligations easier.

6. *Minimum Membership:* The minimum number of members for societies decreases from 15 to 10 under the new Act.

7. *Criminal Offences:* The new Act provides several new criminal offences, which target dishonest and fraudulent behaviour in relation to an incorporated society. For example, fraudulently taking and applying a society's property for personal use or benefit.

Next Steps
All existing Incorporated Societies will need to re-register as an Incorporated Society. The deadline for re-registering is **5 April 2026**. If you are thinking of starting an incorporated society, it is important that you comply with the New Act.

Our specialist team of lawyers at Henderson Reeves Law are well placed to assist you in ensuring that your incorporated society meets the new requirements set out in the New Act. We are happy to help with a review of your current society rules and assist with bringing these in line with the New Act and the re-registration process.

Aaron Martin
NZ Immigration Law

Feeling the Burn: Immigration Changes Leave a Mark

The combination of the changes made April 8 and the last government's new points system for residence is now beginning to bite.

It's dawning on the business sector how much of a basket case our immigration system has become, made worse by the April changes, which emerged from overreach by the current government to address a problem in the work visa system.

Prior to April, a job's ANZSCO skill level was not an impediment to the issue of a five-year work visa. The expectation of existing three-year work visa holders that they could extend their visas to five years was a great comfort, given that the residence system introduced by the Labour Government necessitated that timeframe for many to become qualified for residence.

The April changes have reduced the ability of many skilled workers to extend their work visas to the five-year maximum because it has become dependent on what skill level was used in the Job Check, which was sometimes made more than a year before the April 8 changes.

Employers are faced with trying to find alternate ANZSCO codes and applying for new Job Checks to try to extend the work visas for their workers. But in most cases, it will be near impossible to convince Immigration NZ to use a difference code for the same role. Immigration can designate the code and skill level despite what is presented or requested by the employer, and why wouldn't they follow the precedent set in prior applications?

Many workers needed that five years to become qualified for residence. The new residence system requires workers to score six points. A set level of points must be selected from one of the skill categories (qualifications, registration, or income from their job), with the applicant making up the balance of points from New Zealand work experience.

For those without Bachelor's degrees (the lowest level of qualification that can get points) and not in a role requiring occupational registration, the only skill category left is income. The income threshold starts at 1.5 times the median wage. Currently, that is set at $47.42 per hour. But it will be adjusted in 2025, so some workers will be constantly chasing a moving target.

If the work visa holder can secure the required wage rate, they need to acquire three years of work experience paying that rate. With the median wage reviewed early, five years gives them time to reach the required level and complete the work experience.

For those who are confined to three years, the ability to secure residence is now an unlikely goal - so they'll be looking to leave for home or Australia. This means the employer will once again have to re-hire.

Employers having to pay their international workers 1.5 times the median wage to achieve residence causes a significant problem when local workers doing the same work are not paid anything near that rate. What better way to encourage the local work force to consider leaving for Australia than artificial wage disparity engendered by government border controls that disadvantage local workers?

The lack of rationality in the border controls from a government that needs increased productivity and a dampening of internal inflation (wage and salaries) needs addressing promptly. But this is what happens when changes are rushed to address a problem. What is concerning is the lack of clear direction on how this mess is going to be resolved and where it will sit on the priority list.

For those who are confined to three years, the ability to secure residence is now an unlikely goal

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Alan McDonald
EMA Head of Advocacy & Strategy

A no surprises Budget is just what we needed

Last month the Government delivered its first Budget.

In its lead-up, Finance Minister Nicola Willis promised no-surprises and that is exactly what she delivered.

The tax cuts, which were the Budget's centrepiece, were well signalled in advance, delivering on the promise of tax relief made by the National Party on the campaign trail.

The Budget also delivered more funding boost for education and health, though not as large as we have seen in recent years.

Anyone expecting a Budget surprise to be pulled out of the hat would have been left disappointed.

But this was a steady-as-she-goes safe Budget, which is exactly what was needed given the dire state of the Government's books.

The economy continues to struggle as the post-pandemic global slowdown continues to bite New Zealand. Our economic recovery from the aftermath of Covid continues to be slower and longer than many of our key trading partners.

Around the world supply constraints, loose monetary policy and increasing government spending have combined to fuel inflation which central banks are still trying to bring back under control.

This saw interest rates rise rapidly as authorities tried to take the heat out of the economy. In many countries those rates are coming back but internationally interest rates and inflation remain higher than in the recent past.

While the good news is that similar approaches in New Zealand are working, we are now going through a very painful process of adjustment.

Consumers with mortgages are bearing the brunt as their mortgage payments have increased, reducing their disposable incomes. This clearly flows on to the business sector, with businesses across the economy facing falling sales and increasing financing costs.

As a result, the Budget forecasts the year ahead to be one of low growth and rising unemployment.

This flows through to the Government's books, with the tax take falling at the same time as demand for government services increases.

This has seen the deficit rise quickly – expected to reach $11.1 billion this year.

To fund this deficit, the Government has had to borrow, which has seen our debt levels grow to hit $178.1 billion this year. And because the Government is having to pay higher interest payments on this debt, financing costs have also increased.

Little surprise, therefore, that given the tough economic environment there were no new big spending packages in the Budget.

Instead, the priority was on getting the books in order so we can get back to surplus and start paying some of the debt we have accumulated in recent years.

And while we would have liked to have seen some business specific measures in the Budget, such as accelerated depreciation, it is more important that we create the conditions that support the economy to grow.

That means supporting the Reserve Bank's work to bring inflation down by reining in spending, which has grown rapidly in the last six years.

It also means rewarding hard work. That is why the $3.7 billion tax cut package in the Budget was important.

Some have argued that the Government should have deferred the tax changes, which saw the income thresholds adjusted, until the books were back in surplus.

We disagree. Tax thresholds have not been adjusted for 14 years and this has pushed more middle-income earners into high tax brackets, as wages have increased with inflation.

This is just not fair, especially with many households struggling with the rising cost of living.

And if the Government keeps to its promise of funding the tax cuts by reducing spending elsewhere, they should not contribute to inflation.

Instead, they should give consumers' wallets a much-needed small boost, which will support increased business activity.

But the Budget did see investment in areas that should support economic growth over time.

This includes funding for new infrastructure, including $1.2 billion for a Regional Infrastructure Fund and $1 billion to accelerate the delivery of the Roads of National Significance and other major public transport initiatives, which are much needed to address our growing infrastructure deficit.

So, while there were no big surprises, this was an important Budget.

It was the first step in rebuilding the economy.

But there is still a lot of hard work to do to get the books back in order, and that means things are likely to remain tight for a while yet.

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