

Summary of KST and Council officer's response to review of Zealandia

	Ferguson review recommendation	KST response	Officers comment
Finance and fundraising			
1	The Trustees and CE urgently address the need to increase operating revenue by \$500k in 2012/13 and at least \$400k per annum thereafter to break even at the operating point and make provision for asset replacement in the future.	<p>Marketing and fundraising sub-committee established.</p> <p>Focus on increasing membership to over 6,000 by 2015. Working with WCC to develop new strategy. Members will be targeted for donations going forward for KST fundraising campaigns.</p> <p>Will also look to increase sponsorship and donations from other sources.</p> <p>Target is to increase revenue from this activity to \$350k per annum by 2015.</p>	Officers agree increasing revenue is a key area for improvement. All possible sources of revenue should be pursued. Preparing KST's Statement of Intent for 2013/14 will be a priority for the new board. It will need to set out strategies for improvement and outline performance measures for assessing their success.
2	One of three financial models listed under "Financial Options" of this paper (moderate assistance from the WCC, more substantial assistance from the WCC, or becoming a council controlled organisation) be accepted as the basis for the business plan for the next three years.	<p>KST's preference is for Council to adopt the second option (more substantial assistance from WCC) which provides a \$1.2m operating grant per annum for 2013/14 and 2014/15.</p> <p>However, KST acknowledges that it is still too early to determine the impact of its improvements and is comfortable with Council funding them at a lower level provided it is reviewed alongside the next Long Term Plan deliberations.</p> <p>KST recommends Council:</p> <ul style="list-style-type: none"> • funds Zealandia a total of \$2.1m over three years. • agrees that KST will require an ongoing level of funding and that the level will be reviewed and included in the Annual Plan and 2014/15 LTP. 	<p>Officers agree with KST recommendations.</p> <p>This is discussed further in the main body of the report.</p>
3	A full-time professional fundraiser be appointed to Zealandia staff, paid for by savings made from the reduction of fees to Trustees.	KST notes this recommendation and refers it to the new board to consider once it is in place.	Officer agree that fundraising will be a key plank in KST's strategy going forward and will be a focus for the new board.
4	New approaches to fundraising be explored such as connecting with New Zealanders living overseas who are interested in supporting an inspired conservation project like Zealandia.	KST notes this recommendation and refers it to the new board to consider once it is in place.	Officers agree with this recommendation.
5	Trustees be appointed for one three year term renewable for one further	KST notes this recommendation and refers it to the new board to consider	Council's appointments will be made in line with the current appointments

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	three year term but initially the terms to be spread across one year intervals.	once it is in place.	policy. Officers are not recommending any change to the policy.
Image and pricing			
6	The current Patron, who is no longer actively involved with the KST, be replaced by another notable New Zealander who shares the values of KST and would be prepared to promote Zealandia.	KST notes this recommendation and refers it to the new board to consider once it is in place.	This is reflected in the amended Trust Deed.
7	The new Board of Trustees (to be appointed in 2013) to make a decision on pricing of admissions based on a new strategic plan and close collaboration with WCC and Positively Wellington Tourism (PWT).	KST notes this recommendation and refers it to the new board to consider once it is in place. Work has begun evaluating the impact of various pricing levels.	Officers agree pricing is a critical consideration for Zealandia going forward and should be addressed by the new board alongside other strategies aimed at increasing income.
Relationship management			
8	The WCC be recognised as the main strategic partner of the KST with an enhanced partnership to continue into the long-term future.	KST support the enhanced partnership model with WCC and recognise WCC as its main strategic partner. Efforts to collaborate already showing improvements	Officers support this recommendation.
9	Finance, human resources and information technology functions of KST be shared with the WCC to ensure more robust systems and closer cooperation.	KST are working collaboratively with WCC to transfer some backroom services to WCC.	KST and Council have agreed the scope and outline delivery timings for shared services and it is expected that financial and payroll services be operational by mid 2013. The next stage would then involve the provision of full network administration services including communications.
10	High priority be placed on relationship management with all stakeholders and the public on the part of the Trustees, the CE, all staff and volunteers of KST.	Strategic partnerships sub-committee established to focus on strengthening key relationships.	Noted
11	Other strategic partnerships should be strengthened for the mutual benefit of the organisations. Initially these should include, but not be restricted to, Victoria University of Wellington (VUW), Te Atiawa and Ngati Koata Rangitoko ki te Tonga iwi, Royal Forest & Bird Protection Society, Department of Conservation (DOC), PWT, Wellington Zoo, Wellington Community Trust (WCT), and reputable international organisations interested in New Zealand biodiversity.	Discussions underway with WCT regarding outstanding loan provided to KST in 1999 to help build the predator-proof fence. Discussions underway with VUW to explore ways to collaborate. Possibilities include basing VUW staff and students at Zealandia, using Zealandia as a special research and teaching environment which would benefit Zealandia, the students and Wellington.	Noted

Governance and management			
12	The number of Trustees on the Board be reduced to five: three elected by the members of Zealandia and two appointed by the WCC (including the Chair of the Board).	<p>KST supports this recommendation.</p> <p>KST proposes that the board should also be able to appoint up to two additional trustees for one term to cover specific skill sets.</p>	<p>Officers support the reduction of trustees from seven to five. A recent review of CCOs found that boards are likely more effective with less members.</p> <p>Officers also support KST having the ability to appoint up to two extra board members if additional specialist skills are required.</p> <p>The amended Trust Deed reflects these changes. KST would be able to appoint additional board members in discussion with the Guardians and the Council. All appointments would need to meet the principles set out in the deed, including that the Trust Board as a whole needs to include persons with an appropriate range and balance of skills and experience to ensure the sound governance and management of the Trust and to assist the Trust to achieve its objects.</p>
13	Nominations for new Trustees be carefully considered with the collaboration of Zealandia and WCC to ensure the Board covers five crucial skill sets as well as governance (accountancy, conservation, fundraising, marketing and education) and gender balance.	<p>KST supports this recommendation.</p> <p>KST also proposes that the term of each trustee be set to a maximum of two terms. Each term should ultimately be three years, but initially this should be reduced to one year.</p>	<p>Officers support this recommendation.</p> <p>These changes are reflected in the amended Trust Deed.</p>
14	Advisory Trustees be appointed by stakeholder groups (WCC staff, City Councillors, VUW (if not already represented on the Board), Te Atiawa Tenth Trust, DOC, volunteers and members, Guardians, Vice-Patrons) and be allowed to sit in on appropriate sections of Board meetings.	<p>KST does not support this recommendation.</p> <p>KST proposes that another group be established. This group would supersede the existing Guardians group – consequently the current Guardians group would be disestablished.</p> <p>KST proposes the new group (yet to be named) comprises three elected KST members, an iwi representative, a nominee from VUW, a WCC Councillor (Portfolio Leader), one of the Patron and vice-patrons, and the Trust Board chair. The Trust Board members would be able to attend meetings as observers. The group would meet quarterly and elect its own chair.</p> <p>KST also proposes that the Deed be revised to allow for new and emerging stakeholders and individuals to be invited to join the</p>	<p>Officers support the view expressed by KST.</p> <p>These changes are reflected in the amended Trust Deed.</p>

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		group when the occasion arises.	
15	Trustees be paid an honorarium of \$1000 per annum and the Chair \$6000 per annum.	KST notes this recommendation and refers it to the new board to consider once it is in place.	Officers support the recommendation that trustees are paid an honorarium, however, due to the challenges the new board will need to confront, the amount paid should continue to be in line with current Council policy for other board members. This change is reflected in the amended Trust Deed.
16	The tenure of the CE be set at three years with a renewal of 2 additional years, ie five years maximum.	KST supports this recommendation.	This change is reflected in the amended Trust Deed.
17	The Trust Deed be updated according to recommendations 11-15.	KST supports this recommendation.	The Trust Deed has been amended to reflect changes proposed by KST, the Guardians and the Council. Following consent by Council, KST will seek to formally adopt the amended Trust Deed at their AGM on 18 December 2012.
18	The Funding Deed (between KST and the WCC) be amended to address recommendations 2, 7-8, 11-15.	KST supports this recommendation.	Officers agree that the Funding Deed should be changed to reflect any agreed changes.
Conservation and education vs tourist attraction			
19	The Interim Board of Trustees carefully assess the relative priorities of conservation and education relative to tourism for the future development of Zealandia.	KST confirms the principle that it is a conservation organization which engages in tourism as a means to meet its goals. However it acknowledges that conflicts exist from time to time depending on the focus and the priorities of various goals. and that this would also have implications on the type of strategic partnerships it enters into. KST proposes that WCC and the Guardians provide further direction and clarity to the new board when it is in place.	Officers agree this is an important issue which the new board will need to address with on-going input from WCC and the Guardians.