

## **REPORT ON COUNCIL CONTROLLED ORGANISATIONS**

In order to achieve our objectives for Wellington, we have established several companies and trusts. These organisations were set up to independently manage Council facilities, or to deliver significant services and undertake development on behalf of the Wellington community. Where necessary, we provide funding to support their operations and capital investment requirements.

The following pages explain what the organisations do, how their performance is measured, and how they performed during 2011/12.

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## Partnership Wellington Trust (trading as Positively Wellington Tourism)



### Structure

All trustees are appointed by the Council. As at 30 June 2012 they were Glenys Coughlan, Councillor Jo Coughlan, John Milford (Chair), Mike O'Donnell, Peter Monk, Howard Grieve and Ruth Pretty. The Chief Executive was David Perks.

### Objectives

The Partnership Wellington Trust markets and adds value to Wellington to achieve sustainable economic growth for the people of the city. It acts to enhance the recognition of Wellington as a desirable visitor destination, enhance the profile of city businesses and to promote strategic alliances and private sector partnerships, and maximise the city's share of regional spending. It also promotes community focused initiatives, aims to improve the sustainability of Wellington's commercial sector through the Trust's marketing initiatives, and facilitates the coordination of marketing initiatives that are appropriate to its objectives.

### Activities

The Trust:

- Promotes Wellington as a visitor destination in national and international markets
- Markets Wellington as a convention and conference destination
- Provides visitor information services
- Runs initiatives that promote retail growth, including the downtown retail campaign
- Profiles Wellington's strengths in arts, sport and education attractions, and conducts development of an ongoing events profile for the city
- Facilitates the development of new tourism and event product, and the development of the Visiting Friends and Relatives (VFR) market
- Manages Wellington's destination profile on the internet
- Conducts research and analysis of the tourism industry.

The nature and scope of these activities are consistent with those set out in the 2009–19 long-term plan.

PERFORMANCE MEASURES	TARGET 2011/12	ACTUAL 2010/11
International direct arrivals to Wellington Airport from Australia	Increase Australian visitor arrival by 7% over 2010/11 levels	Direct Australian visitor arrivals to Wellington Airport increased by 16% to 130,016 for the year to May 2012, compared to the same period in 2011.
International visitor nights	Maintain international visitor room nights to 2010/11 levels	International visitor room nights increased 10% to 683,465 for the year to April 2012, compared to the same period in 2011.
New Zealand market visitors and visitor nights	Maintain domestic visitor room nights to 2010/11 levels	Domestic visitor room nights decreased by 2% to 1,099,481 for the year to April 2012, compared to the same period in 2011.
Weekend occupancy in partner hotels (capacity aligned)	Maintain weekend rooms sold in partner hotels to 2010/11 levels	Weekend occupancy in partner hotels decreased 3.6% to 60.2% in 2011/12.
Downtown weekend visitation	Increase by 2% over 2010/11 levels	Weekend visitation in downtown Wellington increased 4.8% for the year to March 2012

PERFORMANCE MEASURES	TARGET 2011/12	ACTUAL 2010/11
		compared to the same period in 2011.
i-Site revenue	Maintain revenue relative to 2010/11 levels	i-SITE revenue increased by 13% compared to 2010/11 revenue.
Cost effectiveness	Maintain Council's funding at less than 50% of total income	Council's funding amounted to 48% of total income.
Visits to <a href="http://www.WellingtonNZ.com">www.WellingtonNZ.com</a>	10% increase over 2010/11 levels	Visits to WellingtonNZ.com increased 7% to 1,756,145 compared to 2010/11.
Online Revenue	Generate \$630,000 of bookings through the site	\$704,000 of bookings were generated through WellingtonNZ.com in the year – 12% ahead of target.

See also City Promotions, Events and Attractions in the Economic Development strategy.

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## Wellington Museums Trust

### Structure

All trustees are appointed by the Council. As at 30 June 2012, they were Councillor Ray Ahipene-Mercer, Philip Shewell, Alick Shaw, Jo Bransgrove, Jackie Lloyd and Quentin Hay (Chair). The Chief Executive was Pat Stuart.

### Objectives

The Wellington Museums Trust (WMT) was established in 1995 to promote and manage the City Gallery Wellington, the Museum of Wellington City & Sea, the Colonial Cottage Museum, Carter Observatory, Capital E, the Wellington Cable Car Museum, and the New Zealand Cricket Museum. It manages and develops the Trust programmes and services, and acquires and manages collections for the benefit of Wellington. It provides advice to the Council for the development of museum and gallery services in Wellington, establishes exhibition programmes and education programmes for its facilities, and develops acquisition, de-accession and collection development policies. The Trust liaises with Positively Wellington Tourism to enhance its attraction to Wellington's visitors.

### Activities

The Trust:

- Delivers high quality experiences, events and exhibitions at its facilities
- Manages conservation and care for the objects of its collections, and conducts research and development to enhance visitors' experiences
- Offers quality education experiences to children and young people
- Promotes and protects the heritage of venues
- Develops and operates the Soundhouse Studio
- Works with national and international artists and collectors.

The nature and scope of these activities are consistent with those set out in the 2009–19 long-term plan.

PERFORMANCE MEASURES	TARGET 2011/12	ACTUAL 2011/12
Attendance targets:		
City Gallery	143,000	115,363
Capital E	93,500	95,009
City and Sea	92,700	102,894
Colonial Cottage	2,081	2,736
Cable Car Museum	226,888	238,345
NZ Cricket Museum	2,081	2,290
Carter Observatory	52,300	50,978
Subsidy per customer (excludes Plimmer's Ark and Carter Observatory, but includes rental subsidy)	\$13.81	\$13.91
Carter Observatory subsidy per customer	\$5.74	\$5.88

PERFORMANCE MEASURES	TARGET 2011/12	ACTUAL 2011/12
Percentage of visitors to all trust institutions who are satisfied with the experience	90% of visitors rate their experience as good or very good	On average 92% of visitors rated their experience as good or very good.  Museum of Wellington City and Sea: 96% City Gallery Wellington: 97% Cable Car Museum: 84% Colonial Cottage: 100% Capital E: 86% NZ Cricket Museum: 87%
	90% of Carter Observatory visitors rate the quality of their experience as good or very good	94%
Percentage of visitors to all Trust institutions are repeat visitors	27%	36%  Museum of Wellington City and Sea: 36% City Gallery Wellington: 72% Cable Car Museum: 27% Colonial Cottage: 12% Capital E: 46% NZ Cricket Museum: 3% Carter Observatory: 25%
Percentage of all residents are aware of Trust institutions	87% (across all institutions)	76% of residents were aware of Trust institutions  Museum of Wellington City and Sea: 89% City Gallery Wellington: 79% Cable Car Museum: 90% Colonial Cottage: 43% Capital E: 87% NZ Cricket Museum: 49% Carter Observatory: 93%

See also Galleries and Museums in the Cultural Well-being strategy.

# Wellington Venues Limited (trading as Positively Wellington Venues)



## Structure

All trustees are appointed by the Council. As at 30 June 2012 they were Chris Parkin (Chair), Sam Knowles, Linda Rieper, Lorraine Witten, Mike Egan, Samantha Sharif, Councillor Paul Eagle and Councillor Ngaire Best. The Chief Executive was Glenys Coughlan.

## Objectives

Wellington Venues Limited began trading on 1 February 2011, merging the operations of the St James Theatre Charitable Trust and the Wellington Convention Centre. Wellington Venues Limited exists to manage and promote Wellington's major Events venues, including the Michael Fowler Centre, Town Hall, St James Theatre and Opera House as venues, and to help establish Wellington as the premier city for events and conferences.

## Activities

The company:

- Manages and operates the venues and any related events business
- Advocates for the Venue and Event sector for the benefit of the residents of Wellington
- Works to achieve greater community access to the Venues' facilities
- Develops and maintains beneficial relationships with other national and international institutions, supports Positively Wellington Tourism, and develops new initiatives in its role as a key provider of event and performance venues.

The nature and scope of these activities are consistent with those set out in the 2009-19 long-term plan.

Strategic Focus	KPI	Actual 2011/12
<b>Business Viability</b>	New management and organisation structure in place by end of Q2	Achieved
	SLAs in place for WCC shared services (accounting and payroll, IT and HR) by end of Q2	Not achieved
<b>Venue Utilisation</b>	Achieve or exceed 5% increase in hired days (aggregate) over 2010/11 actual (YE)	Achieved
	Achieve or exceed budgeted number of performances and performance revenue	Achieved
	Maintain appropriate mix of commercial and community hires	Achieved
<b>Duty of Care</b>	Pan-venue asset management plan in place by end of Q1 2012/13	Underway
	All health and safety requirements met	Achieved
<b>Marketing Edge</b>	Successful launch of new Positively Wellington Venues brand and market positioning	Achieved
	Strength of sales pipeline and forward bookings	Achieved
<b>Performance Partnerships</b>	At least three successful joint marketing ventures with PWT and other partners	Underway
<b>Venue Development</b>	Contingency plan for seismic strengthening of Town Hall in 2012/13	Achieved

# Wellington Cable Car Limited



## Structure

The Council is the 100% shareholder in this company and appoints all of the directors. As at 30 June 2012 they were Roger Drummond (Chair), Anthony Briscoe and Nicki Crauford. The Chief Executive was Des Laughton.

## Objectives

Wellington Cable Car Limited operates the Cable Car as an efficient, reliable and safe transport service and uniquely Wellington tourism asset. It also owns and maintains the overhead wiring system for the trolley bus passenger network which services the city.

## Activities

The company:

- Maintains the cable cars and associated track, plant, tunnels, bridges and buildings in accordance with best engineering practice, and to meet the certification requirements of the New Zealand Transport Agency
- Manages the Cable Car passenger service operation
- Markets the Cable Car
- Identifies options for enhancing the Cable Car travel and tourism experience
- Specifies and controls the contract for the inspection, maintenance and repair of the trolleybus overhead wiring system.

The nature and scope of these activities are consistent with those set out in the 2009–19 long-term plan.

PERFORMANCE MEASURES	TARGET 2011/12	ACTUAL 2011/12
Cable Car passenger numbers	1,109,000	1,067,634
All cable car vehicles and associated buildings and equipment are maintained to required safety standards	Achieve	Achieved
Percentage of residents who have used the Cable Car in the last 12 months	30%	49%
Percentage of users who rate the standard and operational reliability of the Cable Car as good or very good	95%	94%
Cable Car service reliability	Greater than 99%	99.3%

# Wellington Waterfront Limited



## Structure

The Council is the 100% shareholder in this company and appoints all of the directors. As at 30 June 2012 they were Jane Black, Robert Gray (Chair), Derek McCorkindale and Councillor Justin Lester. The Chief Executive was Ian Pike.

## Objectives

Wellington Waterfront Limited acts as the implementation manager for the waterfront development area. This means ensuring that the waterfront area is recognised locally and internationally for its design; is attractive; caters for a wide range of activities; is readily accessible to all people, and is both safe and perceived to be safe. Wellington Waterfront Ltd also acts to protect significant heritage buildings on the waterfront, and makes sure that activities on the waterfront are integrated with those on the harbour.

## Activities

The company:

- Implements the waterfront development project
- Owns and manages the marina
- Manages day to day operations on the waterfront, including cleaning, security and maintenance
- Negotiates and manages contracts for the design and construction of the waterfront's public spaces
- Negotiates and manages contracts and leases for all building development sites, and the refurbishment and re-use of existing buildings.

The nature and scope of these activities are consistent with those set out in the 2009–19 long-term plan.

PERFORMANCE MEASURES	TARGET 2011/12	ACTUAL 2011/12
Percentage of residents visiting the waterfront	95%	99%
Percentage of residents satisfied with the waterfront	90%	93%
Number of project milestones achieved on time:	All project milestones achieved	
Facilitate the commencement of construction on the Overseas Passenger Terminal (subject to confirmation of Willis Bond contract) (Quarter 2)		Achieved
Progress development discussions on Site 10 Kumutoto with the aim of realising a development in line with funding expectations		Project terminated
Subject to gaining all necessary approvals, complete the design and construction of the Helicopter Building on Queen's Wharf (Quarter 4)		Project terminated
Significantly advance phase 3 of the wharf pile refurbishment programme.		Achieved
Progress planning for development and enter into a memorandum of Understanding with Te Papa on the development of the Transition Site in the Waitangi Park precinct (Quarter 4)		Achieved
Complete a comprehensive disaster recovery and business continuity plan (Quarter 4)		Not achieved
Roll out the full planned and reactive maintenance requirements that the Asset Management Plan prescribes on time and within budget.		Achieved

See also Public Spaces Development in the Urban Development strategy.



**Capacity Infrastructure Services Limited  
(trading as Capacity)**



**Structure**

Wellington City Council and Hutt City Council have equal voting rights in this Council Controlled Trading Organisation, and between them appoint all of the directors. The company is overseen by a board of directors made up of two Councillors (one from each council) and four independent directors. Each council continues to own its respective water, stormwater and waste water assets and determines the level and standard of services to be provided to its customers and ratepayers.

As at 30 June 2012 the Councillor appointees were Councillor Andy Foster (Wellington City Council) and Councillor David Bassett (Hutt City Council). The four independent directors were Peter Allport (Chair), Peter Leslie, Ian Hutchings and John Strahl. The Chief Executive was David Hill.

**Objective**

The objective of Capacity is to manage the provision of water services (water supply, stormwater and wastewater) to the residents and businesses in the areas served by Wellington City Council and Hutt City Council. Capacity's current customers are Wellington City Council, Hutt City Council and Upper Hutt City Council.

**Activities**

The company is contracted to deliver drinking water, stormwater and wastewater services.

The company is committed to ensuring all work managed on behalf of customers' accords with the highest standards of health and safety for those involved in the work and for the general public. The company will continually seek opportunities to integrate water, stormwater and wastewater activities within the Wellington region where such integration can deliver least cost, best practice outcomes to the benefit of shareholder councils and other entities.

PERFORMANCE MEASURES	TARGET 2011/12	ACTUAL 2011/12
Provide a reliable water supply, wastewater and stormwater service.	Fewer than 4 unplanned supply cuts (pipe bursts) per 1000 connections	There were only 1.2 water supply bursts per 1000 connections, and only 0.47 wastewater blockages per 1000km of pipe
Develop and complete asset management plans	Within agreed timeframe	Not achieved. Work is continuing on Asset Management Planning
Deliver budgeted capital expenditure projects for respective councils	Within agreed timeframes and budget	Achieved
Deliver budgeted operating and maintenance activities for respective councils	Within agreed timeframes and budget	Operating and maintenance activities exceeded budget by 2.4%
Manage and operate Capacity within its 2011/12 budget	Within agreed budget	Achieved
Comply with financial, technical and regulatory standards	Achieve full compliance	Achieved

See also the Environment strategic area for more information on water, stormwater and wastewater services.

## Wellington Zoo Trust

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### Structure

The Wellington Zoo Trust was established on 1 July 2003 and all of the trustees are appointed by the Council. As at 30 June 2012 they were Ross Martin (Chair), Frances Russell, Linda Meade, Alan Dixson and Councillor Simon Marsh. The Chief Executive Officer was Karen Fifield.

### Objectives

The Wellington Zoo Trust manages the assets and operations of Wellington Zoo for the benefit of Wellington residents and visitors to the city. It aims to be 'the best little zoo in the world' by providing a quality visitor experience, promoting species conservation, educating the community, and supporting the conservation and educational activities of other organisations.

### Activities

The Trust:

- Develops and maintains high quality animal exhibits to provide an excellent visitor experience
- Cares for resident animals and manages the animal collection
- Participates in managed breeding programmes
- Delivers educational material and learning experiences
- Contributes to zoological conservation and facilities management research projects
- Contributes to conservation awareness in the community.

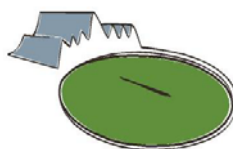
The nature and scope of these activities are consistent with those set out in the 2009–19 long-term plan.

PERFORMANCE MEASURES	TARGET 2011/12	ACTUAL 2011/12
Number of visitors	191,982	216,457
Conservation Programme Managed Species (% of total collection)	41%	40%
Average WCC subsidy per visitor	\$14.58	\$12.93
Annual fundraising target for ZCP	\$766,601	\$691,477 <sup>1</sup>
Average income per visitor (excluding WCC grant)	\$14.86	\$13.77
Ratio of generated Trust income as % of WCC grant.	102%	107%

<sup>1</sup> Result is lower than target but capital spend for year was below expectations, so the final result is still above required 25% of capital spend to date

See also Environmental Conservation Attractions in the Environment strategy.

## Basin Reserve Trust



Basin Reserve Trust

### Structure

There are four trustees, of whom two are appointed by the Council and two by Cricket Wellington. As at 30 June 2012 the two trustees appointed by the Council were Councillor John Morrison and Sir John Anderson. The two trustees appointed by Cricket Wellington were Don Neely and Douglas Catley (Chair). The Chief Executive of Cricket Wellington was Peter Clinton.

### Objectives

The Basin Reserve Trust manages and operates the Basin Reserve to continue to attract national and international sporting events to Wellington.

### Activities

The Trust:

- Manages the Basin Reserve for recreational activities and the playing of cricket for Wellington residents
- Contributes to the events programme for Wellington
- Operates as a successful not-for-profit undertaking
- Preserves and enhances the heritage value of the Basin Reserve.

The nature and scope of these activities are consistent with those set out in the 2009–19 long-term plan.

PERFORMANCE MEASURES	TARGET 2011/12	ACTUAL 2011/12
Number of events		
Cricket	16	16
Other sports	4	11
Community	2	1
Number of event days		
Cricket	32	29
Other sports	4	11
Community	2	1

# Wellington Regional Stadium Trust



## Structure

All of the trustees are jointly appointed by the Council and Greater Wellington Regional Council (GWRC). As at 30 June 2012 they were Councillor Chris Laidlaw (GWRC), Chris Moller, Sir John Anderson, Liz Dawson, Sue Elliot, John Shewan (Chair), Mark McGuinness and Councillor John Morrison (WCC). The Chief Executive was David Gray.

## Objectives

The Wellington Regional Stadium Trust owns, operates and maintains the Stadium as a high-quality multi-purpose sporting and cultural venue. It provides facilities to be used for rugby, cricket and other sports codes, musical and cultural events, and other users including sponsors and event and fixture organisers.

## Activities

The Trust:

- Operates the Stadium
- Manages the event programme and seeks opportunities to provide regular quality events
- Ensures the Stadium is provided to the community for appropriate usage
- Administers the Trust assets and the Stadium on a prudent commercial basis.

The nature and scope of these activities are consistent with those set out in the 2009–19 long-term plan.

PERFORMANCE MEASURES	TARGET 2011/12	ACTUAL 2011/12
Number of events	50	55
Total revenue	\$15.74million	\$18.71 million <sup>1</sup>
Event revenue	\$5.17 million	\$7.66 million <sup>1</sup>
Net surplus	\$3.74 million	\$3.90 million <sup>1</sup>

<sup>1</sup> Subject to final audit approval.

**Note:** The Wellington Regional Stadium Trust is not formally defined as a Council Controlled Organisation. This report on their activities is presented to recognise the interest that Wellington City ratepayers have in the Trust and its activities.