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## **ORDINARY MEETING OF WELLINGTON CITY COUNCIL AGENDA**

**Time:** 9:30am  
**Date:** Thursday, 28 April 2022  
**Venue:** Ngake (16.09)  
Level 16, Tahiwi  
113 The Terrace  
Wellington

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### **MEMBERSHIP**

Mayor Foster (Chair)  
Deputy Mayor Free (Deputy Chair)  
Councillor Calvert  
Councillor Condie  
Councillor Day  
Councillor Fitzsimons  
Councillor Foon  
Councillor Matthews  
Councillor O'Neill  
Councillor Pannett  
Councillor Paul  
Councillor Rush  
Councillor Woolf  
Councillor Young

### **Have your say!**

*You can make a short presentation to the Councillors, Committee members, Subcommittee members or Community Board members at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 04-803-8337, emailing [public.participation@wcc.govt.nz](mailto:public.participation@wcc.govt.nz) or writing to Democracy Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number, and the issue you would like to talk about. All Council and committee meetings are livestreamed on our YouTube page. This includes any public participation at the meeting.*

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## 1. Meeting Conduct

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### 1.1 Karakia

The Chairperson will open the meeting with a karakia.

|                                      |  |
|--------------------------------------|--|
| <b>Whakataka te hau ki te uru,</b>   | Cease oh winds of the west               |
| <b>Whakataka te hau ki te tonga.</b> | and of the south                         |
| <b>Kia mākinakina ki uta,</b>        | Let the bracing breezes flow,            |
| <b>Kia mātaratara ki tai.</b>        | over the land and the sea.               |
| <b>E hī ake ana te atākura.</b>      | Let the red-tipped dawn come             |
| <b>He tio, he huka, he hauhū.</b>    | with a sharpened edge, a touch of frost, |
| <b>Tihei Mauri Ora!</b>              | a promise of a glorious day              |

At the appropriate time, the following karakia will be read to close the meeting.

|   |                                       |
|---|---------------------------------------|
| <b>Unuhia, unuhia, unuhia ki te uru tapu nui</b>  | Draw on, draw on                      |
| <b>Kia wātea, kia māmā, te ngākau, te tinana,</b> | Draw on the supreme sacredness        |
| <b>te wairua</b>                                  | To clear, to free the heart, the body |
| <b>I te ara takatū</b>                            | and the spirit of mankind             |
| <b>Koia rā e Rongo, whakairia ake ki runga</b>    | Oh Rongo, above (symbol of peace)     |
| <b>Kia wātea, kia wātea</b>                       | Let this all be done in unity         |
| <b>Āe rā, kua wātea!</b>                          |                                       |

### 1.2 Apologies

The Chairperson invites notice from members of:

1. Leave of absence for future meetings of the Wellington City Council; or
2. Apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

### 1.3 Announcements by the Mayor

### 1.4 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.

### 1.5 Confirmation of Minutes

The minutes of the meeting held on 31 March 2022 will be put to the Te Kaunihera o Pōneke | Council for confirmation.

### 1.6 Items not on the Agenda

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

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***Matters Requiring Urgent Attention as Determined by Resolution of the Wellington City Council***

The Chairperson shall state to the meeting.

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.

The item may be allowed onto the agenda by resolution of the Wellington City Council.

***Minor Matters relating to the General Business of the Wellington City Council***

The Chairperson shall state to the meeting that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Wellington City Council for further discussion.

**1. 7 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 31.2 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.

## 2. General Business

# DRAFT STATEMENTS OF INTENT FOR COUNCIL CONTROLLED ORGANISATIONS

### Kōrero taunaki | Summary of considerations

#### Purpose

1. This report to Te Kaunihera o Pōneke | Council is to receive and consider the draft 2022/23 Statement of Intent (SOI) for the following Council Controlled Organisations (CCOs).

- Basin Reserve Trust
- Karori Sanctuary Trust (Zealandia)
- Wellington Cable Car Limited
- Wellington Museums Trust (Experience Wellington)
- Wellington Regional Economic Development Agency Ltd (WellingtonNZ)
- Wellington Regional Stadium Trust (Sky Stadium)
- Wellington Zoo Trust

### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- |  |  |
|--|--|
| <b>Strategic alignment with priority objective areas from Long-term Plan 2021–2031</b> | <input checked="" type="checkbox"/> Sustainable, natural eco city                                      |
|  | <input checked="" type="checkbox"/> People friendly, compact, safe and accessible capital city         |
|  | <input checked="" type="checkbox"/> Innovative, inclusive and creative city                            |
|  | <input checked="" type="checkbox"/> Dynamic and sustainable economy                                    |
|  | <input type="checkbox"/> Functioning, resilient and reliable three waters infrastructure               |
|  | <input checked="" type="checkbox"/> Affordable, resilient and safe place to live                       |
|  | <input checked="" type="checkbox"/> Safe, resilient and reliable core transport infrastructure network |
|  | <input checked="" type="checkbox"/> Fit-for-purpose community, creative and cultural spaces            |
|  | <input checked="" type="checkbox"/> Accelerating zero-carbon and waste-free transition                 |
|  | <input checked="" type="checkbox"/> Strong partnerships with mana whenua                               |

#### Relevant Previous decisions

Outline relevant previous decisions that pertain to the material being considered in this paper.

### Financial considerations

- |                              |   |   |
|------------------------------|---|---|
| <input type="checkbox"/> Nil | <input checked="" type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|------------------------------|---|---|

### Risk

- |   |                                 |                               |                                  |
|---|---------------------------------|-------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> Low | <input type="checkbox"/> Medium | <input type="checkbox"/> High | <input type="checkbox"/> Extreme |
|---|---------------------------------|-------------------------------|----------------------------------|

|            |   |
|------------|---|
| Author     | Anna Calver, Manager Economic Wellbeing and CCOs      |
| Authoriser | Stephen McArthur, Chief Strategy & Governance Officer |



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## **Taunakitanga | Officers' Recommendations**

Officers recommend the following motion

That the Te Kaunihera o Pōneke | Council:

1. Receive the information.
2. Note any further items raised by the Council are to be addressed by the Council Controlled Organisations in a final Statement of Intent.
3. Agree that the Basin Reserve Trust, the Karori Sanctuary Trust, Wellington Cable Car Limited, the Wellington Museums Trust, the Wellington Regional Economic Development Agency Ltd., the Wellington Regional Stadium Trust and the Wellington Zoo Trust will develop a final Statement of Intent for 2022/23 so as to address the items raised in this report and any further items raised by Council and will work with Council officers to achieve this.
4. Note that the financial challenges raised by CCOs, due to increasing operating costs, will be worked through with CCOs in coming months to align to the 2023/24 Annual Plan and the next Long-term Plan, and current projected deficits will be carried as risks due to the challenges of predicting visitor numbers and commercial income in the current environment.
5. Note that an improved economic environment does not materialise Council may receive requests for financial support from CCO's in 2022/23.

## **Whakarāpopoto | Executive Summary**

1. The SOI process is the opportunity for Council to annually outline its expectations for each of its CCOs and ensure the service being received is aligned to Council's strategic priorities and is responding appropriately to the challenges and opportunities of the current environment. CCOs respond accordingly with their strategic focus areas, priority activities, financials and KPIs for the new financial year.
2. The draft SOIs for the 2023 financial year have been received and respond well to Council's Statements of Expectations, outlining ambitious programmes of work. Minor amendments are being recommended be made to the draft SOIs, particularly around audience and visitor forecasts considering the staggered reopening of New Zealand's borders are more positive than was predicted at the time of the drafting of the SOIs.
3. Several CCOs are forecasting deficits for the 2022/2023 financial year. As it is challenging to predict the extent visitor numbers will recover with the reopening of New Zealand's borders, Council will carry these potential deficits as risks in its 2022/23 budget rather than provide a specific CCO Covid Response Support Fund, which was the approach that was taken in 2020.

## **Takenga mai | Background**

4. Under the Local Government Act 2002, CCOs are required to submit a draft SOI to the Council by 1 March in the previous financial year.
5. SOIs are informed by Statements of Expectations. This year the Council has invited each CCO to respond to how its mahi is helping Council activate relevant strategic priorities; the Long-Term Plan, Kia eke panuku Māori Strategic Direction, Te Atakura: First to Zero, Aho Tini 2030 – Arts, Culture and Creativity Strategy, Strategy for Children and Young People, Economic Wellbeing Strategy and the Accessible Wellington action plan. Each CCO was also provided with specific expectations relating to their organisation.

6. The Statement of Expectation for each entity was agreed by the Pūroro Tahua Finance and Performance Committee on 18 November 2021 and a draft SOI has since been received from each CCO.
7. The draft 2022/23 SOI for Wellington Water Limited will be considered by the Infrastructure Committee.
8. The draft SOI process provides both the Council and CCOs with an opportunity to fine tune respective expectations ahead of submitting a final SOI for approval. Final SOIs will be presented at the Pūroro Tahua Finance and Performance Committee meeting on 16<sup>th</sup> June, ahead of the statutory deadline of 30<sup>th</sup> June.

### **Kōrerorero | Discussion**

9. Officers have reviewed the draft SOI received from each entity and acknowledge that they respond constructively to the respective Statement of Expectation.
10. Officers will work with individual CCOs to address items raised in this report and any further items raised by the committee in each entity's final SOI, which will be presented to the Pūroro Tahua Finance and Performance Committee at its meeting on 16 June 2022.
11. This paper includes a brief overview of how each CCO has responded to its Statement of Expectation, key projects to note and recommended feedback for CCOs to consider in its final SOI.
12. Appended to this report are the draft SOIs and a Strategic Alignment table detailing how each CCO specifically responds to their Statement of Expectation.

### **13. Basin Reserve Trust**

- The SOI responds well to Council's Statement of Expectation outlining how it will work with WCC to maintain the ground to a high standard, remain a Carbon Zero venue with further improvements to environmental stewardship, provide 24-hour community access, and work constructively with the Let's Get Wellington Moving project team to ensure that the interests of the Basin Reserve are well understood as options are developed for the route encompassing the venue. It also is actively exploring commercial revenue opportunities.
- Key projects: Cricket events, event and venue usage diversification, investigating the building of permanent camera towers, asset upgrade programme.
- **Recommended feedback:**
  - Review performance targets including events days and event revenue to align with the reopening of New Zealand's borders.

### **14. Karori Sanctuary Trust (Zealandia)**

- The SOI demonstrates strong strategic alignment to Council's four pou with particular strength in Te Atakura First to Zero and strengthening mana whenua relationships via its conservation mahi. Zealandia also plays an important role to the social wellbeing and through its transformation of Wellington's biodiversity, which has enriched community connection with nature.
- Key projects: Te Māra a Tāne, the sanctuary valley, collaborating with stakeholders on 'Sanctuary to Sea' to restore the Kaiwharawhara catchment, education, research, outreach and developing partnerships.

- **Recommended feedback:**
  - Review if performance targets could be more positive to align with the reopening of New Zealand's borders and the restart of the cruise industry.

**15. Wellington Cable Car Ltd**

- SOI shows the organisation is thinking how to continue to offset the losses caused by border closures and lack of tourism to open new revenue streams through product development and commercial strategies. It also demonstrates strong alignment to Council's strategic priorities and a considered response to the Statement of Expectation.
- Key projects: Tunnel light replacement, seismic strengthening of middle tunnel, product development including enhancing the Kelburn-Paekākā precinct, structural and seismic investigation of three bridges, ticketing adjustments.
- **Recommended feedback:**
  - Review if the passenger forecasts could be more positive, based on the staggered reopening of New Zealand's borders.
  - With the projected deficit of \$3.2m over the next three years, indicate what financial support may be required from WCC (depending on the return of international tourism) over the next three years.

**16. Wellington Museums Trust (Experience Wellington)**

- SOI demonstrates deep consideration of Council's strategic priorities and Experience Wellington's role as a delivery agent. In particular, it shows Experience Wellington's importance to the cultural and social wellbeing of Wellington.
- Key projects: Programming across all experiences to drive connection and visitation, building back commercial activity, Space Place redevelopment, Children's Festival 2023, Māori Engagement Strategy, revised fundraising strategy, progressing the Museum strengthening project, asset management plan, the planning of Capital E at Te Matapihi Wellington Central Library.
- **Recommended feedback:**
  - Reflecting recent discussions that the strengthening of the Wellington Museum Building (and therefore the redevelopment of the museum exhibition) is unlikely to begin in the next 12 months, Experience Wellington should reforecast its visitor number projections
  - Revise physical visitation number forecasts to reflect a more positive outlook in light of changes in New Zealand's alert level settings and border reopening.
  - Update the financials to reflect Council's LTP/AP budgeted grant funding revenues.
  - Revise financial forecasts to remove the expectation that \$551k will be provided through Council's CCO Covid Response Support Fund for the ongoing negative impacts from COVID-19. This fund will be fully spent by the end of this current financial year and Council will carry any potential CCO deficits as a risk for the 2022/2023 financial year.

**17. Wellington Regional Economic Development Agency Ltd (WellingtonNZ)**

- The SOI demonstrates WellingtonNZ's wide-ranging work across economic development, promotional activity, event attraction and investment, and particular alignment to economic and cultural wellbeing.

- Key projects: Business support, acceleration and incubation (CreativeHQ), Covid recovery, tourism marketing, Regional Economic Development Plan, Tākina, venue operation, major event attraction and investment, talent attraction and retention, UNESCO City of Film, internships and career pathways and the Regional Destination Development Plan.
- **Recommended feedback** (this also includes feedback from Greater Wellington Regional Council)
  - On page 1 change the *Wellington Regional Strategy (WRS) Committee's December 2021 letter of expectations to Shareholders December 2021 Statement of Expectations*.
  - On Page 4 change *WellingtonNZ is responsible to the Regional Leadership Group which has responsibility for the Regional Economic Development Plan* to reflect that WellingtonNZ is responsible to its two shareholders and not directly to the Regional Leadership Group.
  - Under the *How we contribute to the Goals of our shareholders* reference Greater Wellington Regional Council
  - On page 7, *How we will meet the specific requirements in the Letter of Expectation*, detail more specifically in what WellingtonNZ is doing to further support and embed the implementation of Te Upoko o Te Ika a Maui and Te Matarau a Maui
  - Detail more specifically what is being done to support businesses to transition to a lower carbon model, specifically how Wellington is “supporting businesses developing new technologies to help people change their behaviour”
  - Include that WellingtonNZ will work with Wellington City Council to refine and implement actions in the Economic Wellbeing Strategy, aligning also with the Regional Economic Development Plan.
  - WellingtonNZ has a large and ambitious programme of work, to deliver within its current level of funding. Consider if/how the KPI around funding diversification be increased from the current target of 32% to ensure programmes are adequately resourced and have the desired impact.

#### **18. Wellington Regional Stadium Trust (Sky Stadium)**

- After a challenging few years, the SOI demonstrates the work the Stadium has done in attracting events to support Wellington's economic and social recovery from Covid19.
- Key projects: FIFA Women's World Cup 2023, strong events pipeline, capital works programme, addressing insurance costs.
- Note the Stadium indicates in its SOI that financial autotomy is no longer achievable for the Trust given the Stadium is now an ageing facility, the additional seismic requirements, the significant increase in insurance premiums, and the impact of the Covid-19 pandemic over the last two years.
- **Recommended feedback:**
  - Consider how the Stadium can work with mana whenua to further enrich its te reo naming and signage activity.

#### **19. Wellington Zoo Trust**

- The SOI shows the Zoo's continued leadership in its journey to become a world-leading zoo in sustainability, species conservation, education and community

connection. It's ongoing activity within climate action is an exemplar of how a strategic and considered approach shows being sustainable is a never-ending journey and there are continual improvements to be made.

- Key projects: Snow leopards, renewals programme, measuring UN Sustainable Development Goals, field conservation programmes, Kanohi Kitea Cultural Programme, Hosting IZE conference in 2023, strategy review / master planning and species planning – next 20 year view.
- **Recommended feedback:**
  - The Council notes the comment that the Zoo needs an additional \$731k per annum grant funding, however this should be removed from the SOI and addressed directly with officers through the annual plan / LTP process.

### **Kōwhiringa | Options**

4. Agree to provide CCOs with the proposed feedback by 1 May to meet statutory requirements.
5. Provide additional feedback, in line with the Statements of Expectations and CCOs responses via their SOIs.

### **Whai whakaaro ki ngā whakataunga | Considerations for decision-making**

#### **Alignment with Council's strategies and policies**

6. See Strategic Alignment appendix

#### **Engagement and Consultation**

7. Not applicable.

#### **Implications for Māori**

8. CCOs were asked to consider Council's Kia eke panuku Māori Strategic Direction and partnership with mana whenua, support of Māori businesses and engagement with Māori audiences. See Strategic Alignment appendix.

#### **Financial implications**

9. The financial challenges raised by several CCOs due to increasing operating costs and the economic climate will be worked through with CCOs in coming months to align to the 2023/24 Annual Plan and the next Long-term Plan.
10. CCO's are currently projecting deficits for the next financial year. Officers acknowledge there is risk inherent in not planning for and funding through the Annual Plan additional financial support for CCOs. However, due to the challenges in predicting the shape the economic recovery will take with the reopening of New Zealand's borders, the return of tourism and the relaxing of Covid19 restrictions it is considered prudent to carry this risk.

## **Legal considerations**

11. Feedback must be supplied to CCOs by 1 May 2022 in line with the Local Government Act 2002.
12. Final SOIs will be presented at the Finance and Performance Committee meeting on 16<sup>th</sup> June, ahead of the statutory deadline of 30<sup>th</sup> June.

## **Risks and mitigations**

**A Covid19 resurgence and relating government restrictions presents a financial as well as health and safety risk to CCOs annual planning, impacting visitor / audience numbers and revenue. Disability and accessibility impact**

14. CCOs were asked to support Council's Accessible Action Plan. See Strategic Alignment appendix.

## **Climate Change impact and considerations**

15. CCOs were asked to consider Te Atakura: First to Zero. See Strategic Alignment appendix.

## **Communications Plan**

16. Not applicable.










## **Health and Safety Impact considered**

17. Not relevant.

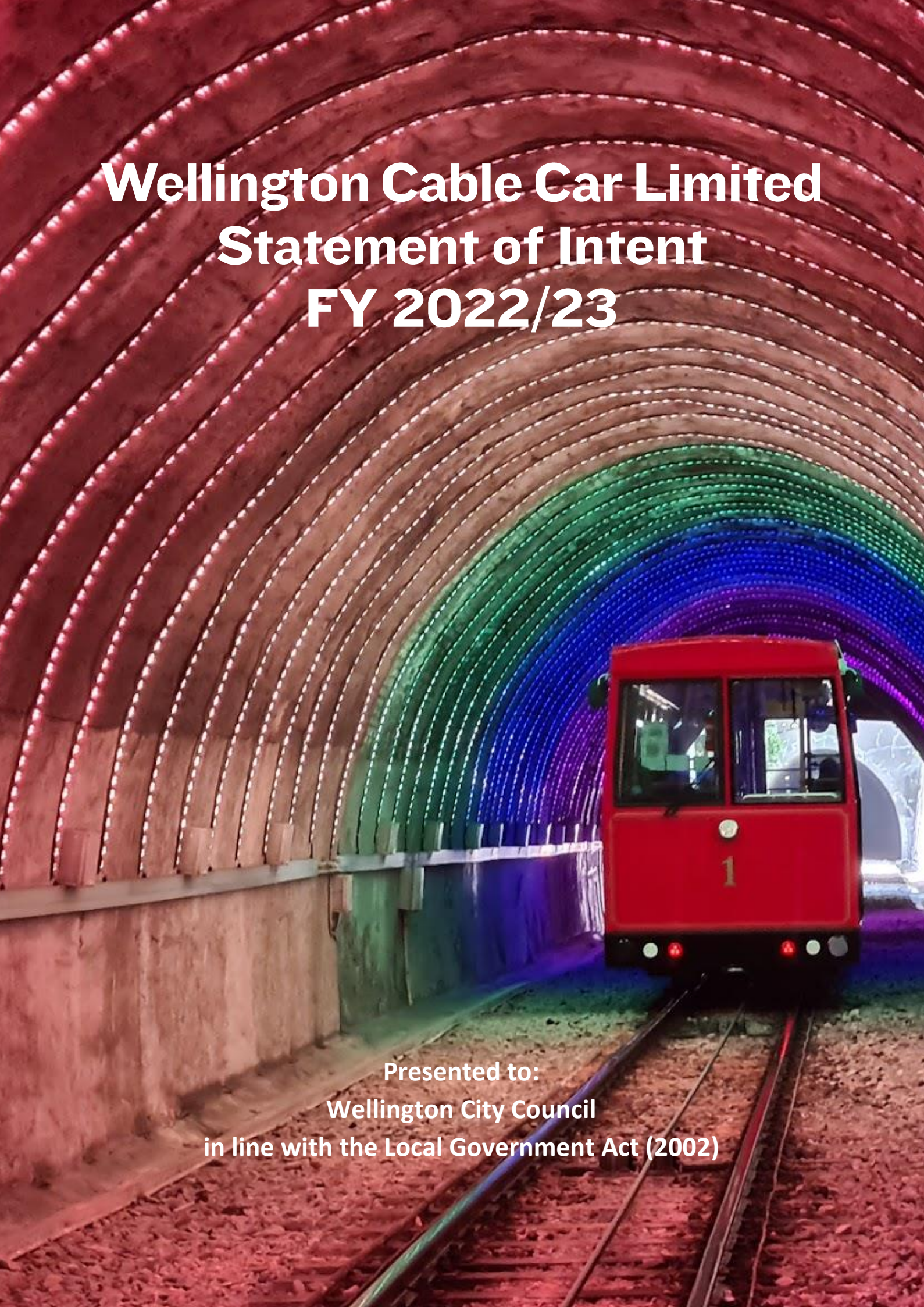
## **Ngā mahinga e whai ake nei | Next actions**

- Agree feedback.

## **Attachments**

- |               |                                 |   |
|---------------|---------------------------------|---|
| Attachment 1. | Cable Car draft SOI             |  |
| Attachment 2. | Basin Reserve Draft SOI         |  |
| Attachment 3. | Experience Wellington Draft SOI |  |
| Attachment 4. | WellingtonNZ Draft SOI          |  |
| Attachment 5. | Zealandia Draft SOI             |  |
| Attachment 6. | Wellington Zoo Draft SOI        |  |
| Attachment 7. | Stadium Draft SOI               |  |
| Attachment 8. | Zealandia Draft SOI Budget      |  |
| Attachment 9. | STRATEGIC ALIGNMENT CCO SOIs    |  |



A red cable car with the number 1 on its front is traveling through a tunnel. The tunnel's interior is lined with a series of concentric, ribbed arches that are illuminated with a rainbow gradient, transitioning from red on the left to purple on the right. The cable car is positioned on tracks that run along the bottom of the tunnel. The overall scene is vibrant and colorful.

# **Wellington Cable Car Limited Statement of Intent FY 2022/23**

**Presented to:  
Wellington City Council  
in line with the Local Government Act (2002)**



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In accordance with the Local Government Act 2002, this Statement of Intent (SOI) states the planned activities, intentions, and performance measures for the Wellington Cable Car (WCCL) for the next three years. It responds to the Wellington City Council (WCC) December 2021 Letter of Expectation.





## INTRODUCTION

Wellington Cable Car Limited (WCCL) has been a profitable Council Controlled Organisation (CCO) for many years. As such, it did not require funding assistance from Wellington City Council (WCC) and was in a strong position where WCCL self-funded all its ongoing maintenance, CAPEX, and asset renewals and maintained good financial reserves

This position has changed significantly due to the impacts of COVID-19. If we take FY 2018/19 as a pre-COVID baseline year, WCCL hosted 1.17M trips and generated \$5.3M in operating income and a before-tax surplus of \$930k. In FY 2021/22, due to COVID-19 impacts, trip numbers are expected to decrease to 330k, and operating income to fall to \$1.2M. This represents a 77% reduction in operating revenue and a 72% reduction in trips in just three years. For FY 2021/22, despite receiving direct support from the Council of \$1.3M, WCCL is forecasting a before tax deficit of \$576k. (See Figure 1). This unprecedented change in the operating environment due to COVID-19 has severely impacted WCCL's immediate future financial situation.

There is currently no clear end in sight to this situation. All businesses that have exposure to tourism across Aotearoa face these challenges, including our CCO whānau. However, WCCL is unique in that its passenger numbers were heavily reliant on visitors to Wellington, particularly international visitors, while providing a commuter service to connect the CBD to VUW, Kelburn and surrounding areas.

While this situation is beyond our control, our focus is to continue to tighten our belt as and where we can while never losing sight of the fact that we are a community asset and provide a service to many Wellingtonians. Our community is our whānau too, and rightly feels a sense of ownership and pride in who we are and what we do.

For its part, WCCL has sought to right size the business through cost-cutting, streamlining operations, and renegotiating terms of external contracts where appropriate and necessary to adapt to the current economic environment. We have developed a more nimble and adaptable business framework while prioritising all essential maintenance and repairs and the wellbeing of our people. Our marketing and promotion approach has refocused on being very tactical, linked to activities and other activations within the precinct and city. In short, we are running as lean as possible.

|   | 2018/19    | 2019/20    | 2020/21    | 2021/22 Re<br>Forecast | 2022/23<br>Budgeted | 2023/24<br>Budgeted | 2024/25<br>Budgeted |
|---|------------|------------|------------|------------------------|---------------------|---------------------|---------------------|
| Passenger numbers                                   | 1,170,392  | 862,487    | 567,721    | 331,844                | 456,203             | 749,272             | 933,661             |
| Operating expenditure                               | \$ (3,984) | \$ (3,376) | \$ (2,886) | \$ (2,646)             | \$ (2,923)          | \$ (3,305)          | \$ (3,499)          |
| Operating income                                    | \$ 5,304   | \$ 2,910   | \$ 1,713   | \$ 1,070               | \$ 1,478            | \$ 2,578            | \$ 3,434            |
| Grants & Subsidies                                  | \$ -       | \$ 139     | \$ 1,639   | \$ 1,309               |                     |                     |                     |
| Profit/(Loss) Before Tax & Depreciation<br>(EBITDA) | \$ 1,320   | \$ (327)   | \$ 466     | \$ (267)               | \$ (1,445)          | \$ (727)            | \$ (65)             |
| Depreciation  | \$ (389)   | \$ (294)   | \$ (579)   | \$ (309)               | \$ (341)            | \$ (341)            | \$ (341)            |
| Profit/(Loss) before Tax                            | \$ 930     | \$ (621)   | \$ (113)   | \$ (576)               | \$ (1,786)          | \$ (1,068)          | \$ (406)            |
| Closing Cash Position                               | \$ 5,007   | \$ 3,786   | \$ 3,174   | \$ 3,155               | \$ 2,270            | \$ 1,541            | \$ 1,475            |

Figure 1- WCCL Commercial position

Now in the third year of the pandemic, Wellington Cable Car continues to be highly exposed to reduced visitor numbers. Anecdotal evidence from the Auckland lockdown in October–December 2021 resulted in an estimated 30% decrease in domestic visitation for the Cable Car. It is not simply the impact of closed borders -- the Auckland lockdowns in 2021, a local workforce still working from home, and Omicron isolation requirements have also resulted in a significant decrease in commuters and domestic passengers.

Currently, our forecast does not anticipate the return of international visitors to Wellington until Q3 FY 2022/23 and no cruise ship visitation until FY 2023/24 at the earliest. (See Figure 2)

There is no doubt that this national icon will continue operating. The Cable Car Board and management are deeply appreciative of ongoing support from Council that has enabled the company to maintain its service to Wellingtonians with minimal disruptions.

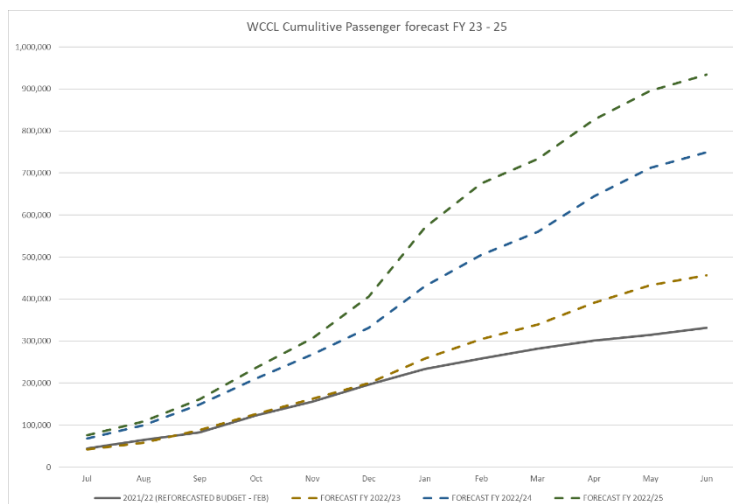


Figure 2 - WCCL Passenger forecast

Since the pandemic began, the Cable Car has drawn on its cash reserves earmarked for CAPEX and asset replacement to cover operational losses. Until borders fully reopen, international travel recovers, tourism numbers return, and local business activity returns to a consistent level, the Cable Car will continue to be reliant on WCC funding.

Current forecasts indicate WCCL will post financial deficits of approximately \$3.2M over the next three years. (See Figure 1) This combination of low visitation and upward pressure on the cost of doing business means that cash reserves continue to be eroded.

Direct funding is essential for the long-term maintenance and asset renewal of the Cable Car. With ongoing WCC support, the Cable Car will continue to deliver to Council expectations of our business, weather the COVID-19 storm for a longer period of time and facilitate a faster bounce back.

Without ongoing Council support, running down these reserves will mean that future renewal and maintenance costs will require shareholder funding.

## I. ABOUT WELLINGTON CABLE CAR (WCCL)

### I.1. Who We Are

Wellington Cable Car Limited (WCCL) is a Council Controlled Organisation (CCO) with Wellington City Council (WCC) as the sole shareholder. We are governed by an independent Board of Directors appointed by WCC.

As kaitiaki of this Te Whanganui-a-Tara taonga, WCCL delivers an iconic and valued service and is responsible for the ongoing maintenance and safe operation of the Cable Car business, ensuring it adheres to the highest safety and engineering standards and complies with all relevant legislation.

### I.2. Our Shared Purpose

In 2020 WCCL adopted a new shared purpose and guiding values to **'Host uniquely Wellington experiences that locals are proud of, and visitors remember and share'**.

Ongoing key elements of this are:

#### **Kaitiakitanga**

Custodians of a Wellington taonga and our environment

#### **Safe Workplace**

Safe site and safe conversations

#### **Guest Centred**

The guest experience makes our business

#### **Pride**

We strive to take pride in everything we do

#### **Team**

The team works together to deliver consistently great Wellington experiences

#### **Adaptability**

We embrace new ideas to sustain and improve our business

### I.3. Our Place in Te Whanganui-a-Tara / Wellington

WCCL is an iconic Te Whanganui-a-Tara / Wellington attraction:

- A community asset for Te Whanganui-a-Tara of which we are all proud
- A reliable source of transport for residents and VUW students
- An invaluable 'connector' between local businesses and attractions (including CCOs and Council) in Kelburn-Paekākā and the CBD
- A 'must do' activity for all visitors to the capital
- A tourism symbol indelibly linked with the Wellington identity and community

## 2. LET'S TALK ABOUT COVID

None of us want to be talking about COVID-19 three years down the track, but the reality is it's still here, still impacting operations and having long-term effects on our business.

Despite Aotearoa enjoying high vaccination and booster rates plus vaccines for youngsters, we still face the prospect of new variants, rising case numbers and hospitalisations, closed international borders and severely reduced domestic visitation for some time to come. At the time of writing, the Government's position does not signify a return to 'normal' anytime soon.

Tourism Industry Aotearoa (TIA) statistics to March 2021 show a 91.5% decline in international visitor spend in NZ to just \$1.5 billion, compared to the pre-pandemic annual spend of \$17.5b. The Cable Car financial results reflect these statistics.

WCCL has adapted to these changing circumstances and has developed a COVID-resilient operational plan that is nimble, flexible, reactive to change and proactive where possible and applicable. Our approach to marketing has become much more targeted and tactical. Covid-resilient success stories in FY 2021/22 include:

- **Bark and Ride initiative** enables dogs to ride on the Cable. We empower connection with ever-increasing numbers of CBD residents (at the time of writing 360) and the beautiful green spaces of **Wellington Botanical Gardens**.
- Collaboration with Experience Wellington in **Take a Red Rocket to Space** welcomed 1,400 Wellingtonians on the Cable Car and to **Space Place**.
- We established **Ice Cream, Waffle and Coffee** pop-up shops during holidays and peak visitation periods to surprise and delight passengers and create additional revenue streams.
- Hosting **family-focused events** over Easter, Halloween, and Christmas.
- Hosting **concerts, live streams and performances**. We empower connection with Wellington creatives providing a stage to perform in a unique environment.
- Develop school-specific products in collaboration with Cable Car Museum to enhance school trips.
- WCCL's support of the **Gardens Trail** welcomed over 800 Wellingtonians through the Cable Car to the top of the gardens.
- With support from WellingtonNZ, 820 Wellingtonians redeemed the tickets for the Cable Car as part of the **2021 Advent Calendar**. This was the highest number since the Cable Car joined the promotion.
- Improved signage on Lambton Quay to provide better Cable Car visibility.
- Collaboration with **WETA workshop**, which entailed becoming the 'home' of a Lord of The Rings movie prop during LOTR 20<sup>th</sup> anniversary celebrations

Planning for FY 2022/23 includes:

- Development of a Membership product – a first for the Cable Car – with reduced fares for a three-month period to encourage commuters and students to travel more.
- Collaborations and innovative 'outside the box' thinking will continue throughout the year as per above and in conjunction with citywide celebrations of our 120<sup>th</sup> birthday, adding more perceived and real value to our asset in the eyes of our wider community
- A monthly programme of new activities and re-runs of successful initiatives from 2021/22.
- Further targeted promotions with CCO whanau and other stakeholders in the Kelburn-Paekākā precinct.
- Continued improvements to signage at the terminals and top of Cable Car.
- Planning for Matariki events and supporting citywide initiatives.
- Installing 'Feather Friendly' decals to help reduce native bird strikes at the Kelburn terminal.

- Collaborating with **Wellington City Mission** and **Ronald McDonald** house to enable greater access to the Cable Car.

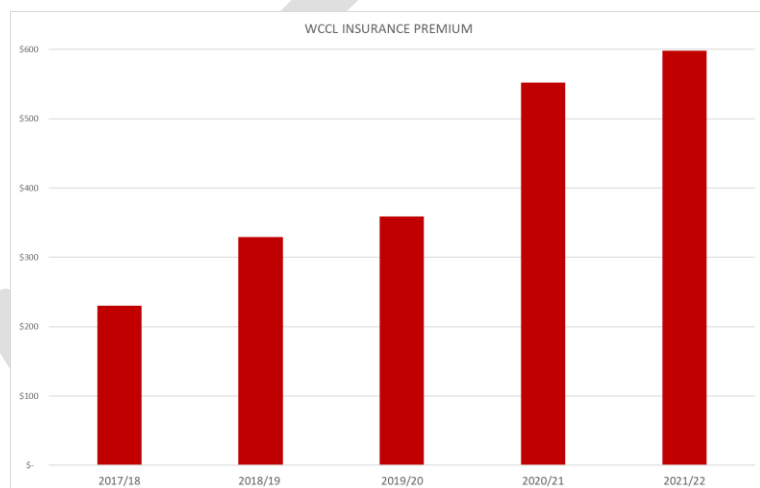
### 3. OTHER FINANCIAL PRESSURES AT THE CABLE CAR

COVID impacts have been discussed at length in the preceding sections, but the Cable Car is facing significant other financial pressures adding additional stress to a challenging operating environment.

#### 3.1. INSURANCE

Ongoing increases to the cost of insurance is a significant business risk and a key driver in preventing WCCL from returning to a profitable state. In FY 2021/22, WCCL's insurance premium was \$598k, up to \$269k (82%) from our comparative year in FY 2018/19. If you compare FY 2021/22 to FY 2013/14, insurance premiums have increased by \$368k (160%) over the last four years. Early indications show premiums will once again increase.

WCCL has made significant and ongoing efforts over the past two years in particular to reduce this outlay and continues to explore alternative measures to mitigate this risk.



#### 3.2. INFLATION

Despite operating more efficiently than pre-COVID times, the Cable Car is a largely fixed-cost business and continues to operate at a nearly minimum staffing level. As we enter a period of rising costs from labour and energy, generally our ability to recover these costs is limited to increasing ticket prices. The Board will review the overall pricing strategy so the draft financial statements include a provision for a 6.7% increase in ticket prices for casual users.

## 4. FY 2022/23 PLANS

WCCL's vision for FY 2022/23 is to ***'host uniquely Wellington experiences that locals are proud of, and visitors remember and share'***. No matter what's happening on the global stage, we're single-minded in our focus to ensure the Wellington Cable Car provides safe, reliable, and efficient service to commuters and domestic visitors while ensuring we're able to 'hit the ground running' when borders open and international visitors return.

In addition to expectations for WCCL as set out by Council (covered in Section 4.1), our key priorities for FY 2022/23 are:

1. **Complete tunnel lights replacement**

Our tunnel lights are the most commented on aspect of the Cable Car journey. They are approaching their 'end of life', and planning is underway to replace the lights. We will explore next generation opportunities to include cost and power saving initiatives and revenue generation opportunities.

2. **Product development**

We will continue developing and refining new products, especially those that open new revenue streams and attract new and emerging markets. This will include continuing to develop collaborations with our CCO whānau, especially around the Kelburn-Paekākā precinct.

3. **Complete seismic resilience work on the middle tunnel**

In the first half of FY 2022/23, we will complete the seismic strengthening of the middle tunnel, which involves installing 16 rock anchors along the Portal Wall, Parapet, and adjacent North Wall. This will continue to improve the Cable Car's overall seismic resilience.

4. **Complete structural and seismic investigation of our three bridges**

We have a good understanding of the condition of our tunnels, track and buildings. The next stage of our work will be around assessing and understanding the condition of the three bridges.

5. **Increase in fares**

A full review of pricing structures and segments is underway, and we expect that some ticket prices for FY 2022/23 will increase as a result of the review.

WCCL will continue to ensure that revenue opportunities are a key focus and financial discipline is maintained to minimise the draw on cash reserves and ensure our return to financial sustainability as soon as possible.

It is clear that WCCL will continue to need ongoing financial support from WCC for the immediate and mid-term future.

Finally, WCCL is committed to looking after its staff, who are the face and soul of the Cable Car and continue to host a uniquely Wellington experience despite the myriad of challenges we face.

## 5. STRATEGIC ALIGNMENT TO WCC

WCCL aligns its strategy and service delivery to WCC in the following ways:

| Strategy  | WCCL alignment   |
|---|--|
| Kia eke panuku Māori Strategic Direction              | <p>WCCL is at the start of its Te Ao Māori journey but is excited to start to develop and nurture ties with mana whenua and Māori.</p> <ul style="list-style-type: none"> <li>- Developing a unique tikanga for the Cable Car</li> <li>- Actively find opportunities to partner with mana whenua to raise the status and awareness of the Māori language</li> <li>- Adopting Te Reo / English signage</li> <li>- Working in partnership with mana whenua to tell stories</li> <li>- Supporting Puanga and Matariki activations</li> <li>- Looking at and introducing Māori names where appropriate</li> <li>-</li> </ul> |
| Te Atakura First to Zero Policy                       | <p>The Cable Car is an incredibly efficient mode of transport, designed with regenerative braking, which feeds excess energy back into the grid.</p> <p>In FY 2021/22, WCCL will complete Carbon Accounting to achieve EKOS Carbo Zero certification in FY 2022/23. We will seek to achieve EKOS Carbon Positive certification in FY 2022/23.</p> <p>In FY 2021/22, WCCL focused on waste reduction and maximising the amount of waste diverted from landfill via recycling programmes. WCCL is committed to extending the korero to customers to join our journey in FY 2022/23.</p>                                    |
| Aho Tini 2030 – Arts, Culture and Creativity Strategy | <p>WCCL actively looks for opportunities to partner with local creatives. In FY 2021/22 hosted live streams with Drax Project, concerts and performances as part of the 'city as theatre' initiative and several family-focused events over Easter, Halloween, and Christmas.</p> <p>In FY 2022/23 WCCL will continue to look for ways to engage creatives in addition to embracing new opportunities to collaborate with council initiatives around new events and holidays such as Matariki.</p>   |
| Economic Wellbeing Strategy                           | <p>The Cable Car journey remains an iconic symbol of Wellington internationally and a "must do" for all visitors to Wellington.</p> <p>In addition to being one of Wellington's major attractions it serves as a gateway to the important Kelburn precinct, which is home to the Cable Car Museum, Space Place, Kelburn Village, Zealandia, and Botanic Gardens.</p> <p>For residents it provides a commuter service to the CBD and the Kelburn area.</p>  |



## Accessible Wellington

WCCL continues to maintain BeLab Platinum Accessibility rating and is featured on Firstport – Accessible Day out Library website as one of the few accessible activities in Wellington. working and any future development plans look at accessibility for all.

We remain focused on improving accessibility for all visitors.

## 5.1. Specific Expectations

### Strategy

### WCCL alignment

Council expects the company to outline its plans and priorities for improving the seismic resilience of its network in the context of having budgeted Waka Kotahi funding for the project withdrawn.

With the failure to secure funding support from Waka Kotahi, WCCL has prioritised its work programme to deliver the most essential works within available funding.

This will see tunnel strengthening of the Upper Portal, Parapet and adjacent North wall of the Middle Tunnel completed in FY 2022/23. These are the highest risk areas and a significant step in ensuring ongoing seismic reliability.

During 2022/23 WCCL will complete the condition assessments of the three bridges.

Further capital works have been deferred until funding is available; there are no areas of immediate concern due to deferring these works.

The company has demonstrated its adaptability in supporting cultural activities in the city using the Cable Car as a stage. Council would like to see the company commit to developing new opportunities to strengthen the alignment with this important Council strategy, both for the benefit of the city and the Cable Car service.

WCCL actively looks for opportunities to partner with local creatives. In the past 12 months, WCCL has hosted live streams, concerts, performances and shows. (See [Aho Tini 2030 – Arts, Culture and Creativity Strategy](#) above)

With strengthening relationships and a demonstrated track record of working with our creative community, WCCL is committed to exploring ways to support and showcase cultural activities for the benefit of its passengers and while contributing to the ongoing vibrancy of the city.

WCCL is thrilled to have partnered with the Urban Wildlife Trust to deploy the 'feather friendly' bird strike prevention project to minimise the number of bird strikes at the Kelburn terminal. This is a first in NZ and complements outstanding conservation work by associated groups.



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WCCL is continuously investigating options to enhance the visitor experience and prepare for the return of tourists.

**FY 2021/22 achievements include:**

- Improved signage on Lambton Quay to guide people down Cable Car Lane
- Ongoing activation at Kelburn Terminal
- Achieved Qualmark GOLD
- Achieved COVID CLEAN

**FY 2022/23 actions include:**

- Achieve EKOS Carbon Zero
- Wayfinding and directional signage at both terminals, including further digital screens.
- Events, packages, promotions, and new products to celebrate the 120th year of our national icon
- Replacement and upgrade of tunnel lights
- Curating the customer journey from Lambton Quay, though Cable Car Lane, Lambton Terminal to Kelburn with domestic and international visitors in mind
- Tourist sector famils and engagement

The company's SOI should give Council confidence that the company is using the current operating environment well to prepare for the return of domestic and international tourists to Wellington and that its service is refreshed and ready to thrive.

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The Cable Car is the critical link for locals and visitors to Wellington between Lambton Quay in the CBD and the Kelburn-Paekākā precinct.

The Kelburn terminus precinct of the Wellington Cable Car is a critical point for visitors and locals as it offers iconic views of Wellington city and access to a variety of attractions and environments which are important to Wellington. The Cable Car provides both critical transport and the opportunity to provide a unique experience for people accessing the precinct to get to other attractions such as Space Place, Zealandia, the Botanic Garden and Kelburn village.

WCCL continues to lead and organise a monthly korero with businesses in the precinct, including several CCOs and WCC business units to strengthen collaborations to drive visitation and improve the experience for locals and visitors. WCCL will in FY 2022/23 lead the development of an integrated plan for the Kelburn-Paekākā precinct. The goal is to ensure that the experience provided to future visitors, the length of time they spend in the precinct, and the expenditure they make is significantly enhanced, contributing to the broader city visitor economy. This work will be supported by WellingtonNZ through activation of the recently published 'Destination Pōneke' management plan.

The Council expects the company to work together with Council and other stakeholders in this area to improve its vibrancy and appeal to locals and visitors now and to into the future. Together with Experience Wellington and WellingtonNZ, the company should lead the planning for early interventions to add value to the Cable Car journey and celebrate the historic area, and to develop longer term plans for its future that create an integrated experience which leads to more frequent visitation.

2022 is the year in which we are telling the story of the 120-year history of the Wellington Cable Car through events, packages, promotions, and new products to celebrate this national icon.

This will be subject to events management under COVID-19 restrictions, local or national lockdowns, continued restrictions on numbers and other unforeseen factors.

A range of initiatives are in place and have been designed to be flexible as per the above. The goal is to engender true community understanding and 'buy-in' to a journey through history involving generations of Wellingtonians.

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In FY 2022/23, WCCL plans to achieve Carbon Zero certification and remains resolute to become carbon positive by FY2023/24. It will work with EKOS to find ways to reduce its carbon footprint where possible and be a leader in a low carbon economy.

Council expects the Cable Car to leverage its modest carbon footprint in the messaging and profile-building as the company rebuilds its business in the post-Covid economy.

In FY 2021/22, in collaboration with OCS (Cleaning contractors), WCCL began to track and measure the amount of waste WCCL was producing and how much was being diverted from landfill as part of recycling initiatives.

This initial step focused on staff areas and served to gather benchmark data to help with future waste minimisation initiatives. In FY 2022/23, we plan to extend this mahi to public areas of the business to reduce our waste footprint.

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## 6. FY 2022-23 PERFORMANCE MEASURES

WCCL monitors our performance over these categories:

1. Environmental
2. Health & Safety
3. Service Delivery
4. Reliability / Timeliness
5. Visitation
6. Revenue

### 6.1. ENVIRONMENTAL

| KPI                              | How it's measured  | 2022-23             | 2023-24                 | 2024-25                  |
|----------------------------------|--|---------------------|-------------------------|--------------------------|
| <b>Zero Carbon Accreditation</b> | Carbon accounting and offsetting with an accredited organisation   | Achieve Carbon Zero | Achieve Carbon Positive | Maintain Carbon Positive |
| <b>Waste minimisation</b>        | Total Waste Reduction<br>(Baseline is currently being established) | 5% YOY reduction    | 5% YOY reduction        | 5% YOY reduction         |

### 6.2. HEALTH & SAFETY (H&S)

| KPI   | How it's measured  | 2022-23  | 2023-24  | 2024-25  |
|---|--|----------|----------|----------|
| <b>Quality of WCCL infrastructure</b>           | Rail safety licence maintained   | Maintain | Maintain | Maintain |
| <b>H&amp;S is actively managed and improved</b> | Risk register reviewed at each H&S meeting. Mitigation and minimisation options discussed and implemented where possible | Maintain | Maintain | Maintain |
|   | Independent H&S audit completed, and recommendations implemented   | Maintain | Maintain | Maintain |

### 6.3. CUSTOMER SATISFACTION

| KPI                          | How it's measured  | 2022-23       | 2023-24       | 2024-25       |
|------------------------------|--|---------------|---------------|---------------|
| <b>Customer Satisfaction</b> | Maintain Net Promoter Score equal to or better than CXI benchmark. | Maintain      | Maintain      | Maintain      |
|                              | Google rating  | 4.2 or higher | 4.2 or higher | 4.2 or higher |
|                              | TripAdvisor rating   | 4.2 or higher | 4.2 or higher | 4.2 or higher |

#### 6.4. RELIABILITY / TIMELINESS

| KPI                   | How it's measured      | 2022-23 | 2023-24 | 2024-25 |
|-----------------------|------------------------|---------|---------|---------|
| Cable Car Reliability | Percentage Reliability | > 99.0% | > 99.0% | > 99.0% |

#### 6.5. VISITATION

| KPI            | How it's measured                            | 2022-23    | 2023-24    | 2024-25    |
|----------------|--|------------|------------|------------|
| Customer Trips | Tickets sold                                 | 456k       | 749k       | 933k       |
|                | Tactical collaborative campaigns/activations | 4 per year | 6 per year | 6 per year |

#### 6.6. REVENUE

| KPI     | How it's measured | 2022-23  | 2023-24  | 2024-25  |
|---------|-------------------|----------|----------|----------|
| Revenue | Fare Revenue      | \$1.46 M | \$2.58 M | \$3.44 M |

## **7. HOW WE OPERATE**

WCCL is proud of our operational framework and what we deliver daily, no matter what issues we currently face.

### **7.1. People & Culture**

Our people are at the centre of our business. We strive to create a positive and supportive environment enabling our people to thrive personally and professionally.

Our key initiatives for FY 2022/23 include:

- Ongoing korero to improve engagement and resilience
- A focus on diversity and inclusivity
- Succession planning and professional development opportunities

### **7.2. Systems**

In FY 2021/22, WCCL migrated its digital operations from server-based to cloud-based. This move enabled us to add additional layers of security and facilitated working from home scenarios. WCCL also migrated its financial system from MYOB to Xero during the year.

In FY 2022/23, WCCL is deploying a Computerised Maintenance Management Systems (CMMS), which will centralise all our assets' technical and practical knowledge in one place. This will be an invaluable resource to ensure the Cable Car stays on top of maintenance and plan replacements in a timely and effective manner.

### **7.3. Asset Management**

The Cable Car owns and maintains a range of infrastructure assets, with a broad range of complexity, age, and condition. Routine maintenance is completed in-house with more complex and specialist work outsourced to several trusted partners such as Doppelmayr NZ and ACME Engineering.

Our oldest assets are our three tunnels. Construction of these began in 1898, and recent investigations into their seismic performance gives us an excellent understanding of their condition and associated risks. In FY 2022/23, we will address the seismic performance of all the highest risks.

The three steel bridges were constructed in the 1930s. In FY 2022/23, we plan to conduct further seismic and structural assessments on all three bridges to improve our understanding of these assets.

Our steel-framed Cars date back to 1979 and, while in very good condition, require regular maintenance and attention. The motor, drive and control systems were replaced in 2016 and remain compliant with current European Standards. The equipment and systems are regularly maintained to the manufacturer's recommendations.

## 7.4. Risk Management

As with all our H&S responsibilities, the Board and WCCL officer acknowledges and understands its accountability. We have systems in place to ensure that WCCL meets the required monitoring, reviewing and reporting of H&S objectives.

### 7.5.1 Health, Safety & Wellbeing

Ongoing COVID effects mean staff face challenges and issues at work and at home and we continue to support and work with individuals to ensure their wellbeing is prioritised. WCCL is committed to the ongoing development and maintenance of an enduring and resilient approach to Health, Safety and Wellbeing that embeds a culture of zero harm within the company, adheres to legislative requirements and ensures that staff, contractors, and the public are not exposed to unnecessary risk or harm in their engagements with WCCL.

Our policy statement reflects this:

***We are committed to creating a work environment that supports and grows our people and enables them to go home healthy and safe every day.***

### 7.5.2 H&S framework

WCCL continues to proactively develop a culture of zero harm within the organisation. WCCL's H&S committee meets monthly to ensure risk identification / mitigation / controls are appropriate. At the governance level, H&S reporting is a standing item at all Board meetings, ensuring that Directors remain across current statistics and any developments arising.

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In FY 2021/22, WCCL conducted a Worksafe, SAFE+ self-assessment to look at its H&S framework and worker engagement and identify opportunities for improvement.

In FY 2022/23, WCCL will look to an independent external audit to ensure its policies, practices, and procedures meet all statutory responsibilities and identify opportunities for improvement.

### 7.5.3 Waka Kotahi – Rail Safety Case

The Wellington Cable Car operates under a Rail Safety License as required by the Railways Act 2005. All licence holders are required to have appropriate safety systems which are audited by the regulator. WCCL continues to maintain its Rail Safety Case.

## 8. FINANCIAL INFORMATION

### Wellington Cable Car Limited

#### Statement of Comprehensive Income

For the years ending 30 June 2023, 2024 and 2025

|  | 2022<br>Forecast<br>\$000 | 2023<br>Quarter 1<br>\$000 | 2023<br>Quarter 2<br>\$000 | 2023<br>Quarter 3<br>\$000 | 2023<br>Quarter 4<br>\$000 | 2023<br>Total<br>\$000 | 2024<br>Budget<br>\$000 | 2025<br>Budget<br>\$000 |
|--|---------------------------|----------------------------|----------------------------|----------------------------|----------------------------|------------------------|-------------------------|-------------------------|
| <b>Revenue</b>                               |                           |                            |                            |                            |                            |                        |                         |                         |
| Fare Revenue                                 | 947                       | 297                        | 359                        | 449                        | 376                        | 1,481                  | 2,581                   | 3,437                   |
| Ancillary revenue                            | 123                       | - 1 -                      | 1 -                        | 1 -                        | 1 -                        | 3                      | - 3 -                   | 3                       |
| Grants                                       | 1,309                     | -                          | -                          | -                          | -                          | -                      | -                       | -                       |
| <b>Total revenue</b>                         | <b>2,379</b>              | <b>297</b>                 | <b>358</b>                 | <b>448</b>                 | <b>376</b>                 | <b>1,478</b>           | <b>2,578</b>            | <b>3,434</b>            |
| <b>Expenses</b>                              |                           |                            |                            |                            |                            |                        |                         |                         |
| Operational costs                            | 749                       | 187                        | 203                        | 211                        | 188                        | 789                    | 828                     | 869                     |
| Infrastructure costs                         | 855                       | 298                        | 301                        | 237                        | 219                        | 1,055                  | 1,349                   | 1,452                   |
| Professional costs                           | 392                       | 117                        | 104                        | 99                         | 100                        | 419                    | 442                     | 467                     |
| Support staff costs                          | 651                       | 166                        | 166                        | 166                        | 163                        | 660                    | 685                     | 711                     |
| <b>Total expenses</b>                        | <b>2,647</b>              | <b>768</b>                 | <b>773</b>                 | <b>713</b>                 | <b>669</b>                 | <b>2,923</b>           | <b>3,305</b>            | <b>3,499</b>            |
| <b>Net Profit (Loss) before Depreciation</b> | <b>- 267</b>              | <b>- 472</b>               | <b>- 416</b>               | <b>- 264</b>               | <b>- 293</b>               | <b>- 1,445</b>         | <b>- 727</b>            | <b>- 65</b>             |
| Depreciation                                 | 309                       | 85                         | 85                         | 85                         | 85                         | 341                    | 341                     | 341                     |
| <b>Net Profit (Loss) after Depreciation</b>  | <b>- 576</b>              | <b>- 557</b>               | <b>- 501</b>               | <b>- 350</b>               | <b>- 379</b>               | <b>- 1,786</b>         | <b>- 1,068</b>          | <b>- 406</b>            |

**Wellington Cable Car Limited**  
**Statement of Financial Position**  
**For the years ending 30 June 2023, 2024 and 2025**

|                              | 2022<br>Forecast<br>\$000 | 2023<br>Budget<br>\$000 | 2024<br>Budget<br>\$000 | 2025<br>Budget<br>\$000 |
|------------------------------|---------------------------|-------------------------|-------------------------|-------------------------|
| <b>Assets</b>                |                           |                         |                         |                         |
| Bank & Term Deposits         | 3,155                     | 2,270                   | 1,541                   | 1,475                   |
| Accounts receivable          | 771                       | 10                      | 10                      | 10                      |
| Inventory                    | 290                       | 290                     | 290                     | 290                     |
| Property, plant & equipment  | 6,754                     | 6,613                   | 6,272                   | 5,930                   |
| <b>Total assets</b>          | <b>10,970</b>             | <b>9,182</b>            | <b>8,113</b>            | <b>7,705</b>            |
| <b>Liabilities</b>           |                           |                         |                         |                         |
| Accounts payable & accruals  | 204                       | 206                     | 207                     | 208                     |
| Employee benefit liabilities | 150                       | 147                     | 144                     | 141                     |
| Deferred Tax                 | 737                       | 737                     | 737                     | 737                     |
| <b>Total expenses</b>        | <b>1,091</b>              | <b>1,090</b>            | <b>1,088</b>            | <b>1,087</b>            |
| <b>Net Assets</b>            | <b>9,878</b>              | <b>8,092</b>            | <b>7,024</b>            | <b>6,618</b>            |
| <b>Equity</b>                |                           |                         |                         |                         |
| Current year earnings        | - 576 -                   | 1,786 -                 | 1,068 -                 | 406                     |
| Retained earnings            | 3,019                     | 2,443                   | 657 -                   | 411                     |
| Ordinary shares              | 7,435                     | 7,435                   | 7,435                   | 7,435                   |
| <b>Total Equity</b>          | <b>9,878</b>              | <b>8,092</b>            | <b>7,024</b>            | <b>6,618</b>            |



## Wellington Cable Car Limited

### Statement of Cash Flows

For the years ending 30 June 2023, 2024 and 2025

|   | 2022          | 2023         | 2024         | 2025         |
|---|---------------|--------------|--------------|--------------|
|   | Forecast      | Budget       | Budget       | Budget       |
|   | \$000         | \$000        | \$000        | \$000        |
| <b>Operating activities</b>                     |               |              |              |              |
| Receipts from grants                            | 1,693         | 756          | -            | -            |
| Receipts from customers                         | 947           | 1,481        | 2,581        | 3,437        |
| Payments to suppliers & employees               | - 2,693 -     | 2,919 -      | 3,307 -      | 3,501        |
| Receipts from other operating activities        | 38 -          | 3 -          | 3 -          | 3            |
| <b>Net cash flows from operating activities</b> | <b>- 16 -</b> | <b>685 -</b> | <b>729 -</b> | <b>66</b>    |
| <b>Investing activities</b>                     |               |              |              |              |
| Payment for property, plant & equipment         | - 4 -         | 200          | -            | -            |
| <b>Net cash flows from investing activities</b> | <b>- 4 -</b>  | <b>200</b>   | <b>-</b>     | <b>-</b>     |
| <b>Net cash flows</b>                           | <b>- 20 -</b> | <b>885 -</b> | <b>729 -</b> | <b>66</b>    |
| <b>Cash and cash equivalents</b>                |               |              |              |              |
| Opening balance                                 | 3,174         | 3,155        | 2,270        | 1,541        |
| Net change in cash for period                   | - 20 -        | 885 -        | 729 -        | 66           |
| <b>Closing balance</b>                          | <b>3,155</b>  | <b>2,270</b> | <b>1,541</b> | <b>1,475</b> |





**Basin Reserve Trust**

**2022-23 Statement of Intent**

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| • 2022-23 Statement of Financial Performance |    |

## 1. Introduction

The Basin Reserve: *Our Village Green* – It is the Basin Reserve Trust and Wellington City Council’s vision that the Basin Reserve is highly valued as a public reserve of unique character and is recognised as the premier international cricket venue in New Zealand. The journey to this point has been years in the making with the 1884 Trust Deed conveying the area to the Wellington City Council in Trust so that the Basin Reserve would be “*forever used for the purposes of a cricket and recreation ground by the inhabitants of the City of Wellington*”. In 1998, the Basin Reserve was listed as a Heritage Area, becoming the first sports ground to receive such a designation, and further enhancing its heritage and recreational significance to Te Whanganui-a-Tara.

Today, the Basin Reserve has seen more New Zealand Test matches, and Test victories, than any other ground. It has also been the venue for some of the most remarkable performances in our cricketing history; from JR Reid’s 15 sixes in a first-class innings, to Martin Crowe and Andrew Jones’ World Record partnership of 467 in 1991, and Brendon McCullum’s historic score of 302 in 2014. But the ground not only hosts cricket games, but sporting fixtures of every variety. It has hosted national events and competitions including VE Day celebrations, Royal Tours, exhibitions, Scout jamborees, concerts, and festivals.

The Basin Reserve Trust (BRT) plays a role in contributing to the Wellington City Council 2021-2031 long-term plan and we understand our role in the vision for “*Wellington 2040 – an inclusive, sustainable, and creative capital for people to live, work and play*”. The Trust actively supports the four community outcomes of the long-term strategy and maintain an ongoing alignment to the Council’s strategic direction and statement of expectations.

The Statement of Intent outlines the activities and intentions of the Basin Reserve Trust for the three-year period from 1 July 2022 to 30 June 2025, with a particular focus on the first twelve months to 30 June 2023. It details the BRT’s approach to governance and contains financial information, including the annual budget.

## 2. Objectives

The objectives of the trust are stated in the Trust Deed as agreed between the Wellington City Council and the BRT and are highlighted below:

1. to manage, administer, plan, develop, maintain, promote, and operate the Basin Reserve for recreation and leisure activities and for the playing of cricket for the benefit of the inhabitants of Wellington
2. to establish a long-term policy for the further development of the Basin Reserve as a recreational facility and as a facility for the playing of cricket, other sports and as a venue for other community-based activities;
3. to enter into management agreements and other contracts that are necessary or desirable to achieve the objects of the Trust;
4. to promote and co-ordinate the raising of funds to assist the management, administration, maintenance planning, promotion, and further development of the Basin Reserve;
5. generally, to do all acts, matters and things that the Trustees consider necessary or conducive to further or attain the objects of the Trust set out above for the benefit of the public of Wellington;
6. to operate as a successful undertaking, managed on a not-for-profit basis.
7. to preserve and enhance the significant and recognised heritage value of the Basin Reserve.

to comply with all legislative and regulatory provisions relating to its operation and performance including statutory and general Council objectives for Council controlled organisations, and to acknowledge the Councils contribution where appropriate

### 3. COVID-19 Planning

The BRT is committed to the ongoing management and evaluation of risks associated with the enduring COVID-19 global pandemic. The Trust will be working to ensure robust and innovative plans are in place to respond effectively. This includes our continued acknowledgement of the responsibility we have for the social wellbeing of Wellingtonians, finding new ways to operate more efficiently and improving our ability to diversify engagement with local audiences. The key risk identified for the BRT is the ongoing financial impact from revenue lost through cancellation of events that generate a large proportion of the BRT's annual event revenue. The Trust has also identified the need to secure a consistent Naming Rights Partner, and this will be a focus as we enter the final year of the current partnership with Cello and subsequent renewal process.

Organisations that have vigorous plans in place will respond to COVID-19 more successfully than those who neglect the continued need for impetus in this space. The BRT is dedicated to ensuring our plans are continually reviewed and updated to ensure we are in the best possible position to respond.

### 4. 2022-23 Activities

In-line with the objectives of the Trust Deed, the BRT will focus on the following initiatives in 2022-23;

#### Events and Functions

The event and function calendar will have a domestic and community focus for the 2022-23 reporting cycle after 12-months of restricted activity due to hosting the ICC Women's Cricket World Cup in March 2022 and general event disruption caused by COVID-19. The Basin will aim to deliver 103 event days, 100 practice days and 45 functions.

An overview of the wide range of events that are planned for 2022-23 are outlined below:

#### Community and other Sport Events:

The BRT is proud to be a venue for everyone and key events for 2022-23 include:

- **Rugby and Football** – partnerships with Wellington Rugby and Capital Football and now well established with the Basin Reserve serving to provide these two codes with three well used junior rugby and girls' junior football fields
- **Beers at the Basin** – the popular festival that showcases Wellington's craft beer industry will continue to be a summer feature on the Basin's busy event calendar
- **Wine and Food Festival** – the Trust is in the process of partnering exclusively with Arada Promotions [Beers at the Basin Event Promoter] to secure two annual events, which will see the introduction of a Wine and Food Festival (or other similar event) during key annual event windows in November and March
- **Community Cricket** – a wide range of community cricket events will be held including various club competitions finals, the boys and girls Primary School and Secondary School finals, Governor General's XI fixtures and junior cricket field days

- **Ethnic Community Festival** – the BRT will engage with Cricket Wellington regarding the feasibility of hosting an Ethnic Community Festival in October 2022
- **The Basin Reserve Experience** – the Trust is exploring options to generate experience packages at the venue for more people/groups i.e., Corporate and Community Group events

The Trust remains committed to increasing and diversifying the utilisation of the Basin Reserve and will continue to seek opportunities to increase usage of the venue by community and corporate groups, other sports organisations, and event hirers to drive the utilisation of the Basin Reserve as a function venue of choice.

#### Functions

The BRT has contracted Black and Gold Events to manage and promote the Norwood Room and Long Room in the RA Vance Stand as a venue for conferences, meetings, weddings, celebrations, Christmas functions or team building workshops. In total, 45 functions are planned for 2022-23.

#### Domestic Cricket

The Basin Reserve is the home of Cricket Wellington and the home ground of the Wellington Firebirds in the Plunket Shield, Ford Trophy and Men's Super Smash, as well as the Wellington Blaze in the Hallyburton Johnston Shield and Women's Super Smash. The Basin also accommodates Cricket Wellington development teams. The Basin is planning to host 55 days of cricket events, with 100 days of use planned for the practice facilities.

#### International Cricket [Other]

The BRT is holding discussions with New Zealand Cricket regarding opportunities to host a Blackcaps v England Test Match in February 2023. Additionally, the Trust is working in partnership with New Zealand Cricket and Wellington Regional Stadium Trust to secure fixtures against India in October 2022 and Sri Lanka in March 2023. The venue is hopeful of securing a fixture in either series but alternatively will be utilised as a training facility. Finally, confirmation regarding the White Ferns 2022-23 home schedule has not been finalised and subsequently not included in forecasted reporting numbers.

Critically, The Trust has identified that securing international cricket fixtures is crucial for generating revenue and ensuring the ground remains at the forefront for New Zealand Cricket as a venue of choice. Future investment in facilities and general upgrades need to be considered in alignment with enhancing the venue as a modern cricket facility that is fit for purpose for hosting international cricket.

#### **Redevelopment**

The Basin Reserve has been under construction for the last three years, with major upgrades completed to key infrastructure including the refurbishment of the Old Pavilion Stand, embankment toilet upgrades, media box extension, perimeter fence and gate upgrades. It remains the BRT's focus to work in partnership with the Wellington City Council on the final redevelopment projects at the Basin Reserve and ongoing maintenance of facilities.

Key projects that the BRT are working with WCC to complete are as follows:

- Picket fence upgrade
- Permanent camera platforms
- Sightcreens upgrades
- Ground lighting to support 24x7 access
- Additional groundsman storage (between practice cage and Old Pavilion Stand)

The BRT will continue to present the ground to a high standard throughout the year and assist the Wellington City Council to deliver a comprehensive maintenance programme. The Trust is also committed to working with the Council to provide access to the ground 24 hours a day once acceptable and safe levels of lighting have been installed (outside of its normal operational closures).

### **Sponsorship and Fundraising**

The BRT remains committed to assisting with fundraising and sponsorship, while remaining dedicated to exploring further commercial opportunities for the venue generally.

Key opportunities that the BRT are progressing:

- **Naming Rights Partner** – the Trust will enter the final year of its naming right partnership with Cello and will begin renewal conversations in September 2022
- **Commercial Opportunities** – a continued focus is being placed on securing additional commercial opportunities for the venue to diversify revenue opportunities for the Trust, including the potential to re-establish our partnership with Parkable from April – October annually in addition to securing additional signage partners
- **Digital Billboards** – the Trust are also investigating digital billboard opportunities at the Basin Reserve to grow a more sustainable revenue base that would provide the BRT with additional income to support the redevelopment and on-going maintenance

The Trust will report on progress each quarter.

### **Cricket Wellington and The New Zealand Cricket Museum**

The Basin Reserve is the home of Cricket Wellington, the Regional Sports Organisation for cricket in Wellington, and the New Zealand Cricket Museum. The Old Pavilion Stand is home to the Cricket Wellington offices and the national Cricket Museum, which officially reopened in December 2021. The New Zealand Cricket Museum records the history of cricket and tells the story of the Basin Reserve through its newly developed and modernised storytelling and displays.

The Trust recognises the significance of being the home of the New Zealand Cricket Museum as it aligns with the Council's objective of having fit-for-purpose community, creative and cultural spaces. The Museum is a place where people can come to connect, develop, and express their arts, culture, and heritage. This drives additional and diverse visitation to the venue via private group tours, educational school trips, cricket match day experiences and will be open every Sunday to the public from May 2022.

### **Wellington Regional Stadium Trust (WRST) Turf Services Partnership**

The BRT will continue to work in partnership with the WRST to ensure that the Basin reserve outfield, wicket blocks and practice wickets. A significant proportion of the operating grant provided to the BRT from Wellington City Council covers the costs associated with the Turf Services Agreement between the BRT and WRST which are costs that continue to increase year on year.

### **Māori Strategic Partnership**

The Trust is committed to being an exemplary partner in championing the Māori strategic objectives. We are dedicated to building our relationship with the city's two mandated mana whenua organisations, and actively contributing to the realisation of the Māori well-being strategy in



partnership with the Council and other CCO's. The Trust is dedicated to being on the waka and supporting the key pillars identified, while also being acutely aware that we must respect the journey and develop trusted relationships with our mana whenua partners. The Trust propose the following focus areas for 2022-23:

*Actively find opportunities to support and partner with mana whenua to raise the status and awareness of the Māori language:*

- Align with the Te Taihira – to reo Maori Policy to update all venue signage
- Partner with events at the venue to ensure inclusion of te reo Maori i.e., cricket event days
- Collaborate with mana whenua partners to tell the story of the Basin and reflect its cultural heritage visibly in venue

The Trust is also dedicated to upskilling our capability and awareness of the strategic objectives to foster the development of mutually beneficial and collaborative partnerships with mana whenua. Although there has been positive engagement to date, the Trust is seeking opportunities to invest in building stronger relationships and seeking educational opportunities to ensure full integration with the strategic direction for Māori in our region.

### **Harassment Policies**

The BRT is committed to promoting a safe and harassment-free environment for all staff, contractors and attendees at all sporting fixtures and events. In 2019-20 the BRT conducted a review of the event terms and conditions and have not had any incidents reported during the 2021-22 SOI period. The BRT will continue to adopt best practise in this area.

### **Our Strategic Relationship**

The Trust expects to be involved with the strategic development of the venue, in particular the investment in the development/upgrade of key infrastructure in venue and involvement with the annual asset maintenance plan. The Trust intends to play an active role in the CCO collective and understands our position in supporting other CCO strategies and objectives.

### **Other**

As a leading CCO, the BRT will work closely with Wellington City Council to support the vision for Wellington 2040: *An inclusive, creative capital where people like to live – inclusively and sustainably*, with the following initiatives:

- The BRT will ensure that the Te Mapihi Maurea Naming Policy is adhered to at all times
- Te Atakura First to Zero strategy - the BRT was awarded the Toitu Carbon Zero status on 19 December 2019 and will ensure that we remain a carbon zero footprint venue to contribute to the Council's aim of being a zero-carbon capital by 2050. This includes the introduction of bike storage areas at the venue, promotion of scooters and e-bikes as a form of transport to events, and being an advocate for key actions within the Te Atakura First to Zero plan
- The Trust is committed to working with the Council to support the Let's Get Wellington Moving plans and recognise our influence in the development of the project. The Trust will engage constructively with the programme to ensure that the interests of the Basin Reserve are well understood as options are developed for the route encompassing the venue
- The BRT will continue to support the Wellington Region Waste Management and Minimisation Plan in conjunction with venue caterers and hirers. This includes utilising specific bins throughout the venue for recycling, glass, and general waste, as well as using a specific bin for grass waste. Furthermore, we now adhere to the Solid Waste Management and Minimisation

Bylaw for events of 1,000 people or more. Additionally, we will continue to align with Black and Gold to minimise waste generally, which has seen a significant reduction in plastic waste due to vendors using compostable packaging and the introduction of goblets to replace plastic cups at events

- The BRT will continue to support the Accessible Wellington, The Accessible Journey Action Plan 2019, and continue to allow free lounge access to the Basin Reserve Long Room on match days. Advancing our commitment to the plan, the Trust will engage with the Rainbow Advisory Group to seek guidance and support for how the venue can be an active partner with inclusivity initiatives
- The BRT will ensure it aligns with the strategy for Children and Young People by ensuring the venue is a safe place at all times, specifically aligning with our 24/7 access and lighting plan and partnering with events to ensure our young children and people are safe, welcomed and supported
- The Trust will support the Council regarding the development and implementation of new strategies in the areas of economic wellbeing

## 5. Performance Targets

In-line with Wellington City Councils 2021-31 Ten Year Plan, the BRT aims to deliver the following performance measures for 2022-23:

| Measure                        | 2021-22<br>Forecast | 2022-23<br>Q1 | 2022-23<br>Q2 | 2022-23<br>Q3 | 2022-23<br>Q4 | 2022-23<br>Total | 2024<br>Forecast | 2025<br>Forecast |
|--------------------------------|---------------------|---------------|---------------|---------------|---------------|------------------|------------------|------------------|
| <b>Quarterly Targets</b>       |                     |               |               |               |               |                  |                  |                  |
| Community Events Days          | 8                   | 1             | 7             | 23            | 0             | 31               | 35               | 40               |
| Cricket Events Days            | 45                  | 2             | 19            | 34            | 0             | 55               | 60               | 65               |
| Other Sports Events Days       | 24                  | 6             | 0             | 0             | 14            | 20               | 25               | 25               |
| Practice facility usage (Days) | 100                 | 15            | 45            | 40            | 0             | 100              | 100              | 100              |
| Functions*                     | 80                  | 15            | 10            | 10            | 10            | 45               | 45               | 55               |

*\*Basin Reserve utilised more than average due to venue upgrades at other sites for Black&Gold catering*

| Measure  | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast | 2024-25<br>Forecast |
|--|---------------------|---------------------|---------------------|---------------------|
| Numbers attending events*  | 40,000              | 55,000              | 55,000              | 60,000              |
| Event Income (\$) – pending CWC22 income and Beers at the Basin scheduled for April 2022 | 1,424,724           | 941,642             | 950,000             | 975,000             |
| Council Operating Grant ^ (\$)   | 718,040             | 735,000             | 754,000             | TBC                 |
| Cash Subsidy (grant) per attendance (\$)   | 17.95               | 13.36               | 13.70               | TBC                 |

^includes turf management fee

\*excludes 'open to public' events and accounts for loss of Test Match and reduced attendance capacity due to COVID-19 restrictions

## 6. Governance

The Trust Deed establishes the BRT under the Charitable Trusts Act 1957 for the purposes of managing and administering the Basin Reserve. Wellington City Council has appointed the BRT to manage the Basin Reserve under a Management Deed (relating to the Basin Reserve). These two key documents set out how the BRT will govern the Basin Reserve.

The BRT is governed by a Board comprising four Trustees, two appointed by Cricket Wellington and two by Wellington City Council. The Board meet at least four times a year and appoint subcommittees as it deems appropriate to fulfil its obligations. The Trustees set the strategic direction for the BRT and approve the Statement of Intent and Annual Business Plan. The Trustees monitor the organisational performance and ensure that the Trust has appropriate policies and procedures to mitigate its risks (including compliance with the Health and Safety at Work Act 2015).

### Trust Membership

- Alan Isaac (Chair) (appointed by Wellington City Council)
- Mike Horsley (appointed by Cricket Wellington)
- Councillor Sean Rush (appointed by Wellington City Council)
- John Greenwood (appointed by Cricket Wellington)

### Performance Management

The performance of the Trust is measured in part by achievement of agreed KPI's, with regards to operational activities. The Chair of the Board will undertake an annual evaluation of Trustee performance and will provide an update to Council by 30 September 2022. Further, the individual performance of Trustees is monitored by the Wellington City Council (in respect of the two Council-appointed Trustees), and Cricket Wellington (with regards to the two Cricket Wellington-appointed Trustees). Additionally, the Trust Board will supply the Council with a skills matrix in July 2022 and this will be updated annually thereafter.

The Trust acknowledges the need for ongoing professional development opportunities for Trustees and encourages the undertaking of specialist training for identified needs. The Board will, on an annual basis, implement a programme that supports the identified needs. This may include programmes such as that offered by the NZ Institute of Directors (or similar) or specialist knowledge building from appropriate agencies.

## 7. Finance

The budget for 2022-23 has been developed on the basis of breaking even. The budget is generally conservative and in line with the activity outlined in this document.

[BRT FY22.23 Annual Budget to be supplied for the final SOI at a later date due to navigating a complex environment due to COVID-19]

### Capital Expenditure

Capital expenditure of \$xxk is included within the budget.

**Cashflow**

Cashflow varies throughout the year as key revenues from grants are received quarterly.

**Risks**

The main financial risks are as follows:

- Inability to secure and host Beers at the Basin and Wine and Food Festival
- Concession agreement with Black and Gold is terminated
- Inability to secure international fixtures
- The domestic cricket season doesn't proceed as planned
- Increased repairs and maintenance are required
- Continued disruption to events due to COVID-19

**Estimate of amount intended for distribution**

There is no intention to pay out reserves to stakeholders.

**Acquisition procedures**

There is no intention to make any acquisitions.

**Estimate of commercial value of stakeholder's investment**

N/A



experience  
**Wellington**  
wellington museums trust



Wellington  
Museum

Space  
Place



Nairn Street  
Cottage

Cable Car  
Museum

City  
Gallery  
Wellington  
To Whare Toi

## EXPERIENCE WELLINGTON 2022-23 STATEMENT OF INTENT

Presented to Wellington City Council pursuant to  
Section 64 of the Local Government Act 2002

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This Statement of Intent (SOI) reflects the relationship and interest that the Wellington City Council (Council) has in Experience Wellington as a Council Controlled Organisation (CCO) and our contribution to Council's vision for the future of Wellington. It responds to Council's Statement of Expectations (SOE) of 16 December 2021. On pages [10-11](#) we outline our specific response to the SOE and alignment to our strategic pou. Council owns the heritage buildings that house five of our visitor experiences and will provide around 74% (\$10.5m) of our 2022-23 budgeted revenue, with the other 26% (\$3.0m) coming from cultural grants, fundraising and trading revenues.

To achieve the best results for Wellington we will continue to work with Council and other Council Controlled Organisations (CCOs), other visitor experiences, tertiary education partners and relevant national organisations.

We have a contract with **Creative New Zealand** that supports the delivery of the Capital E National Theatre for Children and the biennial Capital E National Arts Festival for Children. The learning experiences we offer are supported through **Ministry of Education Enriching Local Curriculum (ELC)** contracts. We also regularly receive support from the **City Gallery Wellington Foundation** for City Gallery's programme. The **Carter Observatory Trust** supports our fundraising activities for Space Place.



# INTRODUCTION He Whakatakinga

Tēnā koutou,

On behalf of the Board of Trustees I am delighted to present Experience Wellington's Statement of Intent (SOI) for 2022-25 with a focus on our deliverables for the 2022-23 year.

I would like to start by thanking our principal funder Wellington City Council, as well as other key partners: Creative New Zealand, the Ministry of Education, and the City Gallery Wellington Foundation, for their continued support. Our mahi, creating remarkable experiences that strengthen the city we love, could not be undertaken without this cornerstone support.

Like so many others, we are working with COVID-19-related challenges: limited visitation, event and education capacity constraints, and the need to balance increasing financial outgoings with the emotional needs and safety of our people and visitors. This is not an easy time for anyone working in the arts, events, hospitality, or tourism sector; and the board and I applaud the resilience shown by Experience Wellington's team in adapting to this volatile environment. I know that our people will continue to develop and deliver high quality programming that connects Wellingtonians to extraordinary Toi and Taonga and celebrates our amazing stories and heritage. We will steward the six assets in our care: Cable Car Museum, Capital E Nōku Te Ao, City Gallery Wellington Te Whare Toi, Nairn Street Cottage, Space Place Te Ara Whānui ki te Rangi at Carter Observatory, and Wellington Museum Te Waka Huia O Ngā Taonga Tuku Iho, along with the city's artefact collection, and continue to place 'Wellington First' by supporting the creative sector professionals that surround us in the capital. We will also use our position as a CCO to leverage external funds to deliver events and programmes – and to develop the city's cultural assets. Experience Wellington has an important part to play in the capital's recovery.

For the purpose of this SOI we have anticipated that international tourists will not return to our sites in a significant way for the foreseeable future. The forecasts assume that the first half of the financial year will see us mostly in a 'Red' setting and that we will enter 'Orange' from the beginning of 2023. Forecasting our performance amid a pandemic is challenging, and we expect to see a continued reduction in visitation and associated visitor spend. We are also experiencing escalating costs in fuel, increasing recruitment costs and impacts from CPI and Living Wage increases. In planning for events and programmes, we will continue to factor in the possibility of changing advice on public health measures as new variants of COVID-19 emerge in the community. Throughout, we will not lose sight of our commitment to quality and to manaakitanga, building upon events and experiences large and small to contribute to the city's cultural, social, and economic wellbeing.

We will clearly target our offerings to the local market, strengthen the identities of our individual brands, and focus hard on telling the stories of our city and its people. I am optimistic that we will see Wellingtonians returning to our places time and time again. We have an exciting range of exhibitions, programmes and events planned for the year ahead, including hosting the 10<sup>th</sup> Capital E National Arts Festival for Children, working with Council to upgrade the planetarium at Space Place, which is at the end of its life, and launch an abundance of exhibitions at City Gallery Wellington that showcase the talents of artists from across Aotearoa. Having brought senior Māori leadership into our organisation, our team will also focus on the aspiration to include a Māori dimension in everything we do. We will also look at fresh ways to inspire our audiences once Wellington Museum closes its doors for strengthening in mid-2023.

We thank Wellington City Council for its ongoing support, and will continue to partner with it, other CCOs and industry providers, to build local awareness of all the amazing things Wellington has to offer, revitalising the city we love. We are committed to providing remarkable experiences of contemporary art, history, and science for our visitors, and look forward to welcoming you at one of our unique visitor experiences soon.

**Jane Wrightson**  
**Chair, Experience Wellington**

# ABOUT EXPERIENCE WELLINGTON

## WHO WE ARE

We are a Council Controlled Organisation (CCO), established as an independent Charitable Trust in 1995 by Wellington City Council. We operate six unique visitor experiences: Cable Car Museum, Capital E, City Gallery Wellington, Nairn Street Cottage, Space Place, and Wellington Museum.

Wellington City Council (Council), our principal stakeholder, owns the buildings that we manage and is the main funder of our operations. We are governed by an independent Board of Trustees appointed by Council.

Our value to Wellington is measured in terms of popularity with visitors, the accolades of our peers, the social wellbeing of the city, and the connections we make with communities. Our exhibitions, events and public programmes contribute to the economic and cultural success of the city, making it a vibrant place to visit, live, work and play.



## COUNCIL RELATIONSHIP PRINCIPLES | He Mātāpono

- Operating on a “no surprises” basis so that any significant event that may affect either party is brought to their attention as soon as it can be reasonably done.
- Open and frank communication will occur between Experience Wellington and Council.
- Providing advice to Council on the management and development of museums, art galleries, space science and other relevant services within Wellington.
- Full disclosure of information will be provided to Council from Experience Wellington as deemed necessary by Council to ensure its interests are upheld.
- Disclosing within the Experience Wellington’s Strategic Plan any significant transactions that are planned.

*‘The Trust was established to manage and operate Wellington Museum (formerly known as the Maritime Museum, and then Museum of Wellington City and Sea), Capital E (formerly known as Capital Discovery Place), City Gallery Wellington (formerly known as City Art Gallery), Nairn Street Cottage (formerly known as Colonial Cottage Museum) and any other assets that are acquired or operated by the Trust including the Wellington Cable Car Museum.’*

***Wellington Museums Trust Incorporated, Trust Deed***



## OUR CONTRIBUTION TO WELLINGTON

From the creative sensory experiences at Capital E's PlayHQ for our youngest tamariki, to our telescopes and educational space displays at Space Place. From the taonga and stories celebrated at Wellington Museum, Cable Car Museum and Nairn Street Cottage, to the ever-changing art exhibitions at City Gallery Wellington – there really is something for everyone at our Experience Wellington sites.

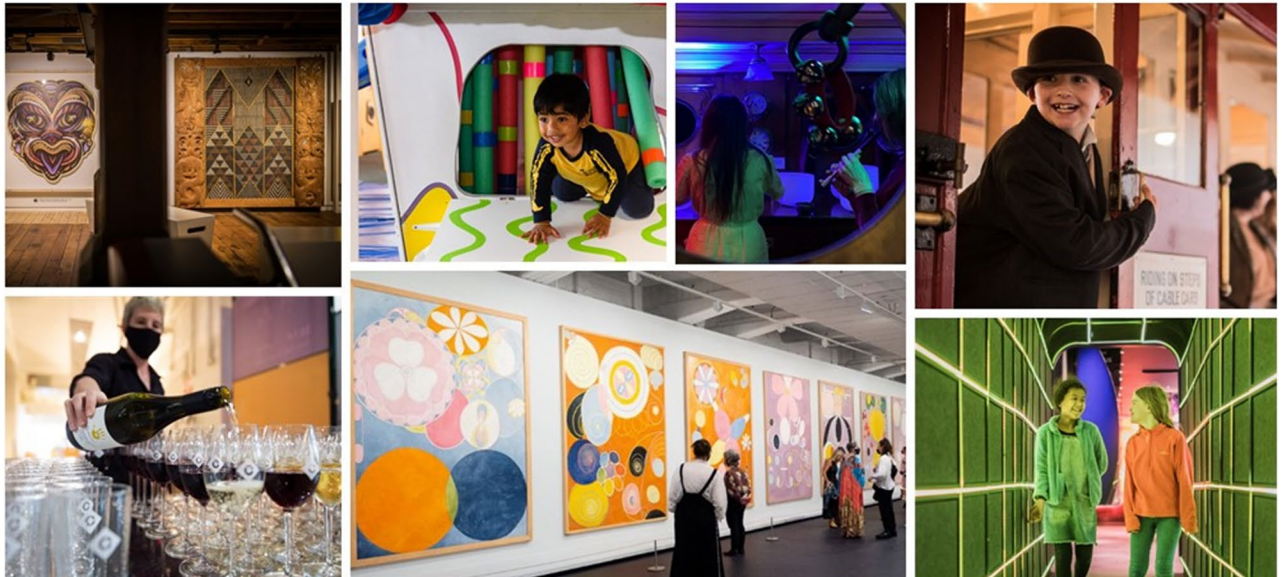
We are proud to tell the stories of the capital city so that our history is treasured and shared. We connect our audiences with local and international art, and we aim to inspire tamariki and our wider communities to learn about the world around them.

We are a collective of six unique visitor experiences, bound by an attitude that is very Wellington in personality and approach, across a spectrum of fields and interests. Our iconic brands are welcoming and inclusive, creating distinct environments for our visitors, each with its own distinct focus.

We are significant contributors to Wellington's economy and its reputation as a centre of excellence for arts, culture, and creativity. By actively collaborating with industry partners and providing outlets for creative professionals such as artists and performers, we can showcase creative talents at a time when opportunities in the sector are limited.

Our partnerships range from Council and government agencies, mana whenua, City Gallery Wellington Foundation, philanthropic relationships, creative sector colleagues and artists as well as our fellow CCOs. We purposefully partner with organisations with shared values, leading to durable, mutually valuable relationships, ultimately benefitting Wellingtonians.

As a charity, we rely on the generous support of individuals and organisations to help us provide world-class arts, heritage and science experiences that are accessible to all.



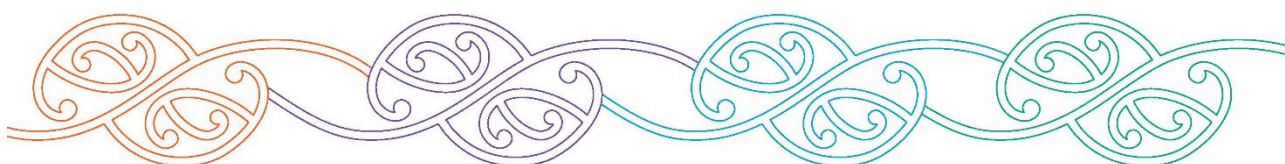
## OUR STRATEGIC DIRECTION

**OUR PURPOSE:** Working together with and for Wellington to create remarkable experiences that generate vitality, strengthening the city we love.



**OUR VISION:** Engaged curious communities

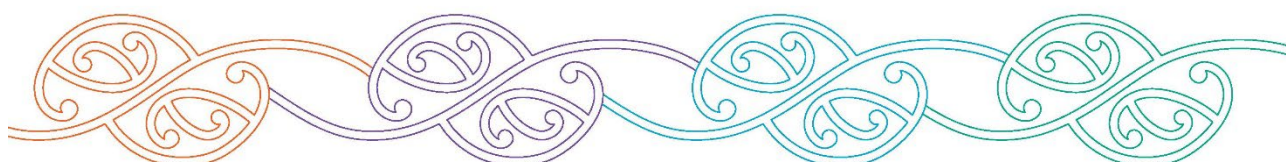
### OUR STRATEGIC POU:




| Strategic Priority Areas  | Our objective  | We will do this by:   |
|---|--|---|
| <b>Enriching Lives</b><br><i>Wheako Pōneke - Experience Wellington</i>  | Our experiences spark emotion, curiosity and reflection: connecting communities, people and ideas. | <ul style="list-style-type: none"> <li>Ensuring our vibrant programmes sit at the heart of our corporate planning cycle</li> <li>Engaging with new and diverse audiences and communities</li> <li>Taking risks and breaking new ground</li> <li>Developing sector-leading learning offerings for children and young people</li> <li>Connecting with our audiences to keep them coming back</li> </ul> |
| <b>Embracing Te Ao Māori</b><br><i>Ma te huruhuru te manu te manu ka rere - Adorn the bird with feathers so that it may fly</i> | We are committed to Te Tiriti o Waitangi and support tangata whenua as kaitiaki.                   | <ul style="list-style-type: none"> <li>Implementing a Māori engagement strategy</li> <li>Building meaningful relationships with mana whenua</li> <li>Implementing our Māori employment strategy</li> <li>Developing and reflecting Experience Wellington tikanga in our practices and values</li> <li>Ensuring there is a Māori dimension to everything we do</li> </ul>                              |
| <b>Mahitahi</b><br><i>Ehara taku toa i te toa takitahi - My success is not mine alone, but of us all</i>                        | Our success comes from our combined expertise and strengths.                                       | <ul style="list-style-type: none"> <li>Providing a collaborative, vibrant and high performing organisation for our people</li> <li>Providing ongoing opportunities for our people to achieve, develop and learn</li> <li>Working together as one team</li> </ul>  |
| <b>Experience Wellington Flourishes</b><br><i>Tukua kia rere – Allow to fly</i>   | Our business is strong, future proofed, and true to our purpose, vision, and values.               | <ul style="list-style-type: none"> <li>Setting smart, data-led targets</li> <li>Continuously improving systems and processes</li> <li>Considering the financial and environmental impact of our decisions</li> <li>Nurturing stakeholder relationships</li> <li>Resourcing what is important for our organisation to thrive</li> </ul>  |

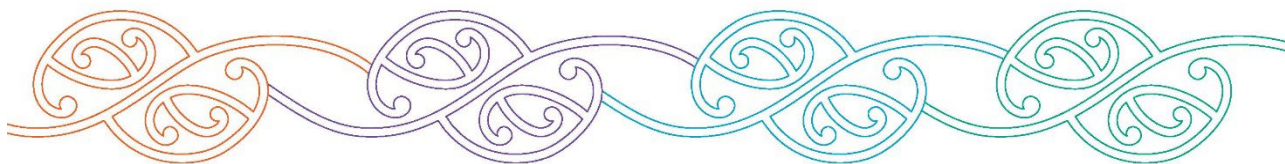


## STRATEGIC PRIORITIES FOR 2022-25

| Strategic Pou  | Focus Area                                       | We will ensure this is a priority by:   |
|--|--|---|
| <b>Enriching Lives</b><br>                    | <b>Programme</b>                                 | <ul style="list-style-type: none"> <li>Strategically aligning programming that connects to audience insights and targeted audience segments. This includes: <ul style="list-style-type: none"> <li>An exciting forward programme plan of exhibitions at City Gallery Wellington</li> <li>A new permanent exhibition at Cable Car Museum that engages local family audiences</li> <li>Refreshed curatorial content and exhibition design at Space Place</li> <li>Commencing our collection digitisation project</li> </ul> </li> <li>Demonstrating improvements in access and inclusion in our offerings and programmes</li> <li>Developing programme plans that connect with our communities</li> </ul>   |
| <b>Experience Wellington Flourishes</b><br> | <b>Partnerships, Prosperity &amp; the Planet</b> | <ul style="list-style-type: none"> <li>Strengthening and nurturing our current stakeholder relationships</li> <li>Developing new collaborative partnerships</li> <li>Embedding our three-year fundraising strategy and stakeholder engagement plan</li> <li>Identifying new commercial opportunities that contribute to revenue, and developing more commercial opportunities from existing activity</li> <li>Increasing engagement with Wellington City Council and WellingtonNZ, and leveraging partnerships and opportunities with other CCOs</li> <li>Achieving Qualmark certification and having our experiences marketed by Tourism New Zealand to international audiences</li> <li>Continuing our commitment to environmental best practice by streamlining procurement and embedding systems to make better use of internal resources.</li> <li>Increasing revenue from events and requests for donations, onsite and online, and embedding a charitable trust mindset in our culture.</li> </ul> |



|   |                    |   |
|---|--------------------|---|
| <b>Embracing<br/>Te Ao Māori</b><br> | <b>Te Ao Māori</b> | <ul style="list-style-type: none"> <li>Increasing recruitment of Māori staff in accordance with our Māori Employment Strategy, and tailoring support and development opportunities to existing team members who identify as Māori.</li> <li>Developing partnerships with mana whenua.</li> <li>Strengthening organisation-wide cultural capability with increased te reo Māori embedded in our values and our external and internal communication.</li> <li>Developing our Māori Engagement Strategy with a focus on how te ao Māori can best be represented in everything we do</li> </ul> |
| <b>Mahitahi</b><br>                  | <b>Our People</b>  | <ul style="list-style-type: none"> <li>Focusing on attracting and retaining talented individuals to our organisation</li> <li>Creating a workplace culture that embraces our values and fosters pride in working for our organisation</li> <li>Completing an employment brand project and embedding findings and improvements that are identified.</li> <li>Reviewing our organisational values using a te ao Māori framework to give our people a stronger sense of alignment and personal connection to the new values derived from this process.</li> </ul>                              |
| <b>Enriching Lives</b><br>         | <b>Profile</b>     | <ul style="list-style-type: none"> <li>Undertaking a review to strengthen our individual brands and their connection to our audiences.</li> <li>Raising the profile of our individual sites and increasing brand awareness through digital and social strategies.</li> <li>Analysing and developing a deeper understanding of our audiences through segmentation and insights, and their connection to our brands.</li> <li>Sharing the stories of our Taonga and people across targeted platforms and channels.</li> </ul>   |



# 2022-23 PERFORMANCE OVERVIEW

## IN 2022-23 WE ARE LOOKING FORWARD TO:

- Continued conversations and collaboration with Council, our CCO whānau, and the city's creative ecosystem: leveraging positive relationships, and providing innovative ways to attract visitors to our city in the wake of COVID-19.
- The strengthening and redevelopment of Wellington Museum Te Waka Huia o Ngā Taonga Tuku Iho in conjunction with Council's Property Team.
- Continuing to work with Council to return Capital E Nōku Te Ao to Te Ngākau Civic Square, as part of the Te Matapihi Central Library Project.
- Continuing to build on our collective cultural competency including the use of te reo Māori and Tikanga Māori.
- Continuing to review and streamline our business processes to achieve the best possible financial outcome.

**OUR PERFORMANCE** is measured by our Key Result Indicators (KRI).

In 2022-23 we expect to:

- Raise \$3.07m (26%) of our operating costs from trading initiatives and fundraising.
- Achieve an average of at least 90% approval rating from our visitors for the quality of their experience at our institutions.
- Engage with over 337,000 virtual visitors through our websites and social media channels.
- Welcome over 330,500 on-site visitors, of which around 39,600 will be children and young people visiting for a learning experience.

## OUR FINANCIAL PERFORMANCE

Due to the ongoing impacts from COVID-19, increases to CPI and the Living Wage, recruitment and relativity pressures and rising costs for fuel and freight, we are forecasting a break-even budget for 2022-23 on the basis that \$551,000 will be provided through Council's Resilience Fund. The 2022-25 Budget is based on the following assumptions:

- Almost no international visitors for 2022-23, and significantly reduced for 2023-25 from pre-COVID numbers.
- Reduced domestic visitation due to COVID-related anxiety plus intermittent lockdowns, alert level restrictions, and reduced national travel.
- Regional education groups and national school groups are reduced under red and orange level restrictions.
- Experience Wellington will receive \$10.5m from Council (\$8.2m in operating grants, \$1.76m accommodation rental subsidy and \$0.55m from the Resilience Fund) in 2022-23, for the operation of Experience Wellington inclusive of Space Place Te Ara a Whānui Ki Te Rangi. The annual cash underwrite for Space Place is additional to the operating grant and accommodation rental subsidy.
- There is a modest inflation-indexed increase to the prior financial year's operating grant, noting any new investment that does not align closely with Council's priorities is unlikely to be supported. The operating grant increase has been advised as 2%, rather than the current 5.9%+ CPI increase. This will pose challenges.
- We expect to generate \$3.07m in non-Council revenue in 2022-23, underscored by a marginally more certain operating environment for domestic and international visitation. Total trading income is predicted to achieve \$1.4m. Retail and admission revenue are affected by lower than usual visitation and venue hire will likely also drop a little from the current relatively high usage.
- Overall, we expect fundraising income to represent a similar result to that achieved in 2021-22 reflecting the economic conditions facing funders, philanthropic organisations, and corporates. However, we will be intensifying our efforts.
- Funding as per the Creative NZ contract (\$0.57m) and the ELC contracts with the Ministry of Education (\$0.27m) will continue in 2022-23.

*The forecast financial statements are provided in [Appendix 2](#). Accounting policies are provided in [Appendix 3](#).*



# OUR RESPONSE TO COUNCIL'S STATEMENT OF EXPECTATION (SOE)

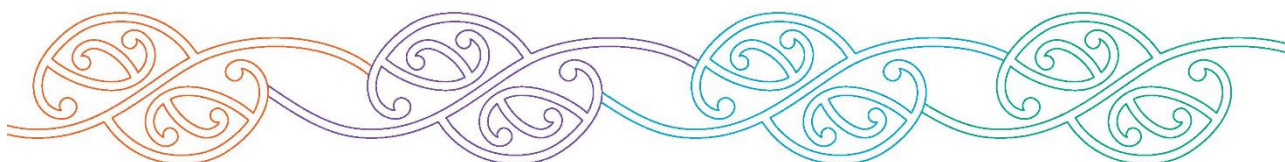
## SPECIFIC EXPECTATIONS FOR EXPERIENCE WELLINGTON

| Council Expectation  | Our Response  |
|--|---|
| Council continues to expect that the Trust will return to a breakeven financial position in 2022/23 inclusive of funding depreciation, and the Statement of Intent should respond to this.   | We will be operating under strict cost control measures and focusing on robust financial management. However, given the current environment with no international visitors, the negative impacts from COVID-19 including restricted visitor capacity, plus CPI increases, the Living Wage, recruitment, and relativity pressures, and rise to costs for fuel and freight, we will not be able to return to a breakeven position in 2022/23 without the support of Council's Resilience Fund (551k).   |
| The Trust should discuss its plans for Capital E and its intended tenancy within Te Matapihi. In this context, the Trust is expected to recognise that Council is making a significant capital investment in Te Matapihi which also generates additional operational costs for Council that are ongoing. Council does not expect to increase its operational funding for the Trust in relation to the Capital E activity, beyond its annual inflation adjustments. | We are working closely with Council's Te Matapihi project team, and other stakeholders, planning for the relocation of Capital E to Te Matapihi. We have an internal Project Working Group drawn from across our teams, giving their expertise on visitor experience and space specifications. A Council-funded Project Coordinator position is dedicated to support internal administration. An internal communications strategy with regular updates and a presence on our intranet keeps the wider Experience Wellington team aware. The Chief Executive and Director Children, Young People & Community Engagement are heavily involved in the project at a higher level and sit on Te Matapihi board and control groups. A Heads of Agreement between Council and Experience Wellington guides our mahi. |
| The SOI is expected to articulate the opportunities that the Trust sees in response to Council's Aho Tini strategy and how the Trust will be able to contribute to Council's focus areas in this strategy, within its current operational funding.   | Council's Aho Tini Strategy is closely aligned with our organisation's purpose, vision and values (page 6). See page 11 for our detailed response.  |
| Council will work with the Trust to develop a consistent and practical approach to the management and maintenance of various building assets owned by Council and operated by the Trust.   | We will continue to develop good working relationships between ourselves and Council around a stronger approach to building management and maintenance. This partnership includes further developing plans for strengthening of <a href="#">Wellington Museum</a> .   |
| Council sees a role for the Trust, WellingtonNZ, and the Cable Car to work together in planning opportunities to leverage the Cable Car journey. Council expects the Cable Car to lead the planning for early interventions to celebrate the historic area at the top of the Cable Car, and to develop longer term plans for its future.   | We are exploring the opportunity to develop the offerings at the <a href="#">Cable Car Museum</a> leveraging the Cable Car journey and proximity to the Botanic Gardens and Space Place. We have established a close working relationship with Wellington Cable Car Company and look forward to collaborating with WellingtonNZ and the Cable Car team on this long-term project.   |
| The Council expects that the Trust will maintain its commitment to paying the Living Wage. The annual operating grant is expected to be sufficient for the Trust to maintain this commitment and Council does not expect to receive additional requests for funding beyond the operating grant.  | We are committed to paying our staff the Living Wage, noting that these costs are proposed to increase by 5% + in 2022/23. The cost of recruitment in the current market is challenging, especially for our corporate roles, where we compete with both the public and private sectors. This creates a knock-on effect relative to other roles in our organisation.   |

## OUR ALIGNMENT TO COUNCIL STRATEGIES

### Aho Tini 2030 – Arts, Culture and Creative Strategy

Experience Wellington will be a proud partner in bringing Aho Tini to life, making Wellington a truly creative capital. Our experiences build on the rich cultural traditions and identity of our capital city: our mahi in this area will be further enhanced through the revisioning of Capital E within Te Matapihi and the redevelopment of Wellington Museum as a place that reflects and amplifies the voices and stories of our diverse communities. We will continue our commitment to access and inclusion in the arts sector and higher visibility of Ngā Toi Māori by supporting our Te Rōpū Mahi Tiriti and Access and Inclusion committees, and by supporting Māori roles throughout the organisation: Te Tūhono Reo, Senior Curator Toi Māori, Senior Curator Māori (Taonga) and our Kaiako Māori. A ‘Wellington First’ approach is being taken to foster the success of the city's artists and arts organisations – for example, our Creative Collider and National Theatre for Children programmes pumped externally-leveraged funding back into the capital's creative ecosystem through strategic capacity building endeavours. We also work in partnership to activate the city's places and spaces via programming alliances with Council, Cuba Dupa, Children's Day and Tawhiri.



### Kia Eke Panuku Māori Strategic Direction

Council's Kia Eke Panuku Māori Strategic Direction closely aligns with our strategic pou, Embracing Te Ao Māori. This is a core focus for our organisation with our specific goal of bringing a Māori dimension to everything we do. We recognise we are at an early stage of this journey, and we are excited to have our new senior Māori leader, Te Tūhono Reo, on board, working with our Executive Leadership Team to guide us in this area.

It is important to us that Māori feel welcomed, connected, and represented at all our sites. This encompasses the artwork we display, in the shows we produce, and in the stories we tell. Te reo Māori signage is clear and visible, and we are currently developing bilingual and te reo Māori education programmes for our ākonga.

As an organisation we need to build on the capability and confidence of our staff to embrace te ao Māori: we encourage participation in te reo Māori lessons, and have a staff committee, Te Rōpū Mahi Tiriti, which promotes educates, and regularly engages with staff. Our aspiration is that our staff and our visitors are comfortable speaking te reo at any of our sites, and we are committed to upskilling, and building a more diverse workforce. As part of our Māori employment strategy, we are developing meaningful, sustainable employment opportunities for Māori across Experience Wellington at all levels. We have plans for targeted Māori recruitment, development, and workplace culture.

Led by Te Tūhono Reo we will also implement our Māori engagement plan to build on existing creative partnerships, engagement with Māori communities, and to develop and strengthen key partnerships with and for mana whenua. Our Māori engagement plan will align with Council's Māori engagement strategy, and we look forward to working together to collectively advance this mahi.



## Strategy for Children and Young People

We are committed to making Pōneke Wellington the best place to grown up in Aotearoa. We do this by offering a wide range of learning experiences for tamariki and ākonga, including explorative sensory play, theatre shows, and interactive exhibitions. We pride ourselves on providing safe and welcoming spaces to nurture the wellbeing of our youngest while they develop their understanding of the world around them through science, history, culture, and art.

Providing a sense of “normality” for our children is important in such unprecedented times. Our sites provide spaces where kids can be kids. In response to COVID-19, we have increased our cleaning and safety precautions to ensure that they enjoy our interactive displays in a safe environment.

Our talented teams deliver unique learning experiences for schools. We support staff with continuous training to develop specific strategies to support children with diverse needs. With careful programme planning and listening to the individual needs of our schools, we ensure our sites are inclusive and welcoming spaces for all.

## Implementation of Te Atakura: First to Zero



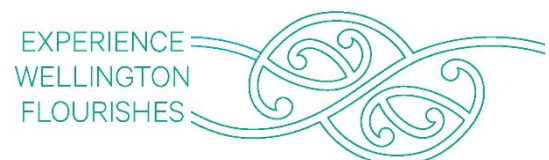
We welcome the specialist guidance from Council’s Resilience and Sustainability Team to help us make more environmentally conscious decisions. We are limited by internal resources, and the restrictions around the ages, sizes, locations, and ownership of the buildings we inhabit. We acknowledge the risks around climate change, particularly for our sea-level sites. We would love to pilot environmental initiatives for Council and can see an opportunity for offsetting our carbon emissions with the installation of solar panels at City Gallery Wellington and Space Place.

Over the past year we have been working with Council to make positive changes to our buildings where we can, including energy reviews, and upgrading lighting and HVAC systems. We will also be supporting Council’s project team to minimise waste during the Wellington Museum development.

Composting and recycling facilities are located at all our sites, and with some back of house staff working from home more, we are seeing less overall waste produced. Environmental sustainability is championed by a passionate internal staff committee, who provide educational resources and advice, promote events and workshops, and the use of reusable containers, limiting printing, vegetarian catering, and general environmental best practice.

We aspire to significantly reduce our contribution to landfill within the next three years, by repurposing materials across our sites, and purchasing fewer materials new. We are currently developing organisation-wide waste minimisation plans: including management of our assets, procurement plans and additional care in the deinstallation of our exhibitions and programmes.

## Economic Wellbeing Strategy



We support Councils’ Economic Wellbeing Strategy by providing safe, culturally diverse, accessible, inclusive, and welcoming spaces for all visitors. We provide a ‘Wellington First’ approach by prioritising local talent and partnerships and are proud to be a vital part of an interwoven eco-system alongside accommodation providers, retail outlets, restaurants, and other venue and tourism sites – together contributing to the economic wellbeing of our city.



# SIGNIFICANT PROJECTS

## SUPPORTING CAPITAL E'S INVOLVEMENT IN TE MATAPIHI

For the last four years, we have been working alongside Council to reignite the spark of Te Ngākau Civic Square as the capital's cultural hub of creativity and connection. We are thrilled to be part the project group working on purpose-built spaces for Capital E within Wellington's central library Te Matapihi. Capital E Nōku Te Ao and Te Matapihi share clear alignment in purpose and in offerings. Our kaupapa has always been to create extraordinary experiences for, with, by, and between children and young people. Today's libraries are spaces where the community can connect and engage, to discover, innovate, create and showcase ideas, which has strong synergies with the mahi of Capital E.

This ambitious project is confirmed as part of the Council's 2021-31 Long Term Plan, with the site scoped to open in late 2025. Our involvement includes representation on the Project Board, Design Control Group, and other workshops. We are grateful to Council for funding our dedicated Te Matapihi Project Coordinator. Experience Wellington's partnership with Council is underpinned by a Heads of Agreement.

*GOAL: Capital E is fully operational within Te Matapihi when Te Matapihi opens in 2025.*

## STRENGTHENING WELLINGTON MUSEUM AND REIMAGINING THE EXHIBITION

In conjunction with Council, we are planning to close Wellington Museum Te Waka Huia o Ngā Taonga Tuku Iho for earthquake strengthening from April 2023. Working with Council and consultants through the Project's remaining design stages, including consents, and contractor procurement, we are preparing for the decant of the Museum prior to the building being handed over to the building contractor.

Taking a community-focused approach, we will be working alongside a network of partnerships to enable access to Wellington's heritage collections and stories while the building itself is closed. The period of closure (estimated two years) will depend on the final strengthening approach and will affect our revenue-generating capability for the duration of the construction work.

*GOAL: Plans for the Museum decant, reimagined exhibition and fundraising are in place by the end of Q3.*

## A MUSEUM WITHOUT WALLS - PUTTING OUR COLLECTIONS ONLINE

Our collections of incredible Taonga need to be shared and celebrated in the most accessible way possible – connecting our amazing sites with an accessible online presence. Therefore, we are exploring the opportunity to create a Collections Online facility featuring Wellington Museum and affiliated collections. Provision of broader and more immediate access to collections information will highlight the significance of the collections, position the museum as a key resource for researchers, and generate opportunities for collaborative initiatives with like institutions. Moreover, disseminating information about the museum's collecting and research priorities will generate opportunities for acquisitions including co-collecting projects with local communities.

This initiative will also provide an opportunity to review, correct, and update collection records. In addition, it will create professional development opportunities for staff including improving knowledge of collections management applications and enhanced interaction with existing and potential audiences. This exciting digital initiative will also inform the development of unique visitor experiences, both virtual and physical.

*GOAL: A project and fundraising plan will be developed by the end of Q1.*

## SPACE PLACE REDEVELOPMENT

Space Place at Carter Observatory is home to the lower North Island's only planetarium, and proudly showcases mātauranga Māori alongside western astronomy. We are working with Council on a five-year plan to replace end-of-life planetarium projectors and software, alongside IT & audio-visual equipment, and exhibition interpretation. We will also be increasing Māori and Pasifika content to complement *Ngā Tohunga Whakatere – The Navigators* show, with the objective of Space Place becoming a centrepiece of Wellington's Matariki celebrations.

*GOAL: The asset replacement plan for Space Place has been agreed with Council and equipment and interpretation replacement starts to roll out from Q1.*

## REPOSITIONING THE CABLE CAR MUSEUM

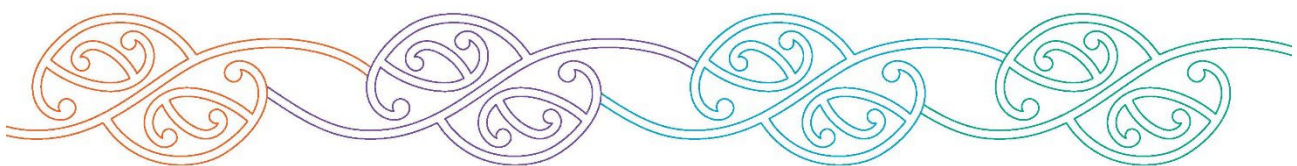
Pre-COVID-19, the Cable Car Museum was the most popular of all our sites, attracting well over 200,000, mainly international, visitors every year. Now, with no cruise ships entering Te Whanganui-a-Tara for the foreseeable future, it is important we reposition the Cable Car Museum for our Aotearoa audience. The Cable Car is iconically-Wellington, and we look forward to working with the Cable Car Company team to creatively connect our two experiences and reinvigorate and attract local visitors to our combined spaces.

*GOAL: Cable Car Museum's exhibition is reviewed, with content and brand repositioned to meet the needs of the domestic market by end of Q2.*

## STEWARDING COUNCIL'S ASSETS

Our staff and visitors enjoy the privilege of occupying Council's assets, however the age of these buildings, some of which enjoy historic status, pose challenges in terms of maintenance, watertightness, heating, and ventilation. We are looking forward to continuing dialogue with Council's Property Team who have committed to conducting condition assessments at our sites, and for Council's asset management plans to be updated, with resulting costs to be included in the next LTP process as a result.

*GOAL: Experience Wellington and Council teams work together to develop asset management plans for the 2024 Long-Term Plan based on 2022 condition assessments.*



# PERFORMANCE MEASUREMENTS | Paearu Mahi

Our Key Performance Indicators (KPIs) as required by Council are set out in the charts below. We have also set internal targets to align with key themes from Council's 2021-31 Long-term Plan (LTP) – Environmental, Social, Cultural, and Economic. These will be presented throughout our 2022-23 Annual Report and will highlight the key focus areas identified by our Board: People, Planet, Prosperity, Programming and Profile.

We strive to continuously review and refine performance measurements over the planning period to reflect the needs of our stakeholders, and to provide information that helps to assess the impact Experience Wellington makes on Wellington's prosperity and liveability.

Given uncertainties with COVID-19, we have taken a cautious approach, and have based our numbers on industry assumptions that there will be no significant impact from international tourists in 2022-23. We are predicting the first half of the financial year will be under 'Red' level, with restricted visitor numbers, physical distancing measures, and capped event numbers, and we expect by Q3 we will be in 'Orange' level, and while this provides slightly fewer restrictions, there will still be a significant impact on our visitation.

We have also included the Council-led strengthening and upgrade of Wellington Museum allowing for a period of closure for two years from Q4 of 2022-23 – and acknowledge that the timeline for this project may be pushed out pending engineering advice.

Targets include the 10<sup>th</sup> Capital E National Arts Festival for Children in Q4 of 2022-23, under the 'Orange' setting.

The above assumptions and impacts of COVID-19 on visitation and our financial position are reflected in the following performance measures:

## KEY PERFORMANCE INDICATORS

### Our City

**City Residents' Awareness:** The number of Wellingtonians who know about our institutions as assessed through the Annual Residents' Survey conducted by Council.

| Residents' Awareness    | 2020-21<br>Actual | 2021-22<br>SOI | 2022-23 | 2023-24 | 2024-25 |
|-------------------------|-------------------|----------------|---------|---------|---------|
| City Gallery Wellington | 88%               | 95%            | 88-92%  | 88-92%  | 88-92%  |
| Wellington Museum       | 91%               | 95%            | 91-95%  | 91-95%  | 91-95%  |
| Capital E               | 74%               | 90%            | 80-85%  | 80-85%  | 80-85%  |
| Cable Car Museum        | 89%               | 95%            | 92-95%  | 92-95%  | 92-95%  |
| Space Place             | 87%               | 92%            | 89-93%  | 89-93%  | 89-93%  |
| Nairn Street Cottage    | 47%               | 54%            | 49-57%  | 49-57%  | 49-57%  |

*In consultation with Council's Research & Evaluation team a target range has been determined as an appropriate KPI.*

## Our Visitors

**Physical Visitation:** The total number of on-site visits to institutions including the public, education, and function attendees. The annual target is reviewed each year and benchmarked against the average visitation for the institution during the previous three years.

| Visitor Numbers                    | 2020-21<br>Actual | 2021-22<br>SOI | 2022-23        | Q1<br>Jul-Sep | Q2<br>Oct-Dec | Q3<br>Jan-Mar  | Q4<br>Apr-Jun | 2023-24        | 2024-25        |
|------------------------------------|-------------------|----------------|----------------|---------------|---------------|----------------|---------------|----------------|----------------|
| City Gallery Wellington            | 88,885            | 150,250        | 90,000         | 20,000        | 25,000        | 25,000         | 20,000        | 100,000        | 110,000        |
| Wellington Museum                  | 105,623           | 100,000        | 60,000         | 20,000        | 20,000        | 20,000         | 0             | 0              | 0              |
| Capital E                          | 58,085            | 59,770         | 70,000         | 10,000        | 10,000        | 10,000         | 40,000        | 45,000         | 55,000         |
| Cable Car Museum                   | 114,236           | 125,000        | 80,000         | 20,000        | 20,000        | 20,000         | 20,000        | 100,000        | 120,000        |
| Space Place                        | 38,641            | 44,000         | 30,000         | 7,500         | 7,500         | 7,500          | 7,500         | 40,000         | 50,000         |
| Nairn Street Cottage               | 471               | 1,400          | 500            | 0             | 100           | 200            | 200           | 800            | 800            |
| <b>Experience Wellington Total</b> | <b>405,941</b>    | <b>480,420</b> | <b>330,500</b> | <b>77,500</b> | <b>82,600</b> | <b>112,700</b> | <b>57,700</b> | <b>286,800</b> | <b>335,800</b> |

- A modified 10th Capital E National Arts Festival for Children will take place in Q4 of 2022-2023 (deferred from 2021), and numbers are based on 'Orange Level' restrictions.
- Strengthening work at Wellington Museum will see the building close for an estimated two-year period, from the start of Q4 of 2022-23.

**Virtual Visitation:** The total number of unique user visits to institutional web/mobile sites.

| Virtual Visitor Numbers            | 2020-21<br>Actual | 2021-22<br>SOI | 2022-23        | 2023-24        | 2024-25        |
|------------------------------------|-------------------|----------------|----------------|----------------|----------------|
| City Gallery Wellington            | 104,172           | 80,000         | 105,000        | 107,000        | 108,000        |
| Museums Wellington                 | 135,949           | 100,000        | 105,000        | 110,000        | 112,000        |
| Capital E                          | 56,299            | 38,000         | 40,000         | 40,000         | 42,000         |
| <b>Experience Wellington Total</b> | <b>*296,420</b>   | <b>218,000</b> | <b>250,000</b> | <b>257,000</b> | <b>262,000</b> |

\*Wide-reaching international interest in the Mittens exhibition and online programming for tamariki during and post lockdown.

**Social Media Profile:** A snapshot of Facebook friends, Instagram and Twitter followers and YouTube views.

| Social Media Numbers               | 2020-21<br>Actual | 2021-22<br>SOI | 2022-23       | 2023-24       | 2024-25       |
|------------------------------------|-------------------|----------------|---------------|---------------|---------------|
| City Gallery Wellington            | 43,438            | 43,000         | 48,850        | 51,200        | 53,760        |
| Wellington Museum                  | 15,233            | 15,120         | 16,750        | 17,650        | 17,800        |
| Capital E                          | 9,796             | 10,000         | 10,500        | 12,500        | 12,800        |
| Space Place                        | 10,693            | 10,910         | 11,300        | 11,900        | 12,000        |
| Nairn Street Cottage               |                   | -              | 720           | 800           | 820           |
| <b>Experience Wellington Total</b> | <b>79,746</b>     | <b>79,030</b>  | <b>87,120</b> | <b>94,050</b> | <b>97,180</b> |

Wellington Museum includes the Museums Wellington combined account for Instagram and YouTube.

**Quality of Visit (overall satisfaction):** Visitor feedback provided via surveys are based on ease of access, friendliness of staff, and level of comfort.

| Quality of the Visitor Experience | 2020-21<br>Actual | 2021-22<br>SOI | 2022-23 | 2023-24 | 2024-25 |
|-----------------------------------|-------------------|----------------|---------|---------|---------|
| City Gallery Wellington           | 85%               | 88%            | 85%     | 85%     | 85%     |
| Wellington Museum                 | 89%               | 90%            | 90%     | -       | -       |
| Capital E                         | 94%               | 90%            | 90%     | 90%     | 90%     |
| Cable Car Museum                  | 80%               | 80%            | 80%     | 80%     | 80%     |
| Space Place                       | 89%               | 90%            | 90%     | 90%     | 90%     |
| Nairn Street Cottage              | 97%               | 90%            | 90%     | 90%     | 90%     |

- Strengthening work at Wellington Museum will see the building close for an estimated two-year period, from the start of Q4 of 2022-23.

**Children & Young People Visiting for a Learning Experience:** The number of students (aged 0-18 years) participating in a learning experience organised by their education provider.

| Learning Experience Visitors       | 2020-21<br>Actual | 2021-22<br>SOI | 2022-23       | 2023-24       | 2024-25       |
|------------------------------------|-------------------|----------------|---------------|---------------|---------------|
| City Gallery Wellington            | 2,907             | 4,500          | 3,050         | 4,500         | 4,500         |
| Museums Wellington                 | 3,269             | 7,000          | 2,300         | 1,000         | 1,000         |
| Capital E                          | 17,763            | 23,400         | 28,550        | 19,940        | 55,324        |
| Space Place                        | 2,922             | 3,500          | 5,700         | 5,700         | 5,700         |
| <b>Experience Wellington Total</b> | <b>26,861</b>     | <b>38,400</b>  | <b>39,600</b> | <b>31,140</b> | <b>66,524</b> |

- Figures include curriculum-aligned learning experiences which are supported by the Ministry of Education through its ELC programme and self-directed and outreach learning experiences.
- The 10<sup>th</sup> Capital E National Arts Festival for Children will take place in 2023 (deferred from 2021 owing to COVID-19 increasing visitation in that year). Museums Wellington includes the Wellington Museum, Cable Car Museum and Nairn Street Cottage.
- We have based our targets on the assumptions that Q1 & Q2 will be in 'Red' seeing only some school activity. Q3 & Q4 will be in 'Orange' where we expect to see activity starting to progress, though still some nervousness of venues and audiences.
- Strengthening work at Wellington Museum will see the building close for an estimated two-year period, from the start of Q4 of 2022-23. The Learning Team will conduct outreach visits during that period.

## Our Sustainability

**Financial Performance:** We are forecasting a breakeven budget for 2022-23, on the basis that \$551k is provided through Council's Resilience Fund for the ongoing negative impacts from COVID-19. We are working towards a breakeven budget for 2023-24 and 2024-25.

**Non-Council Revenue:** The total amount of revenue (net of costs) generated from non-Council sources:

Trading includes admissions, retail, venue hire, sub-letting, and interest. Fundraising includes donations, sponsorships, other grants and cultural grants (CNZ and MoE for ELC). Retail sales and venue hire are significantly reduced in line with forecast visitation.

| Trading (\$'000)                   | 2020-21<br>Actual<br>\$000 | 2021-22<br>SOI<br>\$000 | 2022-23<br>\$000 | 2023-24<br>\$000 | 2024-25<br>\$000 |
|------------------------------------|----------------------------|-------------------------|------------------|------------------|------------------|
| City Gallery Wellington            | 206                        | 740                     | 250              | 340              | 330              |
| Museums Wellington                 | 511                        | 536                     | 400              | 350              | 350              |
| Capital E                          | 148                        | 138                     | 220              | 200              | 240              |
| Space Place                        | 496                        | 490                     | 500              | 620              | 630              |
| <b>Sub Total</b>                   | <b>1,361</b>               | <b>1904</b>             | <b>1370</b>      | <b>1510</b>      | <b>1550</b>      |
| Sub-letting, Interest & Other      | 5                          | 30                      | 30               | 88               | 91               |
| <b>Experience Wellington Total</b> | <b>1,366</b>               | <b>1934</b>             | <b>1400</b>      | <b>1598</b>      | <b>1641</b>      |
| Fundraising (\$'000)               | 2020-21<br>Actual<br>\$000 | 2021-22<br>SOI<br>\$000 | 2022-23<br>\$000 | 2023-24<br>\$000 |                  |
| City Gallery Wellington            | 345                        | 560                     | 350              | 600              | 650              |
| Museums Wellington                 | 139                        | 116                     | 150              | 72               | 75               |
| Capital E                          | 1,359                      | 623                     | 850              | 900              | 925              |
| Space Place                        | 503                        | 78                      | 100              | 90               | 100              |
| Trust Office                       | 104                        | 520                     | 50               | 50               | 50               |
| <b>Experience Wellington Total</b> | <b>2,450</b>               | <b>1,897</b>            | <b>1500</b>      | <b>1712</b>      | <b>1800</b>      |

The trading figures from 2020 are shown net of cost of sales.

**Spend per Visitor:** Visitor related revenue.

| Spend per Visit (\$)               | 2020-21<br>Actual<br>\$ | 2021-22<br>SOI<br>\$ | 2022-23<br>\$ | 2023-24<br>\$ | 2024-25<br>\$ |
|------------------------------------|-------------------------|----------------------|---------------|---------------|---------------|
| City Gallery Wellington            | 2.32                    | 4.93                 | 2.78          | 3.40          | 3.00          |
| Museums Wellington                 | 2.32                    | 2.37                 | 2.85          | 3.47          | 2.90          |
| Capital E                          | 2.54                    | 2.31                 | 3.14          | 4.44          | 4.36          |
| Space Place                        | 12.84                   | 11.14                | 16.6          | 15.5          | 12.6          |
| <b>Experience Wellington Total</b> | <b>3.36</b>             | <b>3.96</b>          | <b>4.23</b>   | <b>5.57</b>   | <b>4.89</b>   |

Museums Wellington includes the Wellington Museum, Cable Car Museum and Nairn Street Cottage.

A modified 10th Capital E National Arts Festival for Children will take place in 2023 (deferred from 2021 owing to COVID-19) increasing visitation.

Strengthening work at Wellington Museum will see the building close for an estimated two-year period, from the start of Q4 of 2022-23.

## Our People

**Health and Safety:** No notifiable incidents involving workers or visitors as defined by the Health and Safety at Work Act 2015.

| Number of Notifiable Incidents | 2020-21<br>Actual | 2021-22<br>SOI | 2022-23 | 2023-24 | 2024-25 |
|--------------------------------|-------------------|----------------|---------|---------|---------|
| Experience Wellington Total    | 1*                | 0              | 0       | 0       | 0       |

\*The notifiable incident from 2020-21 involved a staff member injured at an external venue. As PCBU we take joint responsibility for this.

**Staff Satisfaction:** is regularly monitored through Peakon. Results of our Annual Staff Engagement Survey are reported to the Board via the PPS Committee.

## Council's Subsidy per Visit

The Council subsidy per physical visitor (excluding online engagement) is calculated first by dividing the number of forecast visits into the operating grant received from Council (Table 1). Council's ownership costs such as insurance, maintenance and depreciation are then added (Table 2) to provide an estimate of the full subsidy per visit. The information regarding ownership costs is supplied by Council.

**Table 1: Operating subsidy per visit**

| Subsidy per Visit (\$)             | 2020-21<br>Actual<br>\$ | 2021-22<br>SOI<br>\$ | 2022-23<br>\$ | 2023-24<br>\$ | 2024-25<br>\$ |
|------------------------------------|-------------------------|----------------------|---------------|---------------|---------------|
| City Gallery Wellington            | 27.43                   | 17.64                | 27.33         | 25.09         | 23.26         |
| Museums Wellington                 | 9.59                    | 10.15                | 15.17         | 21.57         | 18.36         |
| Capital E                          | 30.78                   | 32.52                | 25.77         | 40.88         | 34.12         |
| Space Place                        | 13.82                   | 8.85                 | 13.39         | 10.25         | 8.36          |
| <b>Experience Wellington Total</b> | <b>21.32</b>            | <b>18.30</b>         | <b>24.81</b>  | <b>29.16</b>  | <b>25.40</b>  |

Subsidy per Visit forecast is based on the probable percentage of the operating grant received from Council as follows:

City Gallery Wellington – 30%

Museums Wellington (Wellington Museum, Cable Car Museum and Nairn Street Cottage) – 26%

Capital E – 22%

Space Place – 4.9% plus the cash underwrite

Central services provided through the Executive Office – 17.1%

Capital E will present the Capital E National Arts Festival for Children in 2022-23.

# EXPERIENCE WELLINGTON OPERATIONS

## Management

Led by the Chief Executive, our Executive Leadership Team (ELT) leads teams working across our organisation to grow and develop our unique brand and visitor experiences for our audiences. Our ELT are highly experienced in their respective fields and have a strong sense of collective responsibility, working together as one team for Experience Wellington's success.

## Capability

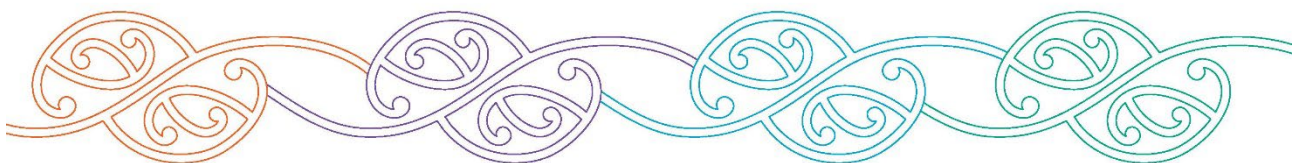
Our staff bring expertise in leadership, strategic thinking, knowledge of heritage collections, art, science, and creativity, and we appreciate their flexibility to go the extra mile to serve our audiences.

We will continue to focus on developing leadership capability to support collaborative team processes and practices. Our employee engagement strategies drive culture improvements and are directly informed by our people, who are continuously providing feedback via our employee engagement tool.

We are stronger together and are committed to the principle of collaboration and shared services. We work with Council, its associated organisations, and sector partners.

## Operational Efficiencies

We have upgraded our business systems to enable efficient integration across all our platforms, including CRM database (Salesforce), retail system (Vend), and cloud-based ticketing and venue hire. Our people are connected via Office 365, allowing the ability to work across our sites and remotely. We will continue to assess each purchasing decision made, whether we can reuse or repurpose materials, and to ensure we are making the best use of every dollar that is spent.





# RISK ASSESSMENT |

## Risk Management and Business Continuity

Our Risk Profile is reviewed regularly at executive and board level and identifies events and/or circumstances and the impact that these have on our operation using a system that ranks the probability and level of impact of the event. It includes risk management strategies such as recovery plans for specific events which carry high risk values.

Our ability to continue to operate following a major event will depend on factors outside of our control such as the extent of material damage to buildings. Business Continuity Plans have been developed at all sites.

We acknowledge that under the Health and Safety at Work Act 2015 we share Person Conducting a Business or Undertaking (PCBU) responsibilities with Council regarding Council buildings we manage and occupy.

Assessed risks which carry a lower risk value tend to be within our operational purview except for risks associated with buildings maintenance and plant performance issues which are Council's responsibility. Building and plant issues that are likely to affect business continuity or present a risk to health and safety of workers and visitors are immediately brought to Council's attention.

## Wellbeing, Health & Safety

Our wellbeing, health and safety goal is a zero-harm culture and we have adopted rigorous systems and processes to ensure Health and Safety compliance, and we work closely with Council to ensure that our approach is consistent with its expectations. This is particularly relevant in the context of building management where our Health and Safety obligations overlap.

The Board maintains a high degree of awareness of the legislation related to its activities. This includes a Wellbeing, Health and Safety Management Framework that identifies and prioritises the management of critical areas of risk. This is regularly reviewed, monitored, and verified for effectiveness. Where Council and the Trust have shared responsibilities and overlapping duties, then all parties ensure there is effective consultation and co-operation to eliminate or minimise the risks and keep all those in the vicinity of our workplaces safe.

We are committed to continuous improvement of our organisation effectiveness with the objective of being an employer of choice demonstrating whanaungatanga. Our wellbeing strategy aims to build a collaborative and high performing work environment. We have invested in training to support managers navigating wellbeing with their teams, and to increase awareness and skill including mental health training programmes.

Our number one priority is to keep our visitors and our staff safe, and we are fortunate that many of our venues are large enough to allow for physically distanced experiences. All Experience Wellington sites became COVID Vaccination Certificate (CVC) sites in December 2021, meaning all visitors aged 12 years and over need to provide their 'My Vaccine Pass' as a requirement of entry. All of our employees, contractors and volunteers must also be able to show proof of their 'My Vaccine Pass', in order to prioritise the safety and wellbeing of our visitors and staff.

## Insurance

We have adequate insurance cover to meet specific business needs and deductibles are in line with generally accepted risk management principles and affordability.

## Risk to Achieving Council KPIs

| KPI                                   | Risk Description  | Mitigation  |
|---------------------------------------|---|---|
| <b>Visitor numbers</b>                | Impacts from COVID-19, reputational risk                  | <ul style="list-style-type: none"> <li>• Actively targeting our audiences, keeping them up to date with our current visitor experiences</li> <li>• Ensuring we are providing safe spaces with adequate social distancing and increased hygiene measures in place</li> <li>• Ensuring alternative ways to engage visitors other than on-site.</li> <li>• Marketing and communications strategies in place.</li> <li>• Audience analysis and insights informing programming and marketing.</li> </ul> |
| <b>Financial targets</b>              | Operating revenue threatened                              | <ul style="list-style-type: none"> <li>• Continuing active conversations with Council and other funders to ensure what we deliver is in line with their expectations.</li> <li>• Establish additional sources of commercial revenue.</li> <li>• Operating a 'no surprises' policy with Council.</li> </ul>  |
| <b>Wellbeing, Health &amp; Safety</b> | A serious accident/incident                               | <ul style="list-style-type: none"> <li>• Continuing to revisit and assess our Wellbeing, Health and Safety Work Programme, which is governed by our Board of Trustees.</li> <li>• Effective support systems in place for staff including EAP services, team building, training, effective communication.</li> <li>• Plan, Policies and Procedures in place that reflect the Health and Safety at Work Act 2015.</li> </ul>  |
| <b>Fundraising</b>                    | Breakdown in sector relationships and partnership funding | <ul style="list-style-type: none"> <li>• Ensuring we are dedicating resources to this area of our business</li> <li>• Building and nurturing sector relationships by keeping funding partners up to date with our programme of activity</li> <li>• Alignment with funders' objectives/values</li> <li>• Establish and maintain realistic revenue expectations</li> </ul>  |

# APPENDICES

## APPENDIX 1: BOARD'S APPROACH TO GOVERNANCE | Ta Poari Rapunga Whakaaro

Trustees are appointed by Council and are standard-bearers for our vision. The Board is responsible for setting the strategic direction and approving the Statement of Intent (SOI) and the Strategic Plan. The Board monitors organisational performance, the organisation's on-going viability and the maintenance of its competitiveness. It delegates the day-to-day operation to the Chief Executive, who reports to the Board.

The Board meet regularly and operates two committees (listed below) which review relevant matters prior to consideration by the full Board. In addition, the Board will convene *ad hoc* working groups to consider specific issues. Guidance in specialist areas is also provided as appropriate.

### Board Committees

**Audit and Risk (A&R) Committee** assists the Board in carrying out its duties regarding financial reporting, risk management and legislative compliance.

**People, Performance and Safety (PPS) Committee** supports the Chief Executive in carrying out their responsibilities as the employer of all staff and assists the Board in chief executive matters and to meet its due diligence responsibilities regarding Experience Wellington's compliance with the Health and Safety at Work Act 2015.

### Board Membership

| Trustee               | Term Expires                            | Committees                       |
|-----------------------|---|----------------------------------|
| Jane Wrightson, Chair | 31 December 2024 (2 <sup>nd</sup> term) | <i>Ex officio</i> of PPS and A&R |
| Peter Jackson         | 30 June 2022 (1 <sup>st</sup> term)     | Chair PPS                        |
| Peter Johnston        | 30 June 2022 (1 <sup>st</sup> term)     | A&R                              |
| Martin Matthews       | 31 December 2024 (1 <sup>st</sup> term) | Chair A&R                        |
| Heather Galbraith     | 31 December 2024 (1 <sup>st</sup> term) | PPS                              |
| Cr Laurie Foon        |   |                                  |

*NB. Board appointment is for a three-year term. Trustees may be reappointed to the Board provided the total number of years served by a Trustee does not exceed nine years.*

### Board Performance

The Board strives to meet best practice governance standards and will undertake an annual review of the overall Board, individual Trustees, and the Chair's performance, and report to the Chief Executive of Council by 30 September 2022.

## APPENDIX 2: FORECAST FINANCIAL STATEMENTS | He Matapae Mō Ngā Tauāki Pūtea

| Forecast           | STATEMENT OF FINANCIAL PERFORMANCE           | Budget Qtr to | Budget Qtr to | Budget Qtr to | Budget Qtr to | Total YE      | Total YE      | Total YE      |
|--------------------|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 30/06/22           | Experience Wellington Total (\$'000)         | 30/09/22      | 31/12/22      | 31/03/23      | 30/06/23      | 30/06/23      | 30/06/24      | 30/06/25      |
| <b>Revenue</b>     |  |               |               |               |               |               |               |               |
| 1,436              | Trading Income (Net)                         | 350           | 350           | 350           | 350           | 1,400         | 1,598         | 1,641         |
| 8,040              | Council Operating Grant                      | 2,050         | 2,050         | 2,050         | 2,050         | 8,200         | 8,364         | 8,531         |
| 970                | Council Resilience Fund                      |               |               |               | 551           | 551           | 0             | 0             |
| 1,769              | Council Rental Grant                         | 442           | 442           | 442           | 442           | 1,768         | 1,769         | 1,769         |
| 950                | Grants                                       | 250           | 250           | 350           | 350           | 1,200         | 1,312         | 1,350         |
| 650                | Sponsorships and Donations                   | 60            | 80            | 80            | 80            | 300           | 400           | 450           |
| 1                  | Investment Income                            | 3             | 0             | 3             | 0             | 6             | 10            | 12            |
| 90                 | Other Income                                 | 40            | 40            | 40            | 40            | 160           | 200           | 220           |
| <b>13,906</b>      | <b>Total Revenue</b>                         | <b>3,195</b>  | <b>3,212</b>  | <b>3,315</b>  | <b>3,863</b>  | <b>13,585</b> | <b>13,653</b> | <b>13,973</b> |
| <b>Expenditure</b> |  |               |               |               |               |               |               |               |
| 7,385              | Employee Costs                               | 1,877         | 1,878         | 1,877         | 1,888         | 7,520         | 7,670         | 7,824         |
| 1,339              | Council Rent                                 | 335           | 335           | 335           | 335           | 1,340         | 1,339         | 1,339         |
| 2,348              | Exhibitions & Programmes                     | 320           | 400           | 410           | 617           | 1,897         | 1,815         | 1,945         |
| 494                | Marketing & Promotions                       | 120           | 120           | 120           | 125           | 485           | 485           | 485           |
| 1,365              | Occupancy Costs (excluding Council Rent)     | 284           | 293           | 392           | 397           | 1,366         | 1,392         | 1,421         |
| 86                 | Communication Costs                          | 26            | 26            | 26            | 26            | 104           | 106           | 108           |
| 96                 | Trustee Fees & Expenses                      | 28            | 28            | 28            | 28            | 112           | 112           | 112           |
| 250                | Technology Costs                             | 40            | 40            | 40            | 40            | 160           | 149           | 154           |
| 103                | Professional Fees                            | 26            | 26            | 26            | 26            | 104           | 90            | 90            |
| 140                | Administration Expenses                      | 46            | 46            | 42            | 43            | 177           | 175           | 175           |
| 300                | Depreciation                                 | 80            | 80            | 80            | 80            | 320           | 320           | 320           |
| 0                  | Interest                                     | 0             | 0             | 0             | 0             | 0             | 0             | 0             |
| <b>13,906</b>      | <b>Total Expenditure</b>                     | <b>3,182</b>  | <b>3,272</b>  | <b>3,376</b>  | <b>3,605</b>  | <b>13,585</b> | <b>13,653</b> | <b>13,973</b> |
| <b>0</b>           | <b>Net Surplus/(Deficit) before Taxation</b> | <b>13</b>     | <b>-60</b>    | <b>-61</b>    | <b>258</b>    | <b>0</b>      | <b>0</b>      | <b>0</b>      |
| 0                  | Taxation Expense                             | 0             | 0             | 0             | 0             | 0             | 0             | 0             |
| <b>0</b>           | <b>Net Surplus/(Deficit)</b>                 | <b>13</b>     | <b>-60</b>    | <b>-61</b>    | <b>258</b>    | <b>0</b>      | <b>0</b>      | <b>0</b>      |
| <b>0.00%</b>       | <b>Operating Margin</b>                      | <b>0.41%</b>  | <b>-1.87%</b> | <b>-1.84%</b> | <b>6.68%</b>  | <b>0.00%</b>  | <b>0.00%</b>  | <b>0.00%</b>  |

### Assumptions

WCC operating grant increases by 2% p.a.

WCC will meet the deficit in 2022-2023 from the Resilience Fund

Trading income will continue to climb back to pre-covid levels during 2023-2025

Wellington Museum will close at the end of the 3rd quarter of 2022-2023. This will not lead to a significant reduction of costs but will affect trading income

There will be a smaller Children's festival held in April 2023

| 30/06/22                       | Experience Wellington Total<br>(\$'000) | 30/09/22     | 31/12/22     | 31/03/23     | 30/06/23     | 30/06/23     | 30/06/24     | 30/06/25     |
|--------------------------------|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Shareholder/Trust Funds</b> |   |              |              |              |              |              |              |              |
| 2,155                          | Share Capital/Settled Funds             | 2,155        | 2,155        | 2,155        | 2,155        | 2,155        | 2,155        | 2,155        |
| 0                              | Revaluation Reserves                    | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| 447                            | Restricted Funds                        | 447          | 447          | 447          | 447          | 447          | 447          | 447          |
| 1,394                          | Retained Earnings                       | 1,394        | 1,394        | 1,394        | 1,394        | 1,394        | 1,394        | 1,394        |
| <b>3,996</b>                   | <b>Total Shareholder/Trust Funds</b>    | <b>3,996</b> | <b>3,996</b> | <b>3,996</b> | <b>3,996</b> | <b>3,996</b> | <b>3,996</b> | <b>3,996</b> |
| <b>Current Assets</b>          |   |              |              |              |              |              |              |              |
| 40                             | Cash and Bank                           | 40           | 40           | 40           | 40           | 40           | 40           | 40           |
| 260                            | Accounts Receivable                     | 435          | 770          | 631          | 600          | 600          | 600          | 600          |
| 189                            | Other Current Assets                    | 189          | 260          | 260          | 189          | 189          | 189          | 189          |
| <b>489</b>                     | <b>Total Current Assets</b>             | <b>664</b>   | <b>1070</b>  | <b>931</b>   | <b>829</b>   | <b>829</b>   | <b>829</b>   | <b>829</b>   |
| <b>Investments</b>             |   |              |              |              |              |              |              |              |
| 1438                           | Deposits on Call                        | 2883         | 1250         | 2810         | 1150         | 1150         | 1150         | 1150         |
| 0                              | Other Investments                       | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| <b>1,438</b>                   | <b>Total Investments</b>                | <b>2,883</b> | <b>1,250</b> | <b>2,810</b> | <b>1,150</b> | <b>1,150</b> | <b>1,150</b> | <b>1,150</b> |
| <b>Non-Current Assets</b>      |   |              |              |              |              |              |              |              |
| 3364                           | Fixed Assets                            | 3364         | 3364         | 3364         | 3364         | 3364         | 3364         | 3364         |
| 293                            | Other Non-current Assets                | 300          | 300          | 300          | 300          | 300          | 300          | 300          |
| <b>3,657</b>                   | <b>Total Non-current Assets</b>         | <b>3,664</b> | <b>3,664</b> | <b>3,664</b> | <b>3,664</b> | <b>3,664</b> | <b>3,664</b> | <b>3,664</b> |
| <b>5,584</b>                   | <b>Total Assets</b>                     | <b>7,211</b> | <b>5,984</b> | <b>7,405</b> | <b>5,643</b> | <b>5,643</b> | <b>5,643</b> | <b>5,643</b> |
| <b>Current Liabilities</b>     |   |              |              |              |              |              |              |              |
| 1270                           | Accounts Payable and Accruals           | 2893         | 1630         | 3099         | 1325         | 1325         | 1325         | 1,325        |
| 318                            | Other Current Liabilities               | 322          | 358          | 310          | 322          | 322          | 322          | 322          |
| <b>1,588</b>                   | <b>Total Current Liabilities</b>        | <b>3,215</b> | <b>1,988</b> | <b>3,409</b> | <b>1,647</b> | <b>1,647</b> | <b>1,647</b> | <b>1,647</b> |
| <b>Non-Current Liabilities</b> |   |              |              |              |              |              |              |              |
| 0                              | Loans - WCC                             | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| 0                              | Loans - Other                           | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| 0                              | Other Non-Current Liabilities           | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| <b>0</b>                       | <b>Total Non-Current Liabilities</b>    | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     |
| <b>3,996</b>                   | <b>Net Assets</b>                       | <b>3,996</b> | <b>3,996</b> | <b>3,996</b> | <b>3,996</b> | <b>3,996</b> | <b>3,996</b> | <b>3,996</b> |
| <b>1.21</b>                    | <b>Current Ratio</b>                    | <b>1.10</b>  | <b>1.17</b>  | <b>1.10</b>  | <b>1.20</b>  | <b>1.20</b>  | <b>1.20</b>  | <b>1.20</b>  |
| <b>0.72</b>                    | <b>Equity Ratio</b>                     | <b>0.55</b>  | <b>0.67</b>  | <b>0.54</b>  | <b>0.71</b>  | <b>0.71</b>  | <b>0.71</b>  | <b>0.71</b>  |

#### Assumptions

Replacement for fixed assets will equal depreciation each year

| Forecast                   | STATEMENT<br>OF CASH FLOWS                          | Budget Qtr to | Budget Qtr to | Budget Qtr to | Budget<br>Qtr to | Total YE | Total YE | Total YE |
|----------------------------|---|---------------|---------------|---------------|------------------|----------|----------|----------|
| 30/06/22                   | Experience<br>Wellington Total<br>(\$'000)          | 30/09/22      | 31/12/22      | 31/03/23      | 30/06/23         | 30/06/23 | 30/06/24 | 30/06/25 |
| <b>Operating Cash Flow</b> |   |               |               |               |                  |          |          |          |
| <i>Cash provided from:</i> |   |               |               |               |                  |          |          |          |
| 1,936                      | Trading Receipts                                    | 350           | 350           | 350           | 350              | 1,400    | 1598     | 1,641    |
| 10,779                     | WCC Grants  | 4,542         | 442           | 4,542         | 993              | 10,519   | 10,133   | 10,300   |
| 950                        | Other Grants  | 250           | 250           | 350           | 350              | 1,200    | 1,312    | 1,350    |
| 650                        | Sponsorships and<br>Donations                       | 60            | 80            | 80            | 80               | 300      | 400      | 450      |
| 1                          | Investment Income                                   | 3             | 0             | 3             | 0                | 6        | 10       | 12       |
| 90                         | Other Income  | 40            | 40            | 40            | 40               | 160      | 200      | 220      |
| 14,406                     |   | 5,245         | 1,162         | 5,365         | 1,813            | 13,585   | 13,653   | 13,973   |
| <i>Cash applied to:</i>    |   |               |               |               |                  |          |          |          |
| 7,385                      | Payments to Employees                               | 1,877         | 1,878         | 1,877         | 1,878            | 7,510    | 7,532    | 7,683    |
| 7,081                      | Payments to Suppliers                               | 1,843         | 837           | 1,848         | 1,515            | 6,043    | 5,801    | 5,970    |
| 42                         | Net GST Cash Flow                                   | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| 0                          | Interest Paid                                       | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| 14,508                     |   | 3,720         | 2,715         | 3,725         | 3,393            | 13,553   | 13,333   | 13,653   |
| -102                       | <b>Total Operating Cash<br/>Flow</b>                | 1,525         | -1,553        | 1,640         | -1,580           | 32       | 320      | 320      |
| <b>Investing Cash Flow</b> |   |               |               |               |                  |          |          |          |
| <i>Cash provided from:</i> |   |               |               |               |                  |          |          |          |
| 0                          | Sale of Fixed Assets                                | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| 0                          | Other   | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| 0                          |   | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| <i>Cash applied to:</i>    |   |               |               |               |                  |          |          |          |
| 157                        | Purchase of Fixed<br>Assets                         | 80            | 80            | 80            | 80               | 320      | 320      | 320      |
| 0                          | Other   | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| 157                        |   | 80            | 80            | 80            | 80               | 320      | 320      | 320      |
| -157                       | <b>Total Investing Cash<br/>Flow</b>                | -80           | -80           | -80           | -80              | -320     | -320     | -320     |
| <b>Financing Cash Flow</b> |   |               |               |               |                  |          |          |          |
| <i>Cash provided from:</i> |   |               |               |               |                  |          |          |          |
| 0                          | Drawdown of Loans                                   | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| 0                          | Other WCC Financing                                 | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| 0                          |   | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| <i>Cash applied to:</i>    |   |               |               |               |                  |          |          |          |
| 0                          | Repayment of Loans                                  | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| 0                          | Other   | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| 0                          |   | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| 0                          | <b>Total Financing Cash<br/>Flow</b>                | 0             | 0             | 0             | 0                | 0        | 0        | 0        |
| -259                       | <b>Net<br/>Increase/(Decrease) in<br/>Cash Held</b> | 1,445         | -1,633        | 1,560         | -1,660           | -288     | 0        | 0        |
| 1,737                      | <b>Opening Cash<br/>Equivalents</b>                 | 1,478         | 2923          | 1290          | 2850             | 1478     | 1190     | 1190     |
| 1,478                      | <b>Closing Cash<br/>Equivalents</b>                 | 2923          | 1290          | 2850          | 1190             | 1190     | 1190     | 1190     |

The closing cash needs to include \$478k of tagged funds that if not used for earthquake strengthening will need to be repaid to MCH.

| Forecast | <b>CASH FLOW<br/>RECONCILIATION</b>                 | Budget<br>Qtr to | Budget<br>Qtr to | Budget<br>Qtr to | Budget<br>Qtr to | Total<br>YE | Total<br>YE | Total<br>YE |
|----------|---|------------------|------------------|------------------|------------------|-------------|-------------|-------------|
| 30/06/22 | Experience Wellington<br>Total (\$'000)             | 30/09/22         | 31/12/22         | 31/03/23         | 30/06/23         | 30/06/23    | 30/06/24    | 30/06/25    |
| 0        | Operating<br>Surplus/(Deficit) for the Year         | 52               | -19              | (30)             | (3)              | 0           | 0           | 0           |
|          | <i>Add Non-Cash</i>                                 |                  |                  |                  |                  |             |             |             |
| 300      | <i>Items:</i><br>Depreciation                       | 80               | 80               | 80               | 80               | 320         | 320         | 320         |
| 0        | Other   | 0                | 0                | 0                | 0                | 0           | 0           | 0           |
| 300      |   | 80               | 80               | 80               | 80               | 320         | 320         | 320         |
|          | <b>Movements in Working<br/>Capital</b>             |                  |                  |                  |                  |             |             |             |
| 500      | (Increase)/Decrease in<br>Receivables               | -175             | (335)            | 139              | 31               | -340        | 0           | 0           |
| -45      | (Increase)/Decrease in Other<br>Current Assets      | 3                | (5)              | 7                | (5)              | 0           | 0           | 0           |
| 2        | Increase/(Decrease) in Accounts                     | 0                | 0                | 0                | 4                | 4           | 0           | 0           |
| (859)    | Increase/(Decrease) in Other<br>Current Liabilities | 1,565            | -1,274           | 1,444            | -1,687           | 48          | 0           | 0           |
| (402)    |   | 1393             | (1614)           | 1590             | (1657)           | (288)       | 0           | 0           |
|          | <b>Net Gain/(Loss)</b>                              |                  |                  |                  |                  |             |             |             |
| 0        | <b>on Sale:</b><br>Fixed Assets                     | 0                | 0                | 0                | 0                | 0           | 0           | 0           |
| 0        | Investments   | 0                | 0                | 0                | 0                | 0           | 0           | 0           |
| 0        |   | 0                | 0                | 0                | 0                | 0           | 0           | 0           |
| -102     | Net Cash Flow from Operations                       | 1525             | -1553            | 1640             | -1580            | 32          | 320         | 320         |



## **APPENDIX 3: ACCOUNTING POLICIES**

### **Significant Accounting Policies**

The following accounting policies which have a material effect on the measurement of results have been adopted by Experience Wellington.

#### **1. Reporting entity**

The Wellington Museums Trust Incorporated, trading as Experience Wellington, is a Registered Charity CC22571 under the Charities Act 2005. It is a Council Controlled Organisation (CCO) in terms of the Local Government Act 2002.

The forecast financial statements of Experience Wellington for 2022-23 onwards includes the activities of the following business units - the Experience Wellington Executive Office, Capital E, City Gallery Wellington, Museums Wellington covering Wellington Museum, Nairn Street Cottage, the Wellington Cable Car Museum, and Space Place at Carter Observatory.

The principal activity of Experience Wellington is to develop and manage institutions and to operate them for the benefit of the residents of Wellington and the public generally. For the purposes of financial reporting, Experience Wellington is a public benefit entity (public sector).

Experience Wellington has no intention of subscribing for, purchasing, or otherwise acquiring shares in any other company or other organisation.

#### **2. Basis of preparation**

##### **a) Statement of compliance and basis of preparation**

The forecast financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZGAAP). They comply with Tier 2 PBE Accounting Standards (Public Sector) and disclosure concessions have been applied.

Experience Wellington has elected to report in accordance with Tier 2 PBE Accounting Standards (Public Sector) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$30 million.

##### **b) Basis of measurement**

The forecast financial statements are prepared on the historical cost basis.

##### **c) Presentation currency**

These forecast financial statements are presented in New Zealand dollars (\$).

#### **3. Significant accounting policies**

The accounting policies set out below will be applied consistently to all periods presented in the financial statements.

##### **a) Property, plant, and equipment**

Items of property, plant and equipment are stated at cost, less accumulated depreciation, and impairment losses.

###### **(i) Subsequent costs**

Subsequent costs are added to the carrying amount of an item of property, plant, and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to Experience Wellington and the cost of the item can be measured reliably. All other costs are recognised in surplus/ (deficit) as an expense as incurred.

###### **(ii) Depreciation**

Depreciation is charged to surplus/ (deficit) using the straight-line method. Depreciation is set at rates that will write off the cost or fair value of the assets, less their estimated residual values, over their useful lives. The estimated useful lives of major classes of assets and resulting rates are as follows:

|                           |                 |
|---------------------------|-----------------|
| ▪ Computer equipment      | 33% SL          |
| ▪ Office and equipment    | 25% SL          |
| ▪ Motor vehicles          | 20% SL          |
| ▪ Building Fittings       | 5%-25% SL       |
| ▪ Collections & artefacts | Not depreciated |

The residual value of assets is reassessed annually.

#### **b) Collections and artefacts**

Collections are artefacts that are of cultural or historical importance. A substantial amount of Experience Wellington's Collections were acquired on 29 February 1996 from the Wellington Maritime Museum Trust (WMMT) with others added either as gifts or purchases since 1996. Collections are carried at historic cost as assessed at the time of transfer from the WMMT. All subsequent acquisitions to the collections are recorded at cost if purchased. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition. Where the fair value of the assets is not able to be reliably measured, they are recorded at nil. Because the useful life of the collections is indeterminate, they are not depreciated.

An external valuation of the Collections from an independent valuer is obtained on a periodic basis to ensure that the carrying value of the Collections that are held at cost does not exceed their fair value.

The Trustees obtained a valuation at 30 June 2014 and have confirmed that the carrying value at 30 June 2019 is appropriate and that no impairment has occurred.

#### **c) Intangible assets**

##### **Computer software**

Software applications that are acquired by Experience Wellington are stated at cost less accumulated amortisation and impairment losses.

Amortisation is recognised in surplus/ (deficit) on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated useful lives for the current and comparative periods are as follows:

|                     |        |
|---------------------|--------|
| ▪ Computer software | 33% SL |
|---------------------|--------|

#### **d) Trade and other receivables**

Trade and other receivables are measured at their cost less impairment losses.

#### **e) Inventories**

Inventories (merchandise) are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

#### **f) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits.

#### **g) Impairment**

The carrying amounts of Experience Wellington's assets other than inventories are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is also recognised in the surplus or deficit.

#### **h) Employee benefits**

**Long service leave:** Experience Wellington's net obligation in respect of long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value. The discount rate is the market yield on relevant New Zealand government bonds at the Statement of Financial Position date.

#### **i) Provisions**

A provision is recognised when Experience Wellington has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market rates and, where appropriate, the risks specific to the liability.

#### **j) Trade and other payables**

Trade and other payables are stated at cost.

#### **k) Revenue**

##### **(i) Funding**

Experience Wellington's activities are supported by grants, sponsorship, admissions, and other trading activities. Grants received that have an obligation in substance to return the funds if conditions of the grant are not met are initially recognised as a liability and revenue is recognised only when the services are performed, or conditions are fulfilled.

Funds received that have no such obligation attached and merely a restriction imposed on the use of funds, are recognised as revenue when they become available.

##### **(ii) Services provided**

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. Income is recognised as the service is provided (e.g., exhibition run). Where exhibitions are not scheduled to run until the following fiscal year, revenue is deferred and amortised to income throughout the period of the exhibition.

##### **(iii) Donations**

Cash donations from the community are recognised in the Income Statement at the point at which they are receipted into Experience Wellington's bank account.

**(iv) Sale of merchandise**

Revenue from the sale of merchandise is recognised in surplus/ (deficit) when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of the merchandise, or where there is continuing management involvement with the merchandise.

**l) Expenses**

**(i) Operating lease payments**

Payments made under operating leases are recognised in surplus/ (deficit) on a straight-line basis over the term of the lease. Lease incentives received are recognised in surplus/ (deficit) over the lease term as an integral part of the total lease expense.

**(ii) Finance income and expenses**

Finance income comprises interest income. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in surplus/ (deficit) using the effective interest method.

**m) Availability of future funding**

Experience Wellington is reliant on the Wellington City Council for a large part of its income and operates under a Funding Deed with the Council. The Funding Deed is for a period of three years and is extended annually for a further year subsequent to the initial 3-year term.

If Experience Wellington was unable to continue in operational existence for the foreseeable future, adjustments may have to be made to reflect the fact that assets may need to be realized other than at the amounts stated in the balance sheet. In addition, Experience Wellington may have to provide for further liabilities that might arise, and to reclassify property, plant, and equipment as current assets.

**n) Income tax**

Experience Wellington is a Registered Charity and is exempt from income tax. Experience Wellington is not exempt from indirect tax legislation such as Goods and Services Tax, Fringe Benefit Tax, PAYE or ACC and accordingly it is required to comply with these regulations.

**o) Goods and services tax**

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

**4. Ratio of Total Assets: Liabilities**

- Experience Wellington prefers to remain debt-free.
- Debt may not be raised to finance operating expenses.
- Experience Wellington has a policy ratio of total assets to total liabilities of 3:1.

**5. Activities for which compensation from Council is sought**

Experience Wellington seeks funding of \$8,200K for the core operation including Space Place at Carter Observatory and an accommodation rental subsidy of \$1,769K for the 2022-23 financial year and an extension of the Wellington Museums Trust Funding Deed executed on 28 October 1999 in accordance with clause 5.2 of the Deed.

#### **6. Ratio of Shareholders' funds to total assets**

Based on the forecasted Statement of Financial Position as at 30 June 2022 the ratio of shareholders' funds to total assets is 0.71 and this is maintained in the forecasted Statement of Financial Position as at 30 June 2022.

#### **7. Significant Obligations/Contingent Liabilities**

Experience Wellington currently holds no cash reserves to meet operational requirements and to mitigate risks.

Experience Wellington has no contingent liabilities.

#### **8. Distribution to Settlor**

Experience Wellington does not make a distribution to the Settlor.

#### APPENDIX 4: 2022-23 PROGRAMME OF ACTIVITY

*Every year we provide an array of unique visitor experiences at all our sites. From the stories of Wellington to exploring the southern skies, to the vast array of educational experiences we provide to thousands of school children. We proudly contribute to the social wellbeing of our city with regular programming and exhibitions on offer.*



Art nourishes our souls and fires our imaginations. City Gallery Wellington Te Whare Toi provides ground-breaking exhibitions and learning programmes that make the best of contemporary art accessible to all. We are proud to be able to offer customised programmes for groups with specific needs such as *Gallery Babes* where mātua can bring their pēpi to meet with other caregivers to enjoy relaxed gallery tours, or *Gallery Seniors* where our tūnohunohu can join others aged over 65 for a relaxed and social guided tour.

Throughout the year we will continue to offer a range of contemporary art exhibitions, including *Maturau* curated by Wellington-based Māori artist, educator, and curator, Shannon Te Ao, whose exhibition considers what it means to be an artist working within Te Ao Māori at a time of COVID-19.



PlayHQ is Capital E's public play space, made for the city's youngest creatives. There's plenty of opportunity for children to be creative, have a dance, a sing-along, and for the grownups to sit and enjoy connecting in a safe and welcoming space. Situated above PlayHQ are two bespoke digital and film studios, where we welcome rangatahi from across Aotearoa to create stories, music, apps and animation together. These studios host thousands of young people in school visits, as well as in holiday programming every year.

Capital E's National Theatre for Children creates, produces, presents, and tours high quality dynamic theatre and performing arts experiences for children aged 2 – 12 years that is relevant, transformative, and fun. We believe every young New Zealander should have the opportunity to experience the best performance art that speaks of Aotearoa and their place in the world. The Capital E team also works in partnerships across the capital's creative sector: providing child-focussed goodness for Cuba Dupa, Children's Day and other events.



Museums Wellington comprises four of our city's leading visitor attractions – Wellington Museum, Space Place, Cable Car Museum, and Nairn Street Cottage.

Wellington Museum tells the stories of Te Whanganui-a-Tara through interactive exhibitions and local taonga reflecting our city's rich social and cultural history. Visitors can explore the museum's four floors independently or gain more insight by booking a *Cup of Curiosity Tour* or *Ship 'n' Chip Tour* which includes a trip to Matiu/Somes Island. In association with Autism New Zealand, we welcome our neurodiverse communities to explore local taonga in a calm and quiet space at one of our low-sensory hours held monthly and featuring reduced light and sound.

At the top of Wellington's iconic Cable Car is the Cable Car Museum, where visitors can step back in time and learn about one of our earliest transport systems. Just a short stroll through the Botanical Gardens you'll find Space Place which regularly hosts school groups to learn and explore the galaxy around us. *Astronomy on Tap* is also offered monthly at Space Place, where visitors can "cheers" to the stars with complimentary drink in hand, exploring the night sky in the stunning, full-dome planetarium.

Guided Tours are offered at one of Wellington's oldest homes, Nairn Street Cottage. Each room is dedicated to a member of the Wallis family (the original occupiers) and decorated according to their era and style. In the Visitor Centre next door, your guide will uncover wider historical context that influenced the cottage's construction and changes. The authentically presented heritage garden in the back yard is a beautiful example of living history and is always available to the public.





WELLINGTON REGIONAL ECONOMIC  
DEVELOPMENT AGENCY LIMITED

# STATEMENT OF INTENT 2022-2025

**WellingtonNZ**  
MAKING THE WELLINGTON REGION **Wildly Famous**

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## Appendix 1: Governance and Accounting

*In accordance with the Local Government Act 2002, this Statement of Intent (SOI) states the planned activities, intentions and performance measures for the Wellington Regional Economic Development Agency (WREDA) for the next three years. It is written in response to the Wellington Regional Strategy (WRS) Committee's December 2021 Letter of Expectation and covers both WREDA Ltd (WellingtonNZ) and its subsidiary CreativeHQ Ltd.*

# 1. MIHI

E tu noa ana ngā maunga whakahi i te rohe whānui o Te Upoko o te Ika a Maui. Mihi atu ana ki ngā iwi, ngā manawhenua o Te Whanganui a Tara, o Te Awakairangi, o Wairarapa, o Kāpiti, o Porirua hoki.

Ngā mihi hoki ki ngā iti, ki ngā rahi e noho ana i ngā takiwā nei. Koutou hoki ngā taurahere me te hunga o te Moana Nui a Kiwa.

Rātou te hunga mate, kua poto ki tua o te ārai, e moe, okioki e.

Te hunga ora e kawea ana ngā ahi kā, me te kaupapa toi, te auaha pai me te whai rawa o Te Upoko o te Ika, tēnā koutou katoa.

*The many mountains of Te Upoko o te Ika a Maui (from Head of the Fish of Maui) stand proud.*

*We acknowledge the mana whenua people of the region, of Wellington, Hutt Valley, Wairarapa, Kāpiti and Porirua.*

*We acknowledge all peoples and the many communities of the Pacific Islands.*

*To those that have passed - we acknowledge you in your eternal rest.*

*To those who maintain the fires of residence, the pursuit of innovation and creativity here in the wider Wellington region, we acknowledge you too.*

## 2. STATEMENT FROM THE CHAIR AND CHIEF EXECUTIVE

Our region has significant strengths, in our history, our topography, our diverse communities, and our status as the Capital city of Aotearoa New Zealand — being the home of many national institutions. Our business community is innovative and future focused. We are the place where politicians, policy makers, scientists, entrepreneurs, activists, academics and artists rub shoulders every day. A place of ideas, curiosity, diversity and debate.

But we are living in challenging times, and there are issues to address. Not everyone in our region has been able to benefit in the opportunities created by our growing economy and there is work to do to ensure wider participation. Our infrastructure and housing challenges have been well publicised and, importantly, the war for talent is heating up both within New Zealand and internationally. To address the challenges of Covid, climate and housing, we need much closer collaboration between the cities of our region, the business sector, our education providers and our research and science institutions.

The Wellington region and its communities have demonstrated their resilience in responding to these challenges. There is a real basis for optimism as we look to the future. We have all the ingredients for a thriving low carbon, connected community. We now need the confidence to deliver it. Together we will need to be aligned, courageous and willing to embrace change to take advantage of the opportunities ahead. Importantly our future will embrace Te Tiriti and the aspirations of our Māori and Pasifika communities to grow businesses, create jobs and tell their stories. We will be deepening our capability and confidence in te ao Māori to enable us to support them in achieving this.

This SOI reflects the challenges and opportunities of this moment in time. We are confident but realistic – recognising the progress that has been made already across the region, including the reinvigoration of Wellington City with Tākina, the St James Theatre, the Town Hall all coming on stream in the 3-year period covered by this SOI, as well as regional initiatives such as the Lane Street Studio development in Upper Hutt and the significant construction activity in Porirua, the Hutt Valley and the Wairarapa.

WellingtonNZ is a small group of passionate and committed Wellingtonians. Our objective is to help create a thriving regional community and economy from which more people benefit, and a vibrant connected region in which talented people choose to live, work, and visit. Much of the money we get from our shareholders and partners is tagged to specific projects or required to pay our operating costs. It is not possible to do everything.

This SOI therefore reflects the priorities of our shareholders as expressed in the Letter of Expectation, aligned to the strategic direction we have been charting.

These might be challenging times but, together with our partners, we are up for the challenge.

Tracey Bridges  
***Chair of the Board***

John Allen  
***Chief Executive***

### 3. HOW WELLINGTONNZ WILL RESPOND TO THE LETTER OF EXPECTATION

#### WHO WE ARE

WellingtonNZ is the Wellington region's economic development and promotions agency. We are a Council Controlled Organisation (CCO) with our shareholders being Wellington City Council (WCC – 80%) and Greater Wellington Regional Council (GWRC – 20%). We are governed by an independent Board of Directors who are appointed by the shareholders. WellingtonNZ is responsible to the Regional Leadership Group which has responsibility for the Regional Economic Development Plan. We also report regularly to both the Wellington City Council and GWRC as our shareholders.

Funding for WellingtonNZ activities comes from the two shareholding councils, from central government agencies who contract WellingtonNZ to perform specific services, and from a range of private sector partners.

WellingtonNZ is also the owner of a subsidiary company, CreativeHQ Ltd. CreativeHQ provides business incubation, acceleration and innovation services. CreativeHQ has its own independent Board, including a WellingtonNZ Director and the WellingtonNZ CEO.

#### OUR PURPOSE

Our vision is that **the Wellington regional economy is thriving, with more people participating in the benefits.** This means more opportunities for people – to study, work and enjoy and participate in all that the region has to offer.

To contribute to this vision, our primary purpose is **to make the Wellington region wildly famous as a place to live, work, visit, study, and invest.** This purpose reflects our central role in placemaking and storytelling, and in attracting people to our region, as the best place in New Zealand to experience, host an event, start and sustain a business, make a film, study, migrate to or invest in. By working to make our region wildly famous for its opportunities and experiences we create a platform for the region to prosper – both economically but also in terms of vibrancy, livability and inclusiveness. We attract people and investment by telling the stories of this place, and actively promoting it, to domestic and international audiences. We invest in events which bring visitors to our region. In addition, with a wide range of partners (our shareholders, central government, local businesses, universities and education providers, and our subsidiary CreativeHQ) we invest in and support initiatives to create jobs and retain and develop the enormous talent in our region.

We believe that the region – which includes Kāpiti, Porirua, the Hutt Valley, Wairarapa and Wellington city – is greater than the sum of its parts and that by working to develop and tell a compelling and unifying regional story, we amplify the potential of this place.

We have identified three focus areas, to support this kaupapa and to reflect the expectations of our shareholders:

- **Jobs for the future** - Support businesses to grow, innovate and meet future workforce needs
- **Placemaking** - Enhance Wellington's reputation as New Zealand's creative heart
- **Collaboration and Engagement** - Working in partnership to support investment in the region

These focus areas create the strategic framework within which we meet the objectives of our shareholders, and make the most of the investment available to us, on behalf of our communities.

## HOW WE CONTRIBUTE TO THE GOALS OF OUR SHAREHOLDERS

In their Letter of Expectations, our shareholders set out several priorities and goals. In this section we note how our work contributes to those.

Our success depends on making this region wildly famous as a place to live, work, visit, study and invest. This requires us to support our shareholders in their initiatives to ensure functioning infrastructure, affordable housing, fit for purpose creative and cultural spaces and efficient and effective public transport. We provide this support by leading and participating in strategy development, and through our advocacy for the importance of this investment to both funders and the people of our region.

The Letter of Expectations also notes the importance of the creative sector to our city and region, and we note the role we play in supporting this sector who do so much to generate the vibe of our Capital city. Our venues provide the spaces for artists to showcase their talents to our diverse population, and we continue to work to ensure that they are fit for purpose and support a wide variety of cultural community, business and sporting events.

We recognise the need to improve the economic outcomes for Māori and Pasifika. Much of our work is focused on this, including supporting opportunities for rangatahi to explore careers in film or entrepreneurship and working with mana whenua to enable them to deliver the goals they have set for themselves and their communities.

We are also working to deliver a low carbon economy across the region by supporting businesses developing new technologies to help people change their behaviour and implementing changes in our own business to improve our sustainability performance.

The Wellington region is diverse. This diversity gives us strength. WellingtonNZ recognizes, respects, and celebrates members of our rainbow community. We support them and we recognise the very significant contribution they make to our region. We are also working through our Diversity & Inclusion Committee to make our working environment welcoming and supportive of all our people, including our LGBTI+ employees.

The relationship with our shareholders is critical to our success. We have an open and high trust relationship which works on a "no surprises" basis and actively discuss risks to the achievement of our plan and how we might mitigate these.

## How we will meet the specific requirements outlined in the Letter of Expectation

### 1. Placemaking — marketing the city as a destination for visitors, migrants, investors and students

This is a core responsibility of WellingtonNZ. We have a range of programmes in development which build on our existing successful platforms: Wild Weekends, Imagine This, and event specific marketing initiatives. Wellington remains an attractive destination for many. The Destination Management Plans provide guidance to us and Councils around the region to develop new tourism product and experiences that will enable storytelling about this remarkable place and the many attractions it offers to those who want to visit, study, work or live. Our ambition over the term of this SOI is to extend the visitor nights spent in the region which will make a significant difference for tourism, hospitality and retail businesses across our region.

### 2. Attracting Australian Visitors

The reopening of the Australian market is a particular area of focus for our Marketing Team in relation to both tourists, business event delegates and talent. We are planning campaigns (including our Welcome Matt campaign) as the border opens to Australian visitors and tourists, we will continue an active digital campaign to targeted segments of the Australian market to maintain awareness of the Wellington Region's attractions in the minds of Australians. We are partnering with TourismNZ, Wellington Airport and a range of tourism, accommodation, and hospitality businesses in this work.

### 3. Working on Covid Recovery

Covid recovery is a major focus for WellingtonNZ, and our marketing and business support teams are both engaged daily in supporting local business – particularly in the hard-hit tourism, hospitality, accommodation and (in some places) retail sectors. As well as the marketing campaigns described above, our work has involved funding support to enable businesses to secure important professional advice to help them respond to the Covid challenge, advocacy and storytelling to attract talent and domestic visitors and importantly securing and supporting major events to bring people to the region. This work continues, and we are working with central government partners to adapt this funding so it can be more responsive to business needs.

### 4. Supporting our ambitious climate goals

Climate change and sustainability are the focus of much of our work across the region. It features strongly in the REDP whether in potential projects dealing with water storage and land use change, in work to drive “weightless” exports through our technology sector, or in efforts to reduce carbon in manufacturing and construction through advanced manufacturing the application of new technologies.

### 5. Commitment to Te Matarau a Maui

WellingtonNZ is working closely with Te Matarau a Maui to identify initiatives that will enable Māori Business growth and ensure they are included in the Regional Economic Development Plan. We expect to resource and lead the implementation of at least one of these major projects in the 2022/23 financial year.

### 6. Supporting our dynamic business community

This is a critical component of our strategy – which specifically recognises the need for a focus on jobs and skills as we look to the future. Our work will include:

- A range of initiatives focused on making Wellington an International Centre of Excellence for Green Technology and positioning us in the top 50 in the Global Innovative Cities Index.
- Telling the stories of Wellington business to attract and retain talent. This builds on the successful *Imagine This* Podcast
- Reimagining our local marketing activity – the Love Local campaign was hugely successful in supporting businesses through the initial period of the Covid pandemic. This approach will be reimagined for the current (and anticipated future) environment.
- CreativeHQ; through our subsidiary, CreativeHQ we are working to significantly increase the number of start-ups based in Wellington region. This will see a strengthened incubation and acceleration service as well as investment in collaborative working spaces (specifically recognised as important in our reality completed screen sector) and advocated by many in the tech community.



## **7. Supporting the success of Tākina**

WellingtonNZ recognises the significant opportunity our new Convention and Exhibition Centre represents for the region. We are actively supporting the success of this critical initiative through the secondment of our Business Events team to lead the sales process and the provision of marketing support. We are working closely with the City Council, Te Papa and Tākina Events to maximise the opportunity that Business events and large-scale exhibitions represent for our region. We understand that there are a complex set of relationships and responsibilities that need to work smoothly if Tākina is to deliver the results expected. We are committed to making this happen but recognise that it is likely to take time for them to settle into an effective working model, and we are committed to supporting that process actively.

## **8. Operating Venues which work for Wellington**

We recognise the importance of our Venues in delivering entertainment, cultural, sporting, business and community events for local residents and visitors – generating economic, social and cultural benefits to Wellington. We have started on a number of capital programmes to enable our venues to support a wider range of programming – particularly music – and to make them accessible to a greater proportion of our citizens. This work, which is occurring alongside major projects such as the St James Theatre and Town Hall strengthening, will enhance our venues and make them fit for purpose to meet the ambitions of the city's Aho Tini and economic wellbeing strategies.

## **9. An Economic Development action plan for our region**

This is a significant project which is progressing well. We expect it to be completed around the end of the 2021/22 financial year, with a focus on the identification of 20-40 projects which can augment strategies already being advanced by the Territorial Authorities across our region. The objective of the plan is to align activity across the region and, importantly, secure central Government support and funding for these larger scale projects which can drive our economic progress. We are leading this work in partnership with GWRC.

## **10. Developing integrated Visitor Experiences**

We recognise the importance of the Cable Car as an integral visitor attraction (and important public transport option for residents). We will work with the Cable Car, other CCOs and businesses to further explore options for an integrated tourism product offering at its Kelburn terminus with links to encourage tourists to visit more of the diverse range of attractions across the city.

## 4. OUR STRATEGY FOR 2022-23

| <b>MISSION</b><br>Make the Wellington region wildly famous  |   |  |
|---|---|--|
| <b>VISION</b><br>The Wellington regional economy is thriving with more people participating in the benefits |   |  |
| <b>MORE</b><br>Businesses succeeding and employing more people  | <b>MORE</b><br>Locals and visitors participating in events and experiences            | <b>MORE</b><br>Collaboration and investment across the region  |
| <b>JOBS FOR THE FUTURE</b><br>Support businesses to grow, innovate and meet future workforce needs.         | <b>PLACEMAKING</b><br>Enhance Wellington's reputation as New Zealand's creative heart | <b>COLLABORATION &amp; ENGAGEMENT</b><br>Work in partnership to support investment in the region to unlock opportunities |

Our Board, at its meeting of 16 February 2022, reconfirmed our strategic framework mission, vision, and areas of focus, in the context of the shareholders' Letter of Expectations. Our success in all areas relies on our central Placemaking pou.

In addition to the particular activities outlined in the section above, we note the following aspects of our strategy and approach for the coming year:

### Placemaking

Placemaking involves exciting people about the opportunities and experiences which are available across this region and attracting them to visit, study, work, invest and live here. We do this by telling the stories of this place in innovative ways and by delivering campaigns which reflect the personality of Wellington and achieve impact in highly competitive markets.

This includes stories of our businesses — particularly our tech sector (which incorporates screen, gaming, software as a service and advanced manufacturing), which has high growth potential, high paying jobs, weightless export orientation and attractiveness to our young people from across all demographics.

We will continue to champion our resident artists and arts organisations who contribute so much to the vibe, energy and liveability of our region. Major Events continue play a key role in placemaking efforts, attracting people to our region. We have an exciting line-up of events and exhibitions in store and, subject to border realities, are confident we will be able to fill the stadium and our venues across the city including Tākina when it opens in 2023 with sports and music fans and lovers of the Arts and exhibitions.

### Jobs for the future

Our regional growth framework anticipates growth of 100,000 jobs over the next 30 years. Contributing to the delivery of these is a key component of our strategy. We believe the broad technology sector, supported by our Universities and CRIs will deliver a lot of these. The Government, Professional Service sector, and Construction continue to be critical to the regional economy (and indeed underpin its resilience in the face of Covid) with WellingtonNZ and its shareholders having less influence over their growth than we do with tech.

We will be using our subsidiary CreativeHQ to lead many of our business growth initiatives, with our involvement with the Regional Business Partner Scheme and our marketing capability also leveraged to develop attract and retain the talent. Under the RBP scheme (which is currently being re-tendered) we work with hundreds of businesses across our Region and are looking to add even more value to these important relationships.

In addition, we will continue to support the implementation of Major Projects identified in the Destination Management Plans, the Regional Economic Development Plan and the Regional Screen Strategy. These projects will be important contributors to economic growth across our region.

### **Collaboration and engagement**

To deliver the impact the region needs we need to work in partnership with others; Mana Whenua, Territorial Authorities, Central Government, Businesses and Arts institutions are all important. The strengthening of these relationships will be a key feature of our work during this SOI period.

We recognise the critical importance of the region's commitment to Te Tiriti and to the task of improving economic outcomes for Māori and Pasifika. A key component of this is supporting Mana Whenua to determine and deliver outcomes that deliver to their current and future ambitions. We will be strengthening our capacity and capability to support these ambitions, which we share.

We will also be continuing our work to support the sustainability objectives of shareholders whether by reducing the waste that goes to landfill from our venues, supporting businesses developing new technologies to help deliver a zero carbon future, or working with our tourist businesses to help them become more sustainable while highlighting the extraordinary attractions including Zealandia and East by West Ferries, that were conceived and built here and speak to our regional commitment to these outcomes.

The following section spells out in detail our work in these areas during the period of this Statement of Intent.

## 5. PROGRAMME OF ACTIVITY

### PLACEMAKING

**Objective: Enhance Wellington as New Zealand's creative heart — driving more locals and visitors to participate in events and experiences, and drive visitation into local businesses and attractions.**

| Programme             | Overview   |
|-----------------------|--|
| Major Events          | <p>WellingtonNZ continues to support and invest in Major Events for Wellington City, taking a portfolio approach to generate economic, brand and social benefits. Over the coming period, we will utilise this investment in Major Events to attract events to Wellington in support of City's economic wellbeing outcomes. A successful calendar of Major Events will be key to the economic and cultural bounce back of the city post Covid, engaging locals and visitors alike.</p> <p>In this SOI period our WellingtonNZ Major Events team will also administer and monitor the Wellington Regional Events Fund. The fund will focus on securing events for the Wellington region that will drive domestic visitation to the region, increasing domestic tourism.</p> |
| Australian Visitation | <p>Covid-19 has reduced our activity in Australia. With the latest border announcement, this has changed. With friends and whānau expected to return first (without need of prompting), our next immediate focus will be on the east coast audience through a range of channels and marketing tactics. Continuing to work closely with partners including TNZ, Air NZ and Wellington Airport in this, ongoing marketing will be tailored around the tourism space's settling into the new normal, considering government policy, the evolving traveller mindsets and behaviours, flight routes, and competition across markets.</p>  |
| Domestic Visitation   | <p>WellingtonNZ's marketing efforts will continue to support and promote the region's strengths in world-class experiences, creativity, innovation, nature and culture — driving ticket sales, hotel bookings, spend in the city, and a wider, positive national conversation around what a visit in the region can be. We know from recent data that short visits are driven by family, major events, food &amp; culture and access to nature. People expect something different from Wellington, which is one of our major draws, so our marketing and communications activity should reflect this spirit for zigging when others zag. As with all of our work in this space, people and storytelling will remain a central tenet of our placemaking activities.</p>     |

|   |   |
|---|---|
| <b>Talent Attraction and Retention</b>      | There are many challenges facing Wellington in attracting and retaining the talent we need to grow and be sustained as a city and region. With strong domestic and international workforce competition, coupled with inflation, the effects of COVID-19 and a global shift in travel and work behaviour, we need to think and act differently in our marketing activity and the how businesses approach their workforce needs. We aim to use real successes to showcase the opportunities and tactics in the region, to better reach people across locations, experience levels, and industries. This is not limited to marketing but through our business growth team and more direct capability building. All placemaking, we consider our visitation marketing activity to be work that supports this talent drive, and vice versa.  |
| <b>Investment attraction</b>                | Attracting and facilitating investment that will support business attraction, retention and growth, to drive job opportunities and economic growth across the region.   |
| <b>Venues Wellington</b>                    | <p>WellingtonNZ will continue to manage the operation of the Wellington city entertainment venues under the Venues Wellington brand – including sales, event operations, customer experience and facilities management.</p> <p>Providing an opportunity to set clear strategic objectives for the Venues Wellington business, Tākina’s opening in 2023 will follow the reopening of the St James in 2022. Shifting the mix of content to a greater emphasis on performance and entertainment events, we will continue to plan and implement models to drive the desired content, providing a high-quality entertainment offering that makes Wellington and its venues an attractive proposition for current and potential residents.</p> <p>Over this SOI period we will continue to work with WCC to drive investment in our civic venues, including the redevelopment of venues, to ensure they are fit for purpose and meet changing audience trends and expectations.</p> |
| <b>UNESCO City of Film</b>                  | In 2019 Wellington was named a UNESCO City of Film. WellingtonNZ is the lead agency in coordinating leveraging this accolade through storytelling and working with the screen industry, and local and central government. The programme aims to contribute to a more vibrant, sustainable and inclusive screen sector and city by uplifting and giving voice and pathways to new, diverse talent.   |
| <b>Wellington Regional Trails Framework</b> | WellingtonNZ will continue to lead the support and growth of Regional Trails Framework, promoting the world-class Trails across the region under the Find Your Wild brand and through wider WellingtonNZ content and media channels. This work is a key element of our collaboration with regional partners and local businesses located close to trails.   |

## JOBS FOR THE FUTURE

**Objective: Support businesses to grow, innovate and meet future workforce needs, to ensure more businesses are succeeding and employing more people.**

| Programme   | Overview  |
|---|---|
| <b>Maori Economic Development and Business Support</b>                    | <p>Our work in 2022 and beyond will have a greater focus on supporting the growth of Māori businesses and entrepreneurs. We currently have a dedicated resource supporting Māori businesses through the Regional Business Partnership Program. We are engaging with Te Matarau A Māui and local Iwi to capture the initiatives they have designed to promote Māori business enablement and include these in the Regional Economic Development Plan. Our goal is for WellingtonNZ to resource and lead the implementation of at least one of these major projects commencing in the 2022/23 financial year. Additionally, we are actively supporting Māori Tourism projects such as Te Aro Pā revitalisation and the Porirua Adventure Park.</p>                           |
| <b>Wellington Regional Economic Development Plan</b>                      | <p>The development of the Regional Economic Development plan, led by WellingtonNZ, is governed by the Regional Leadership committee which is made up of mayors from each of the local authorities and Horowhenua District Council, mana whenua partners, central government ministers and representatives of WellingtonNZ.</p> <p>The objective of this definitive plan is to guide the long-term economic direction of the Wellington Region in line with the Regional Growth Framework; to support the creation of 100,000 jobs, promote equity, and improve quality of life for our people. The document is due to be delivered in mid 2022 and will contain an action list of up to 40 recommended initiatives that have been assessed using the PRISM framework.</p> |
| <b>Intern Programmes and Pathways to Employment</b>                       | <p>Reflecting our involvement with the Regional Skills Leadership Group, we will continue to support programmes that are targeted at providing intern opportunities for students and create pathways to full employment. Currently supporting the Summer of Tech and Young Enterprise programmes we will be considering ways that we can continue to grow the scale of our impact in this space to make a direct impact on workforce needs in the region.</p>   |
| <b>Creative HQ – Incubation Services and Innovation Ecosystem Support</b> | <p>CreativeHQ is a vital asset that enables WellingtonNZ to support and grow the region's start-up and entrepreneurial activity. To sustain and grow their capability and the industries they engage with, we are supporting business incubation and corporate (and Government) innovation. We want to see a dramatic rise in the number of business start-ups in the region and the range of support available to founders as they scale their businesses.</p>   |

|  |   |
|--|---|
| <b>Tech Sector</b>   | <p>We are actively engaging with a wide range of stakeholders to develop a more robust technology and innovation strategy for Wellington. This work will feed into the Regional Economic Development Plan and will result in a number of key initiatives to make Wellington a truly future focused region.</p> <p>Our initial goal is for Wellington to be ranked as a top 50 city for innovation in the Global Innovation Cities Index (currently ranked at 120). The key metrics our initiatives will seek to influence include:</p> <ul style="list-style-type: none"> <li>- Increase quantity of start-up companies</li> <li>- Increase venture capital invested in the region</li> <li>- Increase number of per capita jobs in the science and technology sector</li> <li>- Decrease carbon emissions of Wellington businesses</li> </ul> <p>It's important to note that our tech sector strategy is still to be costed and confirmed. It is likely that our work will include:</p> <ul style="list-style-type: none"> <li>- A capability building program for senior leaders in our fastest growing companies</li> <li>- A campaign designed to attract top executive level talent to the region</li> <li>- A focus on growing the sustainable technology sector</li> <li>- An innovation hub to improve collaboration between businesses and to increase the visibility of the tech sector in Wellington</li> <li>- Ongoing support for CreativeHQ and other programs that promote entrepreneurship and careers in technology</li> </ul> |
| <b>Wellington Convention Bureau – currently on secondment to Wellington City Council</b> | <p>With Tākina – the new Wellington Convention and Exhibition Centre - coming on-stream in mid-2023, Business Events will play an increasingly important role in the Wellington economy, bringing high value visitors to the city. With a near term focus on attracting conferences and business events locally, nationally and trans-Tasman, we are also creating a strong international pipeline for when international travel starts again. WellingtonNZ has seconded its Business Events team to WCC to ensure that they can prepare for a successful opening of Tākina, WellingtonNZ will continue to support this work through marketing and communications — recognising that Tākina's success will be the region's, bringing significant economic benefits to the City.</p>   |
| <b>Wellington Regional Destination Plan</b>  | <p>A key placemaking piece, the recently released 'Destination Poneke' destination management plan was developed after consultation with communities and with stakeholders across the tourism industry. Setting a clear vision for Wellington to be a zero-carbon capital famous for transformational experiences, our goal is to enrich visitors' time here, create sustainable Wellington businesses, and to keep Wellington front of mind as somewhere people want to live, work and visit. These aspirations are also captured in the broader Regional Destination Plan and the Regional Economic Development Plan and clearly articulate tourism priorities for the future. With the plan delivered, the focus now switches to activating key projects.</p>  |



|   |   |
|---|---|
| <b>Supporting Wellington businesses to reactivate</b> | We will continue to lead a programme of promotions and activations to help businesses get back on their feet and rebuild consumer confidence in a welcoming, safe and creatively Wellington way; including people-first business storytelling, enhanced support and collaboration, and domestic visitation campaigns. |
|---|---|

## COLLABORATION AND ENGAGEMENT

***Objective: Work in partnership to support investment in the region to unlock the best outcomes and opportunities for all.***

| Programme  | Overview   |
|--|--|
| <b>Mana Whenua Partnerships</b>                                  | We will continue to deepen relationships with mana whenua to ensure our work supports their goals and we're working in partnership to deliver for the people of this region.   |
| <b>Regional Infrastructure and Economic Development Projects</b> | We will continue to work with and support local TA (Territorial Authority) Economic Development teams on the execution of their Economic Development strategies, within the context of our wider regional mandate. We are actively working with TAs to ensure we are reflecting their priorities and requirements in our work programmes, identifying specific projects in individual TAs that we can support. We are also exploring different resourcing models to make our support across the region more visible and effective.   |
| <b>Regional Workforce and Skills Development</b>                 | A considerable emphasis is being placed by the Government on regional development, supported by significant funding for critical infrastructure projects and a focus on skills development. WellingtonNZ is actively involved in the Regional Skills Leadership Group and will help develop specific proposals as priorities are determined. A particular area of focus will be supporting Mana Whenua and Pasifika communities with skills development programmes for their rangatahi.  |
| <b>The Creative Sector</b>                                       | <p>Our team at Screen Wellington continue to promote film and gaming projects as an integral part of wider creative sector growth. We are in the final stages of developing a 2030 Screen Strategy which identifies the size of the economic opportunity in these areas, and the initiatives that will best support the sector. Again, our objective is to align this work with the Regional Economic Development Plan to determine one or two major initiatives that will best serve the creative sector more broadly (including arts, literature, theatre). These initiatives will form the focus of our work from mid 2022.</p> <p>In addition, our team continue to run film permitting for the region and lead UNESCO City of Film initiatives. Wellington UNESCO City of Film contributes to a more vibrant, sustainable and inclusive screen sector and city and elevates and promote Māori stories and storytellers particularly mana whenua and stories of the Wellington region.</p> |

## 6. PERFORMANCE METRICS

In recent years, WellingtonNZ has reviewed its performance framework with the aim of:

- Reducing the number of metrics;
- Ensuring metrics are linked to factors which WellingtonNZ can control and which measures WellingtonNZ's direct impact;
- Measuring outcomes not just outputs;
- Providing greater clarity on the region's return on investment.

This remains challenging given the range of activities undertaken by WellingtonNZ and the varying levels of influence that WellingtonNZ has over ultimate outcomes. The impact of COVID-19 further complicated the situation, which has made both existing benchmarks less relevant and forecasting targets in an uncertain future very challenging.

For this reason, we continue to adjust to our performance measures to ensure we have a set of performance measures that best represents WellingtonNZ's activities and programmes but also make sure we are keeping consistency and keeping the metrics to a small set.

Note that in addition to these headline measures we will continue to measure a range of operational metrics including those that relate directly to our WCC, Major Events and Venues Wellington funding (aligned to the expectations of the Funding Agreements).

### Key Headline Performance Indicators

| KPI  | Explanation   | 2021/22 Forecast | 2022/23 Target |
|--|---|------------------|----------------|
| <b>JOBS FOR THE FUTURE</b>   |   |                  |                |
| <b>KPI 1: Direct economic impact of WellingtonNZ's activities and interventions</b>    | This is a measure we introduced in 2019/20. It is designed to provide a dollar value indication of the impact of WellingtonNZ activities by collating the value of those activities that we directly influence and impact (where we have data to support that). | \$ 75 million    | \$130 million  |
| <b>KPI 2: Number of businesses engaged by a WellingtonNZ intervention or programme</b> | This is a measure we introduced in 2019/20. It is designed to provide an indication of the number of businesses that we have directly impacted on by either being part of a WellingtonNZ programme or a direct WellingtonNZ activity or intervention            | 2,200            | 2,200          |

| KPI  | Explanation  | 2021/22 Forecast | 2022/23 Target  |
|--|--|------------------|---|
| <b>JOBS FOR THE FUTURE</b>   |  |                  |   |
| <b>KPI 3: Equivalent Advertising Value (EAV) from media activity</b>   | <p>This is a measure we introduced in 2019/20. A key activity for WellingtonNZ is creating external stories and media content.</p> <p>Equivalent Advertising Value (EAV) is an accepted industry estimate of the value of media coverage that results from public relations and media activity. EAV is based on the equivalent cost to purchase the same reach and coverage results. This is a combination of TNZ (International media EAV) and Domestic Media</p> | \$12.5 million   | \$20 million  |
| <b>KPI 4: Value of expenditure generated from events (including business, performance, and major events)</b> | Currently we measure out of region spend events at both Wellington city venues (covering both performance and business events) and Major Events. It is calculated using agreed methodology that is consistent across New Zealand. In light of Covid-19 and an increased domestic focus, we will measure the local audience at events to reflect the full impact.   | \$30 million     | \$75M (depending on Covid alert levels and viability of events)   |
| <b>The number of Wellington Region residents that attend events</b>  |  | 150,000          | 500,000 (depending on Covid alert levels and viability of events) |
| <b>COLLABORATION &amp; ENGAGEMENT</b>  |  |                  |   |
| <b>KPI 5: Stakeholder engagement</b>   | This is a measure of the engagement we have with our wide and varied stakeholders, and the quality of those relationships.   | 80%              | 90%   |

In addition to the above we have 3 key internal facing KPIs:

| KPI                                   | Explanation  | 2021/22 Forecast | 2022/23 Target |
|---------------------------------------|--|------------------|----------------|
| <b>KPI 1: Financial Management</b>    | Budget on track – income, expenditure and surplus.   | To Target        | To Target      |
| <b>KPI 2: Funding Diversification</b> | % of revenue from commercial/non council funding and commercial activity (combined WELLINGTONNZ and CHQ) | 30%              | 32%            |
| <b>KPI3: Employee Engagement</b>      | As measured by our CultureAmp employee surveys   | 68%              | 70%            |

### Indirect Measures of Impact

We will continue to measure, monitor, and report on a range of metrics which indicate how the region is performing in key areas of WellingtonNZ interest, but for which WellingtonNZ only has a partial or no direct impact. These include measures that are specifically requested as part of the WCC funding agreements.

| Measure  | 2021/22 Forecast |        | 2022/23 Target |         |
|--|------------------|--------|----------------|---------|
| International Arrivals through Wellington International Airport  | International    | 17,500 | International  | 100,000 |
|  | Australian       | 17,000 | Australia      | 120,000 |
| Visitor spend (Domestic & Other)                                 | Domestic         | \$800m | Domestic       | \$900m  |
|  | Other            | \$100m | Other          | \$180m* |
| Total Visitors' nights to our Wellington Region                  | 1,500,000        |        | 2,400,000      |         |
| Share of multi-day conferences reported in the Wellington Region | 21%              |        | 22%            |         |

*\*Border settings are constantly changing at the time of SOI target settings, current target has been based on border decisions as of 1 March 2022. Target will be impacted if further border decisions are made.*

We will also continue to collect and share data on the performance of the Wellington region including, but not limited to:

|   |                    |                    |
|---|--------------------|--------------------|
| Population Growth due to migration to Wellington Region               | 1,330              | 2,500              |
| Wellington Region GDP   | 3%                 | 2.5%               |
| Number of Filled Jobs in our Region                                   | 260,000            | 270,000            |
| Number on Jobseeker Support benefit – Work Ready                      | 12,000             | 11,500             |
| Mean Annual Earnings of people in employment in the Wellington region | Workforce \$73,736 | Workforce \$76,169 |

*\*WellingtonNZ will ensure that comparative (historical) figures are included in the company's reporting on its performance framework.*

## Notes and Sources

### Direct Measures

1. This is calculated from assessing the contribution of the value of business events attracted, the screen permits, value of redemptions for retail and hospitality promotions, the value of capability vouchers distributed, the value of R&D grants distributed, out of region expenditure at events, the value of spend from WellingtonNZ hosted programme activity, the value of sales generated through i-SITE pay and display, the value of sales made in the i-SITE for Wellington businesses, the contribution of non local government funding to the activity of WellingtonNZ, the equivalent advertising value for marketing and promotions activity, CreativeHQ, the spend of visitors generated as a result of WellingtonNZ promotional and marketing activity.
2. This number is calculated by aggregating the number of businesses who have received support from WellingtonNZ's programme and activities including, businesses who participated in Visa Wellington on a Plate (Producers, Breweries and Restaurants), WellingtonNZ partners who have formal partnerships with WellingtonNZ on programmes of work during the year (tourism, marketing, events and business partners), start-up businesses who WellingtonNZ provide professional capability building advice to, businesses who have benefited from featuring in WellingtonNZ promotional and marketing activities such as Wellington Unlocked, and Advent Calendar, businesses who have received support through WellingtonNZ's workforce and business support programme (such as Summer of Tech/Summer of Biz, Regional Business Partner programme and Pop up Business School).

3. Equivalent Advertising Value (EAV) is an accepted industry estimate of the value of media coverage that results from public relations and media activity. EAV is based on the equivalent cost to purchase the same reach coverage results. This is a combination of TNZ (International media EAV) and Domestic Media
4. The combined value of new spend in the region from visitors attending events in Venues Wellington and attendance at Major Events for which WellingtonNZ is an investor. It is calculated using agreed methodology that is consistent across New Zealand.

The total number of tickets recorded for major events and events in Venues Wellington that have been sold to residents in Wellington Region.

5. Measure of satisfaction by a range of stakeholders and key business partners. The methodology is an annual survey which captures stakeholders level of satisfaction with the quality of engagement with WellingtonNZ.
6. Financial profit and loss performance to within budget as monitored and reported on a monthly basis by our finance team
7. Measure of the percentage of revenue/income that comes from non-council shareholder funding across WELLINGTONNZ and CHQ
8. Measure of engagement from WELLINGTONNZ's annual Culture Amp engagement survey

## Indirect Measures

1. International Visitors Arrival – StatsNZ
2. Tourism Electronic Card Transactions (TECTs) – Ministry of Business Innovation and Employment
3. Accommodation Data Programme – Ministry of Business Innovation and Employment and Fresh Info.
4. Business Events Research Programme – Industry Partnership
5. Population Growth Data on Net Migration to Wellington Region – Infometrics
6. Wellington Regional GDP value – Infometrics
7. Monthly Employment Indicators – StatsNZ
8. Number on Jobseeker Support Benefits – Workready – Ministry of Social Development
9. Earnings for people in paid employment by region, sex, age groups and ethnic groups table – StatsNZ

## 7. FINANCIAL SUMMARY

| STATEMENT OF FINANCIAL PERFORMANCE |                   |                   |                   |
|------------------------------------|-------------------|-------------------|-------------------|
|                                    | 2022/23           | 2023/24           | 2024/25           |
| <b>REVENUE</b>                     |                   |                   |                   |
| Revenue from Shareholders          | 18,729,637        | 19,666,119        | 20,649,425        |
| Other Revenue                      | 12,922,387        | 13,568,506        | 14,246,932        |
| <b>TOTAL REVENUE</b>               | <b>31,652,024</b> | <b>33,234,625</b> | <b>34,896,357</b> |
| <b>EXPENDITURE</b>                 |                   |                   |                   |
| Personnel Costs                    | 13,468,000        | 13,939,380        | 14,724,865        |
| Investment in Projects and Events  | 15,634,108        | 16,616,330        | 17,279,576        |
| Other Expenditure                  | 2,449,916         | 2,578,916         | 2,791,916         |
| <b>TOTAL EXPENDITURE</b>           | <b>31,552,024</b> | <b>33,134,625</b> | <b>34,796,357</b> |
| <b>SURPLUS</b>                     | <b>100,000</b>    | <b>100,000</b>    | <b>100,000</b>    |



## STATEMENT OF FINANCIAL POSITION

|                            | 2022/23          | 2023/24          | 2024/25          |
|----------------------------|------------------|------------------|------------------|
| <b>SHAREHOLDER FUNDS</b>   | <b>3,749,361</b> | <b>3,849,361</b> | <b>3,949,361</b> |
| <b>ASSETS</b>              |                  |                  |                  |
| Current Assets             | 5,607,040        | 5,919,907        | 5,996,605        |
| Investments                | 1,437,024        | 1,437,024        | 1,437,024        |
| Other Non Current Assets   | 800,000          | 898,793          | 890,388          |
| <b>TOTAL ASSETS</b>        | <b>7,844,064</b> | <b>8,255,724</b> | <b>8,324,017</b> |
| <b>CURRENT LIABILITIES</b> | <b>4,094,703</b> | <b>4,406,363</b> | <b>4,374,656</b> |
| <b>NET ASSETS</b>          | <b>3,749,361</b> | <b>3,849,361</b> | <b>3,949,361</b> |

## STATEMENT OF CASHFLOWS

|                         | 2022/23          | 2023/24          | 2024/25          |
|-------------------------|------------------|------------------|------------------|
| <b>OPENING CASH</b>     | <b>4,500,000</b> | <b>4,600,000</b> | <b>4,700,000</b> |
| Operating Cash Receipts | 31,652,024       | 33,234,625       | 34,896,357       |
| Operating Cash Payments | 31,552,024       | 33,134,625       | 34,796,357       |
| <b>NET CASHFLOW</b>     | <b>100,000</b>   | <b>100,000</b>   | <b>100,000</b>   |
| <b>CLOSING CASH</b>     | <b>4,600,000</b> | <b>4,700,000</b> | <b>4,800,000</b> |

### Notes:

- Financial Summary is a consolidated view (Parent and Subsidiary - CreativeHQ)
- Revenue forecasts from our Shareholders are reflective of funding agreements in place.
- Other Revenue reflects revenue from third parties and commercial activity, and the revenue achieved by CreativeHQ resulting from its commercial activities.
- Investments represents the value of the investments from CreativeHQ in the companies that it incubates and retains a shareholding.

## 8. RISKS TO KPI ACHIEVEMENT – TO REVIEW AFTER KPI DEVELOPMENT

There are several risks which could impact on the success of WellingtonNZ. Many of these are outside of our direct control, such as the impact of geo-political factors, changes to government policy settings, or macro- economic factors which impact on the economy as a whole (including pandemics and natural disasters).

In terms of being successful in our 3 key areas of focus and achieving our Key Performance Indicators, we note the following specific risks and how these will be mitigated:

| Area of Risk                                    | Risk Description  | Mitigation  |
|---|---|---|
| Availability of shareholder and partner funding | Our funding is insufficient to deliver the events, promotions, product development and business support required to ensure we achieve the economic wellbeing benefits we are being tasked to achieve. This risk is increased by current and anticipated cost inflation. | <ul style="list-style-type: none"> <li>• Ensure delivery is in line with partner expectations.</li> <li>• Ensure CPI increases are received for core funding</li> <li>• Maintain a regular schedule of communications with and reporting to partners.</li> <li>• Engage major partners in planning sessions to ensure programmes meet their expectations.</li> <li>• Review partner funding arrangements on a regular basis.</li> <li>• Seek new commercial revenue sources.</li> </ul> |
| Venue Availability and Suitability              | That the model we are using to operate our Events business, and the suitability of our Venues is not appropriate to attract the diversity of events required to maintain the vibe of the city and attract visitors/talent to the region                                 | <ul style="list-style-type: none"> <li>• WellingtonNZ will work with WCC to ensure appropriate capex is allocated to renewals within existing venues so that they remain fit for purpose during this period.</li> <li>• WellingtonNZ will work proactively with core hirers to find solutions that meet their needs, both within existing venues and other venues in the city.</li> <li>• WellingtonNZ will communicate proactively with the market on the status of Venues.</li> </ul> |

|   |  |   |
|---|--|---|
| Maintaining strong working relationships across the Wellington region | As an organisation that is invested in and works for the whole Wellington region it is critical that WellingtonNZ maintains appropriate stakeholder engagement processes | <ul style="list-style-type: none"> <li>WellingtonNZ will work with both its shareholders and the other Councils within the region in a structured and proactive manner such that both elected officials and officers of these organisations are well informed of WellingtonNZ's programme of activities at all times.</li> <li>WellingtonNZ will participate in appropriate work groups across the Wellington region to support economic development activity.</li> </ul> |
| Access to Government funding  | We are unable to access Government funding to support Covid recovery, our arts and innovation sectors and essential infrastructure investment                            | <ul style="list-style-type: none"> <li>We are working with GWRC and the TAs to develop a regional economic plan and to build the relationships necessary to both align the region around specific priorities and to secure necessary funding. The implementation of projects which this plan identifies (which will be located throughout the region) will be a major focus through the term of this SOI.</li> </ul>  |
| Technology sector growth  | That we fail to seize the opportunities presented by our screen, VR, gaming and technology sector to grow export oriented businesses of scale                            | <ul style="list-style-type: none"> <li>We will work across the sector to tell its stories and promote investment and collaboration. We will also work with CreativeHQ, the universities and CRI; and entrepreneurs and provide them with the skills and support necessary to build businesses of scale</li> </ul>   |

In addition to the above, WellingtonNZ has a strategic and operational risk framework which is governed by the Risk and Audit Committee of the WellingtonNZ Board.

## APPENDICES:

### Appendix 1 - Governance and Accounting

WellingtonNZ is a Council Controlled Organisation as defined by the Local Government Act 2002. WellingtonNZ is owned 80% by the Wellington City Council and 20% by the Greater Wellington Regional Council.

#### GOVERNANCE BOARD

The Board is responsible for the strategic direction 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 constitutions and this Statement of Intent.

All current Board directors are independent and appointed by our shareholders. The Board meets 5 to 6 times a year. The Board has 2 sub-committees, Risk and Audit; and People & Culture which meet separately.

#### SHAREHOLDER GOVERNANCE

##### REPORTING

By 1 March in each year WellingtonNZ will deliver to the Shareholders its draft **Statement of Intent** 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 our Shareholders that are received by 30 April, the Board will deliver the completed SOI to the Shareholders on or before 30 June each year.

By 31 October and 30 April each year, WellingtonNZ will provide to the Shareholders a **quarterly report**. The quarterly report will include WellingtonNZ's commentary on operations for the relevant quarter and a comparison of WREDA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances.

By the end of February each year, WellingtonNZ will provide to the Shareholders a **Half Yearly Report** complying with Section 66 of the Local Government Act 2002.

By the end of September each year, WellingtonNZ will provide to the Shareholders an **Annual Report** on the organisations operations during the year. This will include audited financial statements prepared in accordance with New Zealand Generally Accepted Accounting Practice and that also comply with Public Benefit Entity Standards. The Annual report shall also contain an Auditor's report on both those financial statements and the performance targets and other measures by which performance was judged in relation to that organisation's objectives.

#### ACCOUNTING POLICIES

WellingtonNZ has adopted accounting policies that are in accordance with New Zealand Generally Accepted Accounting Practices and Public Benefit Entity Standards. The detailed policies are as disclosed in WellingtonNZ's 2021/22 Annual Report.

# Draft Statement of Intent 2022-2023

## Karori Sanctuary Trust

Presented to the Environment Committee  
pursuant to Schedule 8 of the Local Government Act (2002)

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## Foreword

This Statement of Intent (SOI) outlines the intentions and key performance measures for the Karori Sanctuary Trust (trading as Zealandia) for the next three years. This SOI responds to the Wellington City Council's Statement of Expectations for 2022-2025.

### Tēna koutou

This coming year offers an opportunity for Zealandia to redefine its future in a time when predictions of a tourism recovery are uncertain. Over the last six years we have built a strong working capital, which will sustain us despite the impacts of Covid-19 on our visitor numbers and resultant revenue. We also have strong and growing community support and continue to generate significant value and impact for Wellington, Aotearoa New Zealand and beyond. We do this through our conservation, learning and engagement programmes, which are supported by a significant and growing research programme.

We have based our planning for 2022/23 on having no international tourism of any significant scale during the year. We have, instead, focused our attention on creating value for our city both within Zealandia Te Māra a Tāne (our sanctuary valley) and beyond, and continuing to grow our supporting membership base. Throughout this time we will be seeking opportunities to develop novel income streams which fit with our long-term strategy, and which will enable us to meet our expectations.

Our 2020/21 Annual Report highlights our alignment with Wellington City Council's Long-Term Plan and demonstrates the significant outcomes we achieve for the environment, as well as the social, cultural and economic dimensions of our city. Our partnerships with mana whenua are growing through key projects such as Sanctuary to Sea Kia Mouriora te Kaiwharawhara. Zealandia, through its transformation of Wellington's biodiversity, continues to provide our city with a key point of difference—it is one of the few, perhaps the only, capital city in the world where bird biodiversity is on the rise.

Zealandia's partnership with Wellington City Council (Council) remains pivotal to the organisation, and this SOI outlines our plans for how the organisation will continue to add value to Wellington and meet Council's goals as set out in Council's Statement of Expectations.

Our 20-year strategy document, ***Living with Nature: Tiaki Taiao, Tiaki Taonga – our strategy for 2016-2035***, remains the key touch-stone document for all this work. Our sanctuary has a 500-year vision, and so much of that outlined in this SOI is a continuation, or further development, of our programmes and projects. Over a 500-hundred-year period we can expect major changes (for example, in the climate) and thus our programs will adapt and change as needed.

The following sections of this SOI provide a detailed view of our plan for 2022/23. They address all the specific areas highlighted in the letter of expectations and, overall, describe how we will continue to make a significant contribution to our city and the vision for Wellington.

Phillip Meyer  
Chairman, Karori Sanctuary Trust

Dr Danielle Shanahan  
Chief Executive, Karori Sanctuary Trust

## 1. Our shared vision for Wellington

Zealandia's purpose is to connect people with our unique natural heritage and inspire actions that transform how people live with nature in Wellington and beyond.

We have, and are, radically changing the way people live with nature.

The foundation of our impact is the transformation of biodiversity within Wellington. In just over 20 years, populations of species such as tūi have skyrocketed following the establishment of Te Māra a Tāne, the 225 ha Zealandia sanctuary valley. Now, our tamariki/children can experience an urban dawn chorus of manu/birds unlike that heard in any other city across Aotearoa, and indeed much of the world. This is our children's new normal—in effect, we are reversing the 'extinction of experience of nature'.

Now, caring for the sanctuary remains our top priority. However, this beautiful forest Te Māra a Tāne does not exist in isolation. It is part of the environmental, social, cultural and economic fabric that has shaped Wellington. Our impact now stretches well beyond the predator exclusion fence through flagship projects such as the collaborative catchment restoration project Sanctuary to Sea Kia Mouriora te Kaiwharawhara, and work to support the nature-rich aspirations of rangatahi/youth and community leaders in their own neighbourhoods. Through these projects we have found incredible allies in our mission, including the Wellington City Council, mana whenua, Greater Wellington Regional Council, CentrePort, and many other organisations, businesses, and individuals.

Our 20-year strategy, Living with Nature: Tiaki Taiao, Tiaki Taonga – our strategy for 2016-2035, remains the key touchstone for Zealandia's work. Our impact areas outlined below, and 'Our way', informs our approach to transformation.





## 1.1. Our way. Ngā mātāpono

What we say and do will express our core values and mindset. Our values, as outlined in Living with Nature: Tiaki Taiao, Tiaki Taonga – our strategy for 2016-2035 are:

**Kaitiakitanga.** We are effective stewards of Te Māra a Tāne, the sanctuary valley, its halo and our resources.

**Manaakitanga.** We welcome all, share our love of nature with enthusiasm and generosity, and value our supporters.

**Hāporitanga.** We call on and value active input from all parts of the community.

**Mātauranga.** We wisely develop and use our understandings of people and our natural world.

**Kotahitanga.** We work in a collaborative movement of communities and organisations, sharing our experiences, and valuing other's insights.

## 1.2. Our places, projects and partners

**Te Māra a Tāne, the sanctuary valley.** Zealandia is an organisation charged with caring for Te Māra a Tāne, the 225 ha sanctuary valley. We have primary responsibility for realising the 500-year vision of restoration within the bounds of the predator exclusion fence. Most of our activities are focused on achieving this restoration vision, and through our learning and engagement activities within the sanctuary we support others to gain inspiration from this incredible place.

**Sanctuary to Sea, Kia Mouriora te Kaiwharawhara.** Te Māra a Tāne sits at the headwaters of the Kaiwharawhara catchment, a place that is particularly special to mana whenua, as well as many other Wellingtonians. Zealandia does not own, nor directly manage the catchment beyond the sanctuary fence. Instead, we lead this project that brings our community together under a common 100-year vision, that the lifeforce of the Kaiwharawhara is healed—Kia Mouriora te Kaiwharawhara. Our partners include mana whenua and Wellington City Council, alongside other Government and non-government organisations, businesses and individuals.

**Outreach, networking and research to inspire Wellington and beyond.** Te Māra a Tāne and Sanctuary to Sea provide us with opportunities to learn and test new models for working with our environment and people. We share what we learn through multiple means. We work directly with communities and schools across Wellington that have sought our support in realising their aspirations for nature at their place. We seek to inspire others and generate change, both nationally and internationally through our research. We network with our community to share ideas, collaborate, and spark change for a better future.

**Our partners.** We have many partners from diverse backgrounds, reflecting the fact that sustainability and better outcomes for biodiversity is everybody's business. We focus our partnerships around the projects and places outlined above. We have a growing research agenda led through Zealandia's Centre for People and Nature, through which we seek research collaborations that help foster better outcomes for people and nature.

## 2. The Strategic Partnership between the Karori Sanctuary Trust and Wellington City Council

Wellington City Council (Council) on behalf of the people of Wellington is a key strategic partner and funder of the Karori Sanctuary Trust. Zealandia continues to play a pivotal role in creating the nature-rich character of Wellington, which sets our city apart from other major centres in Aotearoa New Zealand, and most other cities internationally. The strong alliance between Zealandia and Council will continue to support our city's aspirations into the future for '*an inclusive, creative and sustainable capital*'. This SOI highlights the alignment between Zealandia's strategy, and Council's 2021-31 Long Term Plan.

Zealandia's key impact areas align strongly with the Wellington City Council's vision for the future. Our 2020/21 annual report highlights nationally- and internationally- leading outcomes that cut across the social, environmental, cultural and economic domains, and this will continue into 2022/23. Zealandia targets annual activities towards high-impact and unique offerings through which we achieve social and environmental change; we aim to radically change how people live with nature.

We approach our work in a collaborative way, with a strong focus on partnership with mana whenua and connecting people and organisations for better environmental outcomes. We show leadership in sustainable business practices to ensure a better future for Wellington, Aotearoa New Zealand, and the world.

Zealandia is heading into 2022/23 with a strong balance sheet despite the ongoing challenges presented by Covid-19. At the end of 2020/21, our operating working capital balance was \$4.09 million including \$2 million of commitments for our Tanglewood House build and 'future leaders' funding. The balance of \$1.24 million was the working capital reserve agreed with the Board to cover potential future budget deficits; it includes at least three months of operating expenses in line with financial management good practice.

Within this document we provide a strategic overview for 2022/23. To summarise our response to the Statement of Expectations, during 2022/23 we will:

- Drive outcomes across all impact areas (environmental, social, cultural and economic) outlined in the Council's 2021-31 Long-term Plan.
- Give effect to Te Tiriti o Waitangi through continued growth of our partnerships with mana whenua, in support of the emerging Kia eke panuku Māori Strategic Direction.
- Align with the goals identified in Te Atakura, the First to Zero strategy through our continued commitment to being an environmentally responsible organisation.
- Deliver high value, diverse engagement programmes to support Aho Tini 2030.
- Continue to enrich the lives of rangatahi through our unique learning offerings, to support the Strategy for Children and Young People.
- Contribute to the economic wellbeing of our city, and support the development of the Council's Economic Wellington Strategy.
- Improve accessibility at Zealandia where possible in line with the goals outlined in Accessible Action Plan 2019-22, including a range of Rainbow inclusivity initiatives.
- Foster our alliances with other Council initiatives and strategies, including Predator Free Wellington and *Our Natural Capital*, Wellington's biodiversity strategy.
- Continue to implement the Council's Living Wage Policy for our employees as required by Council.
- Construction of Tanglewood House to ensure Zealandia's facilities are fit for the future.

### 3. The nature and scope of our activities in 2022/23 and beyond

Over the next financial year Zealandia will focus on highly targeted areas of impact for Wellington and Aotearoa New Zealand, assuming limited to no international tourism caused by the impacts of Covid-19.

The following sections set-out our scope of business and key performance indicators for our organisation under our areas of impact. This strategy will be supported by our business plan for 2022/23 and a range of other operational plans that are approved by the Board from time to time.

The KPI Scorecard (section 4.1) brings together a set of Key Performance Indicators to enable Zealandia management, the Trust Board and Council to focus on the most important measures of success for 2022/23.

#### 3.1. A place that treasures – He wāhi taonga

Restoring our valley and its extending halo of biodiversity.  
Building our organisation's capacity to drive transformation.



Zealandia consistently delivers regional, national and international leadership in line with the Council's Long Term Plan environment outcome area, *"A sustainable, climate friendly eco capital: A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is mitigating and adapting to climate change – for now and future generations"*.

Zealandia is first and foremost the steward of a pioneering conservation and restoration project—Te Māra a Tāne, the sanctuary valley. This sanctuary provides the foundation for the exceptional biodiversity outcomes that Wellington has experienced over the past 20 years; the presence of birds like kererū, titipounamu and kākā in our suburbs has now inspired national level initiatives and environmental outcomes, including Predator Free 2050.

The contribution of Zealandia's work to Wellington, Aotearoa New Zealand, and the world has been lauded as a game changer in conservation. We choose our conservation and restoration activities carefully, looking for maximum impact. We use the opportunity that our unique urban environment provides to explore the outer boundaries of conservation and restoration practice and share our learnings to add national and international value.

This way of working supports the Council's Long-Term Plan Social and Cultural outcomes areas to create *"An innovative, inclusive and creative city"*, and a city *"where people and communities can learn, are connected"*. As a values-based but leading-edge organisation we also attract and retain talent across our areas of expertise, supporting the Council's economic aspirations for the city.

Zealandia's work in conservation and restoration within the sanctuary is guided by the Zealandia Te Māra a Tāne Conservation and Restoration Strategy 2018-2038. Our current priorities inside the fence include the gradual replacement of the exotic tree canopy cover with a native canopy, progressing forest, wetland and freshwater restoration work with our iwi partners (including the reintroduction of suitable species), and replacing elements of the predator exclusion fence as needed.

Beyond the fence, our focus continues to be on the Kaiwharawhara catchment through our collaborative Sanctuary to Sea Kia Mouriora te Kaiwharawhara project. A major priority within this project over the

coming year is supporting businesses in achieving their aspirations for biodiversity—‘*Every business restoring nature*’. The Department of Conservation and CentrePort are central partners in this project. We also work closely with Council and communities in the ‘halo’ area, to increase the chances that species dispersing beyond the fence can survive, and thrive. This includes, for example, identifying key priorities for pest and predator control.

### **Zealandia as a partner under Te Tiriti o Waitangi**

Te Tiriti o Waitangi has at its core a requirement for Māori to have rangatiratanga over taonga, which includes native flora and fauna. As such, our partnership with mana whenua Taranaki Whānui and Ngāti Toa Rangatira is currently most prominent through our work with taonga. We have shaped our priorities around species and projects of special interest to our iwi partners, and will seek new ways to ensure we support their aspirations in a genuine, responsive way. We aim to be leaders in demonstrating how a non-government organisation with western foundations can partner meaningfully, and effectively.

Our work in this area provides the foundation for strengthening our partnership with mana whenua in all areas of our organisation, as well as the te ao Māori and te reo content for our interpretive material and stories. We work closely with Council, including the Biodiversity Team and Ōtari Wilton’s Bush to ensure we take a collective approach to our mana whenua partnerships. Like much of Aotearoa New Zealand, Zealandia is still early on a learning path in this area; however, it has been an area of significant growth for our organisation and we provide significant leadership for the Council outcomes in relation to Kia eke panuku Māori Strategic Direction.

### **Development of Tanglewood House**

Tanglewood House will be a purpose-built facility that will future-proof Zealandia with the staff, volunteer and researcher accommodation that it needs. The resource consent has been completed, and we have revisited the design to ensure the building will be fit for purpose following the impacts of Covid-19 on the building industry. We aim to complete this build by the end of the 2022/23 financial year. As indicated in previous SOIs, the Board has approved funding for the development of Tanglewood House and this funding has been secured and ring-fenced in our budgets. The funding includes the contribution from Council as confirmed in its 2017 Long Term Plan.

We continue to pay close attention to carefully managing our working capital as this enables us to manage future financial risk in these uncertain times, while also investing in our infrastructure.

### **Climate change**

Climate change will affect Te Māra a Tāne, the sanctuary, as well as how our organisation operates. We expect to continue seeing changes to rainfall, patterns of severe weather events, and temperatures. These will in turn affect our natural environment through various ways, such as bird breeding cycles, the vulnerability of our forest to fire and other threats; and climate change will also promote new and unexpected invaders such as plant and animal diseases. We are also likely to see changes in habitats and the species that make up our forests as the climate shifts.

Our fundamental approach to dealing with these issues is to continue restoring resilience to our forest and freshwater habitats. Our conservation measures in table 4.4 and the types of species we are focusing on reflect this priority. Now is the time to ensure the small, silent, and sometimes unnoticed parts of our ecosystem are restored. Species such as kākahi (freshwater mussels), and mistletoe can have transformative effects on ecosystems, and help it adapt and change into the future. This approach to restoration and conservation also allows us to engage people in exciting new stories that they may not have experienced before.

Zealandia continues to strive to be a leader in sustainable business practices. In the past we have showcased exemplary approaches to sustainability such as the pioneering use of electric shuttles in partnership with Meridian, and we have successfully achieved Toitū Envirocare carbonZero certification for the seventh consecutive year. This year we will be assessing whether the TCFD (Task-force on Climate Related Financial Disclosures) framework can be used for our organisation as a tool for tracking our climate risks and opportunities.

### **Our objectives for 2022-2027**

Over the next five years we will:

- Continue to take significant steps towards the creation of a resilient, thriving sanctuary ecosystem.
- Demonstrate how conservation and restoration can be done in a way that is collaborative, and founded on Te Tiriti o Waitangi.
- Be active conservation leaders and partners beyond the fence, locally, nationally and across the world.
- Show leadership in sustainable business practice.
- Support a vibrant staff and volunteer workforce supported by fit-for-purpose facilities and development opportunities.

### **Current (ongoing) programmes**

On an ongoing basis we:

- Maintain the perimeter fence to ensure the area within the fence is secure from mammalian threats.
- Effectively monitor and manage threats (plant and animal pests).
- Manage and monitor indigenous plants and animals, especially those recently transferred to the sanctuary or requiring support, for example, through provision of supplementary food or nest boxes.
- Examine the effects of, and threats presented by, climate change on Te Māra a Tāne to remain responsive and adaptable in our approach.
- Collaborate with others beyond the fence to deliver the best outcomes for the Kaiwharawhara catchment through the Sanctuary to Sea Kia Mouriora te Kaiwharawhara project, and maximise the chance that dispersing wildlife can thrive.
- Support a staff and volunteer workforce of over 500 individuals.

### **Strategic Initiatives**

New or growing areas of work for us include:

- Leading the delivery of the Sanctuary to Sea *Every business restoring nature* initiative.
- Partnering with mana whenua to support their aspirations for taonga present at Zealandia Te Māra a Tāne and beyond.
- Building a fit for purpose facility to provide a supportive and productive workplace for staff, volunteers and researchers.
- Implementing opportunities to reduce waste through initiatives to reduce, reuse and recycle and to reduce our carbon footprint in line with the Council's Te Atakura First to Zero Policy.

## Key performance indicators for 2022/23

- We are progressing the restoration of Te Māra a Tāne through achievement of the conservation measures in section 4.4.
- Tanglewood house has been completed.
- Non-WCC grant revenues equating to >75% of overall income.
- Membership subscriptions of \$400,000.
- We achieve a net breakeven before depreciation and tax.
- Average WCC subsidy per visitor of no more than \$14.96.
- Average revenue per visitor of no less than \$27.55.
- Non-Council donations/funding of \$200,000.

### 3.2. A place that engages – he wāhi huihuinga

Create inspiring and accessible experiences.

Form strong and enduring local, national and international partnerships based on shared goals.



It is through the *engagement* impact area that Zealandia delivers to the social and cultural outcomes identified in the Council's Long-Term Plan. Our organisation will continue to support the delivery of “*An innovative, inclusive and creative city*”, as well as the economic aspirations of the city.

We seek to ensure that the people we connect with, whether they are internal or external, visitors or volunteers, partners or community members, can build strong and enduring connections with nature. The ‘win’ is when that connection translates into conservation advocacy and action. We understand that people connect with nature in different ways; through culture, the arts, science, and more. Our programmes and in-valley offerings reflect that diversity. Our goal is that visitors have opportunities to experience Zealandia regardless of accessibility needs, backgrounds, and perspectives.

Zealandia has been recognised for its innovative approach to delivering social and environmental good outcomes through a visitor experience-based enterprises model. Our tour offerings not only help support a sustainable bottom line, but also provide avenues for Zealandia to empower the wider public and engage people with nature through both western and te ao Māori lenses. Our new botanical and wildlife signage has been developed with our mana whenua partners, and weaves unique stories in te reo Māori and English.

Our award-winning sanctuary attracts visitors to Wellington. This in turn supports the economic outcomes the Council is striving for.

All our work across the impact areas of learning, empowering and conservation require exceptional partnerships. We continue to honour these partnerships particularly through our flagship projects Sanctuary to Sea Kia Mouriora te Kaiwharawhara, the sanctuary itself, and our education and research programmes.

#### Our objectives for 2022-2027

- We enable Wellingtonians and New Zealanders to visit and connect with Te Māra a Tāne, the sanctuary, in a range of meaningful ways.

- We have an increasingly strong digital presence to engage audiences from across Aotearoa New Zealand and the world.

### Current programmes

- We provide formal and informal education, visitor and volunteer experiences in the sanctuary and beyond that increase people's understanding and connection with nature.
- We engage people through a wide range of communication channels so that we are actively connecting people with an understanding of how they can live better with nature.
- Our programmes, both in the sanctuary and beyond the fence, connect with a wide cross-section of Wellington's communities.

### Strategic Initiatives

- We are building our digital infrastructure to ensure it is fit for purpose and can support a range of offerings into the future.
- We are exploring and testing new products that fit the needs of a local and national regenerative tourism market.
- We explore how we can cater to diverse communities through our offerings.

### Key performance indicators for 2022/23

- Visitor numbers – 70,000 separate visitations with breakdown of visitor demographics.
- Zealandia achieves a visitor satisfaction rating of 95% or greater.
- 80% of volunteers are satisfied with their relationship with Zealandia.

### 3.3. A place for learning – he wāhi mātauranga

Embrace mātauranga Māori and other knowledge frameworks.

Become a hub where people of all ages can learn, create new knowledge and share insights and understanding.



### Zealandia's schools and learning programme

Zealandia's learning programmes and research agenda inspire people of all ages and diverse backgrounds to gain a deeper understanding of nature both inside Te Māra a Tāne the sanctuary valley, and beyond the fence. We enrich local curriculums and grow our community's collective ability to live better with nature. As our partnerships with mana whenua grow through our conservation and restoration programmes, so too does the richness of our content from a te ao Māori and te reo Māori perspective. This contributes to intergenerational environmental, social and cultural outcomes for our city.

Zealandia is one of the foremost providers of environmental education in Aotearoa New Zealand. School visits provide a unique way through which Zealandia supports local curriculum topics across the sciences, social sciences, and the arts. These visits include primary, secondary, and tertiary sector students. These visits also provide inspiration to communities for what is possible beyond the sanctuary fence.

In 2021/22 we submitted a new bid to the Ministry of Education seeking support for the next three years for our Enriching Local Curriculum (ELC) learning programme, and expect to hear the outcomes from this before the beginning of the 2022/23 financial year. The outcome from this and the ongoing impacts of Covid-19 will influence the volume of school engagements we are able to deliver.

## **International research agenda**

Our programme of research has grown significantly with a focus on world leading research into how people and nature interact, and what that means for our future. We have a strategic relationship with Te Herenga Waka Victoria University of Wellington, and over the coming years see an opportunity to collectively make Wellington the place people want to come to undertake interdisciplinary conservation studies. As students continue to demand low-carbon opportunities to study nature, Wellington has a globally unique offering due to the presence of a leading ecosanctuary and its flow on-effects to the biodiversity of Wellington.

We currently partner with co-funders Predator Free Wellington, the Biological Heritage National Science Challenge, and the Restoring Urban Nature research collective to progress these research agendas; these partnerships will continue into the 2022/23 financial year and support post-doctoral fellow roles within our organisation.

## **Supporting our people in their learning**

Zealandia has a large community of volunteers and staff; in total, over 500 people in 2021/22. We will continue connecting this community with opportunities to learn about the environment and provide many opportunities for Wellingtonians to learn by doing.

A key area of focus is in bringing te ao Māori concepts and te reo Māori into our day-to-day mahi/work. This includes, for example, the regular use of a bespoke Zealandia Te Māra a Tāne karakia that was gifted to our organisation and the continuation of a vibrant waiata rūpū/group. We also have an intense cultural capability learning programme for staff, Te Ara Poutama, which was piloted last year. This work both equips our people with new skills, but also ensures te reo Māori and te ao Māori becomes more visible at Zealandia and through our external engagement programmes. It is making Zealandia a more inclusive and supportive place to work.

## **Our objectives for 2022-2027**

- Our people understand the important role that Te Tiriti o Waitangi has in Aotearoa New Zealand and our work, they make space for the expression of te ao Māori, and feel comfortable in their use of te reo Māori.
- Alongside our partners Te Herenga Waka Victoria University of Wellington, we make Wellington the place people want to come to study conservation.
- Our learning programme has national impact, including through digital platforms.

## **Current programmes**

- We deliver formal education programmes to young people supported by the Ministry of Education, as well as nature connection programmes for low decile and low engagement schools.
- We create opportunities for staff and volunteers to increase their competency and capability in te reo and te ao Māori.
- We deliver visitor, staff and volunteer programmes and activities for Mātariki and Māori Language Week.
- We undertake, and support, leading-edge research that will increase our understanding about nature, and how people interact with it.
- We create a supportive environment for staff, volunteers and researchers to ensure research and learning are encouraged and embraced.



## Strategic Initiatives

- We will grow our regular giving funding base to support and expand our formal and informal learning programmes.
- We will build our impact beyond the fence through initiatives such as ‘nature at your place’, which is about supporting others to promote nature in their corner of the world.
- We are exploring possibilities for digital learning approaches that could connect with audiences further afield.

### Key performance indicators for 2022/23

By the end of 2022/23:

- We will have delivered 6400 education engagements<sup>1</sup>.
- Our staff and volunteers will have had access to cultural competency upskilling opportunities.
- We have delivered key events in line with Mātariki and Te Wiki o te reo Māori.
- We will have shared our leading-edge research on social and ecological outcomes from nature conservation in cities.

### 3.4. A place that empowers – he wāhi whakamana

Equip people with experience and skills for a nature rich future.  
Inspire change through example and shared passion for action.



By empowering our community Zealandia is both contributing to the sustainability of our city and beyond, as well as supporting people in exploring their identities and what nature means for them in their special places, in line with the Council’s Long-Term Plan.

Zealandia empowers people through our learning, engagement and conservation programmes. We do this through informative and inspiring messaging across multiple platforms, working collaboratively with others, and by targeting our impact to areas of deep need to Wellington, Aotearoa New Zealand, and the world.

Increasingly we are focusing on supporting schools and communities in the places where they live—‘beyond the fence’—to realise their aspirations for nature. This work is gaining pace, for example through our support of the Cannon’s Creek Men’s Group and the Green Korowai project, as well as the ‘nature at your place’ schools programme. This work will have an increasingly transformative effect on our city and our people, ensuring nature can become part of everyone’s life.

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<sup>1</sup> The KPI will be influenced by the outcome of an ELC funding application under review by the Ministry of Education as of March 2022.

Over the last year our digital impact has grown, with lively and engaging social media feeds and membership communications. This continues to be our focus: inspiring others to create better social and environmental outcomes for the future.

At the end of 2020/21 we had over 17,000 members who have become supporters of our work. In the coming year we will continue to build on this memberships programme to capture national and international support for our mission.

### **Our objectives for 2022-2027**

- The programmes, communications and experiences that we offer inspire people to action across Aotearoa New Zealand and the world.
- Our membership includes representation from across the motu and beyond, and people join us to support nature.

### **Current programmes**

- We provide learning experiences, tour products, and visitor experiences that support people to increase their connection with nature and understand and value Aotearoa New Zealand's natural heritage.
- Our communications with audiences through a variety of channels are inspiring and engaging, and reach people who may not be able to visit Zealandia Te Māra a Tāne.
- We have an active membership programme which is increasingly focusing on supporting our mission.
- We reach beyond the fence to work with communities on their aspirations for nature in their place.

### **Strategic initiatives**

- We are working closely with the corporate sector to grow our Sanctuary to Sea *Every Business Restoring Nature* programme, that aims to support businesses in realising their aspirations for nature.
- We are growing our national supporter/membership base by sharing our social and environmental impact across Aotearoa New Zealand and internationally.

### **Key performance indicators for 2022/23**

- We have begun connecting with a range of businesses through our Sanctuary to Sea Kia Mouriora te Kaiwharawhara project.
- We are working with 10 or more community organisations to support 'beyond the fence' aspirations for nature.
- We have 17,000 members from across Aotearoa New Zealandia.

## 4. Performance Measurements

### 4.1. KPI Scorecard 2022/23

Below is a summary of the KPIs outlined across section 3.

| A place that treasures  | A place that engages  |
|---|---|
| <ul style="list-style-type: none"><li>• We are progressing the restoration of the Zealandia Te Māra a Tāne sanctuary through achievement of the conservation measures in section 4.4.</li><li>• Tanglewood house has been completed.</li><li>• Non-WCC grant revenues equating to &gt;75% of overall income.</li><li>• Membership subscriptions of \$400,000.</li><li>• Average WCC subsidy per visitor of no more than \$14.96.</li><li>• Average revenue per visitor of no less than \$27.55.</li><li>• Non-Council donations/funding of \$200,000.</li></ul> | <ul style="list-style-type: none"><li>• Visitor numbers – 70,000 separate visitations with breakdown of visitor demographics.</li><li>• Zealandia achieves a visitor satisfaction rating of 95% or greater.</li><li>• 80% of volunteers are satisfied with their relationship with Zealandia.</li></ul>   |
| A place for learning  | A place that empowers   |
| <ul style="list-style-type: none"><li>• We will have delivered 6400 education engagements.</li><li>• Our staff and volunteers will have had access to cultural competency upskilling opportunities.</li><li>• We have delivered key events in line with Mātariki and Te Wiki o te Reo Māori.</li><li>• We will have shared our leading-edge research on social and ecological outcomes from nature conservation in cities.</li></ul>  | <ul style="list-style-type: none"><li>• We have begun connecting with a range of businesses through our Sanctuary to Sea Kia Mouriora te Kaiwharawhara project.</li><li>• We are working with 10 or more community organisations to support 'beyond the fence' aspirations for nature.</li><li>• We have 17,000 members from across Aotearoa New Zealandia.</li></ul> |

## 4.2. Non-financial Performance Measures

| Measure                          | 2021/22<br>forecast | 2022/23 | 2023/24 | 2024/25 |
|----------------------------------|---------------------|---------|---------|---------|
| Visitation                       | 86,000              | 75,000  | 85,000  | 95,000  |
| Members (Individuals)            | 17,000              | 16,000  | 16,500  | 17,000  |
| Volunteers                       | >500                | >500    | >500    | >500    |
| Percentage of Satisfied Visitors | >95% <sup>1</sup>   | >95%    | >95%    | >95%    |

<sup>1</sup>The measure is in line with standard sector benchmarking.

| Measure                       | 2021/22<br>forecast | Q1     | Q2     | Q3     | Q4     | 2022/23 | 2023/24 | 2024/25 |
|-------------------------------|---------------------|--------|--------|--------|--------|---------|---------|---------|
| Visitation                    | 86,000              | 11,000 | 23,000 | 27,000 | 14,000 | 75,000  | 85,000  | 95,000  |
| Education visits <sup>2</sup> | 7,227               | 1,925  | 3,547  | 1,244  | 2,284  | 6,400   | 9,000   | 9,000   |

<sup>2</sup> (LEOTC/ELC, tertiary, early childhood, school holiday programme, and outreach. An application for ELC funding for 2022-2025 was under consideration by the Ministry of Education at the time of writing, These numbers will be influenced by the outcome of this).

## 4.3. Financial Performance Measures

| Measure   | 2021/22<br>forecast | 2022/23   | 2023/24   | 2024/25   |
|---|---------------------|-----------|-----------|-----------|
| Average subsidy per visit<br>(total WCC operating grant/all visitors) | \$12.71             | \$14.96   | \$13.59   | \$12.49   |
| Average revenue per visit<br>(excludes Council & Government grants)   | \$27.28             | \$27.55   | \$27.83   | \$28.10   |
| Non-Council donations/funding   | \$348,305           | \$200,000 | \$200,000 | \$200,000 |

#### 4.4. Conservation Measures

Note, the measures provided in this SOI reflect the Zealandia Te Māra a Tāne conservation and restoration strategy 2018-2038. These build on and extend previous work to further conservation outcomes within Zealandia and beyond.

| Measure  | 2021/22<br>forecast | 2022/23 | 2023/24 | 2024/25 | Explanation  |
|--|---------------------|---------|---------|---------|--|
| <b>Manawaroa. We actively restore ecosystem function to foster resilience</b>              |                     |         |         |         |  |
| Number of fauna or flora species transferred into or out of the sanctuary, or 'topped up'. | 1                   | 1       | 1       | 1       | This indicates active effort to enhance biodiversity outcomes inside Zealandia and beyond. Transfers over the coming years are likely to include the release of Wellington barking gecko, a top up of tīeke, and propagation of Dactylanthus and dwarf mistletoe plants. |
| Percentage of the bird community that is native.   | 80%                 | 80%     | 80%     | 80%     | This is an indicator of the proportion of our bird community that is indigenous and is measured through annual 5 minute bird counts. The target is to maintain the level at or above 80%.  |
| <b>Kaitiakitanga. We look after what we have alongside our many partners.</b>              |                     |         |         |         |  |
| % of incursions into the mouse-free area eradicated, or under active response.             | 100%                | 100%    | 100%    | 100%    | The mouse free area is critical for lizard reintroductions, and for research into the effect of mice on species. This target will ensure we maintain those values.   |
| Mice maintained to target level.   | <10                 | <10     | <10     | <10     | The figure gives an abundance index based on the average abundance/100 corrected trap nights.  |
| % pest animal incursions successfully eradicated, or under active response.                | 100%                | 100%    | 100%    | 100%    | The goal is to actively and responsively control incursions if they occur. The target reflects the uncertainty involved in the outcomes of these responses, and the commitment to continue the response until eradication has occurred.                                  |

#### 4.5. Conservation Activities

| Activities [note, some activities are dependent on successful permits and translocation operations] | 2022/23                | 2023/24   | 2024/25   |
|---|------------------------|-----------|-----------|
| <b>Continue restoration of the lower valley streams, wetland and lake</b>                           |                        |           |           |
| Implement an overarching multifaceted strategic plan  | Ongoing                | Ongoing   |           |
| Research underway according to a research plan  | Ongoing                | Ongoing   |           |
| Implementation of plans   | Ongoing                | Ongoing   | Ongoing   |
| Monitoring the recovery of the lower reservoir and implementing next steps                          | Ongoing                | Ongoing   | Ongoing   |
| <b>Forest restoration</b>   |                        |           |           |
| Reduction of the exotic canopy cover  | Implement              | Implement | Implement |
| <b>Translocations (including top-ups)</b>   |                        |           |           |
| <i>Dactylanthus</i> (parasitic plant) top up  | Implement              | Implement |           |
| Common bullies (freshwater fish)  | Implement              | -         |           |
| Giant kōkopū  | Plan                   | Implement |           |
| Tiēke (saddleback) top-up   |                        | Plan      | Implement |
| Activities  | 2022/23                | 2023/24   | 2024/25   |
| <b>Post-release monitoring for translocated species</b>   |                        |           |           |
| Spotted skink monitoring  | Ongoing                | Ongoing   | Ongoing   |
| Kākahi (freshwater mussel)  | Ongoing                | Ongoing   | Ongoing   |
| <i>Brachyglottis kirkii</i> var. <i>kirkii</i>  | Ongoing                |           |           |
| Green mistletoe   | Ongoing                | Ongoing   |           |
| Titipounamu (rifleman)  | Reduced due to success | -         |           |
| Common bullies (freshwater fish)  |                        | Implement | Ongoing   |

## **5. The Karori Sanctuary Trust Board's Approach to Governance**

### **5.1. The Trust Deed**

The Karori Sanctuary Trust (the Trust) is an incorporated society that is governed by a Trust Deed, first executed in 1995 and most recently updated in October 2016.

We operate as a not-for profit organisation, a social enterprise, seeking to do public good by operating in a way that follows sound commercial disciplines.

As set out in our Trust Deed, the objects of the Trust are as follows:

- To carry out education and research into all matters pertaining to the conservation and restoration of New Zealand's natural heritage and in particular to restore representative examples of New Zealand's natural heritage.
- To establish and maintain a secure native wildlife sanctuary in the Karori Reservoir in the City of Wellington.
- To restore the reservoir area ecosystem as closely as practicable to its presumed pre-human state but allowing for construction of specific habitats to enhance its diversity and conservation values.
- To provide facilities for recreation and tourism activities.
- To seek and foster community support and participation.
- To manage and manipulate such ecosystems as may be necessary to maintain requisite populations.

The Trust operates as Zealandia, under the guidance of a Trust Board.

An independent review of the governance structure of the Karori Sanctuary Trust is currently being undertaken to seek advice and assurance that it is meeting current best practice in line with Council's Statement of Expectations. This review includes legal advice that the Trust Deed is fit for purpose, modern and in line with all current legislation. The Board will consider options for the Governance Structure and Trust Deed in light of the outcomes of this review to comply with Council's Statement of Expectations.

### **5.2. Relationship with Wellington City Council**

The Trust became a Council Controlled Organisation in October 2016 with the transfer of the Zealandia Visitors Centre to the Council and the repayment of the loan on the building. The Deed of Variation of Trust signed in October 2016 sets out the new requirement for the Trust Board to consist of a minimum of five persons and a maximum of up to seven persons. The Council can appoint a maximum of six persons following nominations from the Guardians, and the Trust's Board can appoint up to two persons following consultation with the Guardians and approval of the Council.

The Wellington City Council is a strategic partner, a trustee appointee, a principal funder and the landlord of the Trust.

The Trust reports quarterly to the Council through the Finance and Performance Committee of the Council the agreed measures, which will include a written quarterly report, Statement of Financial Performance, Statement of Financial Position and Cash Flow Statement.

The Trust's audited accounts for 2022/23 will be presented to the Council by November 2023, or earlier if possible. This later than usual date is advised due to constraints in the audit

profession's resources which have been widely publicised in the media. The Trust will continue to recognise Council as a principal funder and a strategic partner.

The principles governing the relationship between the Trust and Council are:

- Council will be provided with access to information it requests.
- A “no surprises” approach.
- Work in a collaborative and constructive manner recognising each other's viewpoints and respecting differences.
- Act towards each other honestly and always in good faith.
- Communicate with each other openly, promptly, and in a clear and timely manner.
- Recognise the accountabilities that each has to the other and to those for the benefit of whom services are provided.

### 5.3. Board Membership

The Trustees of the Karori Sanctuary Trust are:

| Trustee   | Term Expires  |
|---|---------------|
| <b>Phillip Meyer</b> (Chairman), appointed by the Council | December 2023 |
| <b>Pete Monk</b> , appointed by the Council               | June 2023     |
| <b>David Bibby</b> , appointed by the Council             | December 2022 |
| <b>Russell Spratt</b> , appointed by the Council          | December 2023 |
| <b>Jo Breese</b> , appointed by the Council               | June 2024     |
| <b>Dr Libby Harrison</b> , appointed by the Council       | December 2024 |

- The Deed of Variation of Trust signed in October 2016 outlines the roles of the Trust and the Guardians. All Trustees may receive an honorarium.
- The Trust Board shall meet no less frequently than eight times a year.
- The Chief Executive attends all meetings accompanied by their management team as required.
- Under the terms of the Trust Deed, the Board is required to have an Audit and Risk Committee to assist the Board in reviewing risk tolerance and control, the scope and outcome of the audit and checking appropriate internal controls are in place. Members of the Audit and Risk Committee for the 2022 calendar year are Pete Monk (Chair), Libby Harrison (Trustee) and Phillip Meyer (ex-officio).
- The Board also has a People, Capability and Culture Committee who consider remuneration, policies and people management. Members of the People, Capability and Culture Committee for the 2022 calendar year are, David Bibby (Chair), Jo Breese (Trustee) and Russell Spratt (Trustee) and Phillip Meyer (ex-officio).
- The Board and committee charters are reviewed annually.
- The Board may choose to set-up any new committees as deemed necessary in order to maintain an appropriate level of oversight.



- Trustees will contribute knowledge and skills across a range of work areas during the 2022/23 year and may from time to time contribute to working groups established by the Chief Executive, such as the Tanglewood House steering group.

#### 5.4. Board Performance

The Chair and the Board participate in regular reviews of their performance as follows:

- The Board as a whole by the Board.
- Individual Board members by the Board, through the Chair.
- The Chair by the Board.

The method/standards used to assess the performance will be based on the standards issued by the Institute of Directors in New Zealand, adapted for the Trust. From these reviews, development needs and any other actions required to ensure best practice governance and performance standards will be determined and implemented.

The Board will undertake a review of the Chief Executive's performance in July 2023.

#### 5.5. Board Skills Matrix

The Board skills matrix below outlines trustees' key skills that are considered essential in the delivery of our strategic objectives. Consideration is given to any skills gap when there is a vacancy on the Board. The matrix will be reviewed annually.

| Key skill                    | Phillip Meyer<br>(Chairman) | Pete Monk | David Bibby | Russell Spratt | Jo Breese | Dr Libby Harrison |
|------------------------------|-----------------------------|-----------|-------------|----------------|-----------|-------------------|
| Research and conservation    |                             |           | ✓           | ✓              | ✓         | ✓                 |
| Financial                    | ✓                           | ✓         |             | ✓              |           |                   |
| Information technology       | ✓                           | ✓         | ✓           |                |           |                   |
| Strategy development         | ✓                           | ✓         | ✓           | ✓              | ✓         | ✓                 |
| Marketing                    | ✓                           | ✓         |             | ✓              | ✓         |                   |
| Legal/regulatory             | ✓                           |           |             |                | ✓         | ✓                 |
| Corporate governance         | ✓                           | ✓         | ✓           | ✓              | ✓         | ✓                 |
| Ambassadorial                | ✓                           |           |             | ✓              | ✓         | ✓                 |
| Risk management              | ✓                           | ✓         | ✓           | ✓              |           | ✓                 |
| Fundraising                  |                             |           |             | ✓              | ✓         | ✓                 |
| Mātauranga Māori/te ao Māori |                             |           |             | ✓              | ✓         |                   |
| Cultural alignment           | ✓                           | ✓         | ✓           | ✓              | ✓         | ✓                 |

#### 5.6. Annual General Meeting

The Trust holds an Annual General Meeting (AGM) each year for members to discuss the annual report and financial statements and hear from the team activities for the coming year. The AGM for 2023 will be held in November.

## 6. Organisational Health, Capability and Risk Assessment

### 6.1. Organisational Health and Capability

Our aim is to deliver our work by attracting and retaining talented and capable staff and through strategic partnerships. Critical to our success is having experienced and motivated staff. Training and professional development for staff will continue to be a priority for 2022/23.

We will continue to work closely with Victoria University, Council (e.g. shared services initiative) and other partners to build the capability of the organisation.

### 6.2. Executive Team

|                      |  |
|----------------------|--|
| Dr Danielle Shanahan | Chief Executive and Director, Centre for People and Nature |
| Jo Ledington         | Manager Conservation and Restoration                       |
| Chris Fitzgerald     | Manager Commercial Development                             |
| Anne-Louise Wirth    | Manager External Engagement                                |
| Ros Alsford          | Manager Corporate Services                                 |

### 6.3. Environmental Practices

The Trust is committed to and incorporates sustainable practices.

Zealandia has been awarded the Qualmark Gold and the Toitū Envirocare carbonZero accreditation.

An across-organisation group (the Green Team) monitors Zealandia's sustainability practices and suggests and implements new approaches wherever practicable.

## 7. Health and Safety

The Trust has robust Health and Safety systems in place and a detailed Emergency Procedure Action Plan that complies with the Health and Safety at Work Act 2015.

#### Key actions taken or underway

- Incidents and hazards are recorded online and this reporting allows mitigations to be applied in a timely manner.
- Incident reports are reviewed regularly and our updated procedures of sign-off ensures the officers are satisfied with the investigations and outcomes is working well.
- The Chief Executive continues to be a member of the "Business Leaders Health and Safety Forum" and uses this to inform and keep abreast of good practice models.
- We continue to ensure employees and volunteers have an inclusive role in the identification and management of health and safety matters; including using the Health and Safety Committee to give a direct line of communication and ownership around health and safety matter across all areas of the organisation.
- We maintain a training regime that ensures there is a good level of coverage of personnel who can confidently deal with first responder medical and emergency situations throughout the site at all times.
- We continue to maintain an Employee Support Programme through EAP Services which provides free and confidential support to all employees.

- Our monthly health and safety dashboard provides our Board an important view of key data trends year-on-year.

#### **Initiatives planned**

We will continue to:

- evolve our policies and processes as WorkSafe publishes new guidelines and requirements become clearer.
- foster a collaborative and proactive approach within the organisation and with our partners.
- engage with the PCBU's of other organisations with which the Trust works, partners, or otherwise deals or is considering dealing with, to require more robust evidence of their suitability and pertinent qualifications before working with them.
- work with agencies such as the Wellington Regional Emergency Management office, the Rural Fire Authority, Search and Rescue New Zealand, and other Wellington City Council Controlled Organisations, to develop relationships and review joint working relationships.
- engage with WorkSafe with a view to reducing our ACC levy payments by undertaking recommended programmes and assessments.
- identify and organise ongoing training to reach or exceed best practice levels in all areas.

### **8. Asset Management Plan**

In 2021/22 we developed an asset management strategy that sets out our long-term approach to asset management, including key principles and how we manage our infrastructure going forward.

Tanglewood House will be added to the Asset Management Plan.

We will continue to improve our asset management systems.

We will keep the Council updated on developing business cases for future capital programmes.

### **9. Risk Management**

The Trust regularly reviews all known and potential risks. A robust risk management process, using standard risk methodology, is monitored by the Audit and Risk Committee and reported to the Board.

The Trust has robust fit-for-purpose systems and processes and financial delegations.

The Trust has insurance policies for Material Damage, Business Interruption, Motor Vehicle, Combined Liability (Public, Employer, Statutory, Crime, Employers Disputes, Cyber and Trustee) and Marine Hull.

For medium and high risks, control systems and management strategies are established, as appropriate. The objective is to reduce the residual risk to the point where all cost-effective mitigations have been put in place. The Audit and Risk Committee is responsible for reviewing these strategies, as required. The Trust's management is responsible for their implementation. There are four response types, depending on the risk assessment and cost effectiveness considerations. These are:

- Avoidance: To eliminate the conditions that allow the risk to be present at all, often by changing or stopping the activity.

- **Acceptance:** To acknowledge the risk's existence, but to take no pre-emptive action to resolve it, except for the possible development of contingency plans should the risk event come to pass.
- **Mitigation:** To minimise the probability of a risk's occurrence or the impact of the risk should it occur.
- **Deflection:** To transfer the risk (in whole or part to another organisation, individual, or entity – such as through insurance).

The current framework employs a risk matrix indicated below, with likelihood and consequence tables providing a greater degree of clarity in line with current best-practice.

| Probability of Risk | Impact of Risk |          |             |           |           |
|---------------------|----------------|----------|-------------|-----------|-----------|
|                     | Minor          | Moderate | Significant | Major     | Severe    |
| Almost Certain      | Low            | Medium   | High        | Very High | Very High |
| Likely              | Low            | Medium   | High        | Very High | Very High |
| Possible            | Low            | Medium   | Medium      | High      | Very High |
| Unlikely            | Low            | Low      | Medium      | Medium    | High      |
| Rare                | Low            | Low      | Low         | Medium    | Medium    |

The Zealandia risk register is updated and reviewed by the Audit and Risk Committee annually as part of our planning cycle and is available to Council to view on request.

For the coming years some key risks are identified in the table on the following pages.

| # | Risks   | Probability rating | Impact rating | Overall rating | Control System/Mitigation Strategies  | Residual Risk   |
|---|---|--------------------|---------------|----------------|---|---|
| 1 | Forced closure of parts or all of Zealandia facilities due to staff and volunteers required to isolate due to Covid-19, and other related impacts on operations.            | Likely             | Major         | Very High      | Zealandia is a vaccine pass site, so all visitors and staff have adequate protection. Where possible teams split into staggered working groups to avoid whole parts of the business becoming affected. Teams provided with best PPE options available to prevent Covid-19 transmission. Zealandia remains responsive to all Government recommendations and regulations.   | The residual risk remains high due to the unpredictable nature of Covid-19. |
| 2 | Adverse result in budget.   | Rare               | Significant   | Low            | Budget control; regular reviews; quarterly reforecasting of end of year result. Expenditure is controlled in response to any income reduction. Financial delegation rules are monitored closely. Key enterprise indicators (revenue and visit numbers) are tracked weekly at management meetings.   | Low   |
| 3 | Reputational damage to the Trust  | Possible           | Severe        | Very High      | Implement sound key policies/ procedures, culture, values and processes. Code of Conduct in place for all Zealandia people. The recent years of positive communications (proactive and external) has strengthened Zealandia's reputation as a successful organisation.  | Medium  |
| 4 | Cyber risk: Businesses and all organisations are exposed to a range of cyber risks that can financially impact their business, affect customers and also damage reputations | Possible           | Major         | High           | Improvement in IT security and controls supported by external IT provider. Staff are reminded regularly to be more vigilant regarding increased risks of a cyber attack.  | The residual risk remains high as this risk cannot be fully mitigated.      |
| 5 | Significant site incident causing harm or death to staff or visitors.   | Unlikely           | Severe        | High           | A comprehensive health and safety plan is in place and regularly reviewed. H&S KPIs established to encourage early reporting of potential hazards. Hazard Register is in place and regularly reviewed. Clear communication to visitors of safety rules. Clear communication to staff and volunteers. Event management process. Staff training programmes in place for Quad bikes and Chain saw usage. Develop effective relationship management procedures. Ensure conservation work is not compromised. Proactively maintain a wide network of experts and partners. Proactive reporting of incidents and hazards is encouraged. | Medium  |

| # | Risks  | Probability rating | Impact rating | Overall rating | Control System/Mitigation Strategies  | Residual Risk   |
|---|--|--------------------|---------------|----------------|---|---|
| 6 | Staff experience health and safety issues.   | Possible           | Major         | High           | SMT discuss Health and Safety weekly always address any urgent issues immediately.<br>Implement policies to improve overall staff wellbeing.<br>We continue to provide an Employee Assistance Programme free to our staff.<br>We continue to assess our staff and volunteer accommodation facilities regularly to ensure they provide a healthy and safe environment for our people.  | Medium  |
| 7 | Fire, earthquake, illnesses, resulting in significant loss of wildlife, unexpected costs, closure for long period. | Possible           | Severe        | Very High      | Emergency plan in place to deal with natural disaster.<br>Business continuity plan has been developed.<br>Proactively maintaining a wide network of experts and partners to assist.<br>Reduce sources of ignition by maintaining firebreaks and the perimeter around the sanctuary, maintaining the sanctuary as a smoke free environment and refraining from using power tools in high fire risk areas/times. Staff on quad to carry water source for dousing smoulders.<br>There is stock of fence onsite for 60 metres of fence to respond to a breach of the fence. | The residual risk remains high due to the unpredictable effects and risk of earthquakes . |
| 8 | Climate change presents a foreseeable risk of financial harm to many businesses.                                   | Possible           | Severe        | Very High      | Build the resilience of the eco system by increasing biodiversity and targeting restoration efforts to species that increase resilience.<br>Maintain Carbon Zero status.<br>Review practices and continue a green team to seek greater sustainability.<br>Integrate accounting for sustainability into Zealandia BAU.<br>Diversify revenue to reduce the reliance of visitor revenue, and reduce reliance on high-carbon markets  | Medium  |

## **10. Additional Information**

### **10.1. Response to other specific letter of expectation matters (if applicable)**

None.

### **10.2. Ratio of Shareholders' Funds to Total Assets**

Please refer to the Balance Sheet included in the Accounting policies (Appendix A).

### **10.3. Estimate of Amount Intended for Distribution**

The Karori Sanctuary Trust is a not-for-profit organisation and registered charity and does not make a distribution to the Settler.

### **10.4. Acquisition Procedures**

The Trustees have no intention of subscribing for, purchasing or otherwise acquiring shares in any other company or any organisation.

### **10.5. Activities for which the Board seeks Compensation from a Local Authority**

Total funding from Wellington City Council in 2020/21 was \$1,486,963 (including living wage and contributions to Tanglewood House). The development of the Trust's three-year rolling business plan anticipates as a baseline the continuation of the current level of funding.

### **10.6. Estimate of Commercial Value of Shareholders' Investment**

Not applicable.

## 11. Appendices

### 11.1. Appendix A: Accounting Policies

#### i. Statement of compliance and basis of preparation

##### *Statement of compliance*

The financial statements presented here are for the reporting entity, Karori Sanctuary Trust. The Trust is a charitable trust registered under the Charities Act 2005.

As the primary objective of the Trust is to develop a secure native wildlife sanctuary which benefits the community, rather than making a financial return, the Trust is a public benefit entity for the purpose of financial reporting.

##### *Basis of preparation*

The financial statements are prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entities Standards Reduced Disclosure Regime (PBE Standards RDR) and authoritative notices that are applicable to entities that apply PBE standards.

The Trust applies Tier 2 PBE Standards and disclosure concessions. The Trust is eligible to report in accordance with Tier 2 PBE Standards RDR because it does not have public accountability and it is not large.

Management has applied judgement in determining whether revenue streams have been appropriately classified as exchange or non-exchange in nature.

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

##### *Measurement base*

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

The financial report is measured in New Zealand dollars and all values are rounded to the nearest dollar (\$) unless otherwise stated.

#### ii. Recognition of revenue

Grants are recognised as revenue when the requirements under the grant agreement have been met. Any grants for which the requirements under the grant agreement have not been completed are carried as liabilities until all the conditions have been fulfilled. Revenue received from membership subscriptions is allocated proportionally over the period to which they relate. The unearned portion of subscriptions is shown under current liabilities. Prepaid visits are also treated as current liabilities.

Sales of goods and admissions comprise the amounts received and receivable for goods and services supplied to customers in the ordinary course of business. This revenue is recognised when the goods or services are provided to the customer.

Exchange revenue is defined as transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services or use of assets) to another entity in exchange. Revenue streams defined as exchange are membership subscriptions, admissions, sales of goods, certain other Statement of



accounting policies grants (where there is an exchange obligation) and certain items of other revenue.

Non-exchange transactions arise where an entity receives value from another entity without giving approximately equal value in exchange. Revenue streams defined as non-exchange are the Wellington City Council grant as well as other grants and donations and items of other revenue that are not included under exchange transactions.

Interest income is accounted for as earned. In the financial statements, there is no financial recognition of support given in the form of donated labour and materials.

### **Financial Instruments**

Financial instruments are comprised of trade and other receivables, cash and cash equivalents, financial assets at fair value through surplus or deficit, trade and other payables and borrowings at fair sale value. The Trust held no derivative financial instruments in the years reported. The subsequent measurement of financial assets depends on their classification at inception.

### **iii. Cost of goods sold**

Cost of goods sold comprises the purchase of stock items and other directly attributable costs relating to the Café, Retail, Functions and Education services.

### **iv. Property, plant and equipment and intangible assets**

Property, plant and equipment and intangible assets are measured initially at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item is recognised only when it is probable that future economic benefit or service potential associated with the item will flow to the entity.

Subsequent costs that meet the recognition criteria above are recognised in the carrying value of the item of the fixed asset or intangible asset. Such cost includes the cost of replacing part of the asset if the recognition criteria are met. When significant parts of the asset are required to be replaced at intervals, the entity recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the fixed asset as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in surplus or deficit as incurred.

Measurement subsequent to initial recognition:

Subsequent to initial recognition, Property, plant and equipment and intangible assets are measured using the cost model.

### **v. Depreciation and amortisation**

Depreciation of Property, plant and equipment and amortisation of intangible assets is calculated on a straight-line basis so as to allocate the cost of the assets over their useful lives as follows:

|                               |             |
|-------------------------------|-------------|
| Building/Infrastructure       | 5-100 years |
| Exhibitions                   | 2-20 years  |
| Leasehold improvements        | 10-25 years |
| Predator fence                | 25-50 years |
| Fixtures, Plant and Equipment | 2-25 years  |
| Vehicles                      | 5-14 years  |
| Other Assets                  | 3-25 years  |
| Computer Software             | 3 years     |

#### **vi. Cash and Bank**

Cash and bank includes bank balances, funds held at call with financial institutions and other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **vii. Accounts and Sundry Receivables**

Accounts receivable are stated at anticipated realisable value after providing against debt where collection is doubtful.

#### **viii. Stock on Hand**

Stock on hand comprise of retail, food and beverages. They are stated at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis.

#### **ix. Leased Assets**

*As Lessee:*

*Operating leases*

Operating lease payments are recognised as an expense in the periods the amounts are payable.

*Finance leases*

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases where the Trust is the lessee are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### **x. Impairment**

Property, plant and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount.

The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use. If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

#### **xi. Employee Entitlements**

Employee entitlements to salaries and wages, annual leave and other benefits are recognised when they accrue to employees.

The liability for employee entitlements is carried at the present value of the estimated future cash outflows.

**xii. Goods and Services Tax (GST)**

The financial statements have been prepared so that all components are stated exclusive of GST with the exception of receivables and payables that include GST invoiced.

**xiii. Income Tax**

The Trust being a charitable organisation is income tax exempt under the Income Tax Act 2007.

**xiv. Statement of Cash Flows**

The following are the definitions of the terms used in the statement of cash flows:

- (a) Operating activities include all transactions and other events that are not investing or financing activities.
- (b) Investing activities are those activities relating to acquisition, holding and disposal of property, plant and equipment and of investments.
- (c) Financing activities are those activities that result in changes in the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash.
- (d) Cash is considered to be cash on hand and current accounts in banks, net of bank overdrafts.

**xv. Changes in accounting policies**

There have been no changes in accounting policies in the year.

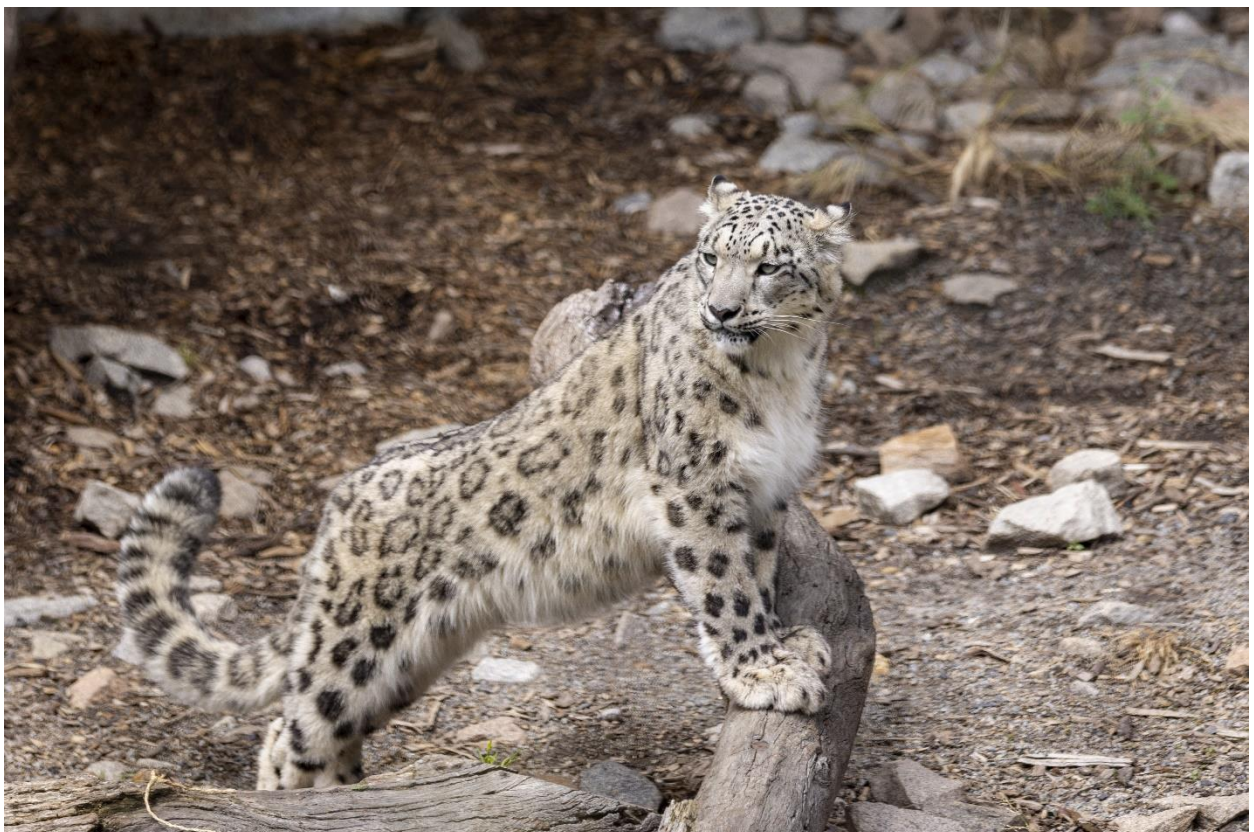
Comparative figures have been reclassified where applicable to conform with current year classifications.

## **11.2. Appendix B: Zealandia Budget for 2022/23**

As in past years, Zealandia will continue to drive revenue and contain costs in 2022/23 and will aim to complete the year with a breakeven position before depreciation and tax.

**Statement of Intent  
2022/23-2024/25  
Wellington Zoo Trust  
Me tiaki, kia ora!**

Pursuant to Section 64B of the Local Government Act (2002)



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## 1. INTRODUCTION

Wellington Zoo is the Zoo with the biggest heart – a creative, innovative and progressive zoo which exists to create community value and to solve important social and environmental problems. We have local and global influence in animal welfare, sustainability initiatives, community engagement and conservation outcomes. We live by the kaupapa of **Me tiaki, kia ora!** This means that we **must** care for the planet so that all life will thrive.

Wellington Zoo is one of the most sustainable zoos in the world. The World Association of Zoos and Aquariums inaugural **Environmental Sustainability Award** was awarded to Wellington Zoo in 2018. We believe that sustainability is an integral part of being an iconic organisation in our livable city, a city **where people live inclusively and sustainably**. From our 2019 community perceptions research, 84% of residents surveyed by Wellington Zoo rate building a sustainable future as important to them. Our success as a cause-related business continues through prudent management and we work hard to be connected and accessible to our diverse community of all ages and cultures locally and beyond. From the same research, 80% of residents surveyed rate spending time as a family as important to them. The animals who are cared for at Wellington Zoo are given the best lives possible and we take pride in being an **Animal Welfare Accredited Zoo** through the Zoo and Aquarium Association Australasia. Again, our research shows that 89% of residents surveyed rate animal welfare as important to them and 85% rate wildlife conservation as important to them.

Planned capital investment through upgrades and renewals will ensure the Zoo remains leading edge and species allow us to tell both local and global conservation stories to drive positive action for the environment within our community. We see our capital investment and asset planning as a response to community expectations of a welcoming, progressive and professional zoo and to create **ongoing resilience** for one of our city's most iconic places.

Wellington Zoo Trust Incorporated is incorporated under the Charitable Trusts Act 1957 and is a not-for-profit organisation.

## 2. COVID-19 IMPACTS

As New Zealand's capital city Zoo we believe we should be providing a uniquely Wellington experience for whānau, ākonga and other visitor groups from our region and across the country - quirky, fun, professional, creative and personal.

We are well aware of the impacts of COVID-19 on our revenue and we are keeping a watching brief on these impacts. For 2021/22 we will have a forecasted shortfall of approximately \$200k. Together with inflationary pressures on costs we are seeing revenue affected by the constant COVID-19 restrictions and changes. We are experiencing significant cost increases alongside revenue restrictions. New animal habitats, such as for Snow Leopards and Lace Monitors will help drive visitation in the 2022-23 year but by how much and for how long in the current environment is uncertain. Indications are that fundraising may be tighter in the coming three years but we will continue to work hard to raise funds as we can and by appointing a new café and catering partner, a local Wellington business, using an exclusive catering model to drive business via venue hire and other activities.

COVID-19 has given us operational challenges with team separation to mitigate infection impacts on critical animal care staff. We are cross training to prepare for any situation so that we can ensure our three goals of keeping the Zoo open, our people safe and animals healthy. Staffing issues will be top of mind for us as more of staff become infected and will need to isolate.

However, a 2% rise to the WCC Operational Funding Grant for 2022/23 does not cover the predicted inflationary costs which are more like 5-6%. This creates pressure on the Zoo's ability to pay increased remuneration which is becoming more necessary, maintain progressive zoo outcomes and cover increasing costs. While the Trust has adjusted expenditure and made changes to drive revenue streams, we have suffered this year, and will into 22/23, the impacts of COVID-19 on the business. We have had cancellations of venues bookings, school bookings and COVID-19 has impacted our visitation by 20% this current financial year.

We hope to see a lift in visitation with the arrival of Snow Leopards but it remains to be seen how much given people's reluctance to travel. We see the first six months of 22/23 as being difficult financially and we predict a shortfall of \$412k in our operational budget for 2022/23. This is all attributable to COVID-19 economic impacts: both reduced visitation (~\$200k) and increasing costs and remuneration pressure. Note this is predicated on a Living Wage increase of 6%, and other staff receiving salary increases of between 0-2%, aside from any resizing.

While we always look to submit a balanced budget to WCC for the SOI it will be impossible to do so this for the coming year and we will not break even for the current year. The WCC Operational funding Grant is 42% of our budgeted expenditure for 2022/23. If we were to move to a 50:50 funding model it would mean an additional \$700k in council funding. This would be a more sustainable option for the Zoo going forward. It is increasingly difficult to increase admission prices to fill the shortfall and we cannot rely on this going forward.

We would be more than willing to discuss this with WCC.

### 3. CONTRIBUTION TO OUR CITY and RELATIONSHIP WITH WCC

**As always, we are more than willing to work with WCC and the other CCOs to drive strategic outcomes for the city.** By building a strategic relationship with WCC we can share our knowledge and expertise to the benefit of the city as a whole. We have experience in sustainability, visitor engagement, delivering capital projects and health, safety and wellbeing approaches that the city can draw on if required. Our work in Te Ao Māori and cultural competency complements the WCC initiatives in this important area for the capital city.

By being involved in conversations early with WCC we can be better informed about processes such as the LTP, Asset Management and strategic priorities. Our relationship should go beyond reporting to true partnership and collaboration. Better alignment on city issues such as tourism, sustainability, conservation and value for money can only be of benefit to all parties and our community at large. For WCC, having a better understanding of the priorities for Wellington Zoo is also of benefit. An example of this is the digital and IT support we have worked on together which has brought benefits to both Wellington Zoo and WCC. Visits to Wellington Zoo by Councillors and Council Officers greatly enhance understanding of the complexity of the mahi at Wellington Zoo.

We work from a '**no surprises**' approach with Wellington City Council and have regular communications with the other CCOs and other significant organisations in our city.

Wellington Zoo is a strong contributor to our city, focusing on knowledge, collaboration, innovation and positive action. It contributes to the vibrancy and forward thinking of our city. We aim to be a reflection of our city and contribute, as a cutting-edge cause-related business with talented people, to the thriving cultural and natural heritage of Wellington as a liveable and sustainable city. The Zoo contributes strongly to liveability outcomes by being an integral part of the wellbeing of people in Wellington.



We are working with WellingtonNZ and other partners to ensure economic growth for our city. As previous winners of the Green Gold and Vibrant Gold in the Wellington Gold Awards and the Supreme Award winner of the Wellington Region Business Awards, we are perfectly placed to add value to the economy of our region.

Wellington Zoo will be seen as:

- A **leader in the city in shaping the community's views** on and action for conservation and sustainable living.
- A valued and valuable member of the Wellington regional community that adds to the prosperity of our city through business activity, events, **connections, inclusivity and engagement** for children and their families and other members of our society.
- A substantial player in the drive to position Wellington as a centre for learning about and expertise in **conservation and sustainability**.
- A key contributor to helping the city become internationally competitive, entrepreneurial and innovative by attracting investment in **education, research, tourism and employment** and contributing to the provision of a vibrant city attracting a creative working population.
- An important part of Wellington's history as **New Zealand's first zoo**.
- An important part of the regional fabric that stimulates overall wealth creation, social stability and connects people to conservation and environmental issues. **As our region's only zoo we are a unique asset for a vision for a sustainable city.**



## 4. STRATEGIC DIRECTION and ALIGNMENT WITH WCC

Wellington Zoo's strategy 2019-23 aligns with Council Strategies and with Council Priority Objectives over the next three years and integrates te ao Māori, the Global United Nations Sustainable Development Goals (SDGs) and the key strategic focus areas for the Zoo. The strategy outlines the strategic why, how, what approach we have taken, the SDG materiality undertaken with stakeholders and Toitū Envirocare, and the te ao Māori approach underway with Neavin Broughton from Taranaki Whānui ki Te Upoko o Te Ika. The Wellington Zoo strategy is in line with **Wellington City Council's 2040 Vision; Te Tauihu Te Reo Māori Policy; Kia eke panuku Māori Strategic Direction; Te Māpihi Maurea Naming Policy; and Te Atakura, First to Zero strategy.**

The five-year strategy (below) blends the major outcomes for the Zoo into key areas - it embraces our role as an inclusive community organisation, the capital city Zoo and as an organisation that values its people. Using the inspiration of Atua, and based on Te Whare Tapa Whā model of health, we are able to define our areas of focus over the coming years. It is an exciting vision for the Zoo and creates a strategic context for our kaupapa.

Wellington Zoo's strategy is for the Wellington Zoo of the 21st century and seeks to take us into a new realm, building on our success of the past few years. We will be using the Zoo's rebuilt physical platform to unlock the potential for Wellington Zoo to be seen as a leader and trusted voice in the conservation of species, engagement with community, excellence in animal welfare and sustainability outcomes. We have combined a global vision with local action so that we can be change makers for a better planet. **This aligns with Council's Aho-Tini Strategy and vision for Wellington as a creative city.**



As a sustainable organisation we must consider the **UN Sustainable Development Goals** (SDGs) in our approach. From consultation with our stakeholders and community we are focussed on the following SDGs: Climate Action; Responsible Consumption and Production; Life on Land; Life Below Water; Quality Education; and Sustainable Cities and Communities. Stakeholder (including Zoo staff) and community research showed these are the most material for the organisation and those we work closely with.

Rather than retrofit the SDGs to what we were already doing, we wanted to be aspirational and make a concerted effort to create new targets for the Zoo based solely on these SDGs. **Using input from the overarching UN goals and guidance from the World Association of Zoos and Aquariums sustainability strategy, *Protecting our Planet***, we have identified two or three targets for each of the six SDGs identified above. Teams across the Zoo are currently gathering data to establish measures in order for us to start working towards these targets from 1 July 2022.

|  |  |
|--|--|
| Sustainable Cities & Communities<br>SDG 11     | <ul style="list-style-type: none"> <li>• Number of conservation projects which include support for sustainable communities/urban biodiversity</li> <li>• Proportion of visitors taking sustainable transport to the Zoo</li> <li>• Number of Wellington region conservation organisations the Zoo partners/collaborates with</li> </ul>  |
| Responsible Consumption & Production<br>SDG 12 | <ul style="list-style-type: none"> <li>• Kg/year food waste from animals</li> <li>• Proportion of palm oil containing products purchased by the Zoo which use certified sustainable palm oil</li> </ul>  |
| Quality Education<br>SDG 4                     | <ul style="list-style-type: none"> <li>• Number of children learning about environmental actions (practical sustainability)</li> <li>• Number of visitors sponsored through community partnerships, eg Wellington City Mission, Changemakers Resettlement Forum</li> <li>• Maintain Be: Lab Gold certification</li> </ul>  |
| Life on Land<br>SDG 15                         | <ul style="list-style-type: none"> <li>• Proportion of paper/wood products purchased by or sold at the Zoo that are SC certified</li> <li>• Native biodiversity (plants, animals, fungi) in restoration site and within Zoo</li> <li>• Number of conservation projects that include two or more aspects - social, climate change, local ecological, wider environmental</li> </ul> |
| Life Below Water<br>SDG 14                     | <ul style="list-style-type: none"> <li>• Proportion of products with single use plastics purchased by or sold at the Zoo</li> <li>• Proportion of ocean originating products purchased by the Zoo that are certified by Marine Stewardship Council</li> <li>• Number of conservation organisations the Zoo partners with which are marine-based or freshwater based</li> </ul>     |
| Climate Action<br>SDG 13                       | <ul style="list-style-type: none"> <li>• Number of media/social media stories about the Zoo with climate change/action messages</li> <li>• Visitor awareness of climate actions they can take (survey)</li> <li>• Number of school children educated about climate change/action</li> </ul>  |

To achieve our strategic direction, we will be continuing our commitment to sustainability and our Toitū carbonzero certification continues with projects such as the solar power installation on suitable Zoo buildings and increasing the use of EVs in our vehicle fleet. Our recent site-wide project to upgrade our water metering infrastructure will also allow for more targeted initiatives to reduce our overall water usage across the Zoo. We have identified improving relationships with Wellington Water and WCC officers in the three waters area in this SOI period – aligning with the Council’s priority objective for maintaining functioning and reliable three waters infrastructure. **As a Toitū carbonzero certified organisation since 2013** we will continue to reduce our waste to landfill and work with officers to meet the **Regional Waste Management and Minimisation Plan and the Te Atakura, First to Zero plan**. As we seek to continually reduce waste to landfill and improve waste diversion, we will be completing a new procurement process for all the Zoo’s current waste streams in early 2022, looking for partnership opportunities and new innovations with the chosen service provider.

Our values underpin our strategy and structure and they resound with our approach to being a welcoming, happy place. Our iwi alignment is reflected in the organisational values (below) and we have worked with Taranaki Whānui ki Te Upoko o Te Ika to ensure the correct te ao Māori concepts reflect our intentions. **Our Kanohi Kitea programme over the next four years and beyond will transform us into a bicultural organisation - as is expected of the capital city Zoo and will recognise the importance of Tikanga Māori in the way the Zoo works.**

The first phase of Kanohi Kitea was a two day cultural competency programme, completed by all permanent and fixed term staff last year. On the back of this a **Kanohi Kitea rūpū** has been convened with interested staff members applying to be on the rūpū to help extend the reach of the Kanohi Kitea throughout the organisation. This rūpū will support staff members as we move into the next phase of Kanohi Kitea, developing our te reo Māori and tikanga Māori knowledge and skills.



## Aligning with Council Strategy

**The work of the Zoo supports the 2040 vision for our city – an inclusive, creative capital where people like to live.** Wellington Zoo's strategy reflects the expected WCC community outcomes underpinning this vision - environmental, social, cultural and economic wellbeing. The Zoo is an iconic asset for our city and as our city population grows there will be an even greater desire for the Zoo to be a sophisticated and accessible attraction which delivers 21st century conservation programmes and action.

### Wellington Zoo Trust's strategic areas are aligned to:

#### *Environmental Wellbeing*

Our end game is **to save wildlife and wild places, locally and globally**. We have a global conservation remit. We strive to show thought leadership in global conservation and sustainability by involvement with global partners and by taking leadership roles in both the world and regional zoo professional community. We are respected in the zoo profession for our success in sustainability and we are a leading example of conservation investment and on the ground conservation outcomes.

In 2020 we launched our **Conservation Strategy**, aligned with our overarching strategy, which focuses on our conservation efforts, resources and investment until 2023. The Conservation Strategy reinforces *Me Tiaki, Kia Ora!* as our kaupapa and brings together conservation and sustainability for saving wildlife and wild places.

It sets out measurable actions in five areas: recognition and involvement of the Zoo's conservation expertise; effective field partnerships for long-term conservation outcomes; focused investment in conservation innovations; and integrating the UN SDGs.

We are a key stakeholder in collaborative conservation breeding as well as science and veterinary research programmes within the zoo community, with other conservation agencies and higher learning organisations in Wellington, across New Zealand and beyond.

Our **Species Plan** focuses on the number of critically endangered, endangered and vulnerable species we care for at the Zoo and those we support through our conservation programmes in the animal's range state. This plan is reviewed annually and redefined as we better align the animals we care for to the critical need in the wild. This plan sets out our priorities for the next year, five years and twenty years.

The **field conservation programmes** for critically endangered; endangered and vulnerable species in their range state that we support are: Sumatran Tigers through Wildcats Conservation Alliance; Tasmanian Devils through Save the Devil Program; Malayan Sun bears through Free the Bears; Cotton Top Tamarins through Proyecto Titi; Black and White Ruffed Lemurs and Ring-tailed Lemurs through the Madagascar Fauna and Flora Group; White-cheeked Gibbons through Fauna and Flora International, Vietnam; Cheetah through Cheetah Outreach; Kea through Kea Conservation Trust; Grand and Otago Skinks with DOC; Kororā and Tawaki through West Coast Penguin Trust; and Golden Lion Tamarins through Associação Mico-Leão Dourado. We have recently signed an MOU with Mountain Spirit, a conservation partner based in Nepal that works with local communities to protect mountain communities, cultures, and biodiversity including Snow Leopards.

In late 2019 we launched our inaugural **local conservation grants** programme benefitting Wellington Region conservation projects. In late 2021 we awarded new grants to projects (NB: Rēkohu Chatham Islands are included as part of our local Rongotai Electorate): remote camera monitoring of Tāiko in the Tuku Nature Reserve and Sweetwater Conservation Covenant (Chatham Islands Tāiko Trust); Porokapa 2022 (Makara Peak Mountain Bike Park Supporters Inc); He Kākano Nursery Infrastructure (Pae Tu Mōkai o Tauira Incorporated Society); Conservation of Wellington's Little Blue Penguins/Kororā around the coastline (Forest



& Bird/Places for Penguins); New Zealand native bee school ecosystem project (Aladár Lavack – individual); Wellington Cable Car Bird Strike Prevention Project (Urban Wildlife Trust); Wooden trapping tunnels made by Scouts for local conservation projects to eradicate rats in the local community (1st Waterloo Scout Group); Pīngao and spinifex restoration trial (propagation, planting, and plant protection) at Ōkorewa Lagoon near Lake Ferry (South Wairarapa Biodiversity Group); Kārearea/New Zealand Falcon, Honour and Quentin's scrape and chick protection project (South Wairarapa Biodiversity Group).

**The Nest Te Kōhanga**, our state-of-the-art veterinary hospital, works with a variety of native species. Sick and injured native wildlife make up a significant proportion of the veterinary medicine case load – including many who are classed by DOC as nationally critical. Our success in successfully releasing injured native wildlife back to the wild is above world standard for zoo veterinary hospitals and we take great pride in this achievement.

**Climate Action** is one of SDG focus areas for our strategy and we have developed a Climate Action Position Statement. Species such as Snow Leopards, which are climate change refugee species, enable us to tell the story of climate change and the resulting impacts on the environment.

The Wellington Zoo **restoration site** project began in 2014 as a collaborative project with Wellington City Council and Wellington Water. The site, adjacent to the Zoo on the town belt, was designated as a mitigation site for damage that was done at the other end of the waterway for Wellington Water's infrastructure. The site was weeded and planted with native plants. Wellington Zoo has kept up maintenance weeding and planting since. Over summer 2021/2022, WCC hired Kaitiaki Restoration to do some more extensive weed control to prepare the site for a final inspection by Greater Wellington as required by the resource consent that allowed it to be used as a mitigation site. A fourth year Victoria University of Wellington student has been doing a research project to take a biodiversity survey within the Zoo site and the restoration site (covering birds, skinks, and habitat quality) which can be used as a baseline for future comparisons, this will be completed in 2022.

## **Social Wellbeing**

Wellington Zoo is inclusive for all sectors of our community – our visitor mix is diverse and we ensure that all visitors feel safe and respected. Our visitor numbers continue to grow. Our visitor feedback is positive and people are enjoying the continual change in the Zoo.

Our commitment is to ensure continual improvement in visitor experience to achieve wider engagement within the community. We offer a range of events, discount days and other visitor programmes which ensure we engage our whole community in the work of the Zoo. **Accessibility is important to us as we believe that the Zoo belongs to everyone.**

**We have achieved Be. Lab Accessible Gold rating** and we continue to improve the Zoo experience for all visitors, so that many more people have access to the Zoo in the ways that best suit them. We have embraced accessibility for the whole community by investing in recommendations from Be.Lab to improve the experience for all people. **This aligns with Accessible Wellington, The Accessible Journey Action Plan 2019.**

We are striving for **Rainbow Tick Certification** and in our recent staff survey the question with the highest rating (94%) was 'As an LGBTTQIA+ person, being myself at work does not impact how my work is evaluated.' The second most highly rated question (85%) was 'the LGBTTQIA+ leaders in this organisation are visible and can be role models.' Wellington Zoo has presented our Rainbow community initiative to the WCC Takatāpui Rainbow Advisory Council in February 2022. We are very proud of the work we are doing to make the Zoo an inclusive and diverse place.

We have established community partnerships with key organisations in Wellington. We support the Wellington City Mission, Changemakers Resettlement Forum, Wellington Children's Hospital and Ronald McDonald House Wellington. These partnerships enable these organisations to offer the choice of Zoo visits to the whānau they work with. These partnerships have all recently been renewed for a further three years. The Wellington City Missioner refers to the Zoo as a 'healing place' for the people they serve.

Other accessibility programmes include: LEOTC discounted entry for school groups; free **Neighbours' Night** for our Newtown and Melrose locals in conjunction with City Housing and Newtown New World; Welcome Weekend; Winter Wednesdays; and other discounted entry opportunities ensure accessibility for a wider segment of the community.

As a child friendly city and in line with the Strategy for Children and Young People, it's important for Wellington to cater for all young people and their families, and this means providing safe, accessible and enjoyable places for learning and play, and offering community events and activities that are suitable for all. We will support the hauora, or wellbeing, of children and young people by placing a wellbeing focus on the recreational, and environmental programmes we currently deliver for children and young people. **Our own school holiday programmes are well attended and many other external holiday programmes visit the Zoo as part of their offering to the community.**

We have over **70 volunteers** who give their time to help the Zoo achieve its outcomes. We value the assistance we receive from our volunteers and they feel they can add value to the community by being involved with the Zoo.

### ***Cultural Wellbeing***

The Zoo is perfectly positioned, as a **multi award winner** in visitor experience, business leadership, vibrancy, sustainability and conservation, to take an active role in delivering conservation and sustainability messages to a large audience of approximately 250,000 visitors on-site and many more online. We create compelling stories with clear calls to action and we craft community campaigns that move beyond simply raising awareness of an issue to driving lasting change and building a better world. Our target market of families, young people and children are engaged in conservation and sustainability messaging and experiences at Wellington Zoo.

Wellington Zoo will continue to build its reputation as a **creative and innovative zoo** by including more opportunities for our visitors to experience multi-layered and multi-sensory learning experiences. We have rich content for storytelling and engagement with communities. We design creative and profound visitor experiences which connect people and animals in ways which inspire communities to take positive action for the environment.

As one of the key environmental education providers in Wellington, the Zoo has a Learning Experience contract with the Ministry of Education (MOE). Over **10,000 school children** annually experience a learning session with our conservation education experts at Wellington Zoo.

The Ministry of Education measures the success of the learning programmes at Wellington Zoo and we continue to receive positive feedback on our educator-led learning sessions and our innovative programmes that align with the Ministry's target areas, including improving education outcomes for Māori and Pasifika learners, special education learners and those from low socio-economic backgrounds. We are investigating ways for us to fund a Māori educator and our Kanohi Kitea programme will give our educators even more skills and knowledge to embrace multicultural outcomes.

Wellington Zoo's **Bush Builders** is a unique environmental literacy programme that helps children to discover for themselves the wonder of the world around them, in their own schools and homes, and to empower them to take positive action in their own communities. This successful programme has influenced over 4,000 students in our region. *Bush Builders* emphasises the importance of building habitats for animals.

Our **relationships and MoUs** with Massey and Victoria Universities, Department of Conservation, Zealandia, Ngāti Koata and Taranaki Whānui ki Te Upoko o Te Ika have enabled collaborative partnerships for conservation medicine, veterinary learning, animal welfare and visitor experience and learning.

### ***Economic Wellbeing***

The Zoo's contribution to the economic development of our city is through its financial results, creating a place Wellingtonians can feel proud of, by the **employment** of over 100 people (82 FTE) and by being one of the largest employers in Newtown. We employ key, specialist staff across a range of areas – some are world leading in their field. Our aim is always to retain our people, and in line with our strategic area of Oranga, A Healthy Organisation objectives, we have policies and initiatives that recognise and reward our people. We want our people to thrive. We always face challenges as a fixed cost organisation, especially in areas such as annual salary increases, cost increases from suppliers and other operational costs increases. **We support the Living Wage** ethos and all Wellington Zoo Trust employees are paid at, or above, the Living Wage. This is part of our ongoing remuneration strategy for the Trust. However, current inflationary trends are putting pressure on our ability to pay across the board due to relativities and market changes. Cost of living increases continue to rise and as a not-for-profit trust it is a constant struggle to keep pace. Government salaries increases have put enormous pressure on the Zoo in key areas such as veterinary staff, marketing and communications and managerial roles. However, we have also noticed that the Zoo's brand is attracting quality candidates for our latest roles.

We contribute to the economic success of our **suppliers** from free range egg suppliers to architects. As a well-recognised Zoo, we support the liveability objectives the city has for its citizens.

The Trust will continue to drive for results in its commercial imperatives this year to ensure financial sustainability. As a social enterprise we seek to ensure our **financial sustainability** so that our social and environmental goals can be achieved without further draw on the rate payers. The COVID-19 impacts will make this difficult to achieve but we will be adjusting our expenditure as required and continue to look at revenue opportunities.

## **5 SNOW LEOPARDS AND RENEWALS**

Construction of the new Snow Leopard project started in late December 2021 and is scheduled for completion in late 2022 with WCC capital expenditure in the current LTP finishing in the 2021/22 financial year. The final construction contract price was higher than expected due to external factors driven primarily by COVID-19 on the Wellington construction industry, however through our existing relationship with the construction contractor, they have agreed to a fixed price contract for the entire project, which is highly beneficial in the current economic climate. Piling and excavation works are underway through February and March with the current construction end date of late December 2022. We are planning for visitors to see Snow Leopards in the Zoo during summer 2022/23.

The Trust is currently fundraising the outstanding balance of the project through external fundraising (with current approved funding shown in the table below). We plan to continue to seek funding for the Snow Leopard project in 2022.

| Funders             |                       | Budget           | Funding Application Outcome                   |
|---------------------|-----------------------|------------------|---|
| Applied Grant Funds | Pub Charity           | \$400,000        | Approved with 1yr accountability              |
|                     | Four Winds Foundation | \$75,000         | Approved with accountability due Dec. 2021    |
|                     | Caniwi Capital        | \$20,000         | Approved                                      |
|                     | TG Macarthy Trust     | \$150,000        | Approved                                      |
|                     | Brian Whiteacre       | \$15,000         | Approved                                      |
|                     | Individual Donors     | \$40,000         | Four individual donors to date (\$5k or more) |
|                     | J&A Mauger Trust      | \$48,819         | Approved                                      |
|                     |                       | <b>\$748,819</b> | <b>Total Funding confirmed (to date)</b>      |

|                                 |                                    |                    |  |
|---------------------------------|------------------------------------|--------------------|--|
| Planned Grant Fund Applications | Lotteries Significant Project Fund | \$810,000          | Second round application in March 2022   |
|                                 | Lion Foundation                    | \$250,000          | Applied January 2022   |
|                                 | Grassroots Foundation              | \$35,000           | Application in development   |
|                                 | TG Macarthy Trust Round 2          | \$150,000          | Application in development   |
|                                 | Pelorus Trust                      | \$80,000           | Applied December 2021  |
|                                 | One Foundation                     | \$35,000           | Application in development   |
|                                 | Pub Charity Round 2                | \$200,000          | Indications are that the first application is likely to be the only funding to be approved from Pub Charity for this project |
|                                 | Four Winds Foundation Round 2      | \$75,000           | Application in development   |
|                                 | Community Fundraising              | \$20,000           | Individual donors and sales from retail products   |
|                                 |                                    | <b>\$1,690,000</b> | <b>Total Funding Potential (outstanding)</b>   |

| <b>Capital Upgrades</b><br><b>Snow Leopards</b><br>Snow Leopards are endangered in the wild and are a climate change refugee species, with a population of less than 4,000 thought to exist in their mountainous range state.<br><br>International research shows that big cats are the biggest draw card for visitors attending zoos. As the only zoo in New Zealand with Snow Leopards, we would be part of the international commitment to protect this species via home range direct conservation action. | 19/20   | 20/21     | 21/22     | TOTAL                           |
|---|---------|-----------|-----------|---------------------------------|
|   | 308,000 | 1,677,000 | 1,717,000 | \$3.702m<br>Included in the LTP |





*Image of the visitor viewing area from Architecture Workshop Developed Design*

## Asset Renewals

The renewals budget allows us to maintain a resilient asset for the city. We have given the renewals budget precedence in the LTP as we know that reasonably small, enhancing changes can give us excellent animal, staff and visitor outcomes.

The Zoo is working alongside the WCC Strategic Asset Planning team to update and refine the Zoo Asset and associated Asset Management Plan to ensure the ongoing maintenance and renewal of the Zoo asset is carried out strategically using the most up-to-date data available, while also executing our obligations under the **Contract for Services**. The AMP will enable the Zoo to: manage asset lifecycles for a whole-of-life approach with due consideration given to WCC and Zoo joint objectives; provide assurance of funding required to cover existing and future asset renewals and avoid critical failure of ageing infrastructure assets; update any assets not fit for purpose from an animal welfare standard; and resolve any potential Health and Safety issues and the associated reputational risk these issues could bring.

Building on the recently completed existing Zoo asset register realignment with WCC, projects are now underway to update asset valuation and condition assessments in line with market values and best-practice asset management processes. While these projects aren't intended to update the Council's financial asset valuation of the Zoo (approx. \$34mil in WCC asset records), these reports will help inform future, long-term LTP decisions around maintaining the Zoo asset considering current market conditions. We will continue to work with WCC officers to develop our detailed asset management plan in line with Council processes for asset renewals, business continuity and earthquake resilience in readiness for the Council Long-Term Plan development.

One of the challenges of maintaining the Zoo asset is the variable lifecycle ages of structures and animal habitats. As our knowledge of the animals in human care increases, previous habitats and animal care and welfare practices become outdated. Zoos internationally now consider 20 years to be too long and in global experience it is more realistic to plan for a **ten-year life expectancy** for zoo animal habitat assets.

The **significant planned Renewal projects** for the next three years are:

- **Lace Monitor** habitat - iconic Australian animal which will be the introductory species for the *Neighbours* precinct, to be completed July/August 2021;
- **Twilight Te Ao Māhina** – refurbishment of the Kiwi habitats to bring Kiwi back to Wellington Zoo;
- **Southern Hairy Nosed Wombat** habitat - endangered species and iconic Australian animal in the *Neighbours* precinct;

- **Red Panda** habitat – refresh of the Red Panda habitat, service area and visitor space to connect with the new Snow Leopard habitat;
- **Hero HQ** – redesign of this asset to adapt building to new long-term species plan for invertebrates and reptiles;
- **Staff Office and Wellbeing** improvements - as our staff numbers grow the requirement for better staff office areas, accommodation and break spaces is becoming more pressing;
- **Earthquake** prone buildings – removal of and improvements to earthquake prone buildings and walls, including building replacement structures where required for staff office and storage areas;
- **Green Zoo, Green You** refurbishment – emphasis on Climate Action messaging and action;
- **Sustainability** improvements – supporting electricity independence and asset resilience;
- **Venues** improvements – to Kamala’s function space, Archibald Centre and Wild Theatre to provide a wider range of venue offerings and improve the Zoo’s financial sustainability;
- **River Trail & Gibbon** viewing – improving the entry precinct of the Zoo and improved viewing of the Monkey Island areas;
- **Quarantine Facilities** – to replace aging infrastructure and providing more flexible spaces and revitalisation of older buildings to improve functionality for the different species in the Zoo;
- **Electronic admissions** access - to electronically capture visitor numbers to the Zoo; and
- **Perimeter Fence & Security** – to complete the fence renewal and improve security coverage for the Zoo site.

## 6 PERFORMANCE MEASUREMENTS

For the next three years the following table indicates the measures for WCC to monitor. These are linked to our strategic areas.

| Measure   | Frequency of Measure | Target 2022-23   | Target 2023-24   | Target 2024-25   |   |
|---|----------------------|--|--|--|---|
| Visitors  | Quarter*             | 233,860  | 250,000  | 250,000  | This measure is linked to the Zoo's strategic area of Wairua and Oranga.  |
| Student and education visits                              | Annual               | 21,000   | 21,000   | 21,000   | Conservation education programmes and student self-guided visits. This measure is linked to the Zoo's strategic area of Wairua and Oranga.  |
| Council operating grant per visitor                       | Annual               | Available after WZT Board approves the Zoo budget at its March meeting | Available after WZT Board approves the Zoo budget at its March meeting | Available after WZT Board approves the Zoo budget at its March meeting | This measure is linked to the Zoo's strategic area of Oranga.   |
| Full cost to Council                                      | Annual               | Not available from Council for Draft Sol                               | Not available from Council for Draft Sol                               | Not available from Council for Draft Sol                               | This target is generated by Council and is not controlled by the Trust. It includes depreciation and shared services costs, CCO team costs, insurance, CAPEX interest and the OPEX grant. |
| Trading Revenue per visit (excluding grants and interest) | Annual               | Available after WZT Board approves the Zoo budget at its March meeting | Available after WZT Board approves the Zoo budget at its March meeting | Available after WZT Board approves the Zoo budget at its March meeting | This measure is linked to the Zoo's strategic area of Oranga.   |
| Non-Council donations and funding                         | Annual               | Available after WZT Board approves the Zoo budget at its March meeting | Available after WZT Board approves the Zoo budget at its March meeting | Available after WZT Board approves the Zoo budget at its March meeting | Non-Council operational grants, donations, sponsorships and bequests. This target does not include any capital funding. This measure is linked to the Zoo's strategic area of Oranga.     |
| Percentage of operating costs generated by the Trust      | Annual               | Available after WZT Board approves the Zoo budget at its March meeting | Available after WZT Board approves the Zoo budget at its March meeting | Available after WZT Board approves the Zoo budget at its March meeting | This measure is linked to the Zoo's strategic measure of Oranga.  |
| Trust generated income as percentage of the Council grant | Annual               | Available after WZT Board approves the Zoo budget at its March meeting | Available after WZT Board approves the Zoo budget at its March meeting | Available after WZT Board approves the Zoo budget at its March meeting | This measure is linked to the Zoo's strategic area of Oranga.   |

### \*Target Visitor Numbers by Quarter 2022-23

| Q1              | Q2              | Q3              | Q4              | Total   |
|-----------------|-----------------|-----------------|-----------------|---------|
| To be confirmed | To be confirmed | To be confirmed | To be confirmed | 233,860 |

| Measure  | Frequency of Measure | Target 2022-23 | Target 2023-24 | Target 2024-25 |  |
|--|----------------------|----------------|----------------|----------------|--|
| Measure visitor feedback and satisfaction  | Annual               | 80%            | 80%            | 80%            | Average visitor satisfaction is 80% or greater. This measure has changed as the new visitor survey measures satisfaction on scale of 1-7, to align with customer experience best practice, rather than the previous scale of 1-10. This measure is linked to the Zoo's strategic areas of Wairua and Oranga. |
| Number of vulnerable, endangered or critically endangered species (IUCN Red List and DOC National list) at the Zoo   | Annual               | 25             | 25             | 25             | This measure is linked to the Zoo's strategic area of Tinana.  |
| Percentage of native animals released to the wild after triage and treatment by The Nest Te Kōhanga (TNTK)   | Annual               | 50             | 50             | 50             | Post 72-hour period. This measure is linked to the Zoo's strategic area of Tinana.   |
| <i>Removed measure:</i> Percentage of OPEX directly contributed to field conservation  | Removed              | Removed        | Removed        | Removed        | <i>Removed measure:</i> This framework is no longer being used by ZAA, they have moved to a Conservation database with a broader focus on conservation advocacy, sustainability etc as opposed to a \$ contribution.   |
| Zoo UN SDG targets met   | Annual               | 80%            | 80%            | 80%            | <i>New measure:</i> Targets for Zoo SDGs have been established and involve the work of teams across the Zoo. These new targets will enable us to push forward our work for a sustainable planet through the SDG framework. This measure links to the Zoo strategic area of Whānau.                           |
| Number of field conservation projects supported for vulnerable, endangered or critically endangered species (IUCN Red List and DOC National list) at the Zoo | Annual               | 12             | 12             | 12             | This measure is linked to the Zoo's strategic area of Hinengaro.   |
| <i>Removed measure:</i> Participate in zoo-based research projects, scientific papers and presentations  | Removed              | Removed        | Removed        | Removed        | <i>Removed measure:</i> This measure has been removed as research initiatives are broadly represented in both the ZAA accreditation and UN SDG measures.   |
| Maintain Zoo and Aquarium Association accreditation  | Annual               | Achieved       | Achieved       | Achieved       | ZAA accreditation assesses animal welfare, conservation, sustainability, biosecurity and safety when working with dangerous animals. This measure is linked to the Zoo's strategic areas of Oranga, Tinana, Hinengaro, and Whānau.   |
| Maintain Toitū carbonzero certification  | Annual               | Achieved       | Achieved       | Achieved       | This measure is linked to the Zoo's strategic area of Whānau.  |
| Implementing <i>Kanohi Kitea</i> cultural competency programme   | Annual               | Achieved       | Achieved       | Achieved       | New measure linked to the implementation of this bicultural competency programme. This programme is linked to the Zoo strategic area of Wairua.  |
| Achieve and maintain Rainbow Tick certification  | Annual               | Achieved       | Achieved       | Achieved       | <i>New measure:</i> Rainbow Tick is a certification mark provided after a diversity and inclusion assessment process. Rainbow Tick is about accepting and valuing sexual and gender diversity in the workplace. This measure is linked to the Zoo's strategic area of Oranga.                                |

|   |        |     |     |     |  |
|---|--------|-----|-----|-----|--|
| Health, Safety & Wellbeing Committee meeting attendance | Annual | 80% | 80% | 80% | Measured against those staff available to attend meetings. This measure is linked to the Zoo's strategic area of Oranga. The change of Committee name is linked to legislation and the inclusion of Wellbeing in our HSW Strategy. |
| Emergency drill or incident debriefs summary delivered  | Annual | 8   | 8   | 8   | Debriefing documents developed and key lessons presented to Zoo staff following emergency drills, trial evacuations and real incidents. This measure is linked to the Zoo's strategic area of Oranga..                             |
| Volunteer engagement survey completed                   | Annual | 1   | 1   | 1   | This annual survey measures the satisfaction levels of those volunteering across the organisation. This measure is linked to the Zoo's strategic area of Wairua.   |
| Staff recognition initiative complete                   | Annual | 1   | 1   | 1   | Annual Gold Agouti Staff Awards. This measure is linked to the Zoo's strategic area of Oranga.   |
| Staff learning and development initiatives completed    | Annual | 10  | 10  | 10  | Learning opportunities from both internal and external speakers and providers. This measure is linked to the Zoo's strategic area of Oranga.   |

## 7 APPROACH TO GOVERNANCE

Wellington Zoo Trust is a Council-Controlled Organisation (CCO) having been established in 2003 by the Wellington City Council to develop and manage Wellington Zoo.

### Relationship with Council

The Trust ensures the ongoing viability of the organisation is maintained through the monitoring of Key Performance Measures. Governing policies have been developed by Trustees to ensure the business of the Trust is managed consistently with its Deed and stated direction.

### Trust Deed

Wellington Zoo Trust Deed states the objects of the Trust as follows:

*“7.1 The objects for which the Trust is established, to the extent that they are a charitable purpose within New Zealand, are as follows:*

*7.1.1 To manage, administer, plan, develop, maintain, operate and promote Wellington Zoo as a zoological park for the benefit of the Wellington community and as an attraction for visitors to Wellington;*

*7.1.2 To educate the community by building an awareness of plant and animal species and the actions required to promote conservation;*

*7.1.3 To promote species conservation;*

*7.1.4 To support and complement the conservation and learning activities undertaken by other organisations;*

*7.1.5 To develop, manage and plan animal species management programmes;*

*7.1.6 To promote and coordinate the raising of funds to assist the management, administration, maintenance, planning, promotion and further development of Wellington Zoo;*

*7.1.7 To acquire additional plant and animal species; and*

*7.1.8 Generally to do all acts, matters and things that the Trustees think necessary or conducive to further or attain the objects of the Trust set out above for the benefit of the Wellington community.”*

As part of the ongoing relationship with the Wellington City Council, the Chair and Chief Executive meet with the Mayor and Wellington City Council Chief Executive on a regular basis. The Wellington Zoo Chief Executive meets regularly with Council officers for CCOs and other Council management when appropriate. The Chair and Chief Executive attend Finance and Performance Committee meetings as required.

The Trust's Statement of Financial Performance and audited accounts will be presented to Council within 60 days of financial year end. These statements include the budget from the SOI for the same period as per the Statement of Expectation and our usual approach to the accounts.

The Trust will disclose any material or potentially contentious transactions that are planned within its annual business plan. Where this is not possible, the earliest practicable notice will be given to Council of such transactions.

Wellington Zoo always publicly acknowledges Council's contribution to the Zoo as much as possible. We are grateful for Council support and seek to acknowledge this at events, animal habitat openings and other appropriate opportunities.

The principles governing the relationship between the Trust and Council will include:

- **A "no surprises" approach;**
- Open communications which acknowledge each partner's objectives and constraints;
- Mutually respectful negotiation of resolution of differences;
- Reciprocal recognition of the requirements of each other's processes; and
- Provision of quarterly reports against agreed KPMs and an annual report within three months of balance date.

### **Contract for Services**

The Trust will continue to provide the core business services that the Zoo has historically delivered to Wellington as part of our **Contract for Services** with Wellington City Council. These can be summarised as follows:

- Strategic direction and operational management of the Zoo;
- Development and maintenance of animal habitats which offer engaging experiences to visitors and high-quality living environments to the resident animals;
- Provision of engaging learning experiences for visitors and community involvement with the Zoo as a community asset;
- Educational curriculum delivery to develop children as contributing citizens;
- A safe and inspiring place for family engagement and community learning;
- Care of the Zoo's animals to achieve excellent levels of health and emotional/psychological wellbeing according to the Five Domains of Animal Welfare;
- Contribution to conservation through advocacy, support for field conservation programmes and sustainable management practices;
- Participation in collaborative inter-zoo, and other conservation agency, programmes;
- Contribution to conservation, scientific, learning and management research projects in the field and on site; and
- Fundraising for the organisation's future sustainability, development and conservation projects.



## Trust Board Membership

| Name                           | Term Expires     |
|--------------------------------|------------------|
| Craig Ellison ( <i>Chair</i> ) | 31 December 2023 |
| Councillor Fleur Fitzsimons    | 20 October 2022  |
| Michael Potts                  | 31 December 2022 |
| Ben Bateman                    | 30 June 2023     |
| Nina Welanyk Brown             | 31 December 2024 |
| Jane Diplock AO                | 31 December 2024 |

All Board members are non-executive. A Board Skills Matrix will be provided separately by **31 March 2022** and updated annually.

### Board Committees

The Board operates one committee - the Finance, Audit and Risk Committee.

### Board Development

The Board conducts an annual review of overall Board performance which determines individual and chair development needs and any other actions required to ensure best practice governance and performance standards are met. The Trust promotes Board development for corporate governance and spends at least ten hours a year on this at Board meetings and additional workshops and discussions. **A report will be tabled to the Wellington City Council Chief Executive on the Board review and outcomes by 30 September 2022.**

## 8 HEALTH, SAFETY AND RISK

Wellington Zoo Trust Board has a Finance, Audit and Risk Committee which meets quarterly throughout the year. The Board monitors our Risk Analysis and Mitigation Plan at least annually and this document is updated as required. Health, Safety and Wellbeing is currently managed via the Director Safety, Assets and Sustainability who is a direct report to the Chief Executive. The H&S Lead works with our Health, Safety and Wellbeing Committee to ensure safe practices in the Zoo for animals, staff and visitors. All Health and Safety incidents are monitored weekly by the Strategic Management Team (SMT) and by the Board at their regular meetings.

A three-year Health, Safety & Wellbeing (HS&W) strategy has been developed to address improvement areas identified through an external review of the Zoo's systems carried out in April 2021. The external report action items and newly developed strategy were reviewed by the Trust Board in early 2022 and will form the basis for an Annual HS&W action plan, which is developed with the SMT and the Health, Safety & Wellbeing Committee. Progress against the HSW strategy and annual action plan is reviewed at each Board meeting.

**As with all our HS&W responsibilities the Board (and other Officers of the Trust) acknowledges and understands its accountability.** We have made the appropriate improvements to ensure the new H&S legislation is well managed and that the Trust meets the required reporting, monitoring and reviewing of HS&W objectives. Like all our legal obligations we have our HSW compliance assessed annual by ComplyWith. This external assessment ensures that all legal obligations across the Zoo business are met.

The Zoo's **Risk Matrix** highlights the criticality of maintaining a resilient asset for the city. Impacts of a natural disaster, serious incidents and reputational falter are all potential risks if we are not able to adequately manage or resource the asset management programme and appropriately fund the renewals programmes sufficiently.



## Risk Analysis & Control Plan for Wellington Zoo Trust

| Risk Identification   | Uncontrolled Risk |        |            | Risk Control   | Risk after Control |        |            | Accountability | Responsibility           |
|---|-------------------|--------|------------|--|--------------------|--------|------------|----------------|--------------------------|
|   | Probability       | Impact | Risk Value |  | Probability        | Impact | Risk Value |                |                          |
| Natural disasters impacts   | 0                 | 7      | 7          | Business Continuity Plan. Emergency Management Plans. All documents reviewed annually. Regular practice drills carried out. Once emergency is over, a tactical marketing and communications plan implemented. Internal communications plans enacted.   | 0                  | 6      | 6          | CE & Board     | Board, SMT               |
| Loss of business due to extreme or prolonged event, eg pandemic, terrorism, civil unrest, climate change event, prolonged inclement weather | -1                | 7      | 6          | Implement tactical marketing and pricing. Implement a targeted communications plan. Emergency logistics, animal management and procurement plans put into effect. Review and revise budgets, reduce spending and investigate new revenue raising initiatives. Strong relationship management with WCC and other key stakeholders. Internal communications plans enacted. See also Business Continuity Plan.  | -1                 | 6      | 5          | CE & Board     | Board SMT                |
| Serious incident (including animal related incidents) where there is the risk of the loss of life (human or animals)                        | -2                | 7      | 5          | Emergency Management Plans, Health & Safety Management System, Communications Plans reviewed annually. Regular practice drills carried out. Monitored Fire Alarms in all people occupied buildings and where possible in animal housing depending on risk. Building WOFs. Annual MPI audit and Containment Standards maintained. Inductions of staff and contractors. Monitor competency of staff and contractors. Two keeper system in place. Board and SMT site reviews. | -3                 | 7      | 4          | CE & Board     | Board, SMT               |
| Infectious disease impact on animals  | -1                | 6      | 5          | Health & Safety Management Plan. EPA/MPI policies. Infectious Diseases Policy. Maintenance of good biosecurity measures and developing controls on an ongoing/regular basis. Veterinary protocols and pre-import and pre-export screenings. Animal Human Interaction protocols. Communication Plan.  | -2                 | 6      | 4          | CE & Board     | Board COO, Director, SAS |
| Attraction and retention of key staff   | -1                | 6      | 5          | Learning and Development strategy and opportunities. Career progression initiatives such as the Learning and Development Framework. HR Policies & Remuneration Policy. Review Remuneration strategy. Engagement through shared values. Employee Experience Journey protocols, eg advertising, induction. Monitor and maintain skills shortage status for Veterinarians, Veterinarian Technicians, Zoo Keepers and other critical roles with Ministry of Immigration.       | -2                 | 6      | 4          | CE & Board     | Board COO                |
| Reputation Falters  | -1                | 6      | 5          | Communications protocols to communicate with key stakeholders, media and community. Strong relationship management with partners and stakeholders eg, DOC, MPI, WCC. Animal Welfare Accreditation. Euthanasia Policy. Code of Conduct, Media Relations Policy. Electronic Communications and Internet Usage Policy. Use of Social Media Policy. Disciplinary Policy. H&S Policy. Seek appropriate and timely advice.   | -2                 | 5      | 3          | CE & Board     | Board, SMT               |
| Withdrawal or significant reduction of support or unfunded compliance costs from WCC  | -2                | 7      | 5          | WZT Statement of Intent. WCC Contract for Services. Relationship plans where appropriate and regular meetings with key contacts at WCC such as The Mayor, Deputy Mayor, Portfolio leaders, Councillors, Chief Executive and ELT. Reporting at relevant WCC Committee meetings. Relationships developed between relevant officers across WCC and related Zoo portfolio managers. Regular reporting on Zoo-based activities.   | -3                 | 4      | 1          | CE & Board     | CEBoard                  |
| Loss of Business Due to Economic Downturn   | -1                | 5      | 4          | Operating environment evaluated annually. Tactical marketing and pricing put into effect and tempered by prudent financial management.   | -1                 | 4      | 3          | CE & Board     | CE Board                 |
| Inability to source and import animals  | -1                | 5      | 4          | Zoo Species Plan continually updated. Animal Science Manager responsible for sourcing animals. Strong relationships with ZAA and WAZA members and with other zoos around the world to source animals through programmes such as ASMP. Strong relationship management with DOC, MPI and EPA.  | -2                 | 5      | 3          | CE & Board     | Board COO                |
| Cyber-Security Failure / Privacy Breach   | -1                | 5      | 4          | WCC ICT system and policies eg, secure password management. Cyber security testing/monitoring by WCC. Review third-party providers to ensure they have robust cyber-security systems, policies and procedures in place - particularly storage of sensitive information and payment protocols. Zoo website penetration testing.   | -2                 | 5      | 3          | CE & Board     | Board COO                |
| Animal Welfare compromised  | -2                | 6      | 4          | ZAA Accreditation evaluates the Zoo's animals' welfare state. Husbandry Manuals and SOPs regularly reviewed and updated. Governed by WZT Animal Welfare Committee. Animal Care & Science team development, recruiting and retaining skilled staff.   | -3                 | 5      | 2          | CE & Board     | Board COO                |


## Risk Analysis Scale


### Risk Analysis Scale


| Score | Probability that the Event will Occur                         |
|-------|---|
| 1     | Almost Certain and / or could occur frequently                |
| 0     | Very likely to occur and / or could occur more than once      |
| -1    | Moderately likely to occur and / or could occur at least once |
| -2    | Unlikely to occur and / or might occur once                   |
| -3    | Very unlikely to occur  |


| Score | Level of Impact of the Event Occurring   |
|-------|--|
| 7     | Catastrophic<br>Damage value greater than 50% of the project value, or<br>Major delay to the project completion, or<br>Major impact on this and other business opportunities               |
| 6     | Very High Impact<br>Damage value about 20% - 50% of the project value, or<br>Significant delay to project completion, or<br>Significant impact on this and other business opportunities    |
| 5     | Major<br>Damage value about 5% - 20% of the project value, or<br>Project completion affected, or<br>Some impact on this or other business opportunities                                    |
| 4     | Minor<br>Damage value less than 5% of the project value, or<br>Project completion not impacted (although a phase of the project may be), or<br>This business opportunity could be impacted |
| 3     | Negligible<br>Damage value covered by contingency, any delays barely noticeable and client unaffected  |
| 2     | Minimal  |

These two scores are added together to give a "Risk Value". This will be in the range zero to eight.

 All risks with a Risk Value of 5 - 8 must have a control plan developed and agreed with the Board.

 All risks with a Risk Value of 3 or 4 shall have a control plan so they can be managed by SMT.

 All risks with a Risk Value of 0 - 2 can just be recorded and accepted as such until such time as they produce a higher score.

 Any risk that has a Probability Value of one (1) or an Impact Value of five (5) or more must still have a control plan even if the overall Risk Value is less than five.

## 9 ADDITIONAL INFORMATION

a) **Response to other specific Letter of Expectation matters (if applicable)**

Not applicable.

b) **Ratio of shareholders' funds to total assets**

Please refer to the Balance Sheet and Accounting Policies included.

c) **Estimate of amount intended for distribution**

Wellington Zoo Trust does not make a distribution to the Settlor.

d) **Acquisition procedures**

The Trustees currently have no intention of subscribing for, purchasing or otherwise acquiring shares in any other company or other organisation.

e) **Activities for which the Board seeks compensation from a Local Authority**

The Board acknowledges the **\$3,751,894 operational funding in the *current* Long-Term Plan** for 2022/23. However, we have outlined the pressures on our financial situation for this year and for 2022/23 in Section 2 of this SOI.

The Board acknowledges the **\$1,253,155 included in the *current* Long-Term Plan** for Zoo Asset **renewals** for 2022/23.

The Board acknowledges the **\$3,702,000 total budget included in the *previous and current* Long-Term Plan** for the Snow Leopard Project.

f) **Estimate of commercial value of shareholders investment**

Not applicable.

g) **Other matters (if applicable), eg water supply services LGA requirements**

Not applicable.

h) **Supplementary information the entity wishes to include**

Not applicable.

## 10 ACCOUNTING POLICIES

### Reporting Entity

Wellington Zoo Trust (the Trust) is a charitable trust registered under the Charitable Trusts Act 1957 domiciled in New Zealand and is also a council-controlled organisation as defined under Section 6, Part 1 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Trustees. The Trust was established on 1 July 2003 by the Wellington City Council.

The financial statements have been prepared in accordance with the requirements of the Charitable Trusts Act 1957 and section 69 of the Local Government Act 2002.

The Trust is reliant on the Wellington City Council (the Council) for the majority of its income and operates under a Contract for Services with the Council. The Contract for Services was re-negotiated to 30 June 2021. Ongoing funding for the Trust has been approved in the 2018/2028 Long Term Plan. The Trust has made a further going concern assessment in Note 20.

The primary objective of the Trust is to manage, administer, plan, develop, maintain, operate and promote the Wellington Zoo for the benefits of the inhabitants of Wellington and as an attraction to visitors to Wellington, not to make a financial return. Accordingly, the Trust has designated itself as a public benefit entity for the purposes of New Zealand PBE IPSAS.

Under this framework, the Trust is eligible to apply the reduced disclosure regime (Tier 2 entity) of the Public Benefit Entity Accounting Standards. The Trust meets this criterion as is not a large public sector entity with total expenses  $\geq$  \$30million and is not publicly accountable.

The reporting period for these financial statements is for the year ended 30 June 2020. The financial statements were authorised for issue by the Board of Trustees on 21 August 2020.

### Statement of Compliance

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with PBE IPSAS and other applicable Financial Reporting Standards, as appropriate for Tier 2 public benefit entities.

### Measurement Base

The measurement base applied is historical cost. The accrual basis of accounting has been used.

### Functional and Presentation Currency

These financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless otherwise stated. As a result of rounding there may be slight discrepancies in subtotals.

### Significant Accounting Policies

#### Critical Accounting estimates and assumptions

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. The Trust has assessed the financial records and there are no significant critical accounting estimates. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **Grants**

Grants received from the Wellington City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the trust deed. The Trust also receives other assistance for specific purposes, and these grants usually contain restrictions on their use.

Grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if the conditions of the grant are not met. If there is such an obligation the grants are initially recorded as grants received in advance and recognised as revenue when the conditions of the grant are satisfied.

### **Revenue**

Revenue comprises revenue from operating activities, investment revenue, grants and donations and other revenue and is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

Most of the services that the Trust provides for a fee are subsidised by grants therefore do not constitute an approximately equal exchange. Accordingly, most of the Trust's revenue is categorised as non-exchange.

### **Donated, subsidised or vested assets**

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Such revenue is recognised when control over the asset is obtained.

### **Interest**

Interest revenue is recognised using the effective interest rate method.

### **Volunteer Services Recognition**

The Trust benefits from the service of dedicated volunteers in the delivery of its activities. Due to the difficulty in determining the value of these donated services with sufficient reliability, donated services are not recognised in these financial statements.

### **Taxation**

The Trust is registered as a Charitable Trust and is exempt from income tax under the Income Tax Act 2007. The Trust is not exempt from indirect tax legislation such as Goods and Services Tax and accordingly is required to comply with these regulations.

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

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

### **Debtors and other receivables**

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of less than three months.

### **Investments**

Term deposits are initially measured at the amount invested.

### **Creditors and other payables**

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

### **Inventory**

Inventories are recorded at the lower of cost (determined on a first-in first-out basis) or net realisable value. This valuation includes allowances for slow moving and obsolete stock. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

### **Property, Plant and Equipment**

#### **Recognition**

Property, plant and equipment consist primarily of operational assets. Expenditure is capitalised when it creates a new asset or increases the economic benefits over the total life of an existing asset. Costs that do not meet criteria for capitalisation are expensed.

The Trust also manages the construction and development of buildings, structures and enclosures on behalf of the Council. These assets are not recorded in the Trust's financial statements as ownership vests in the Council.

#### **Measurement**

Property, plant and equipment are valued at historical cost less accumulated depreciation and impairment losses.

The initial cost of property, plant and equipment includes the purchase consideration, and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Subsequent expenditure that extends or expands the asset's service potential is capitalised.

#### **Impairment**

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use.

#### **Disposal**

Realised gains and losses arising from the disposal of property, plant and equipment are recognised in the Statement of Comprehensive Revenue and Expense in the period in which the transaction occurs.

#### **Depreciation**

Depreciation is provided on all assets owned by the Trust excluding assets under construction (work in progress). Depreciation is calculated on a straight-line basis, to allocate the cost or value of the asset (less any residual value) over its useful life.

#### **Work in Progress**

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed and then depreciated.

#### **Employee Benefits**

A provision for employee benefits (holiday leave, long service leave, and retirement gratuities) is recognised as a liability when benefits are earned but not paid. The Trust recognises a liability and an expense for a one-off payment where contractually obliged or where there is a past practice that has created a constructive obligation.

#### **Short Term Employee Benefits**

Holiday leave (annual leave and time off in lieu) is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with sections 16(2) & 16(4) of the Holidays Act 2003.

#### **Other Contractual Entitlements**

Other contractual entitlements include termination benefits. Termination benefits are recognised in the Statement of Financial Performance only when there is a demonstrable commitment to terminate employment. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

### **Provisions**

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

### **Revenue in Advance**

The Trust has received non-exchange funds for specific purposes with conditions that would require the return of the monies if the Trust is not able to fulfil the agreement. The revenue from these agreements will only be recognised as the conditions are fulfilled over time.

The Trust has received non-exchange funds which apply to periods beyond the current year with conditions that would require the return of the monies if the Trust is not able to fulfil the obligation.

### **Contingent Assets and Liabilities**

Contingent liabilities and contingent assets are disclosed in the notes to the financial statements. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

### **Animals**

In accordance with customary practice among Zoological organisations, animals are not recorded as there is no objective basis for establishing value. Additionally, animals have numerous attributes, including species, age, sex, relationship and value to other animals, endangered status and breeding potential whereby it is impracticable to assign value. Expenditure related to animal acquisitions is expensed in the period of acquisition.

### **Equity**

Equity is the residual interest in the Trust and is measured as the difference between total assets and total liabilities. The components of equity are accumulated surpluses and deficits and restricted funds (special funds, trusts and bequests).

Restricted funds are those reserves that are subject to specific conditions of use whether under statute or accepted as binding by the Trust because of the specific reason for which the funds were provided.

Transfers from these reserves may be made only for specified purposes or when certain specified conditions are met.

### **Statement of Cash Flows**

The statement of cash flows is prepared using the direct approach. Operating activities include cash received from all revenue sources of the Trust and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to transactions that change the equity and debt capital structure of the Trust.

### **Related Parties**

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include Wellington City Council, key management personnel and the governing body (Trust Board).

Trustees' remuneration is any money, consideration or benefit received receivable or otherwise made available, directly or indirectly, to a trustee during the reporting period. The disclosures for the Trust include the remuneration of the Trustee board as they occupy the position of a member of the governing body of the Trust.

### **Changes to Accounting Policies**

There have been no changes in accounting policies this year.

## 11 FORECAST FINANCIAL STATEMENTS

Financial information for 2022/23-2024/25 will be added to this SOI after the Board approves the Wellington Zoo budget at its March meeting.

A handwritten signature in black ink, appearing to read 'Craig Ellison', followed by a small dot.

**Craig Ellison**  
Board Chair, Wellington Zoo Trust





**Wellington Regional Stadium Trust  
Draft Statement of Trustees Intent  
For the year ending 30 June 2023**

Registered Office: Sky Stadium  
105 Waterloo Quay  
Wellington

Chair: Rachel Taulelei

Chief Executive: Shane Harmon

The Wellington Regional Stadium Trust (the Trust) was established by the Wellington Regional Council (Stadium Empowering) Act 1996. The Settlers of the Trust are the Wellington City Council and the Greater Wellington Regional Council.

The Trust recognises the interest that the ratepayers of Wellington City Council and the Greater Wellington Regional Council have in the Trust and its activities and have agreed to be subject to the reporting requirements of both Councils and their monitoring procedures. The Trust is not a Council Controlled Organisation, for the purposes of the Local Government Act 2002.

March 2022



## 1. INTRODUCTION

The Trust approaches the 2023 financial year with optimism. The Stadium has endured considerable restrictions over three financial years because of the pandemic. Closure of borders and restrictions on mass gatherings saw a substantial drop in events held and attendances. All of this had an impact on most of the Stadium's revenue lines. The reopening of borders and the lifting of restrictions on gatherings will hopefully enable the Trust to return to some degree of normality in the year ahead.

Although some of the financial impacts of Covid-19 will still be around for the coming year, the Trust remains optimistic of a vibrant event calendar. The Trust has already secured a Rugby Test match, international cricket and four concerts for the period. Two rescheduled shows; SIX60 and Guns 'N Roses along with two major global artists; Foo Fighters and Ed Sheeran will ensure a record year for concerts. The return of the Wellington Phoenix for hopefully an uninterrupted season for the first time in four seasons, along with the exciting addition of two new women's home teams, the Wellington Phoenix Women and the Hurricanes Poua will ensure a vibrant events calendar.

On top of these events the Stadium has been selected as a Women's FIFA World Cup 2023 venue, a globally significant event for which the venue team is preparing for. This event will take place in the FY2024 year.

Throughout the pandemic the Trust committed to keeping the Stadium in event ready mode and is in a good position as events return. However, Covid-19 will remain an ongoing risk to the business. Although borders will reopen and crowd restrictions relaxed, subsequent waves or emergence of new variants could impact our forecasts. Reluctance among some of the public to attend events coupled with cost-of-living increase may also have an effect. The Trust also expects to deal with the same staffing challenges that the hospitality industry is experiencing.

Despite these challenges the Trust has continued work on major infrastructure projects to enhance the Stadium facility and experience, and to improve the resilience of the facility. In 2022/23 the Trust intends to continue to invest in the facility. Seismic strengthening work continues the Fran Wilde walk and the Trust is finalising its plans to provide additional resilience to the Stadium building, a project for which the settlors have allocated \$4.66m in total from their respective Long-Term Plans (LTPs).

For the next five years the Trust has identified capital work requirements for at least \$30m. These works are necessary to keep the Stadium facility operating as a safe and efficiently operating facility. The requirement may be higher as costs are firmed up for seismic improvements. Commitment to this level of capex is beyond the means of the Stadium, and the Trust welcomes ongoing dialogue with settlors to discuss the longer-term operating model for the Trust, including a consideration of a longer-term investment plan to fund future capital works.

The Trust continues to enjoy a collaborative and supportive relationship with the Greater Wellington Regional Council (GWRC) and Wellington City Council (WCC) as well as WellingtonNZ. We remain very grateful for the support received from our settlors over three very difficult years. Wellington is in a good position to emerge as a revitalised events capital of New Zealand and the Trust is very keen to play a strong role in this.

Matters raised in Letters of Expectation from both WCC and GWRC are addressed in this Statement of Intent.



## STRATEGIC DIRECTION

### a) CORE PURPOSE

The objectives of the Wellington Regional Stadium Trust as set out in the founding Trust Deed established by the Wellington City and Greater Wellington Regional Councils ('the Councils') are as follows:

- To own, operate and maintain the Stadium as a high-quality multi-purpose sporting and cultural venue.
- To provide high quality facilities to be used by rugby, cricket and other sports codes, musical, cultural and other users including sponsors, event and fixture organisers and promoters so as to attract to the Stadium high quality and popular events for the benefit of the public of the region; and
- To administer the Trust's assets on a prudent commercial basis so that the Stadium is a successful, financially autonomous community asset.

The Councils have also established general objectives for the Trust. These are that it should:

- Adopt a partnership approach in dealing with the Councils and their associated entities.
- Have a regional focus where this is appropriate.
- Appropriately acknowledge the contribution of Councils.
- Achieve maximum effectiveness and efficiency of, and concentrated focus on service delivery.
- Operate at better than breakeven after depreciation expense.

The Trust strives to meet all the general objectives of the Councils noting that the overriding requirement of the Trust Deed means that the Trust must generate sufficient profit to repay loans and finance capital expenditure. This has not been possible over the past three due to the challenges created by the pandemic.

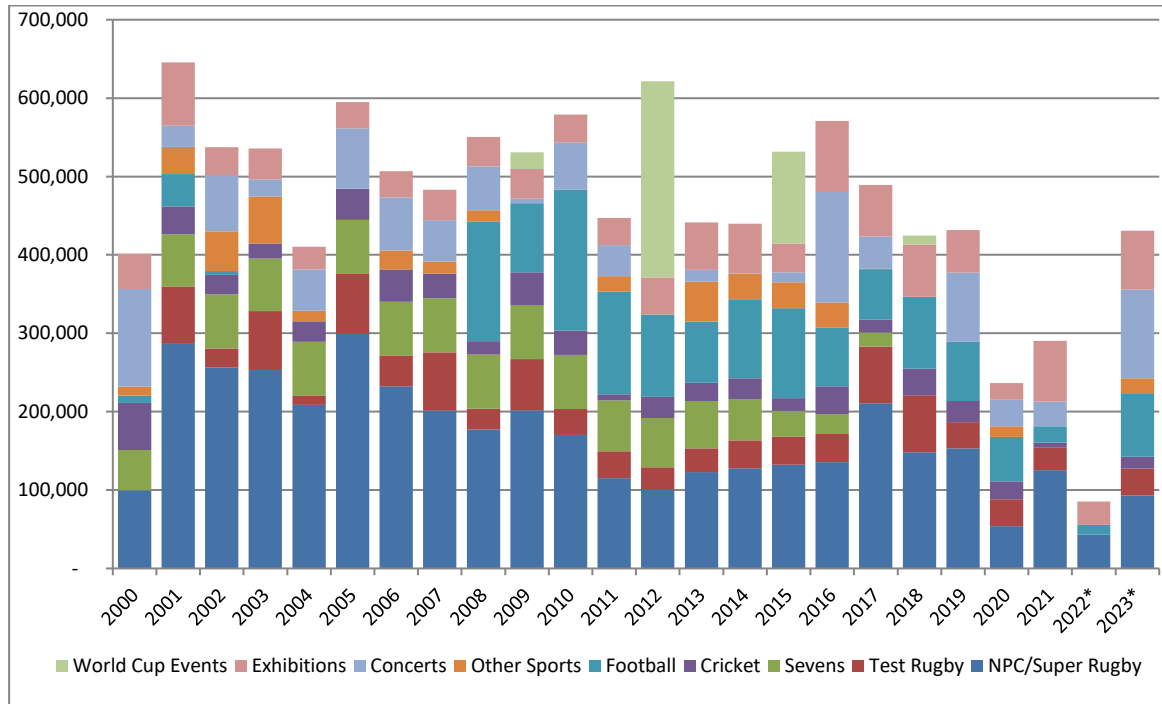
### b) OPERATING ENVIRONMENT INCLUDING COVID-19 ENVIRONMENT

The Trust expects an improved operating environment following an extremely challenging three years. Attendances and event days for the 2020, 2021 and 2022 financial years are a fraction of the long-term average.

The events outlook for the year ahead is very positive post-pandemic. The success of concerts such as Eminem and Queen + Adam Lambert pre-pandemic had reaffirmed Wellington as one of the premium major concert cities in New Zealand. Promoter interest in hosting major events remains strong. The Trust works in close partnership with WellingtonNZ to secure events.

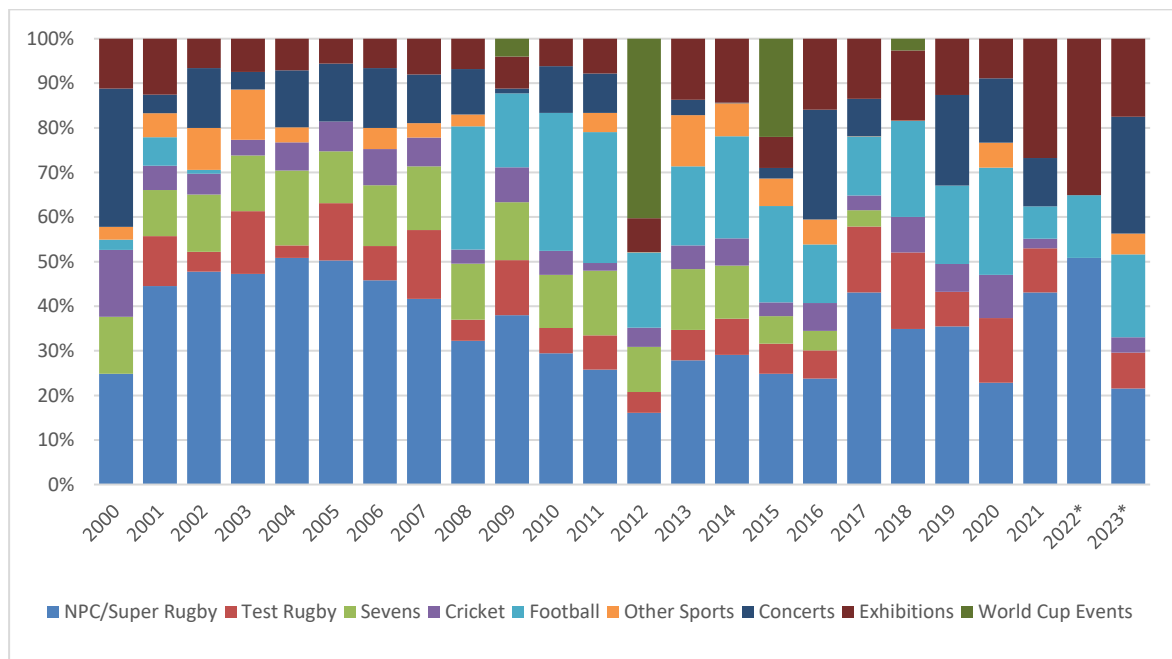
The Trust intends to continue scheduled capital expenditure including seismic upgrades, replacement of the tower lights and upgrades of changerooms to include gender neutral amenities.

The following table highlights annual crowds by event type since the Stadium opened. The chart shows the stark reality of the impact of Covid-19 on the 2020, 2021 and 2022 financial years.



*\*2022/23 estimate*

The mix of events has changed significantly since the Stadium opened, and it is no longer reliant on any one code or event for its attendances. The following table highlights the diverse mix of attendances over the years represented as a percentage of the overall attendance in any given year.



*\*2022/23 estimate*



## c) STRATEGIC FRAMEWORK

The Trust's objectives are:

1. To be viewed by the residents of the region and other stakeholders as a valued and essential asset.
2. To operate the best venue in New Zealand measured by:
  - Satisfaction of hirers
  - Patron satisfaction
  - Event calendar and diversity
  - Calibre of international events held
  - Environmental impact
  - Relationship with our neighbours
  - Adherence to world's best practice
3. To remain financially autonomous
4. To provide a full and balanced event calendar to patrons
5. To maintain and enhance the facility to the standard of international best practice
6. To be a good employer and provide personal development opportunities to employees
7. To provide and maintain a safe and healthy working environment for employees, visitors and all persons using the premises as a place of work

The board undertakes a strategic planning day in March of each year to reassess priorities and strategic direction.

## 2. NATURE AND SCOPE OF ACTIVITIES

The nature and scope of the Trust's activities are dictated in the first instance by the Trust Deed, settled with both Councils.

To meet its obligations under its Trust Deed, the Trust identifies the key objectives of:

- Presenting a full and balanced event calendar;
- Maintaining and enhancing the facility;
- Achieving a level of profitability that finances continuing capital expenditure and meets debt reduction obligations.

The Board and management have taken a longer-term view of the Stadium's business.

In line with the obligations listed above under its Trust Deed, in 2018 the Trust has refreshed its strategic priorities centred on the following areas:



1. Deliver great customer experiences
2. Grow commercial revenues
3. Invest in and improve our facilities
4. Value our people, our community and our stakeholders
5. Operate a safe building
6. Operational excellence
7. Attract and deliver world class events
8. Sustainability

The Trust will be revisiting these priorities in the near future.

Matters raised in the joint Letter of Expectations and the Trust's plans to address them are set out below.

## **1. Enduring Expectations**

The Trust reaffirms its support and commitment to the enduring expectations listed in the letter of expectations:

- No surprises – the Trust will keep settlers fully in the loop in relation to items of public interest or matters of significance
- Legislative and Compliance – the Trust will maintain a high degree of awareness of legislation that is applicable to its activities and in particular on relevant Health and Safety legislation
- Governance – the Trust will meet best practice governance standards. It commits to undertaking a performance review of the overall board, individual board members and the board chair as well as maintaining a skills matrix.
- Risk Management - the Trust has a robust risk management framework in place that is regularly reviewed by the Board.
- Covid-19 – the Trust has kept settlers abreast of the challenges created by the pandemic and will continue to do so.

## **2. Councils' explicit expectations of the Wellington Regional Stadium Trust**

The Trust addresses the Councils' explicit expectations of the Wellington Regional Stadium Trust in relation to its Statement of Trustee Intent

**The Council is committed to supporting the FIFA Women's World Cup Australia & New Zealand 2023 when it comes to the Southern Hemisphere for the first time. In collaboration with WellingtonNZ and the Council, the Trust is expected to ensure that the stadium and the city is well prepared to deliver a world class experience for fans and teams for this event.**

The Trust is delighted that the Stadium will have a major role in the tournament. Wellington has secured nine matches including seven pool games, a round of 16 fixture and a quarter final clash.

Planning for the tournament is well advanced, with meetings with organisers taking place on regular basis.



The Trust is making good progress on compliance matters and funding around matters such as lighting and gender neutral changerooms. Upgrades in these areas will provide a significant legacy for the Stadium and its hirers.

The Trust is working closely with WellingtonNZ and Wellington City Council on delivering this event and commits to keeping councils regularly updated on planning.

**The Trust will finalise the design, budget and programme for the seismic strengthening works planned for the stadium that will be partially funded by both settlor councils through the 2021-31 LTP.**

The Trust has completed designs for this work and is in the process of developing budgets and works programme. This is a significant project aimed specifically at strengthening the Stadium's floor on all levels as well as the building's diaphragm. Early indications are that costs will be above initial estimates due to changes to recommended design and construction cost increases.

Work will commence in FY2024 post Women's FIFA World Cup.

The Trust will keep settlers abreast of this project and address funding as part of the longer-term capital requirements

**In the context of a post-lockdown environment with relatively free domestic travel and international borders opening, the stadium will continue to deliver a strong programme of stadium-filling events that return economic benefit to the city and region.**

Stadium-filling major events that deliver benefits to the city and region are a priority for the Trust.

The enquiry pipeline is very active. Securing major artists such as SIX60, Guns 'N Roses, Foo Fighters and Ed Sheeran, the return of international rugby and cricket and hosting nine matches of the Women's FIFA World Cup 2023 at the start of the following financial year will meet this expectation.

The Trust is pursuing further enquiries on events not yet announced through to 2024.

**Council is mindful of the financial burden that insurance places on the stadium's viability. The Trust should work collaboratively with its settlor councils to determine an optimal insurance structure for the stadium, which may consider alternative arrangements.**

The Trust has insurance cover for the Stadium asset with a combined maximum policy limit of \$200m for material damage and business interruption. This is less than the building reinstatement value which was last assessed in September 2019 at \$302m and significantly less than a more modern roofed stadium of similar capacity. The Trust is required to cover the first \$25 million of any earthquake claim.

The Trust commits to exploring further options with settlers well in advance of the next renewal as the current arrangements represent poor value for the Trust and provides cover for only a small part of a modern stadium rebuild.



**The Trust will work closely with Council to support the zero-carbon and zero-waste aspirations of the city as the implementation of Te Atakura: First to Zero gathers momentum. The Trust will continue to contribute to the region meeting its carbon neutrality goals.**

The Trust is committed to developing ways to reduce, recover, recycle, or re-use waste in all aspects of our business, including considering and integrating environmental factors in our decision-making process.

This has been a big focus for the Trust in recent times. The Trust has recently completed a Carbon Footprint assessment for the 2021 financial year. The Trust commits to working with both councils with the aim of becoming a carbon neutral venue.

The Trust is pleased to become eligible for Greater Wellington Regional Council's Low Carbon Acceleration Fund and will consider initiatives over the year that could be eligible for this funding.

The Trust will continue its work to further reduce waste. The Trust is part of a Wellington Reusable Hub working group which aims to develop a collective solution for single uses plastic.

**The settlors are looking to the Trust to lead a conversation around the longer-term future for the trust, in terms of future planning, potential longer term stadium options and the need to examine funding mechanisms at a regional level.**

Continued investment in the Stadium is vital to ensure events are not lost to new facilities.

The Trust is developing its five-year capex plan. Last year the Trust had identified capital work requirements of at least \$25m. These works are necessary to keep the Stadium facility operating as a safe and efficiently operating facility. These costs may be significantly higher as costs are firmed up for seismic improvements. This commitment to this level of capex is beyond the means of the Trust.

The Trust will lead a conversation and engage with settlors on funding options to support an appropriate programme of works in coming years.

**The Trust will continue to work with GWRC over opportunities to improve connectivity with the public transport network, as well as GWRC's efforts to strengthen the public transport network for events at the Stadium**

The Stadium enjoys high levels of patronage from customers who use public transport. Public transport is vital for the smooth running of events.

The Trust supports enhanced public transport measures and programmes to further encourage adoption and committed to being an active and engaged partner with settlors on this matter.

### **3. Alignment with the councils' strategic direction**

The Trust commits to maintaining an ongoing alignment to the Councils' strategic direction.

Specific areas not already addressed in Councils' explicit expectations of the Trust are covered below.





### Wellington City Council 2021-31 Long-term Plan (LTP) four wellbeing outcomes

- **Environmental:** A sustainable, climate friendly eco capital  
*A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is mitigating and adapting to climate change – for now and future generations.*

The Trust supports this outcome by its efforts to reduce waste and its carbon footprint.

- **Social:** A people friendly, compact, safe and accessible capital city  
*An inclusive, liveable, and resilient city where people and communities can learn, are connected, well housed, safe and healthy.*

The Stadium is accessible and inclusive. As events return the Trust is updating its “house rules” in an effort to promote diversity and inclusivity. In particular, the Trust will consider specific Rainbow inclusivity initiatives in the coming year engaging with engaging members of the rainbow communities from our staff, contractors and hirers alongside Takatāpuhi Rainbow Advisory Group.

The Trust fully supports the Accessible Wellington action plan. The Stadium has a Gold rating for accessibility as awarded by Be.Lab (formerly known as Be.Accessible). We intend to conduct community stakeholder consultation in the next year, working alongside Be.Lab with the aim of applying for Platinum status. Community consultations were supposed to take place this year but were unable to occur due to Covid-19.

- **Cultural:** An innovative, inclusive and creative city  
*Wellington is a vibrant, creative city with the energy and opportunity to connect, collaborate, explore identities, and openly express, preserve and enjoy arts, culture and heritage.*

The Trust supports Aho Tini 2030 – Arts, Culture and Creativity Strategy by providing a wide range of events that appeal to many Wellingtonians, working closely with WellingtonNZ and council partners.

- **Economic:** A dynamic and sustainable economy  
*The city is attracting and developing creative talent to enterprises across the city, creating jobs through innovation and growth while working towards an environmentally sustainable future.*

Wellington is in a good position to emerge as a revitalised events capital of New Zealand and the Trust is very keen to play a strong role in this. The Trust’s continued focus lies particularly on those events that will fill the Stadium and generate economic return for the region. The event calendar is strong, and this will provide an economic boost as well as making Wellington an attractive city and region to live in.

### Wellington Regional Council’s 2021-31 LTP has four overarching strategic priorities

- **Improving outcomes for mana whenua and Māori (also addressing WCC’s Kia eke panuku Māori Strategic Direction).** *We are strengthening our commitment to working closely with mana whenua to achieve the best outcomes for Māori and the region, across everything we do.*

With the rebrand to Sky Stadium in 2020, the Trust took the opportunity to replace all wayfinding and introduce bilingual signage in English and Te Reo Māori throughout the venue. We also have



public loudspeaker messaging on entry in both Te Reo and English. The initiative was a collaboration between WellingtonNZ, Sky Stadium and Te Taura Whiri, the Māori Language Commission.

The next stage of this project will see many of the internal spaces renamed. Where appropriate, these will be bilingual.

The Trust is early in this journey and in the year ahead commits to work with councils and mana whenua toward a stronger cultural engagement and wider engagement strategy.

- **Responding to the climate emergency.** *Urgent action is needed now, and we have a big, bold target to be carbon neutral by 2030 and climate positive by 2035.*
- **Aligning with Government direction.** *The Government is setting some big environmental goals. Some are still evolving, and several align with what we are doing already. We plan to be in the best position to respond well.*

The Trust's responses are covered earlier in the statement. The Trust is very grateful that it can now be considered as an applicant to GWRC's Low Carbon Acceleration Fund.

- **Adapting and responding to the impacts of Covid-19.** *We plan to lead the way in supporting our region through the Covid-19 recovery, transitioning along the way to a sustainable, low carbon economy.*

With the support of both councils, the Stadium is in a good position to emerge strongly from the impacts of the pandemic.

### **Long term strategic asset management**

The Trust maintains a robust asset management programme that prioritises maintenance based on a 5-year asset condition report compiled by WPS on behalf of the Trust.

### **Maintaining a safe and healthy working environment**

The Trust is committed to providing and maintaining a safe and healthy working environment for its employees, visitors, and all persons using the premises as a place of work as well as event attendees.

To ensure a safe and healthy work environment, the Trust maintains a Health and Safety Management System. In addition, the Trust has an established Health and Safety Committee which comprises three Trustees that meets on a regular basis to review and measure crucial areas of health and safety.

The Trust has developed a detailed list of KPI measures which are reported to the Board Health and Safety Committee on a quarterly basis. In our six-monthly reporting to you we will report on injury rates and contractor compliance in the relevant six-month period



### **Operating Profitability**

The Trust Deed requires the Trust to be financially autonomous. This requires the generation of sufficient profits to meet loan repayments and provide funds for the capital replacement and development programmes that are necessary to enable the Trust to meet its obligation to maintain the building to the standard of international best practice.

Financial autonomy is no longer achievable for the Trust given the Stadium is now an ageing facility, the additional seismic requirements, the significant increase in insurance premiums, and the impact of the Covid-19 pandemic over the last two years.

Excluding insurance and capex, the Trust still expects to generate positive operating cash flows once the event calendar returns to a more normal level. It can cover most insurance and regular maintenance but not substantial capex items, such as seismic resilience requirements.

Therefore, continuing to fully invest in the Stadium so that that it operates to best practice as an operationally efficient, safe, and welcoming venue for patrons and hirers, is beyond the means of the Trust alone.

The Trust appreciates the financial support it has received from the settlors, and as noted elsewhere in this document will engage with the settlors on the future operating model of the Trust including funding options for ongoing capex

This section will be further updated in the final version of the SOI, once the budget process has been completed.



**PROJECTED EVENTS SCHEDULE**

**12 Months ending 30 June**

**Table Here** – to be included in final version.



**SUMMARY STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE THREE YEARS ENDING 30 JUNE**

**Table Here** – to be included in final version.



**SUMMARY STATEMENT OF CASHFLOWS  
FOR THE THREE YEARS ENDING 30 JUNE**

**Table Here** – to be included in final version.



**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE**

**Table Here** – to be included in final version.

## PERFORMANCE MEASURES

### Non-Financial Performance Measures

| Measure   | How Measured  |
|---|---|
| <ul style="list-style-type: none"> <li>Deliver a strong Rugby international test programme for 2022</li> </ul>              | <ul style="list-style-type: none"> <li>Key stakeholders are satisfied with management of the test operation</li> <li>40% out of region visitors</li> </ul>  |
| <ul style="list-style-type: none"> <li>Deliver more large-scale non-sporting events</li> </ul>                              | <ul style="list-style-type: none"> <li>Secure at least three concerts in 2022/23</li> <li>40% out of region visitors</li> </ul>   |
| <ul style="list-style-type: none"> <li>Continued investment in stadium infrastructure</li> </ul>                            | <ul style="list-style-type: none"> <li>FIFA upgrades for lights and changerooms completed</li> <li>Resilience plans finalised and shared with council partners.</li> </ul>  |
| <ul style="list-style-type: none"> <li>Deliver a full event calendar</li> </ul>   | <ul style="list-style-type: none"> <li>Securing 45-50 event days per year. (Depending on Covid-19 restrictions).</li> </ul>   |
| <ul style="list-style-type: none"> <li>Host unique events that deliver economic benefit to the region</li> </ul>            | <ul style="list-style-type: none"> <li>Maintaining economic benefit to the Region at an average of \$40 million per year</li> <li>Working with promoters to deliver special events to Wellington</li> </ul>   |
| <ul style="list-style-type: none"> <li>Sustainability</li> </ul>  | <ul style="list-style-type: none"> <li>Reduce single use plastic</li> <li>Develop plan to achieve carbon neutral status</li> </ul>  |
| <ul style="list-style-type: none"> <li>Mana whenua</li> </ul>   | <ul style="list-style-type: none"> <li>Develop a cultural engagement and wider engagement strategy</li> </ul>   |
| <ul style="list-style-type: none"> <li>Health and Safety<br/>Reported Injury rates</li> </ul> <p>Contractors and hirers</p> | <ul style="list-style-type: none"> <li>Trust Worker reported injury rate of 2 or less per year.</li> <li>Contractor Worker Lost Time Injury rate of 2 or less in a year.</li> <li>Hirer (And Hirer Contractor) Worker Lost Time Injury rate of 2 or less in a year.</li> <li>A reported patron injury rate of less than 0.01% of the total number of patrons attending the venue (events and functions).</li> <li>100% of contractors working at the Stadium have 'approved' status before any work is commenced, and upon each annual review.</li> <li>An agreed H&amp;S plan is in place with 100% of Stadium hirers prior to any work on site commencing.</li> </ul> |





### **Financial Performance Measures**

The key performance indicators agreed with the Wellington City Council and Greater Wellington Regional Council are:

- Revenue – total, and event
- Net surplus (deficit)
- Net cash flow
- Liquidity ratio
- Bank borrowing to total assets
- Capital expenditure

We have reviewed these indicators and believe these are appropriate to the purpose of the Council's monitoring the Trust performance. They are reported on by the Trustees in their six-monthly reports.



### **3. BOARD APPROACH TO GOVERNANCE**

#### **Role of the Board**

The Board of Trustees is responsible for the proper direction and control of the Trust's activities. This responsibility includes such areas of stewardship as the identification and control of the Trust's business risks, the integrity of management information systems and reporting to stakeholders. While the Board acknowledges that it is responsible for the overall control framework of the Trust, it recognises that no cost-effective internal control system will prevent all errors and irregularities. The system is based on written procedures, policies and guidelines, and an organisational structure that provides an appropriate division of responsibility, sound risk management and the careful selection and training of qualified personnel.

#### **Board Operation**

The Board has two Standing Committees that focus on specific areas of the Board's responsibilities. These Committees are the Audit & Finance Committee, and Health & Safety Board Sub-Committee.

The Board meets eight times per year. The Finance Committee meets when required and at least three times per year. The Health & Safety Committee meets quarterly and prior to significant events such as concerts.

#### **Board Performance**

The policy of the Board has been that the Chair conducts an interview with each Board member prior to the expiry of their term. Each new Board member undertakes an induction program to familiarise themselves with the Stadium, its operation and Board issues. Given the experience of the current Board it has been deemed that a Board development program is not necessary. If there are any Board performance issues, the Chair will bring them to the attention of the Mayor of WCC and the Chair of GWRC.

At the first meeting of the new financial year, the Chair of the Audit & Finance Committee co-ordinates a review of the Chair's performance.

The Chair will provide the settlers with a board skills matrix annually. The Chair will provide early notification of upcoming board vacancies and work with settlers to ensure that at least three potential candidates are presented for each vacancy that occurs.

A Board performance review will be provided by 30 September 2022.

#### **Board Membership**

The Trust Deed states that there shall be not less than five, nor more than eight Trustees.

The Trustees are appointed jointly by the Settlers (Wellington City Council and Greater Wellington Regional Council).

The Wellington City Council and the Greater Wellington Regional Council can each independently appoint one of their elected Councillors as a Trustee.



The current Trustees are:

| <b>Name</b>       | <b>Appointed until:</b>                              |
|-------------------|--|
| Steven Fyfe       | 30 June 2022   |
| Sean Rush         | formal declaration of results of WCC 2022 elections  |
| Glenda Hughes     | formal declaration of results of GWRC 2022 elections |
| Nicola Crauford   | 31 December 2022                                     |
| Rachel Taulelei   | 30 June 2023   |
| Tracey Bridges    | 31 December 2023                                     |
| Steve Tew         | 31 December 2023                                     |
| Phillippa Harford | 31 December 2024                                     |

#### **4. ORGANISATIONAL HEALTH, CAPABILITY AND RISK ASSESSMENT**

##### **Health & Safety**

The Trust has well developed health & safety policies which were reviewed by an external consultant and are regularly updated.

Staff who have influence over Health and Safety matters are required to acquire and keep up to date with Health and Safety matters including attendance at relevant course and conferences.

All staff receive regular training in respect of health & safety procedures.

A Health & Safety booklet has been produced which includes Stadium policies, the roles for staff and contractors, incidents and accident investigation, general site safety, emergency procedures and induction.

There are three Committees with a health and safety focus:

- Emergency Control Organisation/Emergency Planning Committee (meets ahead of each major event);
- Health and Safety Committee which includes key the Trust staff as well as contractors and tenant organisations (meets monthly);
- Board Health and Safety Committee (meets at least quarterly with additional meetings prior to major events).

All contractors coming on-site are required to:

- Complete a health & safety agreement
- Complete a health & safety induction plan
- Provide a contractors safety plan
- Operate safely and report any hazards, near misses and injuries.



## **RISK MANAGEMENT**

### **Earthquakes**

Prior to construction (July 1995), the Trust commissioned a full geo-technical report on the site. The ground was improved with vibro-replacement producing gravel columns at spacing of two to three metres to mitigate the effect of earthquakes.

The Trust has used the learnings from the recent earthquakes to strengthen its crowd control and evacuation procedures.

The Trust has conducted a study to enable the Stadium to better understand its current percentage of New Building Standard (% NBS), the interaction between the reclaimed land and the building structure, the differential lateral spread expected and as well as a building seismic assessment. While no significant issues emerged, we will be implementing some resilience works that will enhance the structures.

### **Insurance**

The Stadium insurance programme is managed by Marsh. The Trust operates a maximum first loss policy that provides cover for fire, earthquake and other perils.

The Trust has insurance cover for the Stadium asset with a combined maximum policy limits of \$200m for material damage and business interruption. This is less than the building reinstatement value which was last assessed in September 2019 at \$302m. The Trust is required to cover the first \$25 million of any earthquake claim.

Insurance premiums have become increasingly unaffordable for the Trust in recent years. Recently the Trust explored options to mitigate the increasing premium and since the December 2020 renewal has made the following key changes (to the Material Damage and Business Interruption policy) from prior years:

- \$200m of insurance cover
- \$25m deductible for natural disaster
- Aggregate limit for fire cover of \$100M (previously full cover from fire up to insured limit of \$200M).

The Trust has kept Settlers informed on all decisions related to insurance and welcomes discussion with settlers to explore alternative approaches to insurance for the Stadium

### **Business Continuity Plan**

The Trust has a Business Continuity Plan. The Trust has ongoing interactive training sessions with all staff to reinforce the content and requirements of the plan.

### **Communication and Access to Information**

The Trust enjoys a positive and open relationship with both of its Settlers, and both settlers have representation on the Board of Trustees. The Trustees confirm they intend to continue to operate on a “no surprises” basis with communication of any significant event likely to impact on either party made as soon as possible. This has worked well in the past.



## 5. ADDITIONAL INFORMATION

### Reporting

The Trustees will present a six-monthly report to both Councils, which will include a written report on agreed key performance indicators and financial statements for the period. The Trust will provide a formal briefing to both Councils, twice a year, on activities to date and review the outlook.

Audited financial statements will be available on completion of the annual audit.

The Trustees will inform the Councils of any significant expected obligations or contingent liabilities to third parties.

### Major Transactions

There are no major transactions likely to occur in the planning period that are not identified in the Business Plan.

Any particularly contentious transactions will be brought to attention of the Council at the earliest opportunity.

### Accounting Policies

General accounting policies of the Trust are set out in the Statement of Significant Accounting Policies. These policies are consistent with the policies applied in the previous year.

## OTHER ITEMS TO BE INCLUDED IN THE STATEMENT OF INTENT

### Ratios

The ratio of Trust Funds to Total Assets is expected to be:

|              |     |
|--------------|-----|
| 30 June 2022 | xx% |
| 30 June 2023 | xx% |
| 30 June 2024 | xx% |

The ratio of total Trust Assets to Trust Liabilities is expected to be:

|              |     |
|--------------|-----|
| 30 June 2022 | xx% |
| 30 June 2023 | xx% |
| 30 June 2024 | xx% |

Trust Funds are defined as the residual interest in the assets of the Trust after the deduction of its liabilities.

Assets are defined as service potential or future economic benefits controlled by the Trust as a result of past transactions or other past events.

Liabilities are defined as future sacrifices of service potential or of future economic benefits that the Trust is presently obliged to make to other entities as a result of past transactions or other past events.

**Accounting Policies**

The Statement of Significant Accounting Policies is attached in Appendix 1

**Distributions to Settlers**

Section 5 of the Trust Deed sets out the powers of the Trustees regarding the income of the Trust.

The Trust is required to pay surplus funds to the Wellington City Council and Wellington Regional Council in reduction of their limited recourse loans after meeting costs, liabilities and debt reductions and after allowing for the appropriate capital expenditure and transfers to reserves.

The Trust does not expect to have surplus funds available for repayment in the years covered by this Statement of Intent.

No other distributions to Settlers are intended to be made.

**Investments in other organisations**

The Trustees currently have no intention of subscribing for, purchasing or otherwise acquiring shares in any other company or other organisation.

**Compensation from local authority**

There are no activities for which the Trust seeks compensation from any local authority.

**Trust's estimate of the commercial value of settlor's investment in the Trust**

Not applicable

**Other matters as set out in the Funding Deed*****Significant Third-Party Obligations***

There are no significant third-party obligations other than those disclosed in the Financial Statements.

***Relevant Legislation***

The Trustees confirm that the Trust will comply with all relevant legislation affecting the conduct of this business.

**Rachel Taulelei**

**Chair**

**FOR THE TRUSTEES**

**WELLINGTON REGIONAL STADIUM TRUST**



## **APPENDIX 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

### **Reporting Entity and Period**

Wellington Regional Stadium Trust Incorporated (the Trust) is a charitable trust established by the Wellington City Council ('WCC') and Greater Wellington Regional Council ('GWRC'). The Trust is domiciled in New Zealand.

The Trust is responsible for the planning, development, construction, ownership, operation and maintenance of the Sky Stadium, Wellington, as a multi-purpose sporting and cultural venue.

The Trust was incorporated under the Charitable Trust Act 1957. The Trust is also a charitable entity under the Charities Act 2005, registration CC10754.

### **Statement of Compliance and Basis of Preparation**

The financial statements have been prepared in accordance with the Trust Deed which requires compliance with generally accepted accounting practice in New Zealand.

As the primary purpose of the Trust is to provide a community and social benefit, it is a public benefit entity for financial reporting purposes.

The financial statements of the Trust comply with Public Benefit Entity (PBE) standards.

The financial statements have been prepared in accordance with Tier 2 PBE Standards. The Trust meets the requirements for Tier 2 reporting as it does not have public accountability and is not large (as defined by XRB A1).

The financial statements have been prepared on an historical cost basis, except for interest rate swaps.

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (000) unless otherwise stated.

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

### **Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured. It is recognised at the fair value of the consideration received. Specific

recognition criteria apply to the following income streams as noted below.

### ***Revenue from Exchange transactions***

***Corporate Box, Memberships & Sponsorship Revenues***  
Licenses for Corporate boxes are issued for terms of between four and six years. Signage and sponsorship properties are sold for a range of terms of between one and six years. The related license fees/revenues are paid annually and initially recorded as Revenue in Advance with the revenue recognised on a straight-line basis throughout the term.

Stadium memberships have been sold for terms ranging between two and five years. Payment may be made upfront or in a series of instalments. The payments received are recorded as Revenue in Advance and recognised on a straight-line basis over the term of the membership.

### ***Rental income***

Rents are recognised on a straight-line basis over the term of the lease.

### ***Revenue from Non-Exchange transactions***

#### ***Grant income***

Grants are recognised as income once the conditions of the grant are met.

### **Expenses**

Expenses are recognised on an accrual basis when the goods or services have been received.

### ***Interest***

Interest expense is accrued using the effective interest rate method. The effective interest rate exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount. The method applies this rate to the principal outstanding to determine interest expense each period.

### **Taxation**

As a Charitable Trust, the Trust meets requirements for exemption from income tax and accordingly no provision for income tax is recorded in the financial statements.

All items in the financial statements are exclusive of GST, except for receivables and payables, which are stated as GST inclusive.

## **Financial Instruments**

The Trust classifies its financial assets and financial liabilities according to the purpose for which they were acquired. The Trust determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

### ***Non-derivative Financial Instruments***

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs. After initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Trust becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Trust's contractual rights to the cash flows from the financial assets expire or if the Trust transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Purchases and sales of financial assets in the ordinary course of business are accounted for at trade date. Financial liabilities are derecognised if the Trust's obligations specified in the contract expire or are discharged or cancelled.

#### ***Financial Assets***

Cash and cash equivalents comprise cash balances and call deposits with up to three months' maturity. These are recorded at their nominal value.

Trade and other receivables are stated at their cost less impairment losses.

#### ***Financial Liabilities***

Financial liabilities comprise trade and other payables and borrowings and are all classified as other financial liabilities. Financial liabilities with a duration of more than 12 months are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Amortisation is recognised in the Statement of Comprehensive Revenue & Expense as is any gain or loss when the liability is derecognised.

Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

### ***Derivative Financial Instruments***

Derivative financial instruments are recognised at fair value as either assets or liabilities. The Trust does not

hold any derivatives that qualify for hedge accounting. Derivatives that do not qualify for hedge accounting are classified as held for trading financial instruments with fair value gains or losses recognised in the Statement of Comprehensive Revenue & Expense. Fair value is determined based on quoted market prices.

## **Employee Entitlements**

Employee entitlements that the Trust expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These benefits are principally annual leave earned but not yet taken at balance date, and bonus payments.

No provision for sick leave is accrued, as past experience indicates that compensated absences in the current year are not expected to be greater than sick leave entitlements earned in the coming year.

## **Other Liabilities & Provisions**

Other Liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

## **Leases**

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased items are classified as operating leases. Payments made under these leases are expensed in the Statement of Comprehensive Revenue & Expense in the period in which they are incurred. Payments made under operating leases are recognised in the Statement of Comprehensive Revenue & Expense on a straight-line basis over the term of the lease.

## **Property, Plant and Equipment**

### ***Recognition***

Expenditure is capitalised as property, plant and equipment when it creates a new asset or increases the economic benefits over the total life of an existing asset and can be measured reliably. Costs that do not meet the criteria for capitalisation are expensed.

### ***Measurement***

Items of property, plant and equipment are initially recorded at cost.

The initial cost of property, plant and equipment includes the purchase consideration and those costs that are directly attributable to bringing the asset into the



location and condition necessary for its intended purpose. Subsequent expenditure that extends or expands the asset's service potential and that can be measured reliably is capitalised. Borrowing costs are not capitalised.

#### *Impairment*

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported in the Statement of Comprehensive Revenue & Expense.

#### *Disposal*

Gains and losses arising from the disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Revenue & Expense in the period in which the transaction occurs.

#### *Depreciation*

Depreciation is provided on all property, plant and equipment, with certain exceptions. The exceptions are land, some aspects of the pitch and assets under construction (work in progress). Depreciation is calculated on a straight-line basis, to allocate the cost or value of the asset (less any residual value) over its useful life. The estimated useful lives of the major classes of property, plant and equipment are as follows:

|                                      |                        |
|--------------------------------------|------------------------|
| Land                                 | indefinite             |
| Pitch                                | 10 years to indefinite |
| Buildings                            | 8 to 70 years          |
| Replay screen & production equipment | 3 to 25 years          |
| Fitout                               | 5 to 50 years          |
| Fittings                             | 3 to 20 years          |
| Plant & machinery & equipment        | 2 to 70 years          |

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each balance date.

#### *Work in progress*

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed, and then depreciated.

### **Critical accounting estimates and assumptions**

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions

are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *Estimating useful lives and residual values of property, plant, and equipment*

At each balance date, the useful lives and residual values of property, plant, and equipment are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by the Trust, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the statement of comprehensive revenue and expense, and carrying amount of the asset in the statement of financial position. The Trust minimises the risk of this estimation uncertainty by regular physical inspection of assets, including periodic independent review, and a planned preventative maintenance and asset replacement programme.

### **Statement of Cash Flows**

The statement of cash flows has been prepared using the direct approach. Operating activities include cash received from all income sources of the Trust, record cash payments made for the supply of goods and services and include cash flows from other activities that are neither investing nor financing activities. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to the funding structure of the Trust.

### **Changes in Accounting Policies**

There have been no changes in accounting policies.

## ZEALANDIA - KARORI SANCTUARY TRUST

Accurate forecasting in Y2 and Y3 is not possible under the current levels of uncertainty, but we will manage the business to at least a break-even position.

| Forecast<br>30-Jun-22 | STATEMENT OF COMPREHENSIVE INCOME                        | Qtr to<br>30-Sep-22 | Qtr to<br>31-Dec-22 | Qtr to<br>31-Mar-23 | Qtr to<br>30-Jun-23 | FYE<br>30-Jun-23 | FYE<br>30-Jun-24 | FYE<br>30-Jun-25 |
|-----------------------|--|---------------------|---------------------|---------------------|---------------------|------------------|------------------|------------------|
|                       | <b>Trading Revenue</b>                                   |                     |                     |                     |                     |                  |                  |                  |
| 497,468               | Admissions   | 110,000             | 185,000             | 210,000             | 155,000             | 660,000          | 792,000          | 816,000          |
| 514,785               | Membership Subscriptions                                 | 155,000             | 165,000             | 165,000             | 160,000             | 645,000          | 664,000          | 684,000          |
|                       | Other Operating Revenue                                  |                     |                     |                     |                     |                  |                  |                  |
|                       | Sales of Goods   |                     |                     |                     |                     |                  |                  |                  |
| 1587998               | Other trading revenue                                    | 330,000             | 580,000             | 560,000             | 430,000             | 1,900,000        | 2,090,000        | 2,153,000        |
|                       | <b>Other Operating Revenue</b>                           |                     |                     |                     |                     |                  |                  |                  |
| 1,093,432             | WCC operating grants                                     | 280,526             | 280,526             | 280,526             | 280,526             | 1,122,105        | 1,155,768        | 1,190,441        |
| 393,216               | WCC Funding for Tanglewood House                         |                     |                     |                     |                     |                  |                  |                  |
| 862,434               | Sponsorships, grants and donations                       | 245,000             | 245,000             | 245,000             | 245,000             | 980,000          | 1,009,000        | 1,039,000        |
| 112,876               | Other operating income                                   |                     |                     |                     |                     |                  |                  |                  |
|                       | <b>Non-operating Revenue</b>                             |                     |                     |                     |                     |                  |                  |                  |
|                       | Sub-lease and other non-operating income                 |                     |                     |                     |                     |                  |                  |                  |
| 29,905                | Interest income  | 10,000              | 10,000              | 10,000              | 10,000              | 40,000           |                  |                  |
| 5,092,114             | <b>Total Revenue</b>                                     | 1,130,526           | 1,465,526           | 1,470,526           | 1,280,526           | 5,347,105        | 5,710,768        | 5,882,441        |
|                       | <b>Operating Expenses (overheads)</b>                    |                     |                     |                     |                     |                  |                  |                  |
| 3,890,749             | Salaries and wages                                       | 925,000             | 1,000,000           | 1,000,000           | 985,000             | 3,910,000        | 4,195,368        | 4,321,661        |
| 385,410               | Cost of goods sold                                       | 85,800              | 150,800             | 145,600             | 111,800             | 494,000          | 543,400          | 559,780          |
| 537,952               | Other operating expenses                                 | 175,000             | 113,000             | 115,000             | 121,000             | 524,000          | 540,000          | 556,000          |
| 133,223               | Trustee expenses   | 32,749              | 32,749              | 32,749              | 32,753              | 131,000          | 135,000          | 139,000          |
| 293,707               | Administration costs                                     | 68,000              | 83,000              | 73,000              | 64,105              | 288,105          | 297,000          | 306,000          |
| 5,241,041             | <b>Total Operating Expenditure</b>                       | 1,286,549           | 1,379,549           | 1,366,349           | 1,314,658           | 5,347,105        | 5,710,768        | 5,882,441        |
| (148,927)             | <b>Net Surplus/(Deficit) before Depreciation and Tax</b> | (156,023)           | 85,977              | 104,177             | (34,132)            |                  | 0                | 0                |
|                       | <b>Other Revenue</b>                                     |                     |                     |                     |                     |                  | 0                | 0                |
|                       | Exceptional Items  |                     |                     |                     |                     |                  |                  |                  |
|                       | <b>Other Expenses</b>                                    |                     |                     |                     |                     |                  |                  |                  |
|                       | Interest expense   |                     |                     |                     | 4,000               | 4,000            | 48,000           | 48,000           |
|                       | Loss on Visitor Centre transfer to WCC                   |                     |                     |                     |                     |                  |                  |                  |
| 328,579               | Depreciation   | 100,000             | 100,000             | 100,000             | 100,000             | 400,000          | 500,000          | 500,000          |
| (477,506)             | <b>Net Surplus/(Deficit)</b>                             | (256,023)           | (14,023)            | 4,177               | (138,132)           | (404,000)        | (548,000)        | (548,000)        |

## ZEALANDIA - KARORI SANCTUARY TRUST

Accurate forecasting in Y2 and Y3 is not possible under the current levels of uncertainty, but we will manage the business to at least a break-even position.

| Forecast<br>30-Jun-22          | STATEMENT OF FINANCIAL POSITION                                      | As at<br>30-Sep-22 | As at<br>31-Dec-22 | As at<br>31-Mar-23 | As at<br>30-Jun-23 | As at<br>30-Jun-23 | As at<br>30-Jun-24 | As at<br>30-Jun-25 |
|--------------------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Equity</b>                  |  |                    |                    |                    |                    |                    |                    |                    |
| 6,353,271                      | Trust Funds  | 5,875,765          | 5,619,742          | 5,605,719          | 5,609,897          | 5,875,765          | 5,471,765          | 4,923,765          |
| (477,506)                      | Current year earnings  | (256,023)          | (14,023)           | 4,177              | (138,132)          | (404,000)          | (548,000)          | (548,000)          |
| 5,875,765                      | <b>Total Shareholder/Trust Funds</b>                                 | 5,619,742          | 5,605,719          | 5,609,897          | 5,471,765          | 5,471,765          | 4,923,765          | 4,375,765          |
| <b>Current Assets</b>          |  |                    |                    |                    |                    |                    |                    |                    |
| 4,327,601                      | Cash and cash equivalents  | 3,567,378          | 2,979,155          | 2,659,983          | 2,623,351          | 2,623,351          | 2,390,851          | 2,340,851          |
| 45,000                         | Accounts receivable  | 45,000             | 45,000             | 45,000             | 45,000             | 45,000             | 45,000             | 45,000             |
| 15,000                         | Prepayments  | 15,000             | 15,000             | 15,000             | 15,000             | 15,000             | 15,000             | 15,000             |
| 60,000                         | Inventory  | 60,000             | 60,000             | 60,000             | 60,000             | 60,000             | 60,000             | 60,000             |
|                                | Other current assets   |                    |                    |                    |                    |                    |                    |                    |
| 4,447,601                      | <b>Total Current Assets</b>  | 3,687,378          | 3,099,155          | 2,779,983          | 2,743,351          | 2,743,351          | 2,510,851          | 2,460,851          |
| <b>Investments</b>             |  |                    |                    |                    |                    |                    |                    |                    |
|                                | Term deposits - <i>included with cash and cash equivalents above</i> |                    |                    |                    |                    |                    |                    |                    |
| 130,000                        | Other investments  | 130,000            | 130,000            | 130,000            | 130,000            | 130,000            | 130,000            | 130,000            |
| 130,000                        | <b>Total Investments</b>   | 130,000            | 130,000            | 130,000            | 130,000            | 130,000            | 130,000            | 130,000            |
| <b>Non-current Assets</b>      |  |                    |                    |                    |                    |                    |                    |                    |
| 3,778,164                      | Fixed assets   | 4,292,364          | 4,806,564          | 5,119,914          | 5,082,414          | 5,082,414          | 4,774,914          | 4,324,914          |
|                                | Intangible assets  |                    |                    |                    |                    |                    |                    |                    |
|                                | Other non-current assets   |                    |                    |                    |                    |                    |                    |                    |
| 3,778,164                      | <b>Total Non-current Assets</b>                                      | 4,292,364          | 4,806,564          | 5,119,914          | 5,082,414          | 5,082,414          | 4,774,914          | 4,324,914          |
| 8,355,765                      | <b>Total Assets</b>  | 8,109,742          | 8,035,719          | 8,029,897          | 7,955,765          | 7,955,765          | 7,415,765          | 6,915,765          |
| <b>Current Liabilities</b>     |  |                    |                    |                    |                    |                    |                    |                    |
| 180,000                        | Accounts payable   | 120,000            | 200,000            | 150,000            | 180,000            | 180,000            | 150,000            | 150,000            |
| 350,000                        | Income in advance  | 500,000            | 280,000            | 410,000            | 350,000            | 350,000            | 350,000            | 350,000            |
| 150,000                        | Employee entitlements  | 150,000            | 150,000            | 130,000            | 150,000            | 150,000            | 140,000            | 140,000            |
| 200,000                        | Provisions and accruals  | 120,000            | 200,000            | 130,000            | 200,000            | 200,000            | 200,000            | 200,000            |
|                                | Other current liabilities  |                    |                    |                    |                    |                    |                    | 1,700,000          |
| 880,000                        | <b>Total Current Liabilities</b>                                     | 890,000            | 830,000            | 820,000            | 880,000            | 880,000            | 840,000            | 2,540,000          |
| <b>Non-current Liabilities</b> |  |                    |                    |                    |                    |                    |                    |                    |
|                                | Shareholder advances   |                    |                    |                    |                    |                    |                    |                    |
| 1,600,000                      | Other non-current liabilities  | 1,600,000          | 1,600,000          | 1,600,000          | 1,604,000          | 1,604,000          | 1,652,000          |                    |
| 1,600,000                      | <b>Total Non-current Liabilities</b>                                 | 1,600,000          | 1,600,000          | 1,600,000          | 1,604,000          | 1,604,000          | 1,652,000          |                    |
| 2,480,000                      | <b>Total Liabilities</b>   | 2,490,000          | 2,430,000          | 2,420,000          | 2,484,000          | 2,484,000          | 2,492,000          | 2,540,000          |

ZEALANDIA - KARORI SANCTUARY TRUST

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|                 |                                       |           |           |           |           |           |           |           |
|-----------------|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 5,875,765       | Net Assets                            | 5,619,742 | 5,605,719 | 5,609,897 | 5,471,765 | 5,471,765 | 4,923,765 | 4,375,765 |
| check this<br>0 | Check Net Assets = Shareholders Funds | ok        | ok        | ok        | ok        | ok        | ok        | ok        |

## ZEALANDIA - KARORI SANCTUARY TRUST

Accurate forecasting in Y2 and Y3 is not possible under the current levels of uncertainty, but we will manage the business to at least a break-even position.

| Forecast<br>30-Jun-22 | STATEMENT OF CASH FLOWS                                   | Qtr to<br>30-Sep-22 | Qtr to<br>31-Dec-22 | Qtr to<br>31-Mar-23 | Qtr to<br>30-Jun-23 | Total YE<br>30-Jun-23 | Total YE<br>30-Jun-24 | Total YE<br>30-Jun-25 |
|-----------------------|---|---------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|-----------------------|
|                       | <b>Cash Flows From Operating Activities</b>               |                     |                     |                     |                     |                       |                       |                       |
|                       | <i>Inflows</i>  |                     |                     |                     |                     |                       |                       |                       |
| 2,566,056             | Trading Receipts  | 464,474             | 990,526             | 784,474             | 965,526             | 3,205,000             | 3,546,000             | 3,653,000             |
| 1,093,432             | Shareholder grants  | 561,053             |                     | 561,053             |                     | 1,122,105             | 1,155,768             | 1,190,441             |
| 393,216               | WCC Funding for Centre for Tanglewood House               |                     |                     |                     |                     |                       |                       |                       |
| 862,434               | Sponsorships and donations                                | 245,000             | 245,000             | 245,000             | 245,000             | 980,000               | 1,009,000             | 1,039,000             |
| 112,876               | Other Income  |                     |                     |                     |                     |                       |                       |                       |
|                       | <i>Outflows</i>   |                     |                     |                     |                     |                       |                       |                       |
| 3,890,749             | Payments to Employees                                     | 925,000             | 1,000,000           | 1,020,000           | 965,000             | 3,910,000             | 4,205,368             | 4,321,661             |
| 1,350,292             | Payments to Suppliers                                     | 501,549             | 219,549             | 486,349             | 229,658             | 1,437,105             | 1,545,400             | 1,560,780             |
|                       | Net GST Cashflow  |                     |                     |                     |                     |                       |                       |                       |
|                       | Other Operating Costs                                     |                     |                     |                     |                     |                       |                       |                       |
| (213,027)             | <b>Net Cash Flows From (Used In) Operating Activities</b> | (156,023)           | 15,977              | 84,177              | 15,868              | (40,000)              | (40,000)              | 0                     |
|                       | <b>Cash Flows From (Used In) Investing Activities</b>     |                     |                     |                     |                     |                       |                       |                       |
|                       | <i>Inflows</i>  |                     |                     |                     |                     |                       |                       |                       |
|                       | Sale of fixed assets                                      |                     |                     |                     |                     |                       |                       |                       |
|                       | Sale of investment assets                                 |                     |                     |                     |                     |                       |                       |                       |
|                       | Exceptional Items   |                     |                     |                     |                     |                       |                       |                       |
|                       | Other - Term Deposit cash-out                             |                     |                     |                     |                     |                       |                       |                       |
|                       | <i>Outflows</i>   |                     |                     |                     |                     |                       |                       |                       |
| 1,178,500             | Purchase of fixed assets                                  | 614,200             | 614,200             | 413,350             | 62,500              | 1,704,250             | 192,500               | 50,000                |
|                       | Purchase of investments                                   |                     |                     |                     |                     |                       |                       |                       |
|                       | Other - Term Deposit cash-in                              |                     |                     |                     |                     |                       |                       |                       |
| (1,178,500)           | <b>Total Investing Cash Flow</b>                          | (614,200)           | (614,200)           | (413,350)           | (62,500)            | (1,704,250)           | (192,500)             | (50,000)              |
|                       | <b>Cash Flows From (Used In) Financing Activities</b>     |                     |                     |                     |                     |                       |                       |                       |
|                       | <i>Inflows</i>  |                     |                     |                     |                     |                       |                       |                       |
| 937,500               | Drawdown of loans   |                     |                     |                     |                     |                       |                       |                       |
| 29,905                | Investment income   | 10,000              | 10,000              | 10,000              | 10,000              | 40,000                |                       |                       |
|                       | Other   |                     |                     |                     |                     |                       |                       |                       |
|                       | <i>Outflows</i>   |                     |                     |                     |                     |                       |                       |                       |
|                       | Repayment of loans  |                     |                     |                     |                     |                       |                       |                       |
|                       | Interest paid   |                     |                     |                     |                     |                       |                       |                       |
|                       | Other   |                     |                     |                     |                     |                       |                       |                       |
| 967,405               | <b>Total Financing Cash Flow</b>                          | 10,000              | 10,000              | 10,000              | 10,000              | 40,000                |                       |                       |
| (424,122)             | <b>Net Increase/(Decrease) in Cash Held</b>               | (760,223)           | (588,223)           | (319,173)           | (36,632)            | (1,704,250)           | (232,500)             | (50,000)              |
| 4,751,723             | <b>Opening Cash Equivalents</b>                           | 4,327,601           | 3,567,378           | 2,979,155           | 2,659,983           | 4,327,601             | 2,623,351             | 2,390,851             |
|                       | Adjustments (rounding)                                    |                     |                     |                     |                     |                       |                       |                       |
| 4,327,601             | <b>Closing Cash Equivalents</b>                           | 3,567,378           | 2,979,155           | 2,659,983           | 2,623,351           | 2,623,351             | 2,390,851             | 2,340,851             |

ZEALANDIA - KARORI SANCTUARY TRUST

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|                   |  |    |    |    |    |    |    |    |
|-------------------|--|----|----|----|----|----|----|----|
| check this<br>(0) | Check closing cash = Cash and cash equivalents | ok | ok | ok | ok | ok | ok | ok |
|-------------------|--|----|----|----|----|----|----|----|

## **ZEALANDIA - KARORI SANCTUARY TRUST**

Accurate forecasting in Y2 and Y3 is not possible under the current levels of uncertainty, but we will manage the business to at least a break-even position.

## **Appendix A**

- 2022-23 Statement of Financial Performance



## STRATEGIC ALIGNMENT: CCO SOI 2022 / 2023 Summary

### 1. How have CCOs expressed their alignment to Council's Strategic Priorities

| CCO   | LTP priorities   | Kia eke panuku<br>Māori Strategic<br>Direction   | Te Atakura: First<br>to Zero  | Aho Tini 2030 –<br>Arts, Culture and<br>Creativity<br>Strategy   | Strategy for<br>Children and<br>Young People  | Economic<br>Wellbeing<br>Strategy  | Accessible<br>Action Plan  |
|---|--|--|---|--|---|--|--|
| <b>Basin Reserve<br/>Trust (BRT)</b>                  | The BRT will help drive the four wellbeing outcomes in the LTP. It is also committed to working with the Council to support the LGWM plans. The Trust will engage with the programme to ensure that the interests of the Basin Reserve are well understood as options are developed for the route encompassing the venue | Align with the Te Tauihu – te reo Maori Policy to update all venue signage. Partner with events at the venue to ensure inclusion of te reo Maori i.e., cricket event days.<br><br>Collaborate with mana whenua partners to tell the story of the Basin and reflect its cultural heritage visibly in venue. | The Basin has Toitu Carbon Zero status and will ensure that we remain a carbon zero footprint venue This includes the introduction of bike storage areas at the venue, promotion of scooters and e-bikes as a form of transport to events.<br><br>The BRT will continue to support the Wellington Region Waste Management and Minimisation Plan in conjunction with venue caterers and hirers | BRT will support the Council regarding the implementation of Aho Tini, including working collaboratively with others and in partnership with mana whenua and Māori to host select cultural events. | The BRT will ensure it aligns with the strategy for Children and Young People by ensuring the venue is a safe place at all times, specifically aligning with our 24/7 access and lighting plan and partnering with events to ensure our young children and people are safe, welcomed and supported. | The BRT will support the Council regarding the development and implementation of new strategies in the areas of economic wellbeing, and contribute to attracting visitors to Wellington via hosting international cricket and other events such as Beers at the Basin. | The BRT will continue to support the Accessible Wellington, The Accessible Journey Action Plan 2019, and continue to allow free lounge access to the Basin Reserve Long Room on match days. The Trust is engaging with WCC's Rainbow Advisory Group to seek guidance and support for how the venue can be an active partner with inclusivity initiatives |
| <b>Karori<br/>Sanctuary<br/>Trust<br/>(Zealandia)</b> | Zealandia's key impact areas align strongly with the Wellington City Council's vision for the future and   | Our partnership with mana whenua Taranaki Whānui and Ngāti Toa Rangatira is currently most   | Zealandia continues to strive to be a leader in sustainable business practices. In the past we have showcased exemplary   | Deliver high value, diverse, accessible and creative engagement programmes to support Aho Tini 2030.   | Continue to enrich the lives of rangatahi through its unique learning offerings and school visits to support the Strategy for   | Contribute to the economic wellbeing of our city, and support the development of the   | Improve accessibility at Zealandia where possible in line with the goals outlined in   |

| CCO | LTP priorities  | Kia eke panuku<br>Māori Strategic<br>Direction  | Te Atakura: First<br>to Zero   | Aho Tini 2030 –<br>Arts, Culture and<br>Creativity<br>Strategy | Strategy for<br>Children and<br>Young People   | Economic<br>Wellbeing<br>Strategy  | Accessible<br>Action Plan  |
|-----|---|---|--|--|--|--|--|
|     | <p>enabling the four wellbeings.</p> <p>It is also a partner in “accelerating zero-carbon and wastefree transition”, in “building strong partnerships with mana whenua and restoring the city’s connection with Papatūānuku.”</p> | <p>prominent through our work with natural taonga. We have shaped our priorities around species and projects of special interest to our iwi partners and will seek new ways to ensure we support their aspirations. We aim to be leaders in demonstrating how a non-government organisation with western foundations can partner meaningfully, and effectively. Our work in this area provides the foundation for strengthening our partnership with mana whenua in all areas of our organisation, as well as the te ao Māori and te reo content for our interpretive material and stories.</p> <p>We also have an intense cultural</p> | <p>approaches to sustainability such as the pioneering use of electric shuttles in partnership with Meridian, and we have successfully achieved Toitū Envirocare carboNZero certification for the seventh consecutive year. This year we will be assessing whether the TCFD (Task-force on Climate Related Financial Disclosures) framework can be used for our organisation as a tool for tracking our climate risks and opportunities.</p> |  | <p>Children and Young People. Links in with the CYP Strategy to provide learning experiences outside the classroom in conservation.</p> <p>Zealandia is one of the foremost providers of environmental education in Aotearoa New Zealand. School visits provide a unique way through which Zealandia supports local curriculum topics across the sciences, social sciences, and the arts. These visits include primary, secondary, and tertiary sector students. These visits also provide inspiration to communities for what is possible beyond the sanctuary fence.</p> | <p>Council’s Economic Wellington Strategy. Continue to build Wellington’s reputation as an eco-city, helping attract visitors to Wellington.</p> <p>Support the aspirations of businesses in caring for the environment &amp; sustainability through the Sanctuary to Sea Every Business Restoring Nature project.</p> | <p>Accessible Action Plan 2019-22, including a range of Rainbow inclusivity initiatives.</p> <p>Increasingly we are focusing on supporting schools and communities in the places where they live— ‘beyond the fence’—to realise their aspirations for nature. This work is gaining pace, for example through our support of the Cannon’s Creek Men’s Group and the Green Korowai project, as well as the ‘nature at your place’ schools programme. This work will have an increasingly transformative effect on our city and our people, ensuring nature can become part of everyone’s life.</p> |

| CCO                                      | LTP priorities   | Kia eke panuku<br>Māori Strategic<br>Direction  | Te Atakura: First<br>to Zero   | Aho Tini 2030 –<br>Arts, Culture and<br>Creativity<br>Strategy   | Strategy for<br>Children and<br>Young People   | Economic<br>Wellbeing<br>Strategy   | Accessible<br>Action Plan   |
|--|--|---|--|--|--|---|---|
|  |  | capability learning programme for staff, Te Ara Poutama, which was piloted last year. This work both equips our people with new skills, but also ensures te reo Māori and te ao Māori becomes more visible at Zealandia and through our external engagement programmes. It is making Zealandia a more inclusive and supportive place to work. |  |  |  |   |   |
| <b>Wellington Regional Stadium Trust</b> | The Trust supports all four wellbeing outcomes through its environmental programme to reduce waste and its carbon footprint, hosting a diverse array of large events that entertain our communities and bring people from out of town to Wellington, and | in 2020, the Trust replaced wayfinding and introduced bilingual signage in English and Te Reo Māori throughout the venue. We also have public loudspeaker messaging on entry in both Te Reo and English. The next stage of this project will see many of the internal spaces  | The Trust has recently completed a Carbon Footprint assessment for the 2021 financial year. The Trust commits to working with both councils with the aim of becoming a carbon neutral venue.<br><br>The Trust will continue its work to further reduce waste. The Trust is part of a | The Trust will support the Council regarding the implementation of Aho Tini, including working collaboratively with others and in partnership with mana whenua and Māori to host events<br><br>The Trust supports Aho Tini 2030 – Arts, Culture and Creativity Strategy by providing a | The Stadium offers opportunity for children and young people to access sporting and cultural events. | Wellington is in a good position to emerge as a revitalised events capital of New Zealand and the Trust is very keen to play a strong role in this. The Trust's continued focus lies particularly on those events that will fill the Stadium and generate economic return for the | The Trust will consider specific Rainbow inclusivity initiatives in the coming year engaging with engaging members of the rainbow communities from our staff, contractors and hirers alongside Takatāpuhi Rainbow Advisory Group. |

| CCO                             | LTP priorities   | Kia eke panuku<br>Māori Strategic<br>Direction   | Te Atakura: First<br>to Zero  | Aho Tini 2030 –<br>Arts, Culture and<br>Creativity<br>Strategy   | Strategy for<br>Children and<br>Young People   | Economic<br>Wellbeing<br>Strategy  | Accessible<br>Action Plan   |
|---------------------------------|--|--|---|--|--|--|---|
|                                 | build Wellington's reputation as a cultural capital.   | renamed. The Trust is early in this journey and in the year ahead commits to work with councils and mana whenua toward a stronger cultural engagement and wider engagement strategy.   | Wellington Reusable Hub working group which aims to develop a collective solution for single uses plastic.  | wide range of events that appeal to many Wellingtonians, working closely with WellingtonNZ and council partners  |  | region. The event calendar is strong, and this will provide an economic boost as well as making Wellington an attractive city and region to live in  |   |
| <b>Wellington Museums Trust</b> | Wellington Museums Trust's mahi supports WCC's LTP vision of an inclusive, sustainable and creative capital for people to live, work and play. It has particular emphasis on cultural and social outcomes, and will help Council achieve its priority objective, 'the city has resilient and fit-for-purpose community, creative and cultural spaces.' | Council's Kia Eke Panuku Māori Strategic Direction closely aligns with our strategic pou, Embracing Te Ao Māori. This is a core focus for our organisation with our specific goal of bringing a Māori dimension to everything we do. Appointed a new senior Māori leader, Te Tūhono Reo, to guide us in this area. It is important to us that Māori feel welcomed, connected, and represented at all our sites. This encompasses the artwork we display, in the shows we | Over the past year we have been working with Council to make positive changes to our buildings where we can, including energy reviews, and upgrading lighting and HVAC systems. We will also be supporting Council's project team to minimise waste during the Wellington Museum development<br><br>We aspire to significantly reduce our contribution to landfill within the next three years, by repurposing materials across our sites, and purchasing fewer materials new. We | Experience Wellington will be a proud partner in bringing Aho Tini to life, making Wellington a truly creative capital. Our experiences build on the rich cultural traditions and identity of our capital city: our mahi in this area will be further enhanced through the revisioning of Capital E within Te Matapihi and the redevelopment of Wellington Museum as a place that reflects and amplifies the voices and stories of our diverse communities | We are committed to making Pōneke Wellington the best place to grown up in Aotearoa. We do this by offering a wide range of learning experiences for tamariki and ākonga, including explorative sensory play, theatre shows, and interactive exhibitions. We pride ourselves on providing safe and welcoming spaces to nurture the wellbeing of our youngest while they develop their understanding of the world around them through science, history, culture, and art. | We support Councils' Economic Wellbeing Strategy by providing safe, culturally diverse, accessible, inclusive, and welcoming spaces for all visitors. We provide a 'Wellington First' approach by prioritising local talent and partnerships and are proud to be a vital part of an interwoven eco-system alongside accommodation providers, retail outlets, restaurants, and other venue and tourism sites – together contributing to the | We will continue our commitment to access and inclusion in the arts sector and higher visibility of Ngā Toi Māori by supporting our Te Rōpū Mahi Tiriti and Access and Inclusion committees |

| CCO                                | LTP priorities  | Kia eke panuku<br>Māori Strategic<br>Direction  | Te Atakura: First<br>to Zero   | Aho Tini 2030 –<br>Arts, Culture and<br>Creativity<br>Strategy   | Strategy for<br>Children and<br>Young People        | Economic<br>Wellbeing<br>Strategy  | Accessible<br>Action Plan   |
|------------------------------------|---|---|--|--|---|--|---|
|                                    |   | produce, and in the stories we tell. Te reo Māori signage is clear and visible, and we are currently developing bilingual and te reo Māori education programmes.  | are currently developing organisation-wide waste minimisation plans: including management of our assets, procurement plans and additional care in the deinstallation of our exhibitions and programmes.  |  |   | economic wellbeing of our city   |   |
| <b>Wellington Cable Car (WCCL)</b> | WCCL will deliver against the Council's four wellbeing outcomes and will be a delivery partner in the priority objective that the city's core transport infrastructure is a safe, resilient, reliable network | WCCL is at the start of its Te Ao Māori journey but is excited to start to develop and nurture ties with mana whenua and Māori.<br>- Developing a unique tikanga for the Cable Car -<br>Actively find opportunities to partner with mana whenua to raise the status and awareness of the Māori language -<br>Adopting Te Reo / English signage -<br>Working in partnership with mana whenua to tell stories -<br>Supporting Puanga and Matariki | The Cable Car is an energy efficient mode of transport, designed with regenerative braking, which feeds excess energy back into the grid. In FY 2021/22, WCCL will complete Carbon Accounting to achieve EKOS Carbo Zero certification in FY 2022/23. We will seek to achieve EKOS Carbon Positive certification in FY 2022/23. In FY 2021/22, WCCL focused on waste reduction and maximising the amount of waste diverted from landfill via recycling programmes. | WCCL actively looks for opportunities to partner with local creatives. In FY 2021/22 hosted live streams with Drax Project, concerts and performances as part of the 'city as theatre' initiative and several family-focused events over Easter, Halloween, and Christmas. In FY 2022/23 WCCL will continue to look for ways to engage creatives in addition to embracing new opportunities to collaborate with council initiatives around new events and holidays such as Matariki. | Provides special pricing for children and students. | The Cable Car journey remains an iconic symbol of Wellington internationally and a "must do" for all visitors to Wellington. In addition to being one of Wellington's major attractions it serves as a gateway to the important Kelburn precinct, which is home to the Cable Car Museum, Space Place, Kelburn Village, Zealandia, and Botanic Gardens. For residents it provides a commuter service to the CBD and the Kelburn area. | WCCL continues to maintain BeLab Platinum Accessibility rating and is featured on Firstport – Accessible Day out Library website as one of the few accessible activities in Wellington. working and any future development plans look at accessibility for all. We remain focused on improving accessibility for all visitors<br><br>Collaborating with Wellington City Mission and |

| CCO   | LTP priorities   | Kia eke panuku<br>Māori Strategic<br>Direction  | Te Atakura: First<br>to Zero   | Aho Tini 2030 –<br>Arts, Culture and<br>Creativity<br>Strategy   | Strategy for<br>Children and<br>Young People  | Economic<br>Wellbeing<br>Strategy  | Accessible<br>Action Plan   |
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|   |  | activations - Looking at and introducing Māori names where appropriate  |  |  |   |  | Ronald McDonald house to enable greater access to the Cable Car.  |
| <b>Wellington Regional Economic Dvp Agency (WellingtonNZ)</b> | WellingtonNZ will deliver against the four wellbeing outcomes with a particular focus on driving economic wellbeing. It's also a partner in achieving "resilient and fit-for-purpose community, creative and cultural spaces." Supports shareholders in their LTP initiatives by leading and participating in strategy development, and through our advocacy for the importance of this investment to both funders and the people of our region. | Our work in 2022 and beyond will have a greater focus on supporting the growth of Māori businesses and entrepreneurs. We currently have a dedicated resource supporting Māori businesses through the Regional Business Partnership Program.<br><br>We are engaging with Te Matarau A Māui and local Iwi to capture the initiatives they have designed to promote Māori business enablement and include these in the Regional Economic Development Plan. | Climate change and sustainability are the focus of much of our work across the region. It features strongly in the Regional Economic Development Plan, whether in potential projects dealing with water storage and land use change, in work to drive "weightless" exports through our technology sector, or in efforts to reduce carbon in manufacturing and construction through advanced manufacturing the application of new technologies. | Our venues provide the spaces for artists to showcase their talents to our diverse population, and we continue to work to ensure that they are fit for purpose and support a wide variety of cultural community, business and sporting events.<br><br>Screen sector Support career development and pathways for creatives at all stages of their careers | Support programmes that are targeted at providing intern opportunities for students and create pathways to full employment. Currently supporting the Summer of Tech and Young Enterprise programmes<br><br>Supporting opportunities for rangatahi to explore careers in film or entrepreneurship and working with mana whenua to enable them to deliver the goals they have set for themselves and their communities.<br><br>We will be considering ways that we can continue to grow the scale of our impact in this space to make a direct impact on workforce needs in the region. | Drives Wellington's economic wellbeing through its three strategic priorities – Jobs for the Future, Placement and Collaboration and Engagement. This through its varied work programmes including investing in events, running venues, marketing, developing tourism, helping businesses grow and innovate, running the region's screen office, developing skills and capability and the operation of CreativeHQ. | We are working through our Diversity & Inclusion Committee to make our working environment welcoming and supportive of all our people, including our LGBTI+ employees.<br><br>WellingtonNZ collaborates with Be.Lab to make venues more accessible. It is currently focusing on 4 key areas including FoH/Customer Experience, Culture Shift, Communications, Buildings, to provide a holistic plan to improve accessibility to the venues. |

| CCO                       | LTP priorities  | Kia eke panuku<br>Māori Strategic<br>Direction   | Te Atakura: First<br>to Zero   | Aho Tini 2030 –<br>Arts, Culture and<br>Creativity<br>Strategy  | Strategy for<br>Children and<br>Young People  | Economic<br>Wellbeing<br>Strategy  | Accessible<br>Action Plan   |
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| <b>Wellington<br/>Zoo</b> | The work of the Zoo supports the 2040 vision for our city – an inclusive, creative capital where people like to live. Wellington Zoo’s strategy reflects the expected WCC community outcomes underpinning this vision – environmental, social, cultural and economic wellbeing. Our strategic pou reflect the city priorities and emphasise the importance of creative visitor experience, world standard animal welfare and HSW for our people. Our 20 <sup>th</sup> anniversary of the establishment of the Trust occurs in 2023. | Taranaki Whānui ki Te Upoko o Te Ika to ensure the correct te ao Māori concepts reflect our intentions. Our Kanohi Kitea programme over the next four years and beyond will transform us into a bicultural organisation - as is expected of the capital city Zoo and will recognise the importance of Tikanga Māori in the way the Zoo works | Dedicated to conservation of species, engagement with community, excellence in animal welfare and sustainability outcomes. Is setting new targets in line with UN Sustainable Development Goals (SDGs). The zoo is focused on following: Climate Action; Responsible Consumption and Production; Life on Land; Life Below Water; Quality Education; and Sustainable Cities and Communities. As Toitū carbonzero certified, projects include solar power installation on buildings, increasing the use of EVs in our vehicle fleet, water metering and waste minimisation. We are also looking at measuring our digital carbon footprint with our web provider. | Wellington Zoo is as a leader and trusted voice in the conservation of species, engagement with community, excellence in animal welfare and sustainability outcomes. They have combined a global vision with local action so that they can be change makers for a better planet. This aligns with Council’s Aho-Tini Strategy and vision for Wellington as a creative city. | Support the hauora, of children and young people by placing a wellbeing focus on the recreational, and environmental programmes we currently deliver for children and young people. The Zoo’s school holiday programmes are well attended and many other external holiday programmes visit the Zoo as part of their offering to the community.<br><br>Learning Outside the Classroom continues to be a strong focus for our Learning Team with over 10,000 students visiting the Zoo annual for formal learning programmes. | Supports Economic Wellbeing through direct employment of 100 people and a four-wellbeing ethos to its mahi. Part of Wellington’s tourism success story and alignment to regenerative tourism. We are part of the Newtown Business Group which is looking at the economic recovery of business in the Newtown area. | Has Be.Lab Accessible Gold rating. Will continue to improve the Zoo experience for all visitors, so that many more people have access to the Zoo in the ways that best suit them. This aligns with Accessible Wellington, The Accessible Journey Action Plan 2019. The Zoo has achieved Rainbow Tick Certification. Community partnerships with the Wellington City Mission, Changemakers Resettlement Forum, Wellington Children’s Hospital and Ronald McDonald House Wellington enable these organisations to offer Zoo visits to the whānau they work with |

## 2. How have CCOs responded to the specific directions in Council's Letters of Expectations?

| BASIN RESERVE TRUST   |   |
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| EXPECTATIONS  | RESPONSES   |
| Council will work with the Trust to develop a practical approach to the ongoing management and maintenance of the Basin Reserve assets. | <p>Redevelopment The Basin Reserve has been under construction for the last three years, with major upgrades completed to key infrastructure including the refurbishment of the Old Pavilion Stand, embankment toilet upgrades, media box extension, permitter fence and gate upgrades. It remains the BRT's focus to work in partnership with the Wellington City Council on the final redevelopment projects at the Basin Reserve and ongoing maintenance of facilities.</p> <p>Key projects that the BRT are working with WCC to complete are as follows:</p> <ul style="list-style-type: none"> <li>• Picket fence upgrade</li> <li>• Permanent camera platforms</li> <li>• Sightscreens upgrades</li> <li>• Ground lighting to support 24x7 access</li> <li>• Additional groundsman storage (between practice cage and Old Pavilion Stand).</li> </ul> <p>The BRT will continue to present the ground to a high standard throughout the year and assist WCC to deliver a comprehensive maintenance programme. The Trust is also committed to working with the Council to provide access to the ground 24 hours a day once acceptable and safe levels of lighting have been installed (outside of its normal operational closures) (pages 5-6 draft SOI).</p> |
| The Trust will work closely with Council in support of its zero-carbon and zero-waste aspirations.                                      | <p>The BRT was awarded the Toitu Carbon Zero status on 19 December 2019 and will ensure that we remain a carbon zero footprint venue to contribute to the Council's aim of being a zero-carbon capital by 2050. This includes the introduction of bike storage areas at the venue, promotion of scooters and e-bikes as a form of transport to events, and being an advocate for key actions within the Te Atakura First to Zero plan.</p> <p>The BRT will continue to support the Wellington Region Waste Management and Minimisation Plan in conjunction with venue caterers and hirers. This includes utilising specific bins throughout the venue for recycling, glass, and general waste, as well as using a specific bin for grass waste. Furthermore, we now adhere to the Solid Waste Management and Minimisation Page   8 Bylaw for events of 1,000 people or more. Additionally, we will continue to align with Black and Gold to minimise waste generally, which has seen a significant reduction in plastic waste due to vendors using compostable packaging and the introduction of goblets to replace plastic cups at events (pages 7-8 draft SOI).</p>   |



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| Let's Get Wellington Moving will have a significant influence on the city and it is acknowledged that the Basin Reserve represents an important part of the LGWM programme. The Trust should engage constructively with the programme to ensure that the interests of the Basin Reserve are well understood as options are developed for this part of the route. | The Trust is committed to working with the Council to support the Let's Get Wellington Moving plans and recognise their influence in the development of the project. The Trust will engage constructively with the programme to ensure that the interests of the Basin Reserve are well understood as options are developed for the route encompassing the venue (page 7 draft SOI). |

| <b>WELLINGTON REGIONAL ECONOMIC DEVELOPMENT AGENCY (WELLINGTONNZ)</b>  |   |
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| <b>EXPECTATIONS</b>  | <b>RESPONSES</b>  |
| Tākina is an important Council project and represents a significant investment in economic development for the city. Tākina is expected to open in July 2023. Given the significance of this investment and its importance to the city, it is imperative that the time between now and the planned opening date is used to drive the sales and marketing activities for this new venue. This period should also be used to ensure Venues Wellington are developing and advancing planning as to how they will transition from less emphasis on business events to a greater focus on performance, entertainment and community. | WellingtonNZ recognises the significant opportunity our new Convention and Exhibition Centre represents for the region. We are actively supporting the success of this critical initiative through the secondment of our Business Events team to lead the sales process and the provision of marketing support. We are working closely with the City Council, Te Papa and Tākina Events to maximise the opportunity that Business events and large-scale exhibitions represent for our region. We understand that there are a complex set of relationships and responsibilities that need to work smoothly if Tākina is to deliver the results expected. We are committed to making this happen but recognise that it is likely to take time for them to settle into an effective working model, and we are committed to supporting that process actively. (page 8 draft SOI) |
| <p>Council would like to see consideration around these matters and specifically:</p> <ul style="list-style-type: none"> <li>How WellingtonNZ will provide support to Tākina to raise its profile as an exhibition destination for New Zealanders and, through playing a key part in the promotion of hosted exhibitions, maximise the number of visitors to those exhibitions and Wellington</li> </ul>   | With Tākina – the new Wellington Convention and Exhibition Centre - coming on-stream in mid-2023, Business Events will play an increasingly important role in the Wellington economy, bringing high value visitors to the city. With a near term focus on attracting conferences and business events locally, nationally and trans-Tasman, we are also creating a strong international pipeline for when international travel starts again. WellingtonNZ has seconded its Business Events team to WCC to ensure that they can prepare for a successful opening of Tākina, WellingtonNZ will continue to support this work through marketing and communications — recognising that Tākina's success will be the region's, bringing significant economic benefits to the City. (page 14 draft SOI)  |

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| <ul style="list-style-type: none"> <li>• How WellingtonNZ will provide the marketing support required by the Business Events Wellington team to fully activate their Sales and Marketing activity plans to reach targeted audiences that help secure business events for Tākina from international sources, in particularly Australia, as well as domestically.</li> <li>• WellingtonNZ should provide clarity around the overall marketing plans for the Australian visitor market, based on a range of border scenarios, and the levels of investment including partner-leveraged support.</li> <li>• The planning and supporting actions that will be undertaken to reflect a greater emphasis on performance, entertainment and community events across the civic venues operated by Venues Wellington.</li> </ul> | <p>The reopening of the Australian market is a particular area of focus for our Marketing Team in relation to both tourists, business event delegates and talent. We are planning campaigns (including our Welcome Matt campaign) as the border opens to Australian visitors and tourists, we will continue an active digital campaign to targeted segments of the Australian market to maintain awareness of the Wellington Region's attractions in the minds of Australians. We are partnering with TourismNZ, Wellington Airport and a range of tourism, accommodation, and hospitality businesses in this work. (page 6 draft SOI)</p> <p><b>Venues Wellington</b></p> <p>WellingtonNZ will continue to manage the operation of the Wellington city entertainment venues under the Venues Wellington brand – including sales, event operations, customer experience and facilities management.</p> <p>Providing an opportunity to set clear strategic objectives for the Venues Wellington business, Tākina's opening in 2023 will follow the reopening of the St James in 2022. Shifting the mix of content to a greater emphasis on performance and entertainment events, we will continue to plan and implement models to drive the desired content, providing a high-quality entertainment offering that makes Wellington and its venues an attractive proposition for current and potential residents.</p> <p>Over this SOI period we will continue to work with WCC to drive investment in our civic venues, including the redevelopment of venues, to ensure they are fit for purpose and meet changing audience trends and expectations.(page 12 draft SOI)</p> <p>We recognise the importance of our Venues in delivering entertainment, cultural, sporting, business and community events for local residents and visitors – generating economic, social and cultural benefits to Wellington. We have started on a number of capital programmes to enable our venues to support a wider range of programming – particularly music – and to make them accessible to a greater proportion of our citizens. This work, which is occurring alongside major projects such as the St James Theatre and Town Hall strengthening, will enhance our venues and make them fit for purpose to meet the ambitions of the city's Aho Tini and economic wellbeing strategies. (Page 7)</p> |
| <p>In addition to Council's strategic direction and the focus areas and emphasis of its new strategies, and in the context of the travel status both nationally and internationally, Council continues to expect WellingtonNZ to market Wellington strongly as a destination for visitors, migrants, investors and students.</p>   | <p>This is a core responsibility of WellingtonNZ. We have a range of programmes in development which build on our existing successful platforms: Wild Weekends, Imagine This, and event specific marketing initiatives.</p> <p>Wellington remains an attractive destination for many. The Destination Management Plans provide guidance to us and Councils around the region to develop new tourism product and experiences that will enable storytelling about this remarkable place and the many attractions it offers to those who want to visit, study, work or live.</p>  |

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|  | Our ambition over the term of this SOI is to extend the visitor nights spent in the region which will make a significant difference for tourism, hospitality and retail businesses across our region.   |
| WellingtonNZ is expected to continue to increase its support for businesses to grow and innovate in Wellington and to attract events to the city in support of Council's economic wellbeing outcomes.  | This is a significant project which is progressing well. We expect it to be completed around the end of the 2021/22 financial year, with a focus on the identification of 20-40 projects which can augment strategies already being advanced by the Territorial Authorities across our region. The objective of the plan is to align activity across the region and, importantly, secure central Government support and funding for these larger scale projects which can drive our economic progress. We are leading this work in partnership with GWRC. (page 7 draft SOI)  |
| Together with Experience Wellington and the Cable Car, WellingtonNZ is expected to support the planning for early interventions to add value to the cable car journey and celebrate the historic Kelburn area with longer-term plans for its future.                         | We recognise the importance of the Cable Car as an integral visitor attraction (and important public transport option for residents). We will work with the Cable Car, other CCOs and businesses to further explore options for an integrated tourism product offering at its Kelburn terminus with links to encourage tourists to visit more of the diverse range of attractions across the city. (page 7 draft SOI).  |
| The regional funding agreement was put in place for a one-year period while the Regional Economic Development Plan (REDP) was developed. Regional Council will seek to establish a three-year funding agreement for the period of the SOI.                                   | <p>Noted.</p> <p>The development of the Regional Economic Development plan, led by WellingtonNZ, is governed by the Regional Leadership committee which is made up of mayors from each of the local authorities and Horowhenua District Council, mana whenua partners, central government ministers and representatives of WellingtonNZ.</p> <p>The objective of this definitive plan is to guide the long-term economic direction of the Wellington Region in line with the Regional Growth Framework; to support the creation of 100,000 jobs, promote equity, and improve quality of life for our people. The document is due to be delivered in mid 2022 and will contain an action list of up to 40 recommended initiatives that have been assessed using the PRISM framework. (page 12 draft SOI)</p> |
| A key component of the REDP will be the commitment to a just transition from a climate and carbon perspective. The regional economy will need to be supported to not only manage this transition but to explore and support the opportunities that emerge from a transition. | Climate change and sustainability are the focus of much of our work across the region. It features strongly in the REDP whether in potential projects dealing with water storage and land use change, in work to drive "weightless" exports through our technology sector, or in efforts to reduce carbon in manufacturing and construction through advanced manufacturing the application of new technologies. (page 6 draft SOI)  |

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| <p>The region is committed to supporting Te Matua a Maui. WellingtonNZ are asked to continue to support the delivery of initiatives contained in this plan.</p>   | <p>WellingtonNZ is working closely with Te Matarau a Maui to identify initiatives that will enable Māori Business growth and ensure they are included in the Regional Economic Development Plan. We expect to resource and lead the implementation of at least one of these major projects in the 2022/23 financial year. (page 6 draft SOI)</p>  |
| <p>WellingtonNZ is expected to work with the Wellington Regional Leadership Committee on addressing the economic impacts, challenges and opportunities, recovery and response for the region arising from COVID-19.</p> | <p>Covid recovery is a major focus for WellingtonNZ, and our marketing and business support teams are both engaged daily in supporting local business – particularly in the hard-hit tourism, hospitality, accommodation and (in some places) retail sectors. As well as the marketing campaigns described above, our work has involved funding support to enable businesses to secure important professional advice to help them respond to the Covid challenge, advocacy and storytelling to attract talent and domestic visitors and importantly securing and supporting major events to bring people to the region. This work continues, and we are working with central government partners to adapt this funding so it can be more responsive to business needs. (page 6 draft SOI)</p>   |
| <p>The region would like to see further support for the implementation of Te Upoko o Te Ika a Maui as a procurement tool for building social and economic prosperity across the region.</p>                             | <p>We recognise the need to improve the economic outcomes for Māori and Pasifika. Much of our work is focused on this, including supporting opportunities for rangatahi to explore careers in film or entrepreneurship and working with mana whenua to enable them to deliver the goals they have set for themselves and their communities.</p> <p>Through our subsidiary, CreativeHQ we are working to significantly increase the number of start-ups based in Wellington region. This will see a strengthened incubation and acceleration service as well as investment in collaborative working spaces (specifically recognised as important in our reality completed screen sector) and advocated by many in the tech community (page 6 draft SOI)</p> <p>This is a critical component of our strategy – which specifically recognises the need for a focus on jobs and skills as we look to the future. Our work will include:</p> <ul style="list-style-type: none"> <li>• A range of initiatives focused on making Wellington an International Centre of Excellence for Green Technology and positioning us in the top 50 in the Global Innovative Cities Index.</li> <li>• Telling the stories of Wellington business to attract and retain talent. This builds on the successful Imagine This Podcast</li> <li>• Reimagining our local marketing activity – the Love Local campaign was hugely successful in supporting businesses through the initial period of the Covid pandemic. This approach will be reimagined for the current (and anticipated future) environment.</li> </ul> |

| <b>KARORI SANCTUARY TRUST (ZEALANDIA)</b>   |  |
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| <b>EXPECTATIONS</b>   | <b>RESPONSES</b>   |
| Council expects that the Trust will provide an update on the development of Tanglewood House, acknowledging Council's contribution toward this project.   | <p>Tanglewood House will be a purpose-built facility that will future-proof Zealandia with the staff, volunteer and researcher accommodation that it needs. The resource consent has been completed, and Zealandia have revisited the design to ensure the building will be fit for purpose following the impacts of Covid-19 on the building industry. Zealandia aim to complete this build by the end of the 2022/23 financial year. As indicated in previous SOIs, the Board has approved funding for the development of Tanglewood House and this funding has been secured and ring-fenced in the budgets. The funding includes the contribution from Council as confirmed in its 2017 Long Term Plan.</p> <p>Zealandia continue to pay close attention to carefully managing the working capital as this enables to manage future financial risk in these uncertain times, while also investing in infrastructure. (page 8 draft SOI)</p> |
| The Council expects that the Trust will maintain its commitment to paying the Living Wage. The annual operating grant is expected to be sufficient for the Trust to maintain this commitment and Council does not expect to receive additional requests for funding beyond the operating grant. | Zealandia will continue to implement the Council's Living Wage Policy for its employees as required by Council. (page 6 draft SOI)   |

| <b>WELLINGTON MUSEUM'S TRUST (EXPERIENCE WELLINGTON)</b>   |   |
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| <b>EXPECTATIONS</b>  | <b>RESPONSES</b>  |
| Council continues to expect that the Trust will return to a breakeven financial position in 2022/23 inclusive of | <p>We will be operating under strict cost control measures and focusing on robust financial management. However, given the current environment with no international visitors, the negative impacts from COVID-19 including restricted visitor capacity, plus CPI increases, the Living Wage, recruitment, and relativity</p> |

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| <p>funding depreciation, and the Statement of Intent should respond to this.</p>   | <p>pressures, and rise to costs for fuel and freight, we will not be able to return to a breakeven position in 2022/23 without the support of Council's Resilience Fund (551k).</p>   |
| <p>The Trust should discuss its plans for Capital E and its intended tenancy within Te Matapihi. In this context, the Trust is expected to recognise that Council is making a significant capital investment in Te Matapihi which also generates additional operational costs for Council that are ongoing.</p> <p>Council does not expect to increase its operational funding for the Trust in relation to the Capital E activity, beyond its annual inflation adjustments.</p> | <p>We are working closely with Council's Te Matapihi project team, and other stakeholders, planning for the relocation of Capital E to Te Matapihi. We have an internal Project Working Group drawn from across our teams, giving their expertise on visitor experience and space specifications. A Council-funded Project Coordinator position is dedicated to support internal administration. An internal communications strategy with regular updates and a presence on our intranet keeps the wider Experience Wellington team aware. The Chief Executive and Director Children, Young People &amp; Community Engagement are heavily involved in the project at a higher level and sit on Te Matapihi board and control groups. A Heads of Agreement between Council and Experience Wellington guides our mahi.</p>  |
| <p>The SOI is expected to articulate the opportunities that the Trust sees in response to Council's Aho Tini strategy and how the Trust will be able to contribute to Council's focus areas in this strategy, within its current operational funding.</p>  | <p>Council's Aho Tini Strategy is closely aligned with our organisation's purpose, vision and values (page <a href="#">6</a>). See page <a href="#">11</a> for our detailed response.</p> <p>Aho Tini 2030 – Arts, Culture and Creative Strategy (page 11)</p> <p>Experience Wellington will be a proud partner in bringing Aho Tini to life, making Wellington a truly creative capital. Our experiences build on the rich cultural traditions and identity of our capital city: our mahi in this area will be further enhanced through the revisioning of Capital E within Te Matapihi and the redevelopment of Wellington Museum as a place that reflects and amplifies the voices and stories of our diverse communities. We will continue our commitment to access and inclusion in the arts sector and higher visibility of Ngā Toi Māori by supporting our Te Rōpū Mahi Tiriti and Access and Inclusion committees, and by supporting Māori roles throughout the organisation: Te Tūhono Reo, Senior Curator Toi Māori, Senior Curator Māori (Taonga) and our Kaiako Māori. A 'Wellington First' approach is being taken to foster the success of the city's artists and arts organisations – for example, our Creative Collider and National Theatre for Children programmes pumped externally leveraged funding back into the capital's creative ecosystem through strategic capacity building endeavours. We also work in partnership to activate the city's places and spaces via programming alliances with Council, Cuba Dupa, Children's Day and Tawhiri.</p> |
| <p>Council will work with the Trust to develop a consistent and practical approach to the management and maintenance of various building assets owned by Council and operated by the Trust.</p>  | <p>We will continue to develop good working relationships between ourselves and Council around a stronger approach to building management and maintenance. This partnership includes further developing plans for strengthening of <a href="#">Wellington Museum</a>.</p>   |
| <p>Council sees a role for the Trust, WellingtonNZ, and the Cable Car to work together in planning opportunities to leverage the Cable Car journey.</p>  | <p>We are exploring the opportunity to develop the offerings at the <a href="#">Cable Car Museum</a> leveraging the Cable Car journey and proximity to the Botanic Gardens and Space Place. We have established a close working</p>   |

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| Council expects the Cable Car to lead the planning for early interventions to celebrate the historic area at the top of the Cable Car, and to develop longer term plans for its future.   | relationship with Wellington Cable Car Company and look forward to collaborating with WellingtonNZ and the Cable Car team on this long-term project.  |
| The Council expects that the Trust will maintain its commitment to paying the Living Wage. The annual operating grant is expected to be sufficient for the Trust to maintain this commitment and Council does not expect to receive additional requests for funding beyond the operating grant. | We are committed to paying our staff the Living Wage, noting that these costs are proposed to increase by 5% + in 2022/23. The cost of recruitment in the current market is challenging, especially for our corporate roles, where we compete with both the public and private sectors. This creates a knock-on effect relative to other roles in our organisation. |

| WELLINGTON ZOO TRUST   |   |
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| EXPECTATIONS   | RESPONSES   |
| The Trust's SOI will update the Snow Leopards project and the plans for fundraising for this project.  | <p>Construction of the new Snow Leopard project started in late December 2021 and is scheduled for completion in late 2022 with WCC capital expenditure in the current LTP finishing in the 2021/22 financial year. The final construction contract price was higher than expected due to external factors driven primarily by COVID-19 on the Wellington construction industry, however through our existing relationship with the construction contractor, they have agreed to a fixed price contract for the entire project, which is highly beneficial in the current economic climate. Piling and excavation works are underway through February and March with the current construction end date of late December 2022. We are planning for visitors to see Snow Leopards in the Zoo during summer 2022/23.</p> <p>The Trust is currently fundraising the outstanding balance of the project through external fundraising (with current approved funding shown in the table below). We plan to continue to seek funding for the Snow Leopard project in 2022. (pages 12-13 draft SOI).</p> <ul style="list-style-type: none"> <li>• Total funding confirmed (to date) <b>approximately \$960k</b></li> <li>• Total Funding Potential (outstanding) \$1,690,000</li> </ul> |
| The Trust will provide a forward programme of the planned asset renewals which are funded by Council and supported by third-party fund raising. The renewals | <p>The significant planned Renewal projects for the next three years are:</p> <ul style="list-style-type: none"> <li>• Lace Monitor habitat - iconic Australian animal which will be the introductory species for the Neighbours precinct, to be completed July/August 2021;</li> </ul>   |

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| programme will be underpinned by an Asset Management Plan.  | <ul style="list-style-type: none"> <li>• Twilight Te Ao Māhina – refurbishment of the Kiwi habitats to bring Kiwi back to Wellington Zoo;</li> <li>• Southern Hairy Nosed Wombat habitat - endangered species and iconic Australian animal in the Neighbours precinct;</li> <li>• Red Panda habitat – refresh of the Red Panda habitat, service area and visitor space to connect with the new Snow Leopard habitat;</li> <li>• Hero HQ – redesign of this asset to adapt building to new long-term species plan for invertebrates and reptiles;</li> <li>• Staff Office and Wellbeing improvements - as our staff numbers grow the requirement for better staff office areas, accommodation and break spaces is becoming more pressing;</li> <li>• Earthquake prone buildings – removal of and improvements to earthquake prone buildings and walls, including building replacement structures where required for staff office and storage areas;</li> <li>• Green Zoo, Green You refurbishment – emphasis on Climate Action messaging and action;</li> <li>• Sustainability improvements – supporting electricity independence and asset resilience;</li> <li>• Venues improvements – to Kamala’s function space, Archibald Centre and Wild Theatre to provide a wider range of venue offerings and improve the Zoo’s financial sustainability;</li> <li>• River Trail &amp; Gibbon viewing – improving the entry precinct of the Zoo and improved viewing of the Monkey Island areas;</li> <li>• Quarantine Facilities – to replace aging infrastructure and providing more flexible spaces and revitalisation of older buildings to improve functionality for the different species in the Zoo;</li> <li>• Electronic admissions access - to electronically capture visitor numbers to the Zoo; and</li> <li>• Perimeter Fence &amp; Security – to complete the fence renewal and improve security coverage for the Zoo site.</li> </ul> |
| The Council expects that the Trust will maintain its commitment to paying the Living Wage. The annual operating grant is expected to be sufficient for the Trust to maintain this commitment and Council does not expect to receive additional requests for funding beyond the operating grant. | <p>We support the Living Wage ethos and all Wellington Zoo Trust employees are paid at, or above, the Living Wage. This is part of our ongoing remuneration strategy for the Trust. However, current inflationary trends are putting pressure on our ability to pay across the board due to relativities and market changes. Cost of living increases continue to rise and as a not-for-profit trust it is a constant struggle to keep pace.</p> <p>Government salaries increases have put enormous pressure on the Zoo in key areas such as veterinary staff, marketing and communications and managerial roles. However, we have also noticed that the Zoo’s brand is attracting quality candidates for our latest roles. (page 12)</p>  |

| WELLINGTON REGIONAL STADIUM TRUST (SKY STADIUM) |           |
|---|-----------|
| EXPECTATIONS                                    | RESPONSES |



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| <p>The Council is committed to supporting the FIFA Women's World Cup Australia &amp; New Zealand 2023 when it comes to the Southern Hemisphere for the first time. In collaboration with WellingtonNZ and the Council, the Trust is expected to ensure that the stadium and the city is well prepared to deliver a world class experience for fans and teams for this event.</p> | <p>The Trust is delighted that the Stadium will have a major role in the tournament. Wellington has secured nine matches including seven pool games, a round of 16 fixture and a quarter final clash. Planning for the tournament is well advanced, with meetings with organisers taking place on regular basis.</p> <p>The Trust is making good progress on compliance matters and funding around matters such as lighting and gender neutral changerooms. Upgrades in these areas will provide a significant legacy for the Stadium and its hirers. The Trust is working closely with WellingtonNZ and Wellington City Council on delivering this event and commits to keeping councils regularly updated on planning. (pages 6-7 draft SOI)</p>                              |
| <p>The Trust will finalise the design, budget and programme for the seismic strengthening works planned for the stadium that will be partially funded by both settlor councils through the 2021-31 LTP.</p>  | <p>The Trust has completed designs for this work and is in the process of developing budgets and works programme. This is a significant project aimed specifically at strengthening the Stadium's floor on all levels as well as the building's diaphragm. Early indications are that costs will be above initial estimates due to changes to recommended design and construction cost increases. Work will commence in FY2024 post Women's FIFA World Cup. The Trust will keep settlers abreast of this project and address funding as part of the longer-term capital requirements. (page 7 draft SOI)</p>  |
| <p>In the context of a post-lockdown environment with relatively free domestic travel and international borders opening, the stadium will continue to deliver a strong programme of stadium-filling events that return economic benefit to the city and region.</p>  | <p>Stadium-filling major events that deliver benefits to the city and region are a priority for the Trust. The enquiry pipeline is very active. Securing major artists such as SIX60, Guns 'N Roses, Foo Fighters and Ed Sheeran, the return of international rugby and cricket and hosting nine matches of the Women's FIFA World Cup 2023 at the start of the following financial year will meet this expectation. The Trust is pursuing further enquiries on events not yet announced through to 2024. (page 7 draft SOI)</p>  |
| <p>Council is mindful of the financial burden that insurance places on the stadium's viability. The Trust should work collaboratively with its settlor councils to determine an optimal insurance structure for the stadium, which may consider alternative arrangements.</p>  | <p>The Trust has insurance cover for the Stadium asset with a combined maximum policy limit of \$200m for material damage and business interruption. This is less than the building reinstatement value which was last assessed in September 2019 at \$302m and significantly less than a more modern roofed stadium of similar capacity. The Trust is required to cover the first \$25 million of any earthquake claim. The Trust commits to exploring further options with settlers well in advance of the next renewal as the current arrangements represent poor value for the Trust and provides cover for only a small part of a modern stadium rebuild. (page 7 draft SOI)</p>   |
| <p>The Trust will work closely with Council to support the zero-carbon and zero-waste aspirations of the city as the implementation of Te Atakura: First to Zero gathers momentum.</p> <p>The Trust will continue to contribute to the region meeting its carbon neutrality goals.</p>   | <p>The Trust is committed to developing ways to reduce, recover, recycle, or re-use waste in all aspects of our business, including considering and integrating environmental factors in our decision-making process. This has been a big focus for the Trust in recent times. The Trust has recently completed a Carbon Footprint assessment for the 2021 financial year. The Trust commits to working with both councils with the aim of becoming a carbon neutral venue. The Trust is pleased to become eligible for Greater Wellington Regional Council's Low Carbon Acceleration Fund and will consider initiatives over the year that could be eligible for this funding. The Trust will continue its work to further reduce waste. The Trust is part of a Wellington</p> |

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|   | Reusable Hub working group which aims to develop a collective solution for single uses plastic. (page 8 draft SOI)  |
| The settlors are looking to the Trust to lead a conversation around the longer-term future for the trust, in terms of future planning, potential longer term stadium options and the need to examine funding mechanisms at a regional level.          | Continued investment in the Stadium is vital to ensure events are not lost to new facilities. The Trust is developing its five-year capex plan. Last year the Trust had identified capital work requirements of at least \$25m. These works are necessary to keep the Stadium facility operating as a safe and efficiently operating facility. These costs may be significantly higher as costs are firming up for seismic improvements. This commitment to this level of capex is beyond the means of the Trust. The Trust will lead a conversation and engage with settlors on funding options to support an appropriate programme of works in coming years. (page 8 draft SOI) |
| The Trust will continue to work with Regional Council over opportunities to improve connectivity with the public transport network, as well as Regional Councils GWRC's efforts to strengthen the public transport network for events at the Stadium. | The Stadium enjoys high levels of patronage from customers who use public transport. Public transport is vital for the smooth running of events. The Trust supports enhanced public transport measures and programmes to further encourage adoption and committed to being an active and engaged partner with settlors on this matter. (page 8 draft SOI)   |

| WELLINGTON CABLE CAR LTD   |  |
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| EXPECTATIONS   | RESPONSES  |
| Council expects the company to outline its plans and priorities for improving the seismic resilience of its network in the context having the budgeted Waka Kotahi funding for the project withdrawn.                  | <p>With the failure to secure funding support from Waka Kotahi, WCCL has prioritised its work programme to deliver the most essential works within available funding.</p> <p>This will see tunnel strengthening of the Upper Portal, Parapet and adjacent North wall of the Middle Tunnel completed in FY 2022/23. These are the highest risk areas and a significant step in ensuring ongoing seismic reliability.</p> <p>During 2022/23 WCCL will complete the condition assessments of the three bridges.</p> <p>Further capital works have been deferred until funding is available; there are no areas of immediate concern due to deferring these works (page 10 draft SOI).</p> |
| The company has demonstrated its adaptability in supporting cultural activities in the city using the Cable Car as a stage. Council would like to see the company commit to developing new opportunities to strengthen | WCCL actively looks for opportunities to partner with local creatives. In the past 12 months, WCCL has hosted live streams, concerts, performances and shows. (See Aho Tini 2030 – Arts, Culture and Creativity Strategy above)  |

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| <p>the alignment with this important Council strategy, both for the benefit of the city and the Cable Car service.</p>   | <p>With strengthening relationships and a demonstrated track record of working with our creative community, WCCL is committed to exploring ways to support and showcase cultural activities for the benefit of its passengers and while contributing to the ongoing vibrancy of the city.</p> <p>WCCL is thrilled to have partnered with the Urban Wildlife Trust to deploy the 'feather friendly' bird strike prevention project to minimise the number of bird strikes at the Kelburn terminal. This is a first in NZ and complements outstanding conservation work by associated groups (page 10 draft SOI).</p>   |
| <p>The company's SOI should give Council confidence that the company is using the current operating environment well to prepare for the return of domestic and international tourists to Wellington and that its service is refreshed and ready to thrive.</p>   | <p>FY 2021/22 achievements include:</p> <ul style="list-style-type: none"> <li>• Improved signage on Lambton Quay to guide people down Cable Car Lane</li> <li>• Ongoing activation at Kelburn Terminal</li> <li>• Achieved Qualmark GOLD</li> <li>• Achieved COVID CLEAN</li> </ul> <p>FY 2022/23 actions include:</p> <ul style="list-style-type: none"> <li>• Achieve EKOS Carbon Zero</li> <li>• Wayfinding and directional signage at both terminals, including further digital screens.</li> <li>• Events, packages, promotions, and new products to celebrate the 120th year of our national icon</li> <li>• Replacement and upgrade of tunnel lights</li> <li>• Curating the customer journey from Lambton Quay, through Cable Car Lane, Lambton Terminal to Kelburn with domestic and international visitors in mind</li> <li>• Tourist sector famils and engagement (page 11 draft SOI).</li> </ul> |
| <p>The Kelburn terminus precinct of the Wellington Cable Car is a critical point for both visitors and locals as it offers both iconic views of Wellington city and access to a variety of attractions and environments which are important to Wellington. The Cable Car provides both critical transport and the opportunity to provide a unique experience for people accessing the precinct to get to other attractions such as Space Place, Zealandia, the Botanic Garden and Kelburn village.</p> | <p>The Cable Car is the critical link for locals and visitors to Wellington between Lambton Quay in the CBD and the Kelburn-Paekākā precinct.</p> <p>WCCL continues to lead and organise a monthly korero with businesses in the precinct, including several CCOs and WCC business units to strengthen collaborations to drive visitation and improve the experience for locals and visitors. WCCL will in FY 2022/23 lead the development of an integrated plan for the Kelburn-Paekākā precinct. The goal is to ensure that the experience provided to future visitors, the length of time they spend in the precinct, and the expenditure they make is significantly enhanced, contributing to the broader city visitor economy. This work will be supported by WellingtonNZ through activation of the recently published 'Destination Pōneke' management plan (page 11 draft SOI).</p>                    |

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| <p>The Council expects the company to work together with Council and other stakeholders in this area to improve its vibrancy and appeal to locals and visitors now and to into the future.</p>   | <p>In FY 2022/23, WCCL plans to achieve Carbon Zero certification and remains resolute to become carbon positive by FY2023/24. It will work with EKOS to find ways to reduce its carbon footprint where possible and be a leader in a low carbon economy.</p> <p>In FY 2021/22, in collaboration with OCS (Cleaning contractors), WCCL began to track and measure the amount of waste WCCL was producing and how much was being diverted from landfill as part of recycling initiatives.</p> <p>This initial step focused on staff areas and served to gather benchmark data to help with future waste minimisation initiatives. In FY 2022/23, we plan to extend this mahi to public areas of the business to reduce our waste footprint (page 12 draft SOI).</p> |
| <p>Together with Experience Wellington and WellingtonNZ, the company should lead the planning for early interventions to add value to the cable car journey and celebrate the historic area, and to develop longer term plans for its future that create an integrated experience which leads to more frequent visitation.</p> | <p>2022 is the year in which we are telling the story of the 120-year history of the Wellington Cable Car through events, packages, promotions, and new products to celebrate this national icon. This will be subject to events management under COVID-19 restrictions, local or national lockdowns, continued restrictions on numbers and other unforeseen factors. A range of initiatives are in place and have been designed to be flexible as per the above. The goal is to engender true community understanding and 'buy-in' to a journey through history involving generations of Wellingtonians (page 11 draft SOI).</p>  |
| <p>Council expects the Cable Car to leverage its modest carbon footprint in the messaging and profile-building as the company rebuilds its business in the post-Covid economy.</p>   | <p>The Cable Car is an incredibly efficient mode of transport, designed with regenerative braking, which feeds excess energy back into the grid.</p> <p>In FY 2021/22, WCCL will complete Carbon Accounting to achieve EKOS Carbo Zero certification in FY 2022/23. We will seek to achieve EKOS Carbon Positive certification in FY 2022/23.</p> <p>In FY 2021/22, WCCL focused on waste reduction and maximising the amount of waste diverted from landfill via recycling programmes. WCCL is committed to extending the korero to customers to join our journey in FY 2022/23.</p>  |

## ACTIONS TRACKING

### Kōrero taunaki | Summary of considerations

#### Purpose

1. This report provides an update on the past actions agreed by the Te Kaunihera o Pōneke | Council at its previous meetings.

#### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- |  |   |
|--|---|
| <b>Strategic alignment with priority objective areas from Long-term Plan 2021–2031</b> | <input type="checkbox"/> Sustainable, natural eco city<br><input type="checkbox"/> People friendly, compact, safe and accessible capital city<br><input type="checkbox"/> Innovative, inclusive and creative city<br><input type="checkbox"/> Dynamic and sustainable economy<br><br><input type="checkbox"/> Functioning, resilient and reliable three waters infrastructure<br><input type="checkbox"/> Affordable, resilient and safe place to live<br><input type="checkbox"/> Safe, resilient and reliable core transport infrastructure network<br><input type="checkbox"/> Fit-for-purpose community, creative and cultural spaces<br><input type="checkbox"/> Accelerating zero-carbon and waste-free transition<br><input type="checkbox"/> Strong partnerships with mana whenua |
|--|---|

#### Relevant Previous decisions

Not applicable.

#### Financial considerations

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> Nil | <input type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|---|--|---|

#### Risk

- |   |                                 |                               |                                  |
|---|---------------------------------|-------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> Low | <input type="checkbox"/> Medium | <input type="checkbox"/> High | <input type="checkbox"/> Extreme |
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| Author     | Alisi Puloka, Democracy Advisor                       |
| Authoriser | Stephen McArthur, Chief Strategy & Governance Officer |

### Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That the Te Kaunihera o Pōneke | Council:

1. Receive the information.

### Whakarāpopoto | Executive Summary

2. This report lists the dates of previous committee meetings and the items discussed at those meetings.

3. Each clause within the resolution has been considered separately and the following statuses have been assigned:
  - In progress: Resolutions with this status are currently being implemented.
  - Complete: Clauses which have been completed, either by officers subsequent to the meeting, or by the meeting itself (i.e. by receiving or noting information).
4. All actions will be included in the subsequent monthly updates, but completed actions will only appear once.

### **Takenga mai | Background**

5. At the 13 May 2021 Council meeting, the recommendations of the Wellington City Council Governance Review (the Review Report) were endorsed and agreed to be implemented.
6. The purpose of this report is to ensure that all resolutions are being actioned over time. It does not take the place of performance monitoring or full updates. The Council could resolve to receive a full update report on an item if it wishes.

### **Kōrerorero | Discussion**

7. Following feedback, the status system has been changed so that resolutions either show as 'in progress' or 'complete'.
8. Of the 44 resolutions of Te Kaunihera o Pōneke | Council in February and March 2022:
  - 10 are in progress.
  - 34 are complete.
9. 34 in progress actions were carried forward from the December action tracking report. 32 are still in progress.
10. Further detail is provided in Attachment One.

### **Attachments**

Attachment 1. Actions Tracking 

| #  | Date                     | Meeting                         | Report   | Clause   | Status      | Comment   |
|----|--------------------------|---------------------------------|--|--|-------------|---|
| 34 | Wednesday, 30 June 2021  | Te Kaunihera o Pōneke   Council | 2.5 Implementation of Parking Charges  | 6. Request officers to provide quarterly monitoring performance reports on the capacity levels of paid on-street parking.  | In progress |   |
| 35 | Wednesday, 30 June 2021  | Te Kaunihera o Pōneke   Council | 2.5 Implementation of Parking Charges  | 7. Request officers to investigate off-street parking opportunities with both council and privately run public parking buildings for evening and weekend parking throughout the year.  | In progress |   |
| 38 | Wednesday, 30 June 2021  | Te Kaunihera o Pōneke   Council | 3.2 Report of the Pūroro Waihanga   Infrastructure Committee Meeting of 23 June 2021     | 2. Agree to acquire approximately 21m <sup>2</sup> of land adjoining 60 -72 Murphy Street, Thorndon being sections 1 to 6 and section 14 SO 461178 on ROT 828494 ( <i>the Land</i> ) for \$1 (if demanded), pursuant to section 50 of the Public Works Act 1981. | Complete    | Gazette notice being registered, once done will be complete |
|    |                          |                                 | Transfer of Land (Segregation Strips) Adjoining 60-72 Murphy Street From NZTA to Council |  |             |   |
| 51 | Thursday, 12 August 2021 | Te Kaunihera o Pōneke   Council | 2.1 Asset Acquisition  | <b>All clauses PX</b>  | In progress |   |
| 61 | Thursday, 26 August 2021 | Te Kaunihera o Pōneke   Council | 2.1 Aho Tini 2030 Arts, Culture & Creativity Strategy and Action Plan                    | 6. Agree that officers report back to Council with an update on the timeline and programme for major Council controlled venues reopening including any future planned maintenance and upgrade proposals.   | In progress |   |

|    |                          |                                 |   |  |             |
|----|--------------------------|---------------------------------|---|--|-------------|
| 62 | Thursday, 26 August 2021 | Te Kaunihera o Pōneke   Council | 2.1 Aho Tini 2030 Arts, Culture & Creativity Strategy and Action Plan | 7. Agree officers to report back to Committee by March 2022 on how better access to Council venues and community facilities can be achieved for the local arts and creative community groups and audiences. The review should include whether the venues and community facilities subsidies are equitable across the city and are the most appropriate mechanism of support and whether other models could better support the local community, arts and creative sectors; and local audiences. | In progress |
| 67 | Thursday, 26 August 2021 | Te Kaunihera o Pōneke   Council | 2.1 Aho Tini 2030 Arts, Culture & Creativity Strategy and Action Plan | 12. Agree that officers include in the review to be reported back in March 2022 information on how the \$40m LTP capex funding for venues upgrades will be prioritised, including any further opportunities where Council can partner with other entities so that Wellington can continue to achieve its Aho Tini aspirations and noting the need for middle-size venues in Wellington   | In progress |
| 71 | Thursday, 26 August 2021 | Te Kaunihera o Pōneke   Council | 2.2. Annual Dog Control Report 2020-21                                | 4. Agree that officers report back through the Animal Bylaw/Dog Policy process later this year on metrics for the objectives set out in the Annual Dog Report.   | In progress |
| 72 | Thursday, 26 August 2021 | Te Kaunihera o Pōneke   Council | 2.2. Annual Dog Control Report 2020-21                                | 5. Request officers working on Dog Policy meet with Capital Kiwi to better understand the release of Kiwi this year in Wellington, in order to strategically utilise Animal Control resource.  | In progress |
| 73 | Thursday, 26 August 2021 | Te Kaunihera o Pōneke   Council | 2.2. Annual Dog Control Report 2020-21                                | 6. Request officers bring back options for better resourcing of Animal Control in order to help protect our wildlife. Resourcing could include partnership opportunities, shared resourcing and fee reallocation and/or increase, as well as investigating the provision of off-leash dog facilities.  | In progress |



|     |                             |                                 |   |   |             |
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| 88  | Thursday, 26 August 2021    | Te Kaunihera o Pōneke   Council | 2. 6 Strategy and Policy Work Programme   | 3. Note that once agreed, the programme will be included in the relevant Committee Forward Programmes.  | In progress |
| 93  | Thursday, 26 August 2021    | Te Kaunihera o Pōneke   Council | 3.2.1Report of the Pūrora Hātepe   Regulatory Processes Committee Meeting of 11 August 2021 PROPOSED ROAD STOPPING - LAND ADJOINING 40 STANLEY STREET, BERHAMPORE               | 2. Agree to dispose of the Land.  | In progress |
| 96  | Thursday, 26 August 2021    | Te Kaunihera o Pōneke   Council | 3.2.2Report of the Pūrora Hātepe   Regulatory Processes Committee Meeting of 11 August 2021 PROPOSED ROAD STOPPING - GOVERNOR ROAD, LAND ADJOINING 24 NORTHLAND ROAD, NORTHLAND | 2. Agree to dispose of the Land.  | In progress |
| 99  | Thursday, 26 August 2021    | Te Kaunihera o Pōneke   Council | 3.2.3Report of the Pūrora Hātepe   Regulatory Processes Committee Meeting of 11 August 2021 PROPOSED ROAD STOPPING - LAND ADJOINING 9 DALLAS COURT, MIRAMAR                     | 2. Agree to dispose of the Land.  | In progress |
| 114 | Wednesday, 8 September 2021 | Te Kaunihera o Pōneke   Council | 2.1 Land Acquisition Proposal   | <b>All clauses - PX</b>   | In progress |
| 128 | Thursday, 30 September 2021 | Te Kaunihera o Pōneke   Council | 2.1 Government Reform: Three Waters   | 5. Note that, in line with recommendation 41, the Council will, where practicable, engage Iwi, key stakeholders, and the wider community around the Government's reform proposals once Council has further information from the Government on the next steps in the reform process. | In progress |
| 133 | Thursday, 30 September 2021 | Te Kaunihera o Pōneke   Council | 2.1 Government Reform: Three Waters   | 7. Note that the CEO will report back once further information and guidance has been received from Government on what the next steps look like and how these should be managed.   | In progress |

|     |                             |                                 |  |  |             |
|-----|-----------------------------|---------------------------------|--|--|-------------|
| 140 | Thursday, 30 September 2021 | Te Kaunihera o Pōneke   Council | 2.1 Government Reform: Three Waters  | 17. Note the Council will seek an understanding of the community's views, prior to the Council making a decision as to whether to opt out of the reform. This will occur once the Council has further information from the Government on the next steps in the reform process, including consultation opportunities, and once additional information requested by Council has been received. | In progress |
| 160 | Thursday, 30 September 2021 | Te Kaunihera o Pōneke   Council | 2.6 Michael Fowler Centre Carpark Long Term Ground Lease   | 3. Agree to delegate to the Chief Executive to conclude negotiations and agree terms which, when viewed as a whole, are no less favourable to Council than those detailed in Attachment 1a.  | In progress |
| 165 | Thursday, 30 September 2021 | Te Kaunihera o Pōneke   Council | 3.1.1 Report of the Pūroro Hātepe   Regulatory Processes Committee Meeting of 8 September 2021   | 2. Agree to dispose of the Land.   | In progress |
| 168 | Thursday, 30 September 2021 | Te Kaunihera o Pōneke   Council | <p>PROPOSED ROAD STOPPING - KNIGGES AVENUE, TE ARO</p> <p>3.1.2 Report of the Pūroro Hātepe   Regulatory Processes Committee Meeting of 8 September 2021</p> <p>PROPOSED ROAD STOPPING – LAND ADJOINING 20 AMRITSAR STREET, KHANDALLAH</p> | 2. Agree to dispose of the Land.   | In progress |
| 173 | Thursday, 30 September 2021 | Te Kaunihera o Pōneke   Council | 4.1 Mākara Cemetery - potential land acquisition   | <b>All clauses - PX</b>  | In progress |
| 188 | Thursday, 28 October 2021   | Te Kaunihera o Pōneke   Council | 2.1 Tākina Operating Arrangements  | 5. Agree for officers to work with Te Papa Tongarewa on the implementation of Living Wage for staff working within Tākina Events, and to bring this plan and related costs back to Council prior to the opening of Tākina.   | In progress |

|     |                            |                                 |  |   |             |
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| 199 | Thursday, 28 October 2021  | Te Kaunihera o Pōneke   Council | 2.3 Representation Review Final Proposal   | 6. Agree to recommend to the incoming Council elected in 2022 that another representation review be conducted in 2024.  | In progress |
| 201 | Thursday, 28 October 2021  | Te Kaunihera o Pōneke   Council | 3.1 Report of the Pūroro Hātepe   Regulatory Processes Committee Meeting of 13 October 2021  | 2. Agree to dispose of the Land   | In progress |
| 216 | Thursday, 28 October 2021  | Te Kaunihera o Pōneke   Council | PROPOSED ROAD STOPPING - LAND ADJOINING 40 AVON STREET, ISLAND BAY<br>4.3 Public Excluded Report of the Pūroro Waihanga   Infrastructure Committee Meeting of 14 October 2021  | <b>All clauses PX</b>   | In progress |
| 236 | Thursday, 25 November 2021 | Te Kaunihera o Pōneke   Council | PROPOSED LAND ACQUISITION<br>3.1 Report of the Pūroro Hātepe   Regulatory Processes Committee Meeting of 10 November 2021  | 2. Agree to dispose of the Land by sale or partial exchange for approximately 3m2 of the owners adjoining land currently part of 3 Short Street (Section 47 Owhiro District held on ROT WN22D/110, the Applicant's Land). | In progress |
| 239 | Thursday, 25 November 2021 | Te Kaunihera o Pōneke   Council | PROPOSED ROAD STOPPING - LAND ADJOINING 3 SHORT STREET, VOGELTOWN<br>3.1 Report of the Pūroro Hātepe   Regulatory Processes Committee Meeting of 10 November 2021<br><br>PROPOSED ROAD STOPPING - LAND ADJOINING 3 SHORT STREET, VOGELTOWN | 3. Agree to acquire the Applicant's Land.   | In progress |

|     |                             |                                 |   |   |                  |   |
|-----|-----------------------------|---------------------------------|---|---|------------------|---|
| 283 | Wednesday, 15 December 2021 | Te Kaunihera o Pōneke   Council | 5.1 Appointments To Council Controlled Organisations  | All clauses   | PX - In progress | The committee formally received the information in the relevant report. |
| 287 | Wednesday, 15 December 2021 | Te Kaunihera o Pōneke   Council | 5.2 Update on parking activity  | All clauses   | PX - In progress |   |
| 292 | Wednesday, 15 December 2021 | Te Kaunihera o Pōneke   Council | 3.1 The Gifting of the name Te Aro Mahana   | 2. Agree to formally recognise the gift of the name Te Aro Mahana for the new play area within Frank Kitts Park and accordingly name the newly developed play area Te Aro Mahana. | In progress      |   |
| 293 | Wednesday, 15 December 2021 | Te Kaunihera o Pōneke   Council | 3.2 Tākina - Exhibitions  | 2. Agree to the establishment of a Tākina Exhibition Panel as set out in this paper for the approval of large public exhibitions.   | In progress      |   |
| 294 | Wednesday, 15 December 2021 | Te Kaunihera o Pōneke   Council | 4.2 Report of the Pūroro Hātepe   Regulatory Processes Committee Meeting of 8 December 2021: Proposed Road Stopping - Land Adjoining 26 Northland Road, Northland | 2. Agree to dispose of the Land.  | In progress      |   |
| 295 | Wednesday, 15 December 2021 | Te Kaunihera o Pōneke   Council | 5.1 Appointments To Council Controlled Organisations  | <b>All clauses</b>  | In progress      |   |
| 296 | Wednesday, 15 December 2021 | Te Kaunihera o Pōneke   Council | 5.2 Update on parking activity  | <b>All clauses</b>  | In progress      |   |
| 301 | Thursday, 24 February 2022  | Te Kaunihera o Pōneke   Council | 2.8 2022 Pandemic Response Plan   | 5. Agree to delegate the finalisation of any criteria to the Chief Executive and the Mayor.   | In Progress      |   |
| 302 | Thursday, 24 February 2022  | Te Kaunihera o Pōneke   Council | 2.8 2022 Pandemic Response Plan   | 6. Approve the proposed initiatives as outlined in section 26 of this report (the 2022 Pandemic Response Plan) and the consequential financial impacts.                           | In Progress      |   |

|     |                            |                                 |                                 |   |             |
|-----|----------------------------|---------------------------------|---------------------------------|---|-------------|
| 305 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.8 2022 Pandemic Response Plan | 9. Agree that the Council, in conjunction with Wellington NZ and the business community, continue to advocate for increased support for the Wellington business sector, particularly in relation to hospitality and retail as the need for relief is urgent.  | In Progress |
| 307 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.8 2022 Pandemic Response Plan | 11. Agree that officers also urgently investigate and report back to Council on how the City Growth and Destination Wellington funding schemes can be tailored with an increased budget provision to provide additional targeted financial support to businesses severely impacted by the current Omicron outbreak (and the occupation protest) in the Central Business District. | In Progress |
| 310 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.2 Update on parking hours     | 2. Agree to no longer proceed with the resolution (Resolution 1) to extend paid on-street parking time limits to four hours between 6:00 p.m. and 10:00 p.m. on Friday and Saturday and charging for on-street parking through to 10:00 p.m. on Friday and Saturday.  | In Progress |
| 313 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.2 Update on parking hours     | 5. Agree to temporarily lower city centre parking charges to \$1 per hour, between the hours of 6-8pm Sunday to Thursday from 21 March 2022 until 26 June 2022.   | In Progress |
| 314 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.2 Update on parking hours     | 6. Agree to recommend to Pūroro Māherehere   Annual Plan/Long-term Plan Committee to consider ceasing city centre parking charges between the hours of 6-8pm Sunday to Thursday until 30 June 2023.   | In Progress |
| 315 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.2 Update on parking hours     | 7. Agree to return to all-day paid parking terms at Barnett St car park.  | In Progress |

|     |                            |                                 |   |   |             |   |
|-----|----------------------------|---------------------------------|---|---|-------------|---|
| 316 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.2 Update on parking hours   | 8. Note that Greater Wellington Regional Council's free weekend public transport trials resume under orange alert level settings and agree to request officers to come back with advice on ways that the city could support it.   | In Progress | The information was noted by the Council.             |
| 317 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.1 Draft Economic Wellbeing Strategy for Public Consultation                   | 1. Receive the information  | Complete    | The information was formally received by the Council. |
| 318 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.1 Draft Economic Wellbeing Strategy for Public Consultation                   | 2. Agree to undertake public consultation on the draft Wellington City Economic Wellbeing Strategy 2022 – Towards a Circular Economy, and Action Plan (as attached)   | In Progress |   |
| 319 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.1 Draft Economic Wellbeing Strategy for Public Consultation                   | 3. Delegate to the Chief Executive and the Chair or Deputy Chair of the Te Kaunihera o Pōneke   Council the authority to amend the Statement of Proposal to include any amendments agreed by the Te Kaunihera o Pōneke   Council at this meeting and any minor consequential edits.   | Complete    |   |
| 320 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.1 Draft Economic Wellbeing Strategy for Public Consultation                   | 4. Note that a Pandemic Response Plan, with a particular focus on the hospitality and retail sectors in the CBD, is under development and will be provided as a separate paper.   | Complete    | The information was noted by the Council.             |
| 321 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 2.4 Wellington Regional Leadership Committee Joint Committee Agreement - update | 1. Note that on 24 Feb 2021 this council approved the Wellington Regional Leadership Committee Joint Committee Agreement and the Council's entry into it and appointed and established the Wellington Regional Leadership Committee (WRLC) as a joint committee under clause 30(1)(b) of Schedule 7 of the Local Government Act 2002 on the terms set out in the Joint Committee Agreement. | Complete    | The information was noted by the Council.             |

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| 327 | Thursday, 24 February 2022 | Te Kaunihera o Pōneke   Council | 3.1 Report of the Pūroro Rangaranga   Social, Cultural and Economic Committee Meeting of 3 February 2022 | 2. Agree to dispose of the Land, in order to give effect to the exchange.   | In Progress |   |
| 340 | Thursday, 10 March 2022    | Te Kaunihera o Pōneke   Council | 2.1 Protest and Covid Recovery: Additional Business Support  | <b>All clauses</b>  | In Progress |   |
| 348 | Thursday, 31 March 2022    | Te Kaunihera o Pōneke   Council | 2.1 WCC should promote a local bill to repeal the Wellington City Milk-supply Act 1919                   | 1. Receive the information  | Complete    | The information was formally received by the Council. |
| 349 | Thursday, 31 March 2022    | Te Kaunihera o Pōneke   Council | 2.1 WCC should promote a local bill to repeal the Wellington City Milk-supply Act 1919                   | 2. Ask that the Mayor write to Parliament requesting that repealing the Wellington City Milk Supply Act 1919 be included in an appropriate future omnibus Bill.   | In Progress |   |
| 350 | Thursday, 31 March 2022    | Te Kaunihera o Pōneke   Council | 3.1 Mana Whenua Partnership Agreement: Tākai Here  | 1) Receive the information  | Complete    | The information was formally received by the Council. |
| 351 | Thursday, 31 March 2022    | Te Kaunihera o Pōneke   Council | 3.1 Mana Whenua Partnership Agreement: Tākai Here  | 2) Adopt the contents of this partnership agreement, Tākai Here between mana whenua and Council.  | Complete    |   |
| 352 | Thursday, 31 March 2022    | Te Kaunihera o Pōneke   Council | 3.1 Mana Whenua Partnership Agreement: Tākai Here  | 3) Agree that our Mayor, Deputy Mayor, City Councillors and Chief Executive Officer will formally sign Tākai Here on behalf of Council.   | In Progress | Currently scheduled for April 29.                     |
| 353 | Thursday, 31 March 2022    | Te Kaunihera o Pōneke   Council | 3.2 Wellington Water Current Year Opex - Potential Overspend   | 1) Receive the information  | Complete    |   |
| 354 | Thursday, 31 March 2022    | Te Kaunihera o Pōneke   Council | 3.2 Wellington Water Current Year Opex - Potential Overspend   | 2) Note the forecast increase in reactive maintenance activities relative to budget is resulting in a forecast overspend by Wellington Water Limited (WWL) of up to \$4.9 million for the 21/22 Financial Year. | Complete    |   |
| 355 | Thursday, 31 March 2022    | Te Kaunihera o Pōneke   Council | 3.2 Wellington Water Current Year Opex - Potential Overspend   | 3) Agree to increase opex budget for the relevant activity by \$4.9m.   | Complete    |   |

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|-----|-------------------------|---------------------------------|--|---|-------------|
| 356 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 3.2 Wellington Water Current Year Opex - Potential Overspend             | 4) Agree to fund the additional opex requirement by reprioritising the use of the government's stimulus funding, of around \$5 million.   | Complete    |
| 357 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 3.3 Use of levels 3 and 4 Te Matapihi                                    | 1) Receive the information  | Complete    |
| 358 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 3.3 Use of levels 3 and 4 Te Matapihi                                    | 2) Agree that levels 3 and 4 of Te Matapihi are occupied by Wellington City Council on the basis that:<br>a. level 3 houses Council's Democracy Services functions, including Council Committee Rooms and Councillor space; and<br><br>b. the balance of the space available on level 3 and all of level 4 is used as Council office workspace. | In Progress |
| 359 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 3.3 Use of levels 3 and 4 Te Matapihi                                    | 3) Instruct officers to undertake design and costing work for the internal fit out of levels 3 and 4 of Te Matapihi to identify the budget requirement for inclusion in the 2023/24 Annual Plan.  | In Progress |
| 360 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 3.4 Government Approval for a District Plan Streamlined Planning Process | 1) Receive the information  | Complete    |
| 361 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 3.4 Government Approval for a District Plan Streamlined Planning Process | 2) Agree to instruct the Chief Executive to use the Schedule One process under the Resource Management Act for those parts of the Proposed District Plan which are not able to be approved through the Intensification Streamlined Planning Process.  | Complete    |
| 362 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 3.4 Government Approval for a District Plan Streamlined Planning Process | 3) Request officers to come back with more detailed advice chapter by chapter on what needs to be sent through the Intensification Streamlined Planning Process by the 14 April at the Pūrora Āmua   Planning and Environment Committee.  | In Progress |
| 363 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 3.5 Forward Programme  | 1) Receive the information  | Complete    |
| 364 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 3.6 Actions Tracking   | 1) Receive the information  | Complete    |



|     |                         |                                 |  |  |             |
|-----|-------------------------|---------------------------------|--|--|-------------|
| 365 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 4.1 Report of the Pūroro Tahua   Finance and Performance Committee Meeting of 17 March 2022: DEVELOPMENT CONTRIBUTIONS POLICY REPORT BACK ON CONSULTATION AND FINAL VERSION FOR APPROVAL   | 1) Agree to adopt the proposed amended Development Contributions Policy effective 1 May 2022.  | Complete    |
| 366 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 4.1 Report of the Pūroro Tahua   Finance and Performance Committee Meeting of 17 March 2022: DEVELOPMENT CONTRIBUTIONS POLICY REPORT BACK ON CONSULTATION AND FINAL VERSION FOR APPROVAL   | 2) Note that when assessing the impact of growth in creating demand for new capital assets such as inner-city reserves, the impact of non-residential and residential growth will be taken into account.   | Complete    |
| 367 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 4.1 Report of the Pūroro Tahua   Finance and Performance Committee Meeting of 17 March 2022: DEVELOPMENT CONTRIBUTIONS POLICY REPORT BACK ON CONSULTATION AND FINAL VERSION FOR APPROVAL   | 3) Note that the Policy will be reviewed in time for the 2024 Long-Term Plan and at that time reserves acquisition will be fully included.   | In Progress |
| 368 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 4.1.1 Report of the Pūroro Tahua   Finance and Performance Committee Meeting of 17 March 2022: DEVELOPMENT CONTRIBUTIONS POLICY REPORT BACK ON CONSULTATION AND FINAL VERSION FOR APPROVAL | 4) Delegate to the Chief Executive and the Chair of the Pūroro Tahua   Finance and Performance Committee the authority to amend the Development Contributions Policy to include any amendments as agreed by the Council at this meeting, as well as any minor consequential edits. | Complete    |
| 369 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 4.1.2 Report of the Pūroro Tahua   Finance and Performance Committee Meeting of 17 March 2022: WELLINGTON REGIONAL STADIUM COVID RELIEF SUPPORT  | 1) Approve a one-off \$1.5m grant to the Wellington Regional Stadium Trust.  | Complete    |

|     |                         |                                 |   |  |          |
|-----|-------------------------|---------------------------------|---|--|----------|
| 370 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 4.1.2 Report of the Pūroro Tahua   Finance and Performance Committee Meeting of 17 March 2022: WELLINGTON REGIONAL STADIUM COVID RELIEF SUPPORT | 2) Increase operational (opex) budget for the relevant activity by \$1.5m.   | Complete |
| 371 | Thursday, 31 March 2022 | Te Kaunihera o Pōneke   Council | 4.1.3 Report of the Pūroro Tahua   Finance and Performance Committee Meeting of 17 March 2022: PERFORMANCE REPORT QUARTER TWO 2021/22           | <p>1) Agree to the following in-year budget changes:</p> <p>a) Increase operational (opex) budget by \$3.62m in relation to the payment made to World of WearableArt (WOW).</p> <p>b) Increase capital (capex) budget for Botanical Gardens by \$350k, noting that this is a bring-forward from 2022/23 and there will be a corresponding reduction in the same project in the final Annual Plan for 2022/23.</p> <p>c) Increase capex budget for Suburban Centre Upgrades by \$530k through the transfer of capex budget from Transport Minor Works Upgrades.</p> | Complete |

## FORWARD PROGRAMME

### Kōrero taunaki | Summary of considerations

#### Purpose

1. This report provides the Forward Programme for Te Kaunihera o Pōneke | Council for the next two months.

#### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

#### Strategic alignment with priority objective areas from Long-term Plan 2021–2031

- ☐ Sustainable, natural eco city
- ☐ People friendly, compact, safe and accessible capital city
- ☐ Innovative, inclusive and creative city
- ☐ Dynamic and sustainable economy
- ☐ Functioning, resilient and reliable three waters infrastructure
- ☐ Affordable, resilient and safe place to live
- ☐ Safe, resilient and reliable core transport infrastructure network
- ☐ Fit-for-purpose community, creative and cultural spaces
- ☐ Accelerating zero-carbon and waste-free transition
- ☐ Strong partnerships with mana whenua

#### Relevant Previous decisions

Not applicable.

#### Financial considerations

- ☒ Nil      ☐ Budgetary provision in Annual Plan / Long-term Plan      ☐ Unbudgeted \$X

#### Risk

- ☒ Low      ☐ Medium      ☐ High      ☐ Extreme

|            |   |
|------------|---|
| Author     | Hedi Mueller, Senior Democracy Advisor                |
| Authoriser | Stephen McArthur, Chief Strategy & Governance Officer |

### **Taunakitanga | Officers' Recommendations**

Officers recommend the following motion

That Te Kaunihera o Pōneke | Council:

1. Receive the information.

### **Whakarāpopoto | Executive Summary**

2. The Forward Programme sets out the reports planned for Te Kaunihera o Pōneke meetings in the next two months that require Council consideration.
3. The Forward Programme is a working document and is subject to change on a regular basis.

### **Kōrerorero | Discussion**

4. Thursday 26 May 2022
  - Report of the Mayor's Taskforce: Social Housing
5. Thursday 30 June 2022
  - Shelly Bay Road (Chief Planning Officer)

### **Attachments**

Nil

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### 3. Committee Reports

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## REPORT OF THE PŪRORO TAHUA | FINANCE AND PERFORMANCE COMMITTEE MEETING OF 17 FEBRUARY 2022

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**Members:** Mayor Foster, Deputy Mayor Free, Councillor Calvert (Chair), Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon (Deputy Chair), Liz Kelly, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young.

**The Committee recommends:**  
**WATER ACTIVITIES RATES SETTING**

**Recommendation/s**

That Te Kaunihera o Pōneke | Council:

- 1) Approve debt funding the revenue loss, if necessary, resulting from the errors in the Water rates settings.
- 2) Agree that, should debt funding be required, any underlying surplus at the end of the 2022/23 Financial Year be used to pay down that debt as the first priority, and include further options for repayment term and funding source.

Additional officer recommendations:

- 1) Agree that, should any debt funding be required, that debt funding should be over 10 years.
- 2) Note that, any repayment of the shortfall will be included from the 2023/24 rating year.

Agenda and minutes of the Pūroro Tahua | Finance and Performance Committee meeting available at <https://wellington.govt.nz/your-council/meetings/committees/finance-and-performance-committee/2022/02/17>.

**Attachments**

Attachment 1. Water Rates update 

|    |   |  |
|----|---|--|
|    | <u>Resolved</u><br>That the Pūroro Tahua   Finance and Performance Committee meeting on the 17 February 2022:   | <u>Update April 2022</u>   |
| 1. | Receive the information including the report from Kāwai Māhirahira Audit and Risk Subcommittee;   |  |
| 2. | Recommend to Council to approve debt funding the revenue loss, if necessary, resulting from the errors in the Water rates settings.   |  |
| 3. | Recommend to Council that should debt funding be required, any surplus at the end of the 2022/23 Financial Year be used to pay down that debt as the first priority, and include further options for repayment term and funding source. | Other options and repayment terms are provided in the table below. |

The committee also requested that further options for the debt repayment term and funding source be provided to Council. The table below provides those options and states the recommended approach that will be included in the draft Annual Plan and Long-term Plan amendment. These workings are based on the \$3m shortfall, as per the paper which reflects the price difference across the budgeted volume. Any repayment of the shortfall through rates in future years would start in 2023/24 as the net impact will not be known until close of the current financial year and so cannot be planned for 2022/23 or included in the rates adoption paper.

| <b>3 Funding Source Options</b>   | <b>Considerations</b>  | <b>Recommended</b> |
|-----------------------------------|--|--------------------|
| General Rates funding source      | Any shortfall in targeted rate funding could be met from General Rate  | No                 |
| Water activity 2.3 funding Source | If there is a remaining deficit across all Activities, this would be debt funded. This is in line with the existing Revenue and Financing Policy and would be the usual way Council would off-set a year end deficit. The costs incurred from this debt would be recovered through the Water Activity. At the end of subsequent financial years, Council could resolve to use any surpluses to pay down this debt. | Yes                |
| Other                             | Offset of this lost revenue through internal savings is not recommended due to the \$10m savings already loaded into budgeted expenditure this year and \$17m savings for the coming financial year (2022/23).   | No                 |

| Repayment Term Options | Considerations   | Recommended |
|------------------------|--|-------------|
| 1 year term            | Repayment under this option would be in the 2023/24 rating year and would add a further 5% (\$3m plus interest) to the forecasted 6% increase in Activity 2.3 and will add 0.6% to the overall rates requirement. It would also not provide the opportunity for Council to use any future underlying surpluses to offset this shortfall.   | No          |
| 5-year term            | Repayment under this option would begin in the 2023/24 rating year and finish in 2027/28 rating year. This would add an average 1% (\$0.7m) to the forecasted 6.0% increase in Activity 2.3 in the first year of repayment. This would provide an increase for this Activity of 7.0% for 2023/24 and for the following years it would be 6.5%, 5.7%, 4.4% and 4.5% respectively. This option will add an average 0.2% to the overall rates requirement for the first year. This option will allow for Council to use any future underlying surpluses to offset this shortfall. | No          |
| 10-year term           | Repayment under this option would begin in the 2023/24 rating year and finish in 2032/33 rating year. This would add an average 0.5% (\$0.4m) to the forecasted 6.0% increase in Activity 2.3 in the first year of repayment. This would provide an increase for this Activity of 6.7% for 2023/24 and for the following years will range from 6.1% to 3.9%. This option will add an average 0.1% to the overall rates requirement for the first year. This option will allow for Council to use any future underlying surpluses to offset this shortfall.                     | Yes         |

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## **REPORT OF THE PŪRORO WAIHANGA | INFRASTRUCTURE COMMITTEE MEETING OF 27 APRIL 2022**

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**Members:** Mayor Foster, Deputy Mayor Free, Councillor Calvert, Councillor Condie (Deputy Chair), Councillor Day, Councillor Fitzsimons, Councillor Foon, Liz Kelly, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush (Chair), Councillor Woolf, Councillor Young.

**The Committee recommends:**

The Pūroro Waihanga | Infrastructure Committee meeting on 27 April 2022 is expected to make recommendations on Land Disposal (Isolation Strips) – Hanson Street Service Lane, Mount Cook.

As the Pūroro Waihanga | Infrastructure Committee meeting had not taken place when the agenda for the Council meeting was published, the recommendations from the Committee are not yet known. The Committee's recommendations will be tabled at the Council meeting.

The recommendations to the Committee may be viewed online at the following address:

<https://wellington.govt.nz/your-council/meetings/committees/infrastructure-committee/2022/04/27>

**Attachments**

Nil