

**MINUTES**

**THURSDAY 16 DECEMBER 2010**

**2.34PM– 4.30PM  
4.25PM – 4.30PM (PUBLIC EXCLUDED)**

**Committee Room One  
Ground Floor, Council Offices  
101 Wakefield Street  
Wellington**

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**PRESENT:**

Alan Isaac (Chair)	(2.34pm – 4.30pm)
Mayor Wade-Brown	(2.40pm – 4.03pm)
Councillor Marsh	(2.34pm – 4.30pm)
Councillor Ritchie	(2.34pm – 4.30pm)
Denise Church	(2.34pm – 4.30pm)

**APOLOGIES:**

Councillor Coughlan

**IN ATTENDANCE:**

Councillor Best (2.37pm – 4.30pm)  
Councillor Foster (3.18pm - 4.21pm)

**IN ATTENDANCE (DEMOCRATIC SERVICES):**

Natalie Jacobson, Team Leader-Meeting Support

043/10FM **APOLOGIES**  
(1215/52/02/IM)

**Moved by Mr Isaac, seconded Councillor Marsh, that the Council Controlled Organisation Performance Subcommittee accept apologies for absence from Councillor Coughlan.**

**The motion was put and declared CARRIED.**

**RESOLVED:**

*THAT the Council Controlled Organisation Performance Subcommittee:*

- 1. Accept apologies for absence from Councillor Coughlan*

044/10FM **MINUTES FOR CONFIRMATION**  
(1215/52/02/IM)

**NOTED:**

There were no minutes for confirmation.

045/10FM **CONFLICT OF INTEREST DECLARATIONS**  
(1215/52/02/IM)

**NOTED:**

1. Councillor Marsh declared a potential conflict of interest in relation to Wellington Zoo Trust.
2. Alan Isaac declared a potential conflict of interest in relation to his being Chairman of McGrath Nicol in New Zealand who are the receivers of Allied Nationwide Finance, who had the naming rights for the Basin Reserve.
3. Denise Church declared a potential conflict of interest in relation to Wellington Zoo trust.

046/10FM **PUBLIC PARTICIPATION**  
(1215/52/02/IM)

**NOTED:**

There was no public participation.

047/10FM **REVIEW OF THE PERFORMANCE OF ALL COUNCIL  
CONTROLLED ORGANISATIONS FOR THE QUARTER ENDED  
30 SEPTEMBER 2010** (2.37pm - 3.52pm)

Report of Maree Henwood, Portfolio Manager - Council Controlled Organisations,  
Natasha Petkovic-Jeremic, Portfolio Manager - Council Controlled  
Organisations.

(1215/52/02/IM)

(REPORT ONE)

(Councillor Best joined the meeting at 2.37pm.)

(Mayor Wade-Brown joined the meeting at 2.40pm.)

(Councillor Foster joined the meeting at 3.18pm.)

**Moved by Mr Isaac, seconded Ms Church, the substantive motions with  
amendments to 2(c), 2(e), 2(g):**

(c) Positively Wellington Tourism is working closely with Rugby New Zealand 2011 to ensure that Wellington leverages the national activity and investment in RWC 2011 as much as possible. Joint marketing initiatives by Karori Sanctuary, Carter Observatory and Wellington Zoo will be developed during the year. **Officers were asked to report back on the failure to meet long haul flight targets.**

(e) Wellington Cable Car Limited had a mixed quarter. Cable car passenger numbers for the quarter were below budget and below last year; however, the operating surplus was ahead of budget for the quarter (including some timing issues). **Note that Wellington Cable Car Limited is commissioning a survey to obtain data on the recent lower patronage of some passenger categories.**

~~(g) Council announced on 1 December 2010 that it would consider a recommendation from the Board of Wellington Waterfront Limited that the company be reviewed next year in light of the effect of the global financial crisis on the property market. Council agreed on the 15 December 2010 that officers will conduct a review of the options for the implementation of the Wellington Waterfront Project.~~

**The substantive motion as amended was put and declared CARRIED.**

**RESOLVED:**

*THAT the Council Controlled Organisation Performance Subcommittee:*

1. *Receive the information.*

2. *Recommend that the Strategy and Policy Committee note the following matters with regard to the first quarter 2010/11 performance of Council Controlled Organisations:*
- (a) *The Basin Reserve Trust lost its principal naming rights sponsor, Allied Nationwide Finance, after the company was placed in receivership in August. Specialist advice has been contracted to support the Trust in attaining a new sponsor.*
  - (b) *For the first quarter, Capacity under spent relative to budget on capex for Wellington City Council. The Company expects that the capex work program will be completed and the budget will be fully spent by the end of the year.*
  - (c) *Positively Wellington Tourism is working closely with Rugby New Zealand 2011 to ensure that Wellington leverages the national activity and investment in RWC 2011 as much as possible. Joint marketing initiatives by Karori Sanctuary, Carter Observatory and Wellington Zoo will be developed during the year. **Officers will report back on the failure to meet long haul flight targets.***
  - (d) *The St James Theatre Charitable Trust was below budget for number of performances and non-performance events. However next quarter is looking good with performances and bookings strong.*
  - (e) *Wellington Cable Car Limited had a mixed quarter. Cable car passenger numbers for the quarter were below budget and below last year; however, the operating surplus was ahead of budget for the quarter (including some timing issues). **Note that Wellington Cable Car Limited is commissioning a survey to obtain data on the recent lower patronage of some passenger categories.***
  - (f) *Overall, visitor numbers for the Museums Trust in the first quarter were 129,018, below its quarterly target. Museum of Wellington and Carter Observatory performed particularly well; however, City Gallery, Capital E and Cable Car Museum were below their quarterly targets.*
  - (g) *~~Council announced on 1 December 2010 that it would consider a recommendation from the Board of Wellington Waterfront Limited that the company be reviewed next year in light of the effect of the global financial crisis on the property market.~~ **Council agreed on the 15 December 2010 that officers will conduct a review of the options for the implementation of the Wellington Waterfront Project.***

- (h) *The Zoo's sponsorship partnership with ASB was launched in September. Visitor numbers are currently ahead of target and last year.*
- (i) *Wellington Regional Stadium Trust had a good first quarter with 16 events hosted. The Trust continues to meet regularly with the Regional Coordination Group and Rugby New Zealand 2011 as part of Rugby World Cup preparations.*
- (j) *Karori Sanctuary Trust came close to achieving its quarterly visitor target and achieved an operating surplus of \$260 000 against a budgeted surplus of \$104 000.*
- (k) *The Transition Working Group has been making steady progress in the establishment of the new Venues council-controlled trading organisation. As at 1 February 2011 all of the activities of Wellington Convention Centre will transfer to the new entity, Wellington Venues Limited.*

048/10FM **LETTERS OF EXPECTATION TO COUNCIL CONTROLLED ORGANISATIONS** (3.52PM – 4.18PM)  
 Report of Maree Henwood, Portfolio Manager - Council Controlled Organisations, Natasha Petkovic-Jeremic, Portfolio Manager - Council Controlled Organisations. (REPORT 2)

(Mayor Wade-Brown left the meeting at 4.03pm.)

**Moved Councillor Ritchie, seconded Ms Church, the substantive motion, as follows:**

**The motion was put and declared CARRIED.**

**RESOLVED:**

*THAT the Council Controlled Organisation Performance Subcommittee:*

1. *Receive the information.*
2. *Agree to confirm the key messages to be included in the 2011/12 Letters of Expectation to Council Controlled Organisations .*
3. *Note that officers will prepare formal 2011/12 Letters of Expectation incorporating the directions of the Subcommittee for signing by the Chair of this Subcommittee.*

4. *Note that the Subcommittee can expect to receive draft 2011/12 Statements of Intent, alongside officers' analyses, for its consideration at its meeting in April 2011.*

049/10FM **FINAL WELLINGTON CABLE CAR LIMITED ANNUAL REPORT 2009/10** (4.18pm - 4.20pm)  
Report of Maree Henwood, Portfolio Manager - Council Controlled Organisations. (REPORT 3)

**Moved Councillor Ritchie, seconded Councillor Marsh, the substantive motion:**

**The substantive motion was put and declared CARRIED.**

**RESOLVED:**

1. *Receive the information*
2. *Note that the Subcommittee has already discussed the substantive issues in the final annual report as part of its discussion on the draft annual report on 28 September 2010.*

050/10FM **FORWARD PROGRAMME** (4.20pm – 4.25)  
Report of Maree Henwood, Portfolio Manager - Council Controlled Organisations. (REPORT 4)

(Councillor Foster left the meeting at 4.21pm)

**Moved Councillor Ritchie, seconded Ms Church, the substantive motion, as follows:**

**RESOLVED:**

1. *Receive the information.*
2. *Agree to the forward programme attached to this report.*

051/10FM **RESOLUTION TO EXCLUDE THE PUBLIC**  
(1215/52/02/IM)

**Moved Councillor Ritchie, seconded Councillor Marsh, the motion to exclude the public.**

**The motion was put and declared CARRIED.**

**RESOLVED:**

*THAT Council Controlled Organisation Performance Subcommittee:*

1. Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, resolve that the public be excluded from the following part of the proceedings of this meeting namely:

*Report 1 - Review of the performance of all Council Controlled Organisations for the quarter ended 30 September 2010.*

• ***Wellington International Airport Limited***

*Grounds: S48(1)(a) That public conduct of the whole or the relevant part of the proceedings of the meeting will be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.*

*Reason: S7(2)(c) Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information –*

(i) *Would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.*

The meeting went into public excluded at 4.25pm.

For item 47/10FM, please see the public excluded minutes.

The meeting moved out of public excluded at 4.30pm.

**NOTED:**

Mr Issac noted that Council Controlled Organisation Performance meeting dates for 2011 have been confirmed and circulated.

The meeting concluded at 4.30pm.

Confirmed: \_\_\_\_\_  
Chair / /