File ref: IRC-3179

27 April 2022

Kia ora,

Parliament Occupation Business Relief Fund

Thank you for your request made under the Local Government Official Information and Meetings Act 1987 (the Act), received on 04 April 2022. You requested the following information:

• All correspondence between Mayor Andy Foster (and his office) and Minister Grant Robertson (and his office) / Minister Stuart Nash (and his office) about the Parliament Occupation Business Relief Fund

Wellington City Council has granted your request for information.

Below are the documents that fall in scope of your request and my decision to release the document. Contact details have been redacted for privacy reasons.

| Item | Document name/description | Decision |
|------|---|-----------------|
| 1. | Email to Minister Robertson and Minister Nash (15 | Release in full |
| | February) | |
| 1a. | Attachment to above email, letter to Minister Robertson | |
| | and Minister Nash (15 February) | Release in full |
| 2. | Email to Mayor Foster from Minister Nash (22 March) | Release in full |
| 2a. | Attachment to above email, letter to Mayor Foster | Release in full |

Right of review

If you are not satisfied with the Council's response, you may request the Office of the Ombudsman to investigate the Council's decision. Further information is available on the Ombudsman website, <u>www.ombudsman.parliament.nz</u>.

Please note, we may proactively release our response to your request with your personal information removed.

Thank you again for your request, if you have any questions, please feel free to contact me.

Kind regards

Claudia Holgate Senior Advisor, Official Information

| From: | Michael Algar |
|--------------|---|
| То: | |
| Cc: | Mayor Andy Foster |
| Subject: | FW: WCC Request for assistance for hospitality & retail businesses |
| Date: | Tuesday, 15 February 2022 3:20:17 pm |
| Attachments: | image001.png |
| | 2022 02 15 - WCC Request for assistance for hospitality & retail businesses.pdf |

Kia ora tatou,

Please find attached and below, the letter to Ministers Robertson and Nash, for which you are co-signatories.

This has just been sent, and is provided for your records.

Ngā manaakitanga,

Michael

Michael Algar (He/Him)

Kaihautū | Chief of Staff

Te Tari Koromatua | Office of the Mayor

Te Kaunihera o Pōneke | Wellington City Council

Waea: +64 21 324 933 | Īmera: michael.algar@wcc.govt.nz | www.wellington.govt.nz

Absolutely Positively Wellington City Council

Me Heke ki Poneke

Information contained in this email is privileged and confidential, and intended for the addressee only. If you are not the intended recipient, you are asked to respect that confidentiality and not disclose, copy or make use of the contents.

If received in error you are asked to destroy this email and contact the sender immediately. Your assistance is greatly appreciated.

From: Michael Algar

Sent: 15 February 2022 15:06

To: grant.robertson@parliament.govt.nz; Stuart.nash@parliament.govt.nz

Cc: @parliament.govt.nz; @parliament.govt.nz; Anna Calver

<Anna.Calver@wcc.govt.nz>; Sehai Orgad <Sehai.Orgad@wcc.govt.nz>

Subject: WCC Request for assistance for hospitality & retail businesses

Tēnā koe Ministers,

Please find attached request for the reintroduction of assistance for Wellington hospitality and retail businesses.

The letter is forwarded under your portfolios of Minister of Finance and of Small Business, and is co-signed by six Wellington leaders of retail, hospitality and business, including the Mayor. Ngā manaakitanga,

Michael

Waea:

Michael Algar (He/Him)

Kaihautū | Chief of Staff

Te Tari Koromatua | Office of the Mayor

Te Kaunihera o Poneke | Wellington City Council

| **Īmera**: <u>michael.algar@wcc.govt.nz</u> | <u>www.wellington.govt.nz</u>

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Absolutely Positively Wellington City Council Me Heke Ki Pöneke

15 February 2022

Hon Grant Robertson Minister of Finance Parliament Buildings Wellington

Grant.Robertson@parliament.govt.nz

Hon Stuart Nash Minister for Small Business Parliament Buildings Wellington

Stuart.Nash@parliament.govt.nz

Tēnā koe Ministers

Request for assistance for Wellington hospitality and retail businesses

We are writing to you collectively as the local body and industry groups, working together to support the businesses of Wellington.

As you know, the past two years have been incredibly challenging to hospitality and retail businesses in Wellington. Many businesses, particularly in the CBD, are finding the red light setting a final blow they're not sure they can survive.

Whilst other metro centres are also experiencing negative impacts, the challenges in Wellington have been exacerbated by the anti-vaccine mandate protests and the CBD's reliance on public sector and corporate workers for daytime and evening trade.

The lack of tourism (domestic as well as international), significant numbers of people working from home, staffing issues, and declining consumer comfort in eating and shopping out has led to significant declines in footfall and business revenue.

And it is not just about businesses. They create the vibrancy and liveability Wellington is known for, which in turn enables businesses to attract talent and tourism, creates stages for artists and makes the city a dynamic place to study. In short, these businesses are Wellington's lifeblood.

Central Government support has enabled the majority of businesses to make it through the pandemic to this point. We do not want businesses to fail at the final hurdle.

Data indicates:

- Consumer spend on hospitality in Wellington's CBD is down 20% year on year
- Consumer spend on retail in the CBD is down 18% year on year
- More people are working from home, with Google Mobility data showing a 77% reduction in Wellingtonians working from their workplace compared with the baseline
- Weekday bus loadings are down 30% compared with 2019
- Recent Retail NZ survey of Wellington found revenue down at least 30%, then at least 40% again with the impact of the protest, and foot traffic down significantly across the city
- Retail NZ data also shows that, as a result of the impact, 50% of retailers will minimise store staff and hours, 10% will make staff redundant, and 4% will close permanently (as at 14 February 2022)
- Recent Hospitality NZ survey found 50% of respondents nationally have experienced a 40% decline in revenue under red

Wellington City Council

PO Box 2199 Wellington 6140 New Zealand Phone +64 4 499 4444 Fax +64 4 801 3138 Wellington.govt.nz

- Red light setting in Wellington is likely to continue: COVID-19 infections are predicted to peak in March and the 'tail' is expected to last until May
- Wellington's hospitality and retail sectors employ more than 11,000 people in the city, via supply chains it supports thousands more.

Anecdotally what we've heard:

- Weekly wages for many businesses during red settings are more than weekly earnings
- Many hospitality businesses only have 2 4 weeks of run time before they'll have to close
- Many businesses don't have enough staff to bubble their workforces, so will have to close in the case of any Covid19 staff exposure.

We are doing what we can to support local businesses by way of free outdoor dining permits, promotional activity and are looking into other measures such as rates deferrals and parking incentives. But this kind of support only goes so far.

Together we are calling on Government to reintroduce assistance like the wage subsidy and resurgence support payment. We are also keen to explore if there is scope for some form of helicopter payment / voucher scheme that could be implemented in Wellington.

And, whilst health and safety are paramount, the government must take steps encourage public sector workers to come back to the city.

As a collective, we are keen to work alongside you to create a solution that supports Wellington business to recover and thrive. We look forward to your response.

Nā mātou noa, nā

Andy Foster Mayor of Wellington

John Allen CEO WellingtonNZ

Greg Hartford CEO Retail NZ

Simon Arcus CEO Wellington Chamber of Commerce

Paul Retimanu Branch President Hospitality NZ

Mike Egan Branch President Restaurant Association of NZ

Supporting Data

Spend (hospitality and Retail):

The distortion of Christmas on spend means we have chosen to establish a baseline by comparing 2022 spend on a Year on Year (YoY) basis to 2021.

Figure 1 reports average spend across the CBD up to the week starting 31 Jan 2022:

Figure 1: Weekly Retail and Hospitality spend compared to 2021



Source: MarketView weekly spend

At the time of writing spend data for the week starting Mon 7 Feb was not available.

However, the downward trend is expected to continue based on declining bus loading and fall in footfall recorded by Bellweather observations of retail foot-traffic.

Bus loadings:

Figure 2 present bus loading which we tend to use as a proxy for working from home:



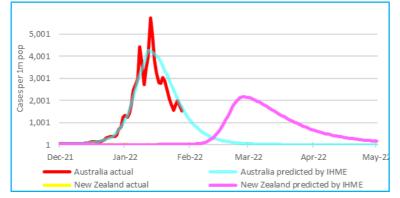
Figure 2: Daily weekday bus loadings (4-week average)

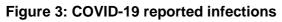
Source: GW

Bus loadings indicate a significant decline associated with Red Light controls.

Omicron 'wave':

Figure 3 presents an 'indicative forecast' for the Omicron wave expected to hit New Zealand.





Source: IHME

This projection is indicative only since a more accurate Wellington specific picture was not available at the time of writing.

However, it is nominally consistent with the low to-medium case scenario developed by Auckland DHB for in-house use by its operational staff.

Some aspects of Wellington clinical settings are different and specific stie specific modelling may provide a different perspective.

Wellington hospitality employees:

Table 1 lists the employees by sector in Wellington City:

Table 1: Wellington City employees by sector 2019

| Region | Sector | FTE 2019 |
|-----------------|---|--------------------|
| Wellington City | Professional, Scientific and Technical Services | 30680 |
| Wellington City | Public Administration and Safety | 27192 |
| Wellington City | Health Care and Social Assistance | 13639 |
| Wellington City | Education and Training | 12899 |
| Wellington City | Accommodation and Food Services | <mark>11952</mark> |
| Wellington City | Financial and Insurance Services | 10755 |
| Wellington City | Retail Trade | 9573 |
| Wellington City | Administrative and Support Services | 8792 |
| Wellington City | Construction | 7451 |

| Wellington City | Information Media and Telecommunications | 6797 |
|-----------------|---|--------|
| Wellington City | Other Services | 6413 |
| Wellington City | Transport, Postal and Warehousing | 5850 |
| Wellington City | Arts and Recreation Services | 4693 |
| Wellington City | Manufacturing | 4275 |
| Wellington City | Wholesale Trade | 3966 |
| Wellington City | Rental, Hiring and Real Estate Services | 2489 |
| Wellington City | Electricity, Gas, Water and Waste Services | 1256 |
| Wellington City | Mining | 663 |
| Wellington City | Agriculture, Forestry and Fishing | 214 |
| Wellington City | Unallocated | 0 |
| | | 169549 |

Source: Stats

| From: | |
|--------------|---|
| То: | Mayor Andy Foster |
| Cc: | Anna Calver; Iain Southall |
| Subject: | Government Contribution to Wellington City Council Business Relief Fund |
| Date: | Tuesday, 22 March 2022 2:13:22 pm |
| Attachments: | Minister Nash to Mayor Andy Foster re contribution to Wellington City Copdf |

Mayor Foster,

Please find attached a letter from Minister Nash regarding a Government contribution to the Wellington City Council's Business Relief Fund.

I understand that WCC and MBIE officials are in touch regarding this.

Regards,



Private Secretary – Economic Development

Office of the Hon Stuart Nash | Minister for Economic and Regional Development, Minister for Small Business, Minister of Tourism, Minister of Forestry



Minister for Economic and Regional Development Minister of Forestry Minister for Small Business Minister of Tourism

22 March 2022

Andy Foster Mayor Wellington City Council mayor@wcc.govt.nz PO Box 2199, Wellington, New Zealand

Government's contribution to Wellington City Council's Business Relief Fund

Dear Mayor Foster,

Thank you for reaching out to me regarding the negative impacts Wellington businesses have faced following the occupation and sustained road closures in and around the Parliamentary precinct in February and early March 2022.

This has been a hard time for many, and I understand that many businesses affected by the occupation may be still experiencing low custom due to the Omicron outbreak.

I recognise that the combined impact of these events on businesses has been significant, and there is a need for financial support to those most severely impacted.

I appreciate Wellington City Council's proactiveness in establishing the \$1 million Business Relief Fund to assist these businesses, and I am confident it will provide some muchneeded support.

In recognition of this, I am pleased to announce that Cabinet have agreed to contribute \$200,000 to Wellington City Council's Business Relief Fund, for a total fund size of \$1.2 million.

It is my intention that this contribution is to provide relief to those Wellington businesses most severely by the occupation in and around Parliament grounds. This includes those that suffered significant revenue loss or faced increased costs, such as the costs associated with cleaning up.

Wellington City Council will administer the fund and determine the eligibility criteria including relevant geographic boundaries. I can also offer the assistance of my Officials from MBIE who will be available to help you, if required, to determine criteria that ensure the funds reach those most in need.

I would appreciate a report back on who benefited from the funding provided at the end of the process on 30 June 2022 for transparency.

Yours sincerely,

Hon Stuart Nash Minister for Economic and Regional Development