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**ORDINARY MEETING**

**OF**

**ECONOMIC GROWTH AND ARTS COMMITTEE**

**AGENDA**

Time: 9.15am  
Date: Tuesday, 4 August 2015  
Venue: Committee Room 1  
Ground Floor, Council Offices  
101 Wakefield Street  
Wellington

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**MEMBERSHIP**

Mayor Wade-Brown

Councillor Ahipene-Mercer  
Councillor Coughlan (Chair)  
Councillor Eagle  
Councillor Foster  
Councillor Free  
Councillor Lee  
Councillor Lester

Councillor Marsh (Deputy Chair)  
Councillor Pannett  
Councillor Peck  
Councillor Ritchie  
Councillor Sparrow  
Councillor Woolf  
Councillor Young

**Have your say!**

*You can make a short presentation to the Councillors at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 803-8334, emailing [public.participation@wcc.govt.nz](mailto:public.participation@wcc.govt.nz) or writing to Democratic Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number and the issue you would like to talk about.*

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## **AREA OF FOCUS**

The Economic Growth and Arts Committee will focus on delivering sustainable long-term economic growth, increased employment, promote the city's visitor attractions, deliver high-quality events and support the development of smart businesses in the city. The Committee will also work to build Wellington's unique identity, bolster business confidence, raise the city's international profile, and ensure Wellington continues to be New Zealand's arts and culture capital by supporting a range of opportunities for entertainment and expression. There will be a continuing focus on the ICT and Digital sector.

**Quorum:** 8 members

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## 1 Meeting Conduct

### 1.1 Apologies

The Chairperson invites notice from members of apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

### 1.2 Conflict of Interest Declarations

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

### 1.3 Confirmation of Minutes

The minutes of the meeting held on 2 June 2015 will be put to the Economic Growth and Arts Committee for confirmation.

### 1.4 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any meeting of the Council or committee that is open to the public. Under Standing Order 3.23.3 a written, oral or electronic application to address the meeting setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the meeting concerned, and subsequently approved by the Chairperson.

### 1.5 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows:

***Matters Requiring Urgent Attention as Determined by Resolution of the Economic Growth and Arts Committee.***

1. The reason why the item is not on the agenda; and
2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

***Minor Matters relating to the General Business of the Economic Growth and Arts Committee.***

No resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Economic Growth and Arts Committee for further discussion.



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## 2. General Business

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### UPDATE ON THE AIRPORT RUNWAY EXTENSION PROJECT

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#### Purpose

1. At the Economic Growth and Arts Committee meeting, representatives of Wellington International Airport Limited (WIAL) will present an update to the Committee on the work regarding a potential runway extension.

#### Summary

2. Representatives of WIAL will present to the Committee on progress to date on the process to secure the necessary Resource Management Act approvals for the extension of the length of the Wellington Airport runway, in accordance with the funding agreement.

#### Recommendation

That the Economic Growth and Arts Committee:

1. Receive the information.

#### Background

3. The Council has previously agreed to contribute to the funding of the process to secure Resource Management Act approvals for the extension of the length of the Wellington Airport runway. As part of the approval for additional funding, the Council required WIAL to provide regular updates to the Council.

#### Discussion

4. Representatives of WIAL will present an update to the Committee on the work regarding a potential runway extension, in accordance with the funding agreement with the Council.

#### Options

5. Not applicable at this stage.

#### Next Actions

6. Not required at this stage.

#### Attachments

Nil

Author	Danny McComb, Manager CCOs & City Growth Projects
Authoriser	Derek Fry, Director City Growth & Partnerships

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## **SUPPORTING INFORMATION**

### **Consultation and Engagement**

The proposal to progress this project as one of the Big 8 ideas has been communicated as part of the 2014/15 Annual Plan and the 2015-25 LTP.

### **Treaty of Waitangi considerations**

None directly from this update. The project itself is a key issue to Mana Whenua who will be consulted with by WIAL. Further WIAL will undertake an extensive cultural and environmental impact assessment as part of its application.

### **Financial implications**

None directly from this update. Indicative funding for this project has been included in the 2015-25 LTP.

### **Policy and legislative implications**

None

### **Risks / legal**

No specific legal considerations in relation to this update.

### **Climate Change impact and considerations**

Climate change and other environmental impacts of the runway extension itself will be considered as part of the work required for any application for resource consent.

### **Communications Plan**

None required



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## **WELLINGTON REGIONAL ECONOMIC DEVELOPMENT AGENCY**

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### **Purpose**

1. To provide an update from the Wellington Regional Economic Development Agency (WREDA), including WREDA's 2015/16 final Statement of Intent.
2. The Chair of WREDA, Peter Biggs will present to the Committee.

### **Summary**

3. Following approval from all nine Councils in the region, WREDA was established in December 2014
4. In accordance with the Multilateral Agreement (signed by all of the Councils) the Statement of Intent for 2015/16 has been considered by the Wellington Regional Strategy (WRS) Committee.

### **Recommendations**

That the Economic Growth and Arts Committee:

1. Receive the information.
2. Note any issues for the Chair to raise with WREDA.

### **Background**

5. Wellington City Council and the other eight councils in the region approved the establishment of WREDA in late 2014. It combined the activities of Positively Wellington Tourism, Positively Wellington Venues and Grow Wellington/Creative HQ. Major Events from Wellington City Council will transfer to WREDA following the arrival of the new Chief Executive in September. Wellington City Council owns 80% of WREDA with the remaining 20% owned by Greater Wellington Regional Council, on behalf of the region
6. The streamlined WRS Committee provides, amongst other matters, political oversight for WREDA. The WRS Committee comprises ten members, all of them elected members, four from Wellington City Council and one from each of the other Councils in the region, except the Wairarapa where one member represents the three Wairarapa Councils. The four WCC representatives are the Mayor, Deputy Mayor, Chair of Economic Growth and Arts and Councillor Marsh.
7. The WRS Committee role is to monitor the activities of WREDA, determine its overall strategic outcomes, recommend to the Shareholders, director appointments and consider the Statement of Intent.
8. The WRS Committee considered a draft of the Statement of Intent at their meeting in June, this followed on from the Letter of Expectation sent by the WRS Committee to WREDA in April. Copies of the final Statement of Intent and the Letter of Expectation are attached.

## Discussion

9. A new strategy for WREDA has been completed and has been incorporated into the final 2015/16 Statement of Intent.
10. The Chair of WREDA, Peter Biggs will present at the meeting outlining;
  - Progress since the establishment of WREDA
  - Background on the new Chief Executive
  - The 2015/16 Statement of Intent
  - Looking forward

## Attachments

Attachment 1.	WREDA 2015/16 final SOI	Page 11
Attachment 2.	WREDA Letter of Expectation	Page 60

Author	Barry Turfrey, Economic Development Unit
Authoriser	Derek Fry, Director City Growth & Partnerships

## SUPPORTING INFORMATION

### Consultation and Engagement

WREDA consults with the Council on a wide range of matters as part of the “no surprises” relationship

Treaty of Waitangi considerations

This report raises no new treaty considerations.

### Financial implications

WREDA works within the context of the Council’s overall Long Term and Annual Plan framework

### Policy and legislative implications

This report is consistent Council policy.

### Risks / legal

Not applicable

### Climate Change impact and considerations

WREDA works with the Council and other organisations in considering the environmental sustainability of their operations.

### Communications Plan

Not applicable

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# The Wellington Future

A pathway towards creating Australasia's most  
prosperous, vibrant, and liveable region

– Wellington Regional Economic Development Agency (WREDA)

**STATEMENT OF INTENT 2015 - 2018**

## **CONTENTS**

Introduction

Our context

WREDA – the way forward

WREDA – Strategic Goals

Key performance indicators

Appendix 1 – Letter of Expectation

Appendix 2 – Financials

Appendix 3 – Governance and Accounting

## **1. INTRODUCTION**

This is the first Statement of Intent for the Wellington Regional Economic Development Agency (WREDA), which came into existence formally in December 2014.

WREDA is owned by Wellington City Council (80%) and Greater Wellington Regional Council, on behalf of the region (20%). Funding for WREDA comes from these two councils, central government and the private sector.

WREDA combines the activities and functions of four business units, previously located within, and supported by, the Wellington City Council and the Greater Wellington Regional Council – Grow Wellington (the region’s economic development agency) and its subsidiary, Creative HQ; Positively Wellington Tourism; and Positively Wellington Venues. The Major Events function (currently within the Wellington City Council) will become part of WREDA in October 2015.

WREDA aims to integrate, streamline, strengthen and, as required, modify the core activities of these four organisations so that the Wellington Region’s prosperity will be improved and its global reputation as a centre of creativity, enterprise, diversity and livability will be enhanced. As a result, the Region will be more attractive to visitors, investors, migrants, students and entrepreneurial businesses, and will also retain existing enterprises and enable them to grow.

WREDA has come into existence at a time of great opportunity and challenge for the Wellington Region. The reality is that cities and regions are always competing. They compete intensely to attract investment and commercial activity, for talented and skilled people, for entrepreneurs and leaders, and for tourists and students. This competition is becoming more and more intense across the world.

Over time, people are gravitating to larger metropolitan areas, because they offer more – more jobs, more connections and opportunities, and more to see and do. In the New Zealand context, Auckland in particular is attracting newcomers

because of the economic opportunities it offers.

The Wellington Region is strongly positioned to compete with other cities – both national and international – which are succeeding. In fact the Wellington region’s strengths are those which are critical to economic growth:

- knowledge and talent
- connectedness
- compactness
- smart industries
- the right culture
- quality of life

Currently the Wellington regional economy is growing but it is not performing as strongly as other New Zealand regions.

<b>GROWTH INDICATOR</b>	<b>NATIONAL RANKING (10 YR TREND)</b>
Employment	6th
GDP	8th
GDP/Capita	6th
Productivity	6th
Median earnings	14th
Highly skilled employment	2nd
Knowledge intensive employment	7th
Median house prices	12th

As well, within the Wellington region, economic performance is inconsistent.

**Wellington Region: Territorial Authority (TA) breakdown**

Key Performance Indicators	%pa for 2014 year								Wellington Region	New Zealand
	Wellington City	Lower Hutt City	Upper Hutt City	Porirua City	Kapiti Coast District	Masterton District	Carterton District	South Wairarapa District		
Resident population growth	1.3	0.5	1.2	0.7	0.8	0.4	2.2	1.1	<b>1.0</b>	<b>1.5</b>
GDP growth	1.4	-0.5	-4.8	1.5	3.1	6.0	3.0	-1.0	<b>1.1</b>	<b>3.2</b>
GDP per capita growth	0.1	-0.9	-6.0	0.7	2.3	5.6	0.7	-2.1	<b>0.1</b>	<b>1.6</b>
Employment growth	2.4	-0.7	-1.5	1.6	4.9	4.4	0.9	-3.1	<b>1.7</b>	<b>3.1</b>
Labour productivity growth	-1.0	-0.1	-5.1	-0.1	-1.1	2.5	2.3	1.5	<b>-0.7</b>	<b>0.3</b>
Business units growth	2.9	2.3	1.6	2.0	1.6	0.0	-1.1	1.2	<b>2.2</b>	<b>3.0</b>
Business size growth	-0.5	-2.9	-3.1	-0.4	3.2	4.4	2.1	-4.2	<b>-0.5</b>	<b>0.1</b>

Source: BERL Regional Database, 2014

So, while the Wellington region offers outstanding quality of life and a unique and vibrant identity, the region is not realising its potential. A decisive plan of action is required to raise our economic performance and build on the region's widely acknowledged strengths.

In rising to this challenge, WREDA has developed a bold mission: **By 2025, Wellington will be the most prosperous, liveable and vibrant region in Australasia.**

WREDA has a very clear purpose – to advance the prosperity and livability in the Wellington region. Its role will be a dynamic and enabling one. It will be a catalyst and champion for growth and it will be driven by values that bring out the best in our people and our region: inclusive, rigorous, brave, creative.

WREDA's work programme over the next three years is built on five strategic pillars:

- enable strong and sustainable growth in the region
- deliver an outstanding events programme befitting New Zealand's most vibrant region
- make the Wellington region exceptionally influential and connected
- position the Wellington region as an acclaimed global hub of creativity, culture and technology
- create and sustain a compelling regional narrative

Bearing in mind that WREDA is an organisation in transition from four entities to one integrated team – and that Chris Whelan, the new Chief Executive, doesn't start until early September 2015, – this Statement of Intent is an initial indicator of WREDA's strategic direction over the next three years rather than a detailed outline of specific initiatives.

Once the new Chief Executive is on board and has determined the organisation's structure, WREDA will focus on a programme of activity based on the five strategic pillars, while at the same time build a united and empowered organisational culture which earns a reputation for delivering. We are confident that our strategy and work programme will underpin the beginning of a transformation for the Wellington Region – for the benefit of all who live and work in it. Our ambition for the region is high and so is our determination to play a key role in delivering that ambition. The exciting journey begins now.



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## 2. OUR CONTEXT

A journey through the Wellington Region will take you through four cities with nine local councils and close to 490,000 people within an area of 813,000 hectares. Travel through this region and you will find flourishing primary industries, iconic arts, cultural and entertainment venues, world acclaimed examples of ecological excellence, innovations in resource management, progressive transport projects, stunning scenery and recreation facilities, and a wide range of flourishing enterprises. Arriving in Wellington city, New Zealand's capital, you will discover a vibrant urban hub that contains globally recognised creative industries, a diverse range of smart, internationally competitive businesses, leading education and research facilities, innovative public policy development and the institutions which are at the very heart of the country's sense of nationhood, as well as its judicial, legislative and professional powerbase.

You will discover a walkable and connected city where you can literally start at the Head Office of Xero and end up with five face-to-face business meetings in one day -, within one block -, and without turning one ignition key.

You will experience a liveable city which now attracts longer visitor stays than any other urban area in New Zealand and which has been described by Lonely Planet as "the coolest little capital in the world."

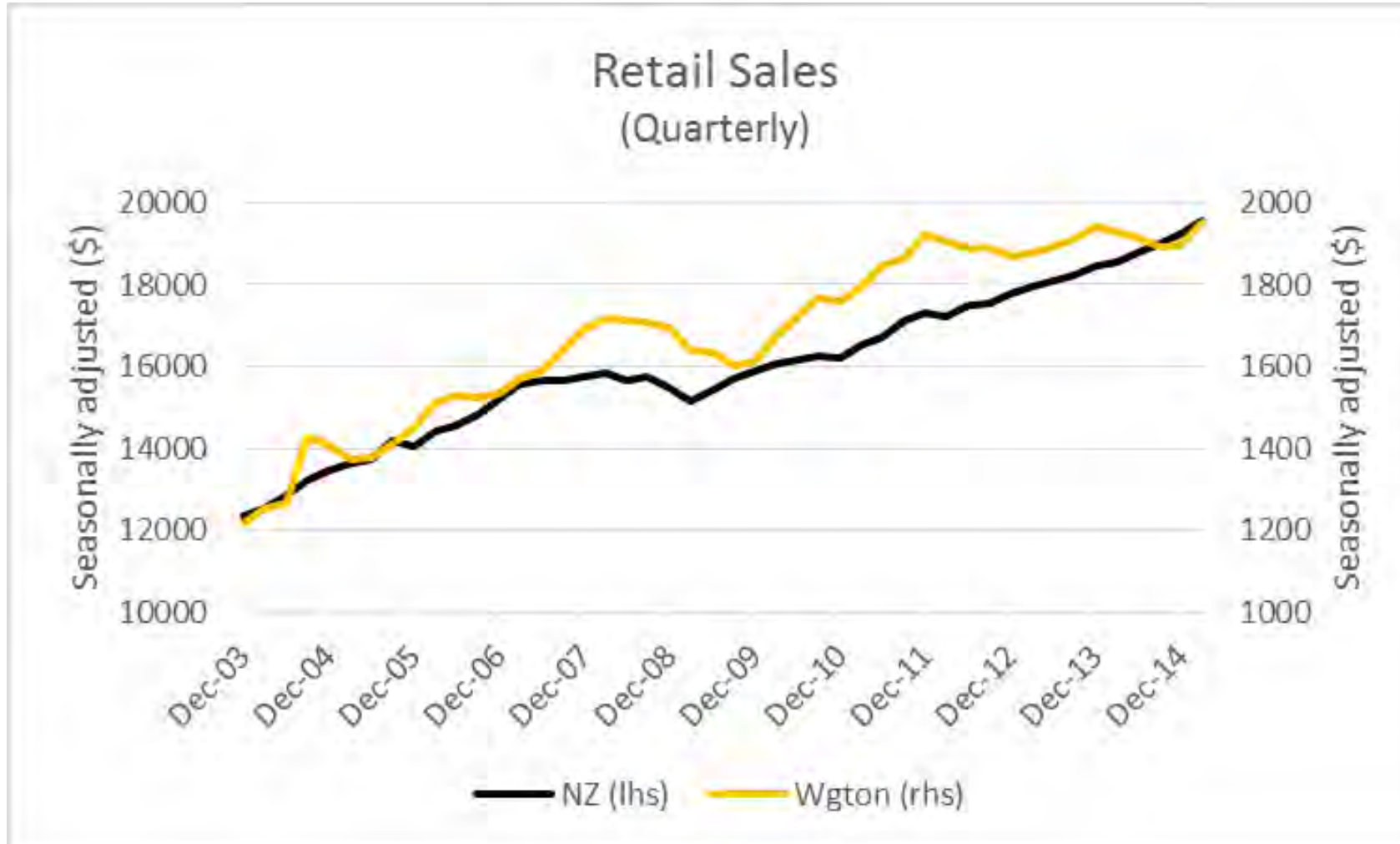
If your journey from the region into the capital is by train, you will be met outside the station by the statue of Mahatma Gandhi – purposefully poised mid-stride, staff in hand – and his famous words: “We must become the change we want to see”.

The Wellington region, too, is purposefully poised to “become the change we want to see” – but a step-change is needed. There is every reason to be positive about the future of the Wellington Region - but at the same time there are realities which need to be acknowledged and addressed with bold, strategic action.

**Item 2.2 Attachment 1**

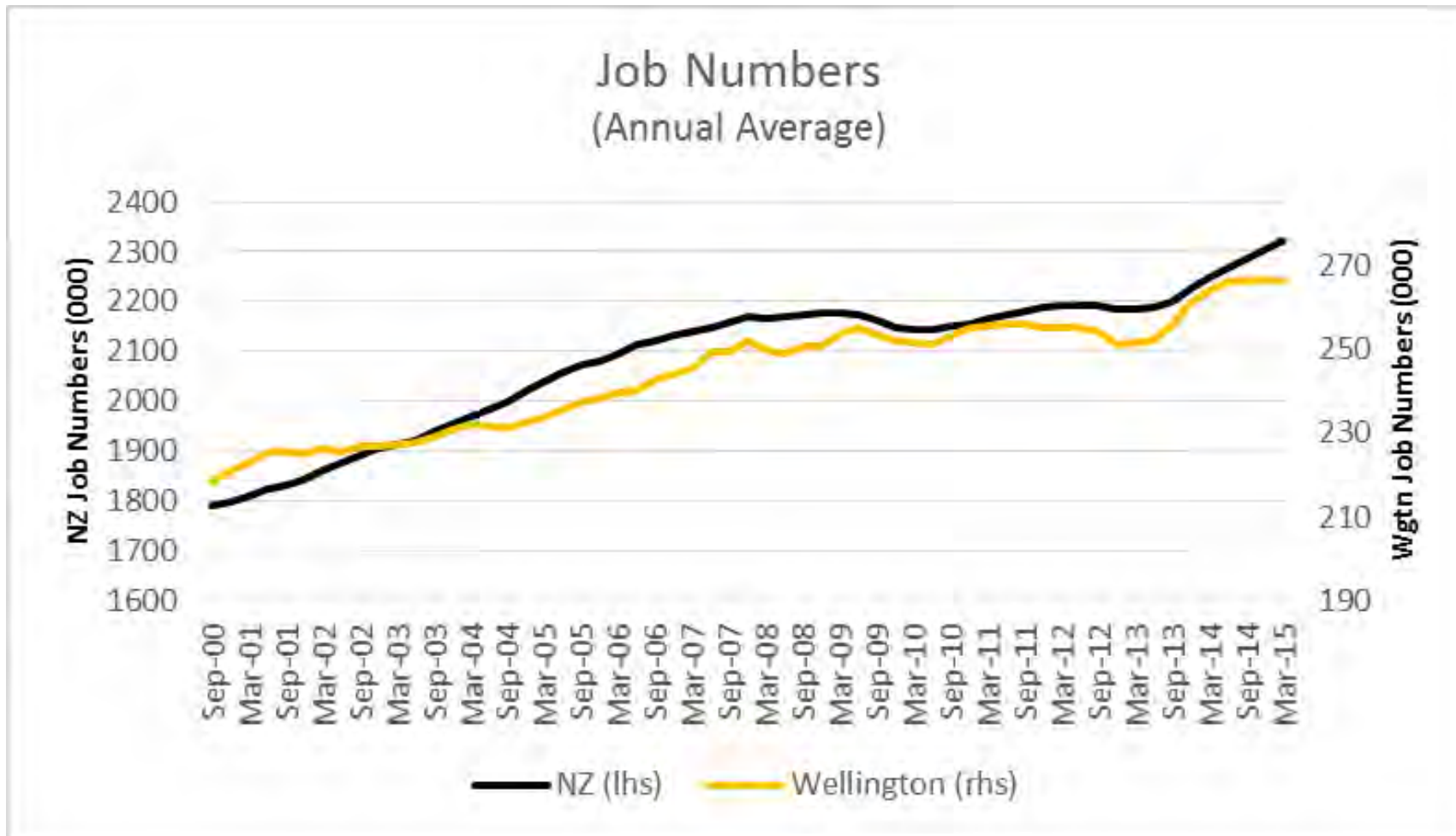
The New Zealand economy as a whole is performing strongly, driven, in part, by the Canterbury rebuild, low interest rates and strong net inward migration. The Wellington regional economy is growing too. However, despite employment growth in the public service resuming, it is lagging behind other centres.

Retail spending (a sign of confidence in the local economy) in the region has been flat since 2011.

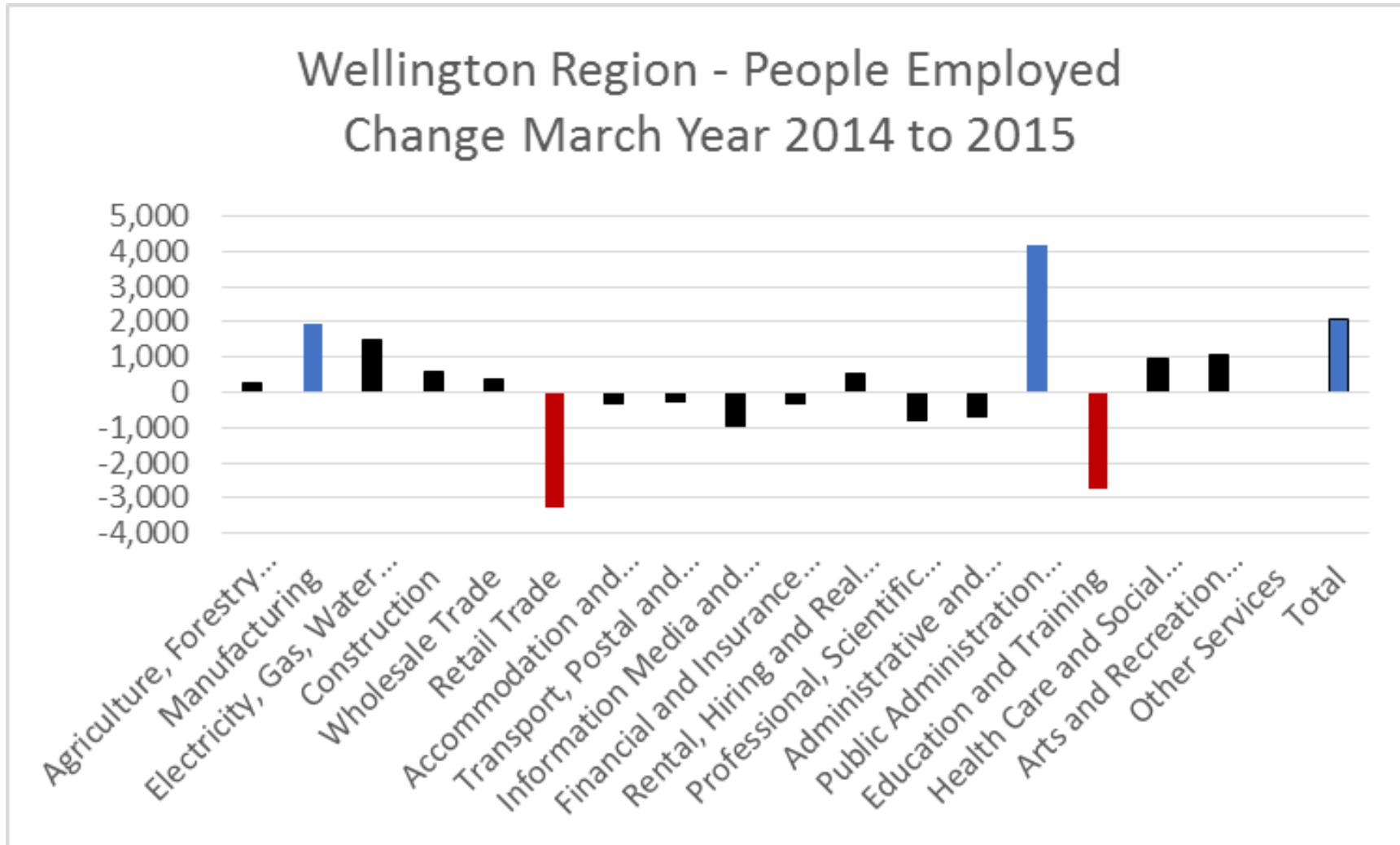


Item 2.2 Attachment 1

Overall job growth in the region has slowed – despite employment growth in the public service resuming

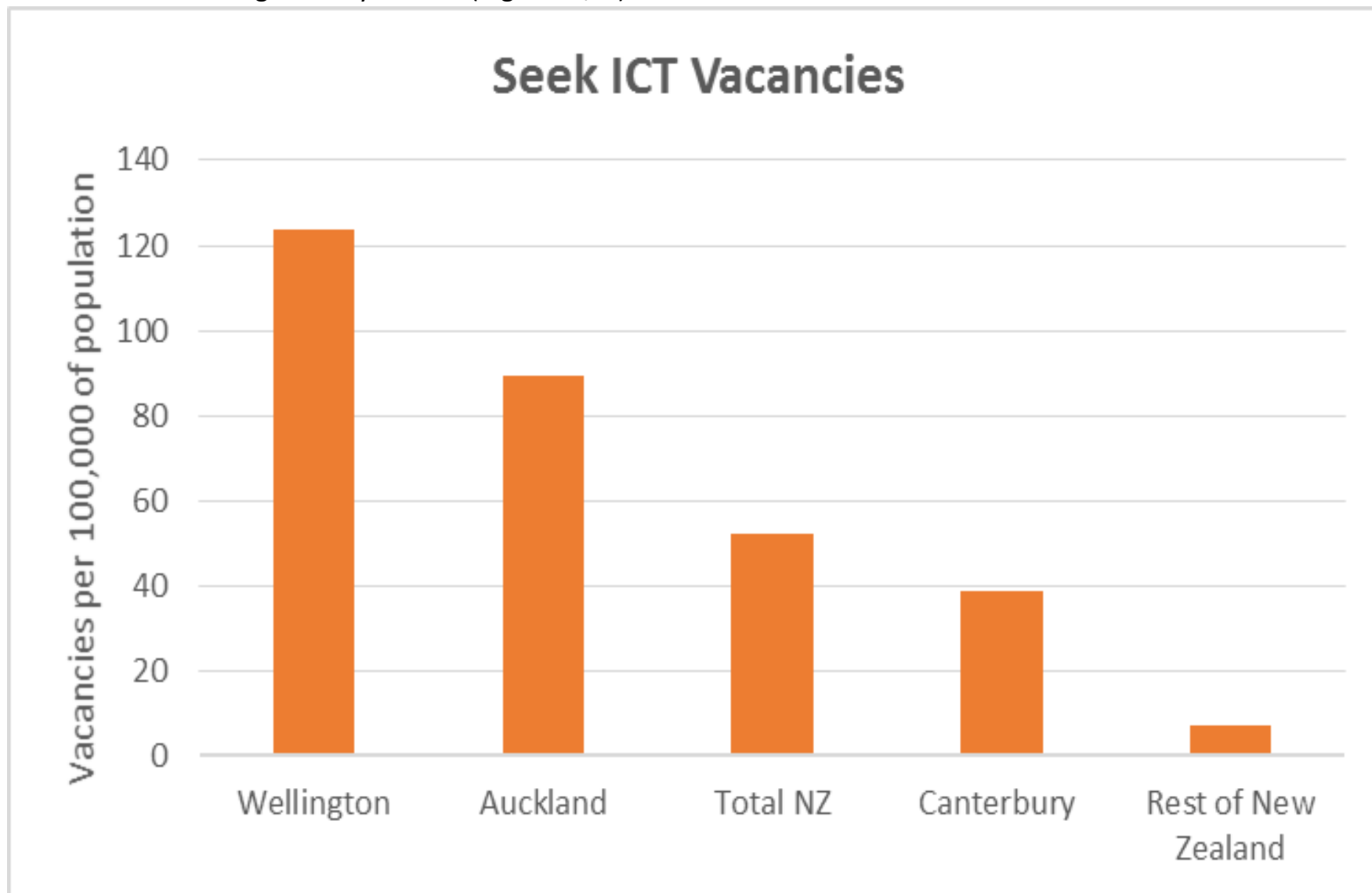


Business performance by sector is mixed

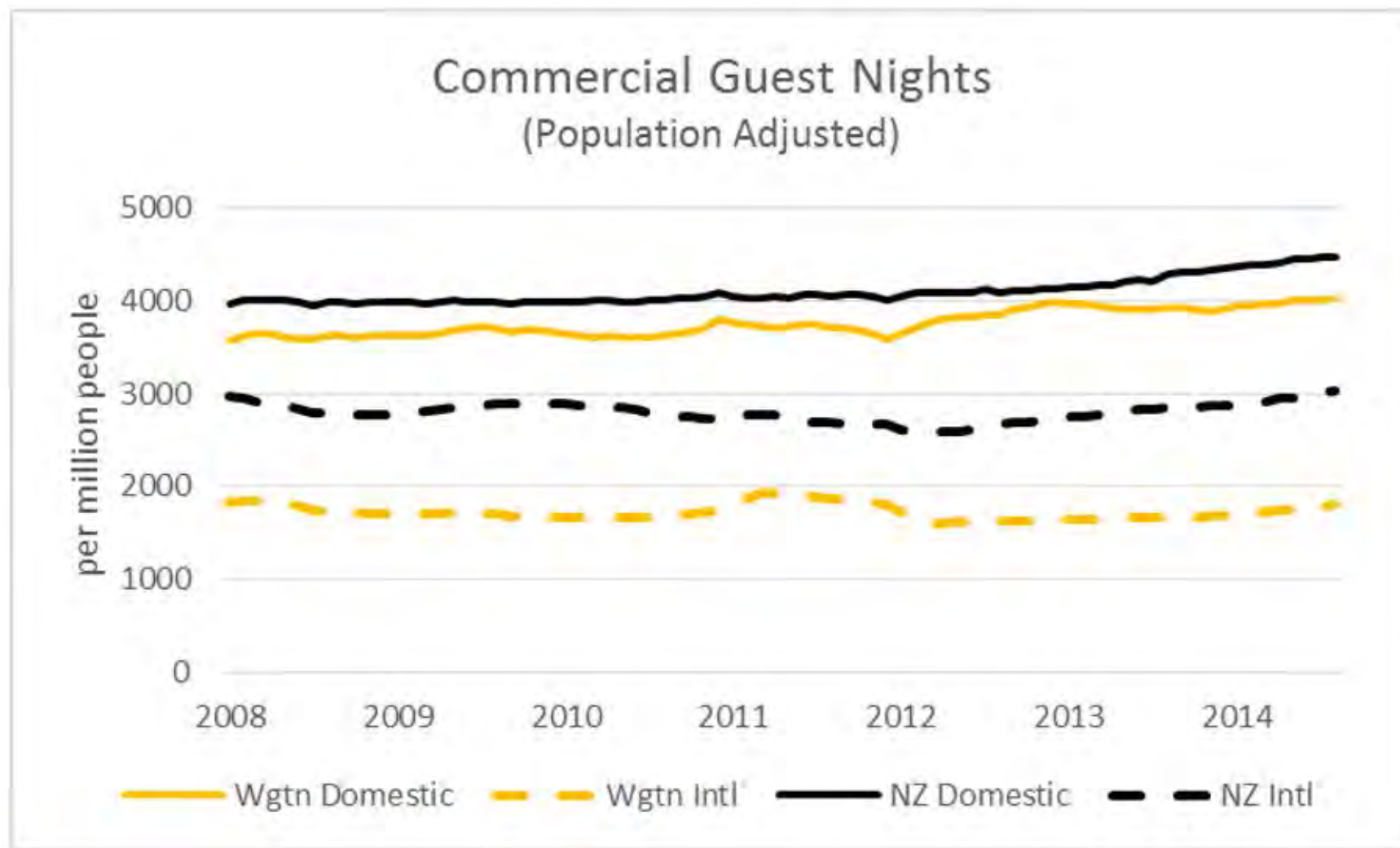


Item 2.2 Attachment 1

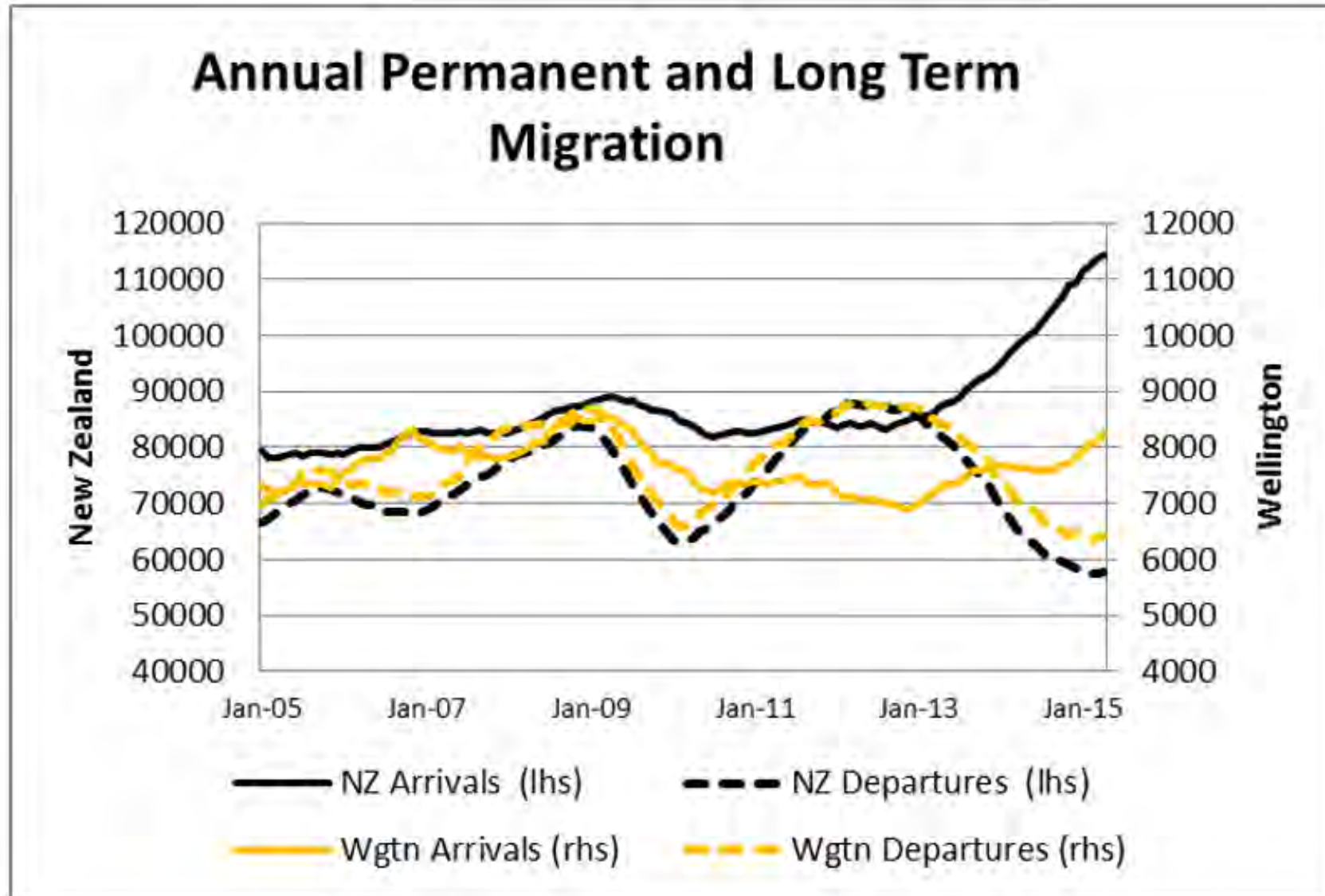
There are skill shortages in key sectors (e.g. Tech/IT)



The region is not reaching its potential in terms of international visitors and it needs to attract more visitors from outside its traditional markets of Australia, the USA and the UK.



The chart below sets out the change in permanent and long term migration to Wellington.





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As well, the region's distinctive arts and events positioning is being challenged – particularly by a united and increasingly confident Auckland.

So, with the regional economy not realising its potential and with the region facing a range of competitive pressures, Wellington has an urgent requirement to address its weaknesses as well as capitalise further on its existing strengths –, which include:

- a highly skilled and educated workforce
- a strong knowledge-based services sector
- world-renowned ICT, film, science, and creative sectors
- a mix of large multi-nationals and SMEs
- the location for central government, the public service and diplomatic corps
- a reputation as a leader in arts, culture and cuisine
- a high-performing education sector, including three universities
- a quality food and beverage offering, including innovative and export-led primary industries
- the national centre for the expression and discovery of New Zealand's nationhood

In addition, the region has an opportunity to build on its emerging capabilities and advantages - including public policy innovation, disaster management, and resilience.

While exploiting these strengths, the region needs to:

- grow its population
- reignite economic growth
- improve the stability of the job market
- fast-track business growth
- diversify and strengthen the economy
- make the most of the population's skills and talents
- ensure that major infrastructure projects which will promote economic growth happen
- rejuvenate its arts and events positioning

In summary, the Wellington region has the opportunity to become New Zealand's – and Australasia's – premier-performing region.

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### **3. WREDA – TAKING THE WELLINGTON REGION FORWARD**

A priority for WREDA, in its first year is to create a united and engaged, effective and energised organisational culture. The CEOs of each business unit are preparing their teams to work with WREDA’s new focus and are currently developing their collective plans to implement this strategy.

When he starts in September 2015, CEO Chris Whelan will be presented with options to consider for the structure of the new organisation. A change management and engagement plan will be considered to move the organisation forward in a positive and focused way.

WREDA faces a number of challenges as it transforms from four separate entities into a single organisation with a shared purpose and culture and an integrated way of working. Currently WREDA is made up of four business units that have previously worked separately and come together on a project basis. Separately funded, these units operate from separate locations and have pre-negotiated funding and contract commitments to maintain.

For some months to come, WREDA will have to conduct “business as usual” as well as putting in place a future-focused strategy and delivering new initiatives. This Statement of Intent (SOI) takes this situation into account.

WREDA: STRATEGIC PLAN ON A PAGE – 2015-2020

**Vision:** By 2025 Wellington will be the most prosperous, liveable and vibrant region in Australasia

**Purpose:** To advance the prosperity and liveability of the Wellington region



**Positioning**

Wellington is packed with achievers, creators, thinkers, dreamers, doers and lovers of life. A place where ideas happen, people live in style, connect with nature and find friends for life. Often wild, sometimes calm, but always alive with an energy and enthusiasm that makes the region the place of the possible.

**Values** Driven; Inclusive; Rigorous; Brave: Creative

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Very soon after WREDA was established, the Board developed a vision for the organisation and a set of five strategic pillars which will provide the focus for WREDA's activities. This is commonly called The Plan on a Page.

Four key functions will underpin the work included in this strategy:

**Partnerships:** Improving and, where required, establishing credible and ongoing partnerships within the region to map, monitor and manage the key relationships that span all areas of work.

**Marketing:** An integrated marketing/ media plan will tell the success stories, market these nationally and internationally in a variety of ways and will also work to drive visitor, migrant, student and business attraction.

**Communication and influence:** Externally, and internally, WREDA will communicate with one voice as one organisation across all areas of business. Information, research, leveraging opportunities and emerging opportunities will be communicated across all business areas to help guide strategy and monitor progress.

Internally, an integrated central digital platform will remove current duplication, encourage collaboration and co-ordination between the business units and ensure consistency of message. This will include improving links for investors and businesses considering setting up operations in Wellington.

**Research:** High quality, robust research will underpin all WREDA's focus areas.

## 5. Enable strong and sustainable growth

Currently WREDA assists the facilitation of business capability in a range of ways, including key partnerships (e.g. with Callaghan Innovation and NZTE), incubators/ accelerators (e.g. Creative HQ), increasing firm capability and sector scale, attracting businesses, investment and talent, boosting the level of innovation and connection in the region and removing workforce constraints for key sectors.

Over the next 12 months, current activities will be reviewed, evaluated and, where possible, improved. This will form the basis of industry-led sector growth plans. WREDA already has relationships with the businesses in the key sectors and will, in partnership, deepen and leverage these to formulate a more expansive plan of action.

These key sectors are:

- Film and Screen
- ICT / Digital / Tech
- High value manufacturing
- Education
- Primary (Gate to Plate)
- Research, science and technology
- Tourism and Events

- Professional services (including government)

WREDA will also consider other sectors with the potential to fuel growth (e.g. public policy innovation, energy, including renewable, disaster management and resilience.)

As gaps, synergies and opportunities are identified, they will be shared with partners across the sectors with a view to developing plans to create the "step change needed" to improve economic performance. Building on existing work, WREDA will undertake further research into successful economic regions to identify how and why they were successful and what models of partnership and investment were adopted. Adapting this to the Wellington region's strengths will be an integral part of WREDA's next phase of activity. Shared insights gained from this research will be a powerful tool to assist to stimulate "next step" plans, potential inward investment and ultimately economic growth.

To grow the number and value of visitors, migrants and student numbers to the region – and boost inward investment, WREDA will continue to work with all key providers and partners to:

- Maintain and improve strong links with key potential markets
- Market Wellington as a visitor, student and business destination
- Ensure that the "Helloworld" conference of 500 Australian-based travel agents in Wellington is successfully delivered
- Carry out migrant attraction campaigns
- Engage with central government regarding changing the migrant qualification system to include a heavier weighting for non- Auckland bound migrants
- Support and advocate the business case to extend the runway for Wellington airport and ensure that the airport extension is positioned and viewed as a key element in 'step-changing' growth in the region

WREDA is already engaged with Education NZ, and leaders from secondary and tertiary institutions, in assisting to establish a high growth international student strategy for the Wellington region. An establishment Steering Group has been formed, and a model is being developed, to confirm the necessary investment and maintain strong and ongoing sector engagement.

WREDA leadership of the Education sector strategy will inform sector growth plan development in other areas and establish WREDA as a credible partner in, and champion of, other similar projects.

WREDA will advocate for, and provide the leverage opportunities from, key regional infrastructure projects, including a new Wellington convention centre, major roading projects, Wairarapa Water Use Project, Indoor Arena, The Film Museum, Gracefield Innovation Quarter, the Museum of Conflict and Peace.

WREDA plans to undertake the following activities in respect of economic growth:

**ACTIVITY TABLE**

<b>ACTIVITY</b>	<b>DELIVERABLES</b>	<b>OUTCOMES</b>
1. Increase the number of Migrants	Regional Partnership Agreement with central government signed	Increase in skilled migrants over the 2014/15 base year > the region's population growth
2. Increase the number of Migrants	Change in the Immigration points system for non-Auckland migrants	Increase the Immigration points system weighting from 10 points to at least 30 points
3. Increase the number of international students	Establish a high growth international student attraction strategy for the Wellington region in partnership with the Education NZ establishment Steering Group	Increase student FTE numbers by 10%  Ongoing, strong partnership with Education NZ



4. Increase the number of international students	Obtain third party funding to assist in direct marketing	Third party funding obtained
5. Increase the number of Students	Assist in alumni-based education marketing	To be developed with education partners
6. Increase the number of Tourists	Develop and promote a tourist/ visitor discount/ promotion App from the WREDA website to reward and measure visitor engagement	App developed
7. Increase the number of Tourists	Deliver a tourism/ migrant and business attraction marketing campaign	Increase in direct visitor arrivals over 2014/15 by 5%
8. Business (Tech)	Work with WCC and Biz Dojo to leverage economic opportunities from the Tech Hub project	Increase in value of start-ups
9. Business – internships/ work placements	Continue work on Summer of Tech project and, in partnership with industry, develop new programmes to increase internships and work-based learning and placements	Increase in internships/ work placements over 2015 baseline
10. Business – export links and opportunities	Develop market strategies for two Tier One markets. Deliver export-focused seminars and run inbound and outbound trade delegations	Market strategies developed Export-focused events delivered
11. Business – Incubators/	Investigate the feasibility of a science	Decisions made

**Item 2.2 Attachment 1**

Accelerators	accelerator programme including contributing to the feasibility study of establishing a bio-medical cluster  Investigate potential to establish Waterloo-style accelerator	
12.Business (Innovation)	Successful evaluation of R9 Accelerator	R9 Accelerator programme extended
13.Business (High Value Manufacturing)	Lightning Lab Manufacturing Programme evaluated successfully	Continuation of programme
14.Business (Education/ ICT)	Advocate for ICT Graduate School	ICT Graduate school established
15.Business (Screen)	Establish screen writer's programme in Wellington to boost the level of local IP creation	Programme established
16.Business (Screen)	Second running of Directors and Producers Masterclass	Masterclass programme established on an ongoing basis
17.Business (Primary)	Identify potential growth opportunities from Wairarapa Water Use Project	Project progressing
18.Business (Innovation)	Participate in the roadmap design for the development of the Gracefield Innovation Quarter	Gracefield Innovation Quarter is progressed
19.Business (Design)	Connections Design sector internship pilot evaluated	Completed

## **6. Deliver an outstanding events/activity programme**

In 2014/15 Wellington hosted the Cricket World Cup and the FIFA U20 World Cup in addition to an already busy event calendar. 2015/16 will be equally busy for Major Events in Wellington. Highlights of the major events calendar for the coming year will include the LUX Light Festival, Beervana, Wellington on a Plate, World of Wearable Arts, the Elton John and AC/DC concerts, Wellington Sevens, NZ Festival, Royal Edinburgh Military Tattoo, CubaDupa, Homegrown and international sporting events along with the seasons of the Wellington Phoenix and Hurricanes.

During the transition of the Major Events business to WREDA, it is important that the delivery of Events programme is achieved, and ongoing relationship management with key stakeholders and event rights holders is enhanced. Major Events will manage the relationships for a suite of events to ensure the efficient delivery of city operations and maximise leverage opportunities for the city and region.

The formation of WREDA provides the opportunity to make a significant change in how the events business is approached and planned in the Wellington region. A review of all events against the investment framework and previously completed economic impact assessment will be completed during 2015/16. Planning across all the business units, in partnership with regional stakeholders, will provide:

- a shared strategy and objectives, and a coordinated calendar of events
- a broad and flexible view of the leveraging opportunities, benefits of, and approach to, major events in the city and region. This will include attracting and leveraging from business events, conferences and other major events from which business opportunities may emerge
- focused and disciplined investment decisions in event planning and a more proactive approach to prospecting for events which will benefit the region economically as well as culturally

- a broad portfolio approach to major events which will guide better investment, development, attraction and retention planning
- a diverse range of events planned across the calendar year with attention given to bringing events to the region during the non-peak season

The Wellington region needs to maintain its position within the conference/ convention market by investing in a new range of new facilities to enhance its offer to business and leisure audiences. Advocacy for the new Wellington convention centre will include championing the economic benefits of having larger and fit-for-purpose conference event facilities. Already plans are underway to enable Wellington to accommodate more and bigger events at peak times.

WREDA will work with Wellington City Council regarding the appropriate balance between the needs of the city's iconic events and cultural organisations and commercial considerations.

WREDA will continue to target events which reinforce Wellington's reputation as New Zealand's most vibrant city and region and the associated marketing plans will ensure that visitors to Wellington enjoy a "whole of region" experience. This applies to all visitors whether they are here on business, as students, shoppers or as tourists.

Consideration will be given to venue capacity and 'fit' for targeted events and, where necessary, an asset development plan will be considered and negotiated.

The events and marketing strategies will be aligned with a venues delivery plan. A stock take of regional venues' capacity, infrastructure and availability will be undertaken to inform the venues delivery plan. An integrated events programme will align opportunities, funding, bidding and marketing strategies to achieve the goal of confirming Wellington as a distinctive events destination in Australasia.

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WREDA manages, under contract, five venues on behalf of Wellington City Council. Management of the venues by WREDA will involve:

- strong working partnerships with WCC (the owner) and all key stakeholders
- successful renegotiation of all major contracts
- review and approval of all venue operating, reporting and health and safety systems
- sign off of Venues Management Agreement with WCC
- agreed Asset Management Plans in place
- an upgraded and comprehensive health and safety strategy rolled out across all the business units
- a stock take of regional venues' capacity and availability to inform the venues delivery plan

A marketing plan will identify the key events that Wellington wants to attract, in alignment with the sector growth plans. This will outline a strategy for procuring and leveraging these events, particularly targeting the Australian market.

An audience development plan will grow Wellington's position in the business and live performance market, factoring in new audience demographics. A venue development plan will identify the issues needed to be addressed to successfully target the corporate and conference market. A Product Development Plan will advance the redevelopment of a new Food and Beverage operating model, accentuating the uniqueness of what Wellington has to offer.

## 7. Make WREDA and the Wellington Region exceptionally influential and connected

WREDA will develop and strengthen partnerships with:

- central and local government
- crown research institutions and independent research bodies
- business, both established and emerging
- education sector
- iwi
- potential overseas investors
- significant sector groups

WREDA will develop a robust central government engagement plan to ensure the Wellington region's voice is sought and taken seriously by central government. This will include strong relationships with Wellington-based MPs so that they are reliably informed and become robust advocates for the region, its people and its potential.

WREDA will work to be a “connector” – bringing together ideas, talent, business, and national and international opportunities to meet and solve local challenges that can then be applied and leveraged for economic benefit for the region and the country. Already WREDA is in discussion with the tertiary sector on the development and coordination of teaching, research and professional practice activities to underpin the goals of WREDA and its Stakeholders.

WREDA will maintain a focus on the business and regulatory requirements around energy creation, new technology and revolutionary design projects that suit the region's natural resources and will strengthen partnerships likely to ensure national and international connectivity for the region.

The proposed Wellington Deal partnership with central government will assist to establish investment projects to lift the performance of the Wellington region as well as contribute to a network of political and business leaders so that the region's voice is united and strong.

## **8. Position the Wellington region as an acclaimed global hub of creativity, culture and technology**

Retaining and supporting the iconic cultural institutions and events that make Wellington the “cultural heart of New Zealand” will be a continuing focus for WREDA.

Maintaining and strengthening relationships within these sectors will provide a collaborative and supportive environment to meet any challenges. By celebrating and marketing the national contribution of Wellington's museums and cultural institutions and advocating for them to be retained and developed, WREDA will enhance the region's reputation and significance to the whole of New Zealand.

As well as a cultural heart, the Wellington region has become internationally recognized as a hub of design and innovation. But there is still much to learn, especially from other international regions and cities that have positioned themselves around their unique offerings and leveraged maximum advantage and growth as a result. WREDA will research and learn from these examples and develop and share ideas, plans, and partnerships with key players, national and international, that can help to adapt this success to the Wellington environment.

Already WREDA is in discussion with Massey University to establish a regional Creative Industries Taskforce, building on both WREDA's and the City Council's strategies to develop, in partnership with key sector players, a Creative Industries Sector Strategy. WREDA is actively engaged with the Weltec/Whitireia Creative and Technology Art Centre and sees it as adding an even deeper dimension to the central city's vibrancy and the Wellington region's creative positioning. WREDA will also assist in the establishment of a Wellington ICT Graduate school.

WREDA will help to unlock the 'real world' benefits of science and technology, creativity and design and is committed to playing its part to help make this happen.

## **9. Create a compelling regional narrative**

Wellington, New Zealand's most creative region, should have internationally recognised creative marketing campaigns which celebrate and demonstrate the region's reputation as a place where ideas and innovations flow and grow. They also play a crucial part in investment, visitor, migrant and student attraction.

WREDA will redefine and update Destination Wellington with a focus on removing duplication, increasing efficiency and delivering programmes which have a measurable impact on economic growth – in particular, business attraction/retention, inward migration, marketing the Wellington region as a business and investment destination, and international student attraction.

WREDA will review the needs and resources required to create a consistent and compelling regional narrative, using as its base the existing "Wellington story". Along with increasing the effectiveness and reach of the region's external communications, the narrative, built around constant presence and a consistent tone and brand, will help make Wellingtonians ambassadors for their own city and region. It will inform, provoke discussion and the flow of ideas and



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celebrate the success stories that will make the Wellington story as engaging and relevant for the tourist, the migrant and the business owner as to an investor or local citizen.

## **10. Other Matters**

The Letter of Expectation requested WREDA to consider the efficiency resulting from the transfer of other functions and activities within the Councils to WREDA. Examples included the funding from WCC in respect of the Innovation function within WCC and the WRS Office.

WREDA does not wish to make any recommendation on this matter to the Committee until after the arrival of the new CEO at which point WREDA will revisit this issue with the Committee.

## 11. PERFORMANCE MEASURES

	2015/16	2016/17	2017/18
1. Total direct spend from out of region visitors attending supported events	>\$90m	>\$90m	>\$90m
2. Major events over the entire portfolio will achieve an economic benefit for every dollar invested	20:1	20:1	20:1
3. Major events will exceed attendances at their supported events	>500,000	>500,000	>500.000
4. Venues will achieve a minimum utilisation rate across all of its venues	>56%	>58%	>60%
5. Maintain Wellington's Convention and Incentive market share (of the multi-day conference market) within the NZ market	16%	16%	17%
6. Number of direct Australian visitor arrivals will exceed 2014/15 levels	2%	3%	4%
7. Increase in international commercial guest nights	4%	3%	4%

8. Increase spend of international visitors to Wellington will exceed 2014/15	4%	3%	5%
9. The number of “visits” to the Wellingtonz website will exceed (relative to 2014/15)	10%	10%	10%
10. The value of shareholdings in third party companies received by WREDA in return for providing services will exceed	\$900,000	\$1,000.000	\$1,100.000
11. Completion of growth sector plans for: <ul style="list-style-type: none"> <li>• Screen</li> <li>• ICT/ Digital</li> <li>• Education</li> </ul> and approved by stakeholders.  Develop sector plan for Creative sector	June 2016	Updated as required	Updated as required
12. Increase in value of new businesses setting up in Wellington from the pipeline	Total of \$45 million EVA over 3 years	Total of \$45 million EVA over 3 years	Total of \$45 million EVA over 3 years
13. Attract screen production to Wellington with a combined production value of:	\$20m	\$22m	\$24m
14. WREDA is a single integrated organisation with new structure.	By June 2016		
15. Increase in the number of jobs in the region	Average of 2,000	Average of 2,000	Average of 2,000

	jobs per year over 3 years	jobs per year over 3 years	jobs per year over 3 years
16. Number of businesses established in region increased by:	200	200	200
17. Help accelerator and incubator companies raise capital	\$3m pa	\$3m pa	\$3m pa

## APPENDIX 1: LETTER OF EXPECTATION

Expectation	How	Measure
Sector Growth Plans in respect of: <ul style="list-style-type: none"> <li>• Film and screen</li> <li>• ICT/Digital/ Tech</li> <li>• Education</li> <li>• Creative</li> </ul>	Refer section five (5).	Sector growth plans for each sector completed by June 2016, signed off by stakeholders and agreed
Grow funding contribution from non-council sources	Build stronger networks and relationships Strategic planning with partners in key sectors Develop co-funding marketing projects to attract third party funding	Non council funding = council funding for tourism and economic development by 2017
Commercialise innovation in education/ research	Investigate overseas success examples such as science city	Scope plan for university accelerator programme

	<p>Form partnerships with Massey/Victoria/Otago/ Weltec/ Whitereia</p> <p>Ongoing, deeper partnerships across Education sector</p> <p>Link with Crown Research and Tertiary Institutions</p>	3 innovation commercialisations from ongoing work
Inward investment programme	Refer to section five (5).	Decision on whether to have a programme by June 2016, approved by Board and stakeholders
<p>Support various projects through advocacy and to leverage off potential growth opportunities;</p> <p>Runway extension</p> <p>Convention Centre</p> <p>Major road projects</p> <p>Wairarapa Water use project</p> <p>Indoor arena</p> <p>Film Museum</p>	Refer to section five (5).	Progress on these projects.
Lasting partnerships with central government	Refer to section seven (7).	WREDA has influence in government policies that affect the region
Develop appropriate marketing strategies	<p>Ongoing integration of Wellington brand story into all Wellington marketing activities</p> <p>Delivery of marketing activity to targeted audiences in coordination with delivery programme</p>	<p>Increase total website visits by 10% relative to 2014/15</p> <p>Airline capacity increased over 2014/15 levels</p> <p>Wellington retail and hospitality spending increases by 5% over 2014/15 levels</p>

**Item 2.2 Attachment 1**

	<p>Marketing support to Major Events</p> <p>Partner with the hotel sector, Te Papa, the Great War exhibition and other event owners</p> <p>Develop single digital portal to market all aspects of WREDA business</p>	<p>Increase the KNOW Wellington audience by 10% to 187,000</p> <p>Increase total website visits by 10% relative to 2014/15</p>
Tourism – grow value of the visitor economy to region by considering events, tourism, business tourism and product development	Refer to section five (5).	Refer to performance measures under section 11.
Carry out a review of Wellington’s major events. Including the retention of iconic events	Refer to section six (6).	Refer to performance measures under section 11.
Through its management of Venues outline how to maintain and enhance Wellington’s reputation as arts, culture, events capital	Refer to section six (6).	Refer to performance measures under section 11.
Update the Destination Wellington programme re business attraction, inward migration, international students	Refer to sections five (5) and nine (9).	Refer to performance measures under section 11.
Boost regional exports	Plan to be developed.	Measure to be developed.
Address skill shortages	Refer to section five (5).	Measure to be developed

## APPENDIX 2 FINANCIALS

### Wellington Regional Economic Development Agency Ltd (WREDA)

Forecast 30-Jun-15	STATEMENT OF COMPREHENSIVE INCOME	Qtr to 30-Sep-15	Qtr to 31-Dec-15	Qtr to 31-Mar-16	Qtr to 30-Jun-16	FYE 30-Jun-16	FYE 30-Jun-17	FYE 30-Jun-18
	<b>Trading Revenue</b>							
	Trading Income	463,550	977,000	1,187,500	564,500	3,192,550	3,000,000	3,050,000
	<b>Other Operating Revenue</b>							
	Shareholder grants	4,517,250	5,016,275	5,548,275	5,018,275	20,101,075	21,627,000	21,837,000
	Sponsorships, grants and donations	50,000	75,000	75,000		200,000	110,000	110,000
	Other operating income 1	727,282	445,189	813,353	466,153	2,451,978	2,530,000	2,400,000
	Other operating income 2	17,470	87,500	115,000	27,420	247,390	1,248,000	2,248,000
	<b>Non-operating Revenue</b>							
	Car parking / sub lease income	27,637	28,037	28,037	28,037	111,748	112,148	112,148
	Interest income	30,000	17,400	23,300	17,400	88,100	89,000	88,000
	Other income	80,000	70,000	55,000	55,000	260,000	100,000	111,000
	<b>Total Revenue</b>	<b>5,913,189</b>	<b>6,716,401</b>	<b>7,845,466</b>	<b>6,176,785</b>	<b>26,652,841</b>	<b>28,816,148</b>	<b>29,956,148</b>
	<b>Direct Costs</b>							
	Cost of sales	401,595	812,758	956,348	434,258	2,604,957	2,458,000	2,358,000
	Wages (events etc)	82,000	12,000	12,000	6,000	112,000	38,400	30,000
	Other direct costs	269,850	341,151	301,650	269,850	1,182,501	1,182,501	1,182,501
	<b>Total Direct Costs</b>	<b>753,445</b>	<b>1,165,909</b>	<b>1,269,998</b>	<b>710,108</b>	<b>3,899,458</b>	<b>3,678,901</b>	<b>3,570,501</b>
	<b>Operating Expenses (overheads)</b>							
	Salaries and wages	3,052,841	3,427,660	3,422,034	3,357,010	13,260,545	13,489,545	13,464,545
	Other employment costs	51,351	63,251	68,301	57,001	239,904	234,004	234,004
	Occupancy costs	165,552	165,552	165,552	165,552	662,208	640,996	652,808
	Utilities	13,350	12,350	12,050	13,050	50,800	51,100	51,400
	IT and communications	86,545	79,045	87,465	78,965	332,020	306,860	305,448
	Insurance	27,000				27,000	27,500	27,500
	Administration costs	60,980	61,980	61,480	90,980	275,420	252,988	252,988
	Vehicle expenses	13,000	13,000	13,000	13,000	52,000	52,000	52,000
	Travel costs	19,542	14,542	18,042	28,042	80,168	51,168	46,168
	Professional fees	29,100	18,100	21,100	37,100	105,400	95,400	95,400
	Marketing and Sponsorship	945,698	1,863,465	2,133,675	2,216,865	7,159,703	9,440,120	10,686,070
	Directors' Fees	60,467	60,467	60,467	60,467	241,868	243,668	243,668
	<b>Total Operating Expenditure</b>	<b>4,525,426</b>	<b>5,779,412</b>	<b>6,063,166</b>	<b>6,118,032</b>	<b>22,487,036</b>	<b>24,885,349</b>	<b>26,111,999</b>
	<b>Total Expenditure</b>	<b>5,278,871</b>	<b>6,945,321</b>	<b>7,333,164</b>	<b>6,828,140</b>	<b>26,386,494</b>	<b>28,564,250</b>	<b>29,682,500</b>
	<b>Earnings before, Interest, Depreciation and Tax</b>	<b>634,318</b>	<b>(228,919)</b>	<b>512,302</b>	<b>(651,354)</b>	<b>266,347</b>	<b>251,898</b>	<b>273,648</b>
	Interest expense	(38,766)	(21,128)	86,693	21,721	48,520	36,750	86,750
	Depreciation	18,000	21,000	20,000	17,800	76,800	72,300	44,050
	Taxation expense	15,850	14,850	14,850	13,850	59,400	55,000	50,000
	<b>Net Surplus/(Deficit)</b>	<b>639,234</b>	<b>(243,641)</b>	<b>390,759</b>	<b>(704,725)</b>	<b>81,627</b>	<b>87,848</b>	<b>92,848</b>

**ECONOMIC GROWTH AND ARTS COMMITTEE**  
**4 AUGUST 2015**

Item 2.2 Attachment 1

Forecast 30-Jun-15	STATEMENT OF FINANCIAL POSITION	As at 30-Sep-15	As at 31-Dec-15	As at 31-Mar-16	As at 30-Jun-16	As at 30-Jun-16	As at 30-Jun-17	As at 30-Jun-18
	<b>Shareholders Equity</b>							
	Paid up capital							
	Retained earnings	2,702,951	2,549,650	2,782,537	1,980,545	2,010,545	2,088,241	2,278,991
	<b>Total Shareholder/Trust Funds</b>	2,702,951	2,549,650	2,782,537	1,980,545	2,010,545	2,088,241	2,278,991
	<b>Current Assets</b>							
	Cash and cash equivalents	3,377,549	1,931,159	2,942,143	1,446,703	1,476,703	1,318,826	1,379,076
	Accounts receivable	1,060,000	955,000	1,055,000	965,000	965,000	960,000	970,000
	Prepayments	9,500	26,000	26,000	12,650	12,650	1,200	12,000
	Inventory	700	1,500	1,250	1,300	1,300	1,300	1,300
	Other current assets	98,000	90,000	100,000	100,000	100,000	100,000	100,000
	<b>Total Current Assets</b>	4,545,749	3,003,659	4,124,393	2,525,653	2,555,653	2,381,326	2,462,376
	<b>Investments</b>							
	Term deposits							
	Other investments							
	<b>Total Investments</b>							
	<b>Non-current Assets</b>							
	Fixed assets	354,832	352,332	328,835	308,535	308,535	252,235	223,185
	Intangible assets							
	Other non-current assets	1,008,054	1,508,054	1,508,054	1,708,054	1,708,054	1,800,000	2,000,000
	<b>Total Non-current Assets</b>	1,362,886	1,860,386	1,836,889	2,016,589	2,016,589	2,052,235	2,223,185
	<b>Total Assets</b>	5,908,635	4,864,045	5,961,282	4,542,242	4,572,242	4,433,561	4,685,561
	<b>Current Liabilities</b>							
	Accounts payable	1,042,684	1,452,056	1,006,027	1,718,070	1,718,070	1,493,320	1,541,570
	Income in advance	1,378,000	245,000	1,461,000	148,000	148,000	145,000	145,000
	Employee entitlements	235,000	220,000	252,000	288,000	288,000	292,000	295,000
	Provisions and accruals	500,000	367,339	409,718	387,627	387,627	395,000	405,000
	Other current liabilities	50,000	30,000	50,000	20,000	20,000	20,000	20,000
	<b>Total Current Liabilities</b>	3,205,684	2,314,395	3,178,745	2,561,697	2,561,697	2,345,320	2,406,570
	<b>Non-current Liabilities</b>							
	Shareholder advances							
	Other non-current liabilities							
	<b>Total Non-current Liabilities</b>							
	<b>Total Liabilities</b>	3,205,684	2,314,395	3,178,745	2,561,697	2,561,697	2,345,320	2,406,570
	<b>Net Assets</b>	2,702,951	2,549,650	2,782,537	1,980,545	2,010,545	2,088,241	2,278,991



**ECONOMIC GROWTH AND ARTS COMMITTEE**  
**4 AUGUST 2015**

Forecast 30-Jun-15	STATEMENT OF CASH FLOWS	Qtr to 30-Sep-15	Qtr to 31-Dec-15	Qtr to 31-Mar-16	Qtr to 30-Jun-16	Total YE 30-Jun-16	Total YE 30-Jun-17	Total YE 30-Jun-18
	<b>Cash Flows From Operating Activities</b>							
	<i>Inflows</i>							
	Trading Receipts	912,950	888,400	1,171,400	475,900	3,448,650	3,500,000	3,550,000
	Shareholder grants	6,099,687	3,816,212	7,132,712	3,816,212	20,865,823	22,391,748	22,601,748
	Sponsorships and donations	28,625	75,000	50,000	25,000	178,625	75,000	75,000
	Other Income	1,204,095	528,970	1,053,970	443,970	3,231,003	2,508,400	2,338,400
	<i>Outflows</i>							
	Payments to Employees	1,984,750	2,242,750	2,215,750	2,203,750	8,648,000	8,877,000	8,852,000
	Payments to Suppliers	3,461,574	3,316,291	5,069,242	2,974,641	14,821,748	16,267,130	16,290,003
	Net GST Cashflow	1,194,841	1,085,342	1,038,518	1,004,542	4,323,243	3,248,895	3,178,895
	Other Operating Costs	69,588	69,588	69,588	69,588	278,352	200,000	150,000
	<b>Net Cash Flows From (Used In) Operating Activities</b>	<b>1,534,604</b>	<b>(1,405,390)</b>	<b>1,014,984</b>	<b>(1,491,440)</b>	<b>(347,242)</b>	<b>(117,877)</b>	<b>94,250</b>
	<b>Cash Flows From (Used In) Investing Activities</b>							
	<i>Inflows</i>							
	Sale of fixed assets							
	Sale of investment assets							
	Other							
	<i>Outflows</i>							
	Purchase of fixed assets	20,500	42,500	5,500	5,500	44,000	46,000	40,000
	Purchase of investments							
	Other							
	<b>Total Investing Cash Flow</b>	<b>(20,500)</b>	<b>(42,500)</b>	<b>(5,500)</b>	<b>(5,500)</b>	<b>(44,000)</b>	<b>(46,000)</b>	<b>(40,000)</b>
	<b>Cash Flows From (Used In) Financing Activities</b>							
	<i>Inflows</i>							
	Drawdown of loans							
	Investment income							
	Other	1,500	1,500	1,500	1,500	6,000	6,000	6,000
		1,500	1,500	1,500	1,500	6,000	6,000	6,000
	<i>Outflows</i>							
	Repayment of loans							
	Interest paid							
	Other							
	<b>Total Financing Cash Flow</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>
	<b>Net Increase/(Decrease) in Cash Held</b>	<b>1,515,604</b>	<b>(1,446,390)</b>	<b>1,010,984</b>	<b>(1,495,440)</b>	<b>(385,242)</b>	<b>(157,877)</b>	<b>60,250</b>
	<b>Opening Cash Equivalents</b>	<b>1,861,945</b>	<b>3,377,549</b>	<b>1,931,159</b>	<b>2,942,143</b>	<b>1,861,945</b>	<b>1,476,703</b>	<b>1,318,826</b>
	<b>Closing Cash Equivalents</b>	<b>3,377,549</b>	<b>1,931,159</b>	<b>2,942,143</b>	<b>1,446,703</b>	<b>1,476,703</b>	<b>1,318,826</b>	<b>1,379,076</b>

## APPENDIX 3: GOVERNANCE AND ACCOUNTING

### Dividend policy

WREDA is a not for profit council-controlled organisation, as such the Board is not intending to pay any dividends in the foreseeable future.

### Governance

#### Board

The Board is responsible for the strategic direction and control of WREDA's activities. The Board guides and monitors the business and affairs of WREDA, in accordance with the Companies Act 1993 and the Local Government Act 2002, the Company's Constitution and this SOI.

The Board will comprise up to ten directors, all will be independent directors.

The Board's approach to governance is to adopt "best practice" with respect to:

- The operation of the Board
- The performance of the Board
- Managing the relationship with the Company's Chief Executive
- Being accountable to all Shareholders and reporting to the WRSC

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The Board will meet on a regular basis and no less than 9 times each year.  
The Board will have 2 committees, Audit and Risk and the People & Culture Committee

### **Wellington Regional Strategy Committee (WRSC)**

The WRSC is made up of ten local body elected members.

The role of the WRSC is to:

- Review the performance of WREDA and the Board, and report to Shareholders on that performance on a periodic basis
- Make recommendations to Shareholders as to the appointment, removal, replacement of directors
- Make recommendations to Shareholders as to any changes to policies, or the SOI, requiring their approval

The Board aims to ensure that the WRSC and the Shareholders are informed of all major developments affecting WREDA's state of affairs, while at the same time recognising that commercial sensitivity may preclude certain information from being made public. The WREDA will adhere to a 'no surprises' approach in its dealings with its Shareholders and WRSC

### **Annual Report**

WREDA's balance date is 30 June.

By 30 September each year, WREDA will provide to the WRSC and its Shareholders an Annual Report complying with Sections 67, 68 and 69 of the Local Government Act 2002 and the Companies Act. The Annual Report will contain the

information necessary to enable an informed assessment of the operations of the company, and will include the following information:

- Directors' Report
- Financial Statements incorporating a Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position, Statement of Cashflows, Statement of Accounting Policies and Notes to the Accounts
- Comparison of the WREDA's performance with regard to the objectives and performance targets set out in the SOI, with an explanation of any material variances
- Auditor's Report on the financial statements and the performance targets
- Any other information that the directors consider appropriate

### **Half Yearly Report**

By the end of March each year, WREDA will provide to the Shareholders a Half Yearly Report complying with Section 66 of the Local Government Act 2002. The Half Yearly Report will include the following information:

- Directors' commentary on operations for the relevant six month period
- Comparison of WREDA's performance with regard to the objectives and performance targets set out in the SOI, with an explanation of any material variances

- 
- Un-audited half-yearly Financial Statements incorporating a Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position and Statement of Cashflows

### **Quarterly Report**

By 31 October and 31 January each year, the Company will provide to the Shareholders a quarterly report. The quarterly report will include the following information:

- Directors' commentary on operations for the relevant quarter.
- Comparison of WREDA's performance with regard to the objectives and performance targets set out in the SOI, with an explanation of any material variances

### **Statement of Intent**

By 1 March in each year WREDA will deliver to the Shareholders its draft SOI for the following year in the form required by Clause 9(1) of Schedule 8 and Section 64(1) of the Local Government Act 2002.

Having considered any comments from the WRSC received by 30 April, the Board will deliver the completed SOI to the Shareholders on or before 30 June each year.

### **Shareholder Meetings**

The Board may hold an Annual General Meeting (AGM) between 30 September and 30 November each year to present the Annual Report to all Shareholders. If no AGM is held then the shareholders will pass the required resolutions.

### **Acquisition/Divestment policy**

Any subscription, purchase or acquisition by WREDA of shares in a company or organisation will, require Shareholder approval other than those shares received in return for providing mentoring services.

### **Activities for which compensation is sought from Shareholders**

At the request of Shareholders, WREDA may (at its discretion) undertake activities that are not consistent with its normal commercial objectives. Specific financial arrangements will be entered into to meet the full cost of providing such as activities.

Currently there are no activities for which compensation will be sought from Shareholders.

### **Commercial value of Shareholder's investment**

WREDA will seek to achieve the outcomes as set by the WRSC and its Shareholders from time to time.

It is unlikely that WREDA will deliver a financial dividend to its Shareholders as it is deemed to be a not-for-profit council-controlled organisation.

WREDA's share capital is represented by 1,000 fully paid shares.

Shareholders funds at 30 June 2015 is expected to be \$2.7 million, this is considered by the Board to be the current commercial value of WREDA.

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## **Accounting Policies**

WREDA has adopted accounting policies that are in accordance with the New Zealand International Financial Reporting Standards and generally accepted accounting practice. A Statement of accounting policies is attached to this SOI.

This statement is taken from the Financial Statements presented as part of Wellington Venues Limited (Annual Report 2013-2014).

### **Statement of Accounting Policies**

#### **Reporting Entity**

The financial statements are those of Wellington Regional Development Agency Limited (WREDA) and its subsidiaries ("the Group"). Wellington Venues Limited was incorporated on 10 January 2011 and is registered under the Companies Act 1993. It changed its name from Wellington Venues Limited to WREDA on 5 December 2014. The financial statements are prepared in accordance with the Financial Reporting Act 1993 and the Companies Act 1993. WREDA is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 111 Wakefield St, Wellington. At the same time WREDA acquired Grow Wellington and its subsidiary Creative HQ. In addition the undertakings of Positively Wellington Tourism were also transferred to WREDA. In time WREDA will also undertake the Major Events activities currently undertaken by Wellington City Council.

The primary objectives of the Group are to;

1. Undertaking major events for the region
2. Operate 5 Venues owned by WCC in accordance with the Venues Management Agreement
3. Undertake tourism activities

4. Undertake economic development for the region

The financial statements of WREDA and its subsidiaries are for the year ended 30 June 2015. The financial statements will be authorised for issue by the Board of Directors prior to 30 September 2015.

**Basis of Preparation**

**Statement of Compliance**

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other relevant applicable Financial Reporting Standards as appropriate for public benefit entities.

The Group is a qualifying entity within the Framework for Differential Reporting. The Group qualifies on the basis that it is not publicly accountable and is not a large entity. The Group has taken advantage of all differential reporting concessions available to it.

**Measurement Base**

The financial statements have been prepared on a historical cost basis.

**Functional and Presentation Currency**

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional and presentation currency of the Group is New Zealand dollars.



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## **Comparative Information**

The comparatives shown in these financial statements will be for the 12 months ended 30 June 2014.

## **Standards Issued**

The following standard has been adopted:

NZ IFRS 9 *Financial Instruments* has replaced NZ IAS 39 *Financial Instruments: Recognition and Measurement* and was adopted by the Group in the year ended 30 June 2014. The standard has not materially affected the Group's financial statements.

## **Changes in Accounting Policies**

Other than NZ IFRS 9, there have been no changes in accounting policies.

## **Significant Accounting Policies**

The particular accounting policies, which materially affect the recognition, measurement and disclosure of items in these financial statements are set out below.

## **Revenue**

Management fee income is recognised in the accounting period in which the services are rendered.

Grants from local and central government are recognised in the accounting period in which the services are rendered.

### **Cash and cash equivalents**

Cash and cash equivalents includes deposits held at call with banks.

### **Trade and other receivables**

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for doubtful debts. A provision for impairment of trade receivables is established where there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

### **Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### **Personnel Costs**

Short-term employee entitlements are those that the Group expects to be settled within 12 months of balance date and are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and annual leave earned, but not yet taken at balance date.

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### **Goods and Services Tax (GST)**

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Balance Sheet.

Commitments and contingencies are disclosed exclusive of GST.

### **Taxation**

The income tax expense recognised for the year is calculated using the taxes payable method and is determined using tax rules. Under the taxes payable method, income tax expense in respect of the current period is equal to the income tax payable for the same period.

### **Equity and Share Capital**

Ordinary shares are classified as equity



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2 March 2015

Peter Biggs  
Chair  
Wellington Regional Economic Strategy Agency (WREDA)

Dear Peter

**Re: Letter of Expectations (LoE)**

This letter sets out the Committees expectations of WREDA for the 2015/16 financial year. It is intended to assist in their business planning and the preparation of its final Statement of Intent (SOI) for 2015/16.

This will be the first SOI for the new organisation. The Wellington Regional Strategy Committee (WRSC) expects a bold plan of action and not simply an amalgam of the previous SOIs. The emphasis needs to be on actions and deliverables.

The WRSC acknowledges that WREDA has only been recently been formed, has yet to appoint a CEO and will only receive this LoE a few days prior to the statutory deadline of 1 March for delivery of the draft SOI. We understand that WREDA is proposing the following;

- WREDA will prepare a draft SOI which contains the matters required by the Local Government Act and will send it to the Shareholders and WRSC by 1 March 2015
- The draft will include an acknowledgement that the matters raised in this LoE will be responded to in the presentation to WRSC's meeting on 28 April where WREDA's business plan will be outlined.
- Following this meeting WRSC will then have the opportunity to review the plan and provide any formal feedback to WREDA.
- WREDA will then complete their final SOI and send it to WRSC and the Shareholders by 30 June, 2015

**Aspirational Goals**

WREDA is expected to be the lead agency for the outcomes in the WRS and to drive a series of step changes to the economy of the Region. The goals that WREDA need to aspire to include;

- Contribution to GDP growth above historical averages

- Fostering faster population growth at higher levels than forecast.
- More business activity, more jobs
- Growth in the capital value of the region as a result of new investment.

**Matters to be addressed in the final SOI and draft business plan**

1. WREDA receives substantial funding from Councils and other funders (government, private sector). We expect that WREDA will continue to grow the funding contribution from these non- Council sources. A target that for every \$1 contributed by Councils being matched by \$1 from non-Council sources should be considered.
2. WREDA will take ownership of the sector growth plans, in particular the tech, film, digital, education and creative sectors. We expect to see specific actions that support, facilitate and strongly contribute to a step change in growth of these areas.
3. Assisting the educational/ research sectors to better commercialise innovation arising from their activities.
4. Consider whether the Region should have a major programme of inward investment and if so, how?
5. Supporting various major regional projects through advocacy and planning to leverage off the opportunities they may produce, specifically;
  - Supporting and advocating the business case to extend the runway for Wellington Airport including the opportunities that the extension will bring (for key areas such as logistics, tech, education, tourism and film). It should not be viewed solely as a transport project but considered as one element of a broader and linked regional growth package.
  - The development of a new Wellington Convention centre
  - Developing proposition(s) for business growth from the opportunities provided by major road projects including the Petone Grenada link road, Transmission Gully and the Kapiti Expressway.

- Wairarapa Water use project
  - Indoor Arena
  - Film Museum
6. The Region needs to create a lasting partnership with Government, including the public service. WREDA needs to develop and maintain this partnership in conjunction with, and in support of the Region.
  7. Develop appropriate marketing strategies and actions to deliver on the agreed actions.
  8. Outline the actions required in the tourism sector to grow the visitor economy through increasing the number of visitor numbers and value to the Region. This will include tourism, events, business tourism, and product development
  9. WREDA should continue to develop Wellington's major events portfolio to deliver on a range of economic and social objectives over the calendar year. This will include a review of existing events and a medium term plan for major events including retention of "iconic" major events in Wellington.
  10. Through its management of the Venues outline how WREDA will contribute to, maintain and enhance Wellington's reputation as the arts, culture and events capital of New Zealand.
  11. Destination Wellington was set up in 2012 as a business attraction and marketing programme. This now needs to be redefined and updated with focus on the following;
    - Business attraction and retention
    - Inward migration
    - Marketing of Wellington as a business and investment destination
    - International students
  10. Exports are a key contributor to economic growth and consideration needs to be given on how to boost regional exports especially in high end manufacturing and tech. However, WREDA is also expected to work with any businesses that have the potential to significantly grow the Wellington regional economy.

11. Constraints on business growth in the region are well understood and where practical WREDA will play a role in addressing such constraints. Of particular note is the need to help address skills shortages and develop a workforce that better reflects regional needs.

#### **General Principles for WREDA**

12. Activities should occur where it makes sense from a regional economy perspective. We need to maximise the benefit from the investments we make. While it is anticipated that some activities will occur throughout the region, we do not expect a rationing approach or deliberate spread of activities. Parochial interests should not influence the decisions of WREDA, although it is expected that the benefits of its activities to the overall region, even when activities happen in only one part of the region, will be well communicated to all Council stakeholders. At the same time, WREDA will also comply with the relevant Council's Revenue and Financing Policy.
13. Many economic development activities are long-term. Recent poorer economic performance relative to the national economy means that in some areas it will take time to accelerate growth. WREDA will have clear performance measures to ensure the ultimate outcomes are likely to be achieved
14. The rationale for sector interventions are explicit and the outcome/s being sought are reflected in the company's monitoring and reporting framework
15. The importance of ongoing communication between the Councils and WREDA

#### **Key performance Indicators (KPIs) and Reporting**


16. Each of the entities that comprise WREDA has their existing KPIs which will be reported against for the 2014/15 year. For 2015/16 and beyond we want WREDA to develop a new set of KPIs to measure their performance including progress on the outcomes. They need to be as far as possible measurable and enable the question *how do we measure success* to be answered.
17. All legal reporting requirements and obligations for a Council Controlled Organisation under the Local Government Act 2002 are fully met. This includes the provision of an SOI, audited annual report and six-monthly report. It is expected that the WREDA Chair and Chief Executive will provide progress reports at each of the WRS Committee meetings during the year.

18. The Shareholders will be provided with a 2015/16 business plan, a six monthly detailed progress report against the business plan and quarterly financial reports to the Chief Executives of the Shareholders.
19. The Chair of the WREDA or the Chief Executive is expected to be available to present to the Shareholders as necessary.

**Other Matters**

20. WREDA was established to reduce duplication, achieve the best outcomes for the monies spent and give WREDA sufficient critical mass to be able to make a significant difference. WRSC is interested in your views on whether there are other activities or functions within the Councils that may be more efficient and effective within WREDA. Examples may include the funding from WCC in respect of the Innovation function within WCC and the WRS Office.

Yours sincerely



Wayne Guppy  
**Chair**  
**Wellington Regional Strategy Committee**



## ARTS AND CULTURE FUND- JULY 2015

### Purpose

1. Provides recommendations for the distribution of the Council's Arts and Culture Fund

### Summary

2. The Council provides grants to assist community groups to undertake projects that meet community needs. Grants are also a mechanism for achieving the Council's objectives and strategic priorities, especially those priorities that rely on community organisations carrying out specific activities.
3. The 2013 review of the grant criteria proposed a move away from generic criteria in favour of specific criteria for each fund. While each pool may share a number of criteria, others would be tailored to suit the particular demands of that community of interest and relevant Council outcomes.

### Recommendations

That the Economic Growth and Arts Committee:

1. Receive the information.
2. Agree to fund the projects as listed below:

	Organisation	Project	Total Project Cost	Amount requested	Recommended	Comments
1	African Communities' Council Of Wellington Incorporated	Africa Day 2016	\$18,874	\$15,659	\$0	Supported through Community Events Sponsorship with \$5,000, Officers will discuss support through venue subsidy.

Item 2.3

2	Barbarian Productions Limited	Spring, Shoot	\$6,925	\$6,925	\$3,000	Support for local nine day community arts festival based at Vogelmorn Bowling Club, City Arts also supporting directly.
3	Capital Blues Incorporated	Purchase new lighting	\$3,252	\$2,000	\$1,000	Contribution to costs of new lights for local blues club for their established residency at the Bristol.
4	Creative Capital Arts Trust	2016 New Zealand Fringe Festival Hub	\$32,190	\$10,000	\$0	Lower priority, given existing support for Fringe through contract funding (\$104,040 in 15/16).
5	Drakeford, McCann & Phillips productions umbrell under Blackrockball adeers Ltd	Spring Awakening, a Tragedy of Childhood, by Frank Wedekind. Translated by Francis J. Ziegler	\$6,942	\$3,000	\$2,000	Great opportunity to support young talent in the city, production targeted at young people.
6	Everybody Cool Lives Here Trust Board	Wellington Street Art Maps	\$5,500	\$4,500	\$4,000	Digital project mapping street art, good fit with 'Creative Future through Technology' priority.
7	Friends of Futuna Charitable Trust	Colours of Futuna Concert Series	\$12,086	\$4,686	\$4,000	Support for programme of 11 concerts at Futuna Chapel, Karori across a range of genre.

**ECONOMIC GROWTH AND ARTS  
COMMITTEE  
4 AUGUST 2015**

8	Jandals Inc	IMPACT	\$16,560	\$4,800	\$3,000	Local Pacific theatre group developing a work focussing on mental health issues which will tour local schools and Samoan churches
9	Kilbirnie/Lyall Bay Community Centre Incorporated	Kilbirnie Community Festival 2016	\$9,135	\$5,000	\$3,000	Support for community led festival in Kilbirnie.
10	Lilburn Residence Trust	Lilburn Residence Trust	\$18,385	\$3,735	\$3,500	Support for well established residency working with other music institutions in the city contributing to the 'city as a hothouse for talent' priority.
11	Lions Club of Johnsonville Inc.	Johnsonville Lions Community Christmas Parade	\$18,200	\$3,000	\$0	Lower priority
12	Local Food Network	Alone It Stands	\$7,790	\$3,615	\$0	Lower priority due to pressure on available funding.
13	Making Friends Collective umbrella under BATS	Knifed	\$2,576	\$1,240	\$0	Lower priority given pressure on available funding.

Item 2.3

Item 2.3

14	Malisa Palalagi umbrella under Newtown Residents Association	NY2NZ (Hip Hop Celebration)	\$15,302	\$15,052	\$0	Lower priority due to pressure on available funding and size of request for this large scale project.
15	Mana Tiaki Inc	Mana Tiaki Kapa Haka Rangatahi Workshops	\$12,900	\$11,400	\$0	Lower priority due to pressure on available funding, request for shortfall in project cost.
16	New Zealand Academy of Highland & National Dancing (Inc)	New teacher workshops	\$9,132	\$8,632	\$0	Lower priority due to pressure on available funding, focus of application is on professional development of Highland Dance teachers.
17	New Zealand Opera Ltd	New Zealand Opera education support	\$124,303	\$15,000	\$12,000	Support for a production of The Pirates of Penzance involving 150 local people including young singers and the Wellington Youth Orchestra. A good fit with the hothouse for talent priority.

18	New Zealand Portrait Gallery	Alan Pearson Exhibition - NZ Portrait Gallery seeking to engage a wider and more diverse audience, both Wellingtonians as well as visitors to the region.	\$6,732	\$6,472	\$2,000	Support for community outreach initiatives for for summer exhibition- fit with our 'active and engaged' priority.
19	Nota Bene	Mothers, Daughters, Wives	\$3,838	\$1,634	\$1,000	Support for a concert within the Hall of Memories as part of a programme commemorating Armistice Day.
20	NZ Comedy Trust	NZ International Comedy Festival 2016	\$241,300	\$7,000	\$7,000	Supporting annual festival, providing opportunities and professional development - good fit with our 'hothouse for talent' priority.
21	Omphalos Co - umbrella under BATS Theatre	Bubblelands	\$28,444	\$4,480	\$0	Lower priority due to pressure on available funding.
22	Omphalos Co - umbrella under BATS Theatre	The Quiet Room	\$25,685	\$4,550	\$4,000	Good fit with the 'hothouse for talent' priority as well as supporting the confident identities priority with a focus on teenagers

Item 2.3

						living with cancer.
23	Out Wellington Inc.	Love Parade	\$12,615	\$5,000	\$0	Out in the Park event being supported with \$7,000 Community Events Sponsorship, lower priority given existing support and pressure on available funding.
24	Porirua Little Theatre Inc	EVITA 2015	\$473,000	\$25,000	\$0	Lower priority - application for support for a commercial production, declined previously.
25	Short+Sweet New Zealand Limited	Short+Sweet Theatre Wellington 2015	\$43,965	\$7,000	\$0	Lower priority due to pressure on available funding.
26	Show Pony- VENERA EUPHEMIA LIMITED t/a	Dead Men's Wars	\$55,820	\$2,900	\$2,900	Good fit with the 'Houhouse for talent' priority, part of BATS 'STAB' season, deals with issues around WW1 comemorations
27	Stagecraft Theatre Incorporated	Gryphon Theatre Running Costs	\$50,700	\$10,000	\$0	Lower priority due to pressure on available funding.

**ECONOMIC GROWTH AND ARTS  
COMMITTEE  
4 AUGUST 2015**

28	Te Rakau Hua O Te Wao Tapu	Dog and Bone	\$64,805	\$4,865	\$4,000	Set during the time of the land wars, fit with the 'hothouse for talent priority' partnering with emerging talent in the city delivery through local established Maori theatre company.
29	Theatre Awards Trust	Wellington Theatre Awards	\$34,150	\$10,000	\$5,000	Support for annual theatre awards, contributes to visibility and credibility of our theatre sector.
30	The Migrating Kitchen Trust	Migrating Kitchen Trust's Spotlight on Cultures	\$12,405	\$5,000	\$0	Lower priority due to pressure on available funding.
31	The Salvation Army Wellington Community Ministries	The Salvation Army Wellington Addiction Services - Art Programme	\$9,180	\$9,180	\$0	Seeking costs for an arts project as a recovery programme, lower priority due to pressure on available funding.
32	The Sound and Light Exploration Society	Sound Explorers Workshop and Performance Series	\$9,360	\$4,560	\$4,000	Support for events and workshops at the Pyramid Club delivering to the sound art and avant garde arts scene.

Item 2.3

Item 2.3

33	The Theatreview Trust	NZ Festival and NZ Fringe 2016 Reviews	\$3,900	\$3,900	\$2,500	Contribution to local theatre infrastructure, ensuring that the work of local theatre and dance practitioners is seen and reviewed.
34	The Wellington Boys' and Girls' Institute	Ka Puta : hatching creativity through art	\$7,500	\$3,500	\$0	Lower priority due to pressure on available funding.
35	Wellington Circus Trust	Youth Circus	\$20,680	\$7,560	\$3,000	Support for young peoples involvement in youth circus providing access to training and development
36	Wellington Gilbert & Sullivan Society Inc	The Gondoliers	\$114,150	\$5,000	\$2,000	Contribution to production providing a professional environment for local participants to present a light opera.
37	Wellington Red Hackle Pipe Band	Grow Highland Bagpipe Profile	\$3,500	\$3,500	\$0	Lower priority due to pressure on available funding, Officers will discuss ideas for future applications that might better meet fund priorities.
38	Wellington Somali Council Inc	Somali Independence Day	\$2,120	\$1,820	\$0	Lower priority due to pressure on available funding.



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\$1,543,902   \$251,165   \$72,900

## Background

4. Grants and funding are included in the Annual Plan to provide an appropriate mechanism for the Council to respond to community groups that are undertaking projects that:
  - Meet a need identified by the community.
  - Align with council's strategic goals and community outcomes.
  - Rely to some extent on participation and engagement by community organisations
5. Organisations and projects are funded through both contracts and contestable grants pools. The contestable pools provide grants that are discretionary, short term and generally project based in nature. The Council also enters into multi- year contracts when it has an interest in ensuring particular activities occur that contribute to Council's strategies or policies.

## Discussion

6. The Arts and Culture Fund supports community organisations for projects that meet the criteria for the fund. (Attachment 1). The priority areas for the fund are:
  - To support the city as a hothouse for talent
  - To reinforce Wellington as a region of confident identities
  - To support active and engaged people
  - To encourage our creative future through technology.
7. This is first of three funding rounds for 2015-16 and there are 38 organisations requesting a total of \$251,165. Officers are recommending the Economic Growth and Arts Committee support 20 projects with grants totalling \$72,900.
8. The original information provided through online application has been made available to Councillors via the hub.
9. The assessment process may include consultation with; the applicant and persons or organisations referred to in the application. Applicants are given two working days where possible to respond to a request for more information. Officers in conducting their assessments consult with a range of business units within Council, these include City Arts and Events, Community Services, Innovation and WREDA.
10. To ensure funds are used appropriately, conditions may be included, should funding be approved. This is usually in cases where applicants need to use funds for a specific aspect of their budget, to confirm with Council where activity might take place, if they are awaiting confirmation of sufficient funds from other sources or have an outstanding accountability report on earlier Council funding.

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**Contact Officers**

Mark Farrar, Senior Advisor Funding and Relationships

Felicity Birch, Arts Advisor, City Arts & Events

**Attachments**

Attachment 1. Arts and Culture Fund Criteria

Page 76

Author	Mark Farrar, Team Leader Funding and Relationships
Authoriser	Greg Orchard, Chief Operating Officer

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## **SUPPORTING INFORMATION**

Consultation and Engagement  
N/A

### **Treaty of Waitangi considerations**

Application that could have implications for Maori are referred to Council's Treaty Relations Office. For each of these grant funds there are specific criteria and questions relating to Maori, for the Arts and Culture Fund applicants are asked to describe how their project serves to value and increase the visibility of Maori cultural traditions and or contemporary applications.

### **Financial implications**

The Long Term Plan makes provision for community grants in several places -2.1.6 - Community environmental initiatives, 3.1.4 - Grants and creative workforce, 4.1.4 – (Arts and) Cultural grants, and 5.2.4 - Grants (Social and Recreation). The Arts and Culture Fund come under project SECC03 C661.

### **Policy and legislative implications**

Council funds have been created to assist community initiatives in line with Council strategy. Council Officers engage and consult widely with a range of groups and organisations before funding applications are made and throughout the assessment process.

Risks / legal  
N/A

Climate Change impact and considerations  
N/A

Communications Plan  
N/A

## **Attachment 1 - Arts and Culture Fund Criteria**

This fund has four focus areas that can be supported - the city as a hothouse for talent, Wellington as a region of confident identities, active and engaged people, and our creative future through technology.

### **Fund objectives**

- To support the city as a hothouse for talent
- To reinforce Wellington as a region of confident identities
- To support active and engaged people
- To encourage our creative future through technology.

### **Criteria**

Projects make a positive contribution to achieving the Council's strategic outcomes:

Towards 2040: Smart Capital strategy

- **People Centred City:** Contributes to healthy, vibrant, affordable and resilient communities, with a strong sense of identity and 'place' expressed through urban form, openness and accessibility.
  - **Connected City:** Supports a city with easy physical and virtual access to regional, national and global networks.
  - **Eco-City:** Allows the city to proactively respond to environmental challenges and seize opportunities to grow the green economy.
- **Dynamic Central City:** Supports a central city of creativity, exploration and innovation, helping Wellington to offer the lifestyle, entertainment and amenity of a much bigger city.

Long Term Plan 2012-22 priorities:

- An inclusive place where talent wants to live
- A resilient city
- A well managed city
- Annual Plan priorities for the relevant year.

The project is Wellington-based and mainly benefits the people of Wellington. (exceptions may be made for projects based elsewhere in the region, but which significantly benefit Wellington City residents).

The applicant is a legally constituted community group or organisation.

The applicant provides evidence of sound financial management, good employment practice, clear and detailed planning, clear performance measures, and reporting processes.

The applicant outlines how physical accessibility has been built into project development.

The applicant outlines how pricing has been set to ensure access by a wide range of people or by the intended users.

The project should show evidence of community support, collaboration, and building partnerships with other organisations (e.g. social media interest, letters of support from other organisations/leaders).

The applicant must show that the project discernibly improves community wellbeing and adds value to the range of similar types of services in the community.

The Council acknowledges the significance of Māori cultural practice. Demonstrate how your project values and increases the visibility of Māori cultural traditions and contemporary applications.

New and developmental arts projects. We can support new and developmental arts projects. Applicants will need to demonstrate the formative nature of the project.

### **Focus Areas**

#### **The city as a hothouse for talent**

Priority will be given to projects that:

- Ensure there is an appropriate range of platforms for local talent to present their works
- Value new talent and connect it with support networks

#### **Wellington as a region of confident identities**

Priority will be given to projects that:

- Recognise and celebrate the role of mana whenua and Māori history in the city
- Enable all ethnic, demographic and suburban communities to explore, celebrate and share their own cultural identity
- Enable suburban and other geographical communities to undertake projects that explore, celebrate and share their own identity

#### **Active and engaged people**

Priority will be given to projects that:

- Support arts practitioners to work with communities to develop work of, by and for that community
- Ensure the sustainability of organisations that facilitate and/or undertake activities within communities
- Maximise the potential of arts and cultural activities to increase community connectedness, resilience and participation in community/city decision-making

#### **Our creative future through technology**

Priority will be given to projects that:

- Increase access to technology for use in the creation, distribution and marketing of creative products and services



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## UPDATE ON PROJECTS

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### Purpose

1. The Committee will receive an update on the projects work underway.

### Recommendation

That the Economic Growth and Arts Committee:

1. Receive the information.

### Discussion

2. The Director of City Growth and Partnerships will update the Committee on a number of projects currently underway, including the Tech Hub, work in the major events area, the renewal of the Te Papa agreement and progress on the Music Hub.

### Attachments

Nil

Author	Derek Fry, Director City Growth & Partnerships
Authoriser	Derek Fry, Director City Growth & Partnerships