
ORDINARY MEETING

OF

ECONOMIC GROWTH AND ARTS COMMITTEE

AGENDA

Time: 9.15am
Date: Tuesday, 17 March 2015
Venue: Committee Room 1
Ground Floor, Council Offices
101 Wakefield Street
Wellington

MEMBERSHIP

Mayor Wade-Brown

Councillor Ahipene-Mercer
Councillor Coughlan (Chair)
Councillor Eagle
Councillor Lester
Councillor Marsh (Deputy Chair)
Councillor Peck
Councillor Young

Have your say!

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

AREA OF FOCUS

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

Quorum: 4 members

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1 Meeting Conduct

1.1 Apologies

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

1.2 Conflict of Interest Declarations

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

1.3 Confirmation of Minutes

The minutes of the meeting held on 10 February 2015 will be put to the Economic Growth and Arts Committee for confirmation.

1.4 Public Participation

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

1.5 Items not on the Agenda

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

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

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

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

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

2. General Business

REPORTS FROM COUNCIL CONTROLLED ORGANISATIONS FOR THE QUARTER ENDING 31 DECEMBER 2014

Purpose

1. To provide reports from Basin Reserve Trust, Positively Wellington Tourism, Positively Wellington Venues, the Wellington Museums Trust and the Wellington Regional Stadium Trust for the quarter ended 31 December 2014.

Summary

2. This report includes the quarterly updates from the above Council Controlled Organisations (CCOs) and affiliated entities for the quarter ended 31 December 2014.
3. The reports from Positively Wellington Tourism and Positively Wellington Venues are for information purposes. These entities became part of the Wellington Region Economic Development Agency with effect from 5 November 2014.

Recommendations

That the Economic Growth and Arts Committee:

1. Receive the information.
2. Note any issues for the Chair to raise with the entities covered by this report.

Background

4. It is a requirement of the Local Government Act 2002 (the Act) that where the Council is a shareholder in a Council Organisation it must regularly undertake performance monitoring of that organisation to evaluate its contribution to the achievement of:
 - the Council's objectives for the organisation;
 - the desired results, as set out in the organisation's Statement of Intent; and
 - the Council's overall aims and outcomes.
5. The organisations included in this report are:
 - Basin Reserve Trust (BRT)
 - Positively Wellington Tourism (PWT)
 - Positively Wellington Venues (PWV)
 - Wellington Museums Trust (WMT)
 - Wellington Regional Stadium Trust (WRST)
6. WRST submits written reports half-yearly. WRST is not a CCO but is included in this reporting framework because of the materiality of the Council's financial commitment to the entity and because of the entity's contribution to Council outcomes.

7. In November 2014, PWV and PWT became part of the Wellington Regional Economic Development Agency (WREDA). From 2015, PWV and PWT will report as part of WREDA to the Wellington Regional Strategy Committee.

Discussion

8. If the Committee needs to clarify the information presented or requires additional assistance with its monitoring role, it can ask officers or the Chair of the Committee to seek responses from the Board Chair.

Attachments

Attachment 1.	Basin Reserve Q2 Summary and Report 2014/15	Page 10
Attachment 2.	Museums Q2 Summary and Report 2014/15	Page 17
Attachment 3.	Stadium Half-year Summary and Report 2014/15	Page 31
Attachment 4.	PWT Q2 Summary and Report 2014/15	Page 43
Attachment 5.	Venues Q2 Summary and Report 2014/15	Page 66

Authors	Richard Hardie, Portfolio Manager Warwick Hayes, CCO Project Manager
Authoriser	Derek Fry, Director City Growth & Partnerships

SUPPORTING INFORMATION

Consultation and Engagement

The organisations in this report consult with the Council on a wide range of matters as part of our “no surprises” relationship.

Treaty of Waitangi considerations

This report raises no new treaty considerations. Where appropriate the entities do consult with the Council’s Treaty Relations unit, and with the Tenth Trust, as part of normal operations.

Financial implications

The CCOs work within the context of the Council’s overall Long Term Plan and Annual Plan framework.

Policy and legislative implications

This report complies with the legislative requirements of the Local Government Act (2002) and is consistent with existing Council policy.

Risks / legal

Not applicable.

Climate Change impact and considerations

The CCOs work with the Council and other organisations in considering the environmental sustainability of their operations, including with the Council’s Our Living City programme.

Communications Plan

Not applicable.

BASIN RESERVE TRUST

Q2 REVIEW TO 31 DECEMBER 2014

QUARTER PERFORMANCE	YEAR TO DATE PERFORMANCE
<p>Q2 is typically a busy period of maintenance and activity as the Basin prepares for the summer cricket programme and the first half of the season begins.</p> <p>Work continued on the "Master Plan" for the Basin Reserve, including the presentation to Councillors of the work to date, and the overall vision and strategy, on 9 December.</p> <p>Preparations continued for CWC2015 in February and March 2015. Trust representatives have been engaged with CWC, Council and other agencies to ensure full management of all responsibilities.</p>	<p>Events</p> <ul style="list-style-type: none"> 1 x 4-day first class cricket match 1 x 1-day club cricket match <p>Training</p> <ul style="list-style-type: none"> 33 uses of the venue as a practice facility (men's and women's teams) <p>Repairs and Maintenance</p> <ul style="list-style-type: none"> With the cricket programme beginning in October with practice matches and trainings, there was a full clean and operational inspection of the venue in October

SUMMARY FINANCIALS							
(\$,000's)							
FINANCIAL PERFORMANCE	Q2 Actual	Q2 Budget	Variance	YTD Actual	YTD Budget	Variance	FYE
Total Revenue	106	31	75	291	211	80	548
Operating Expenses	271	143	(128)	371	260	(111)	568
Net Surplus	(165)	(112)	(53)	(80)	(49)	(31)	20
FINANCIAL POSITION							
Total Assets				798	799	(1)	843
Total Liabilities				113	40	73	55
Equity				685	759	(74)	788
CASH FLOWS							
Total Net Cash Flows				(30)	12	(42)	70
Opening Cash				110	80	30	80
Closing Cash				80	92	(12)	150
<ul style="list-style-type: none"> The Trust had an operating deficit for the quarter of \$165k after allowing for depreciation of \$21k, \$53k behind of budget. Income of \$106k was \$75k ahead of budget as a result of receiving funding to cover the cost of Turf Management activities. Expenditure for the quarter of \$271k was \$128k over budget, as a result Turf Management costs, the arrangements for which were put in place after the Statement of Intent had been agreed. 							

CONTACT OFFICER

RICHARD HARDIE

BASIN RESERVE TRUST

Q2 REVIEW TO 31 DECEMBER 2014

KPI DASHBOARD					
MEASURE		Q2	YTD	3 Year	Comments
		31 Dec 14	31 Dec 14	Trend	
Cricket Events	Target	5	5	Steady	The 2014-15 SOI was agreed before the summer programme was confirmed by NZC, hence the lower than budgeted figures for event days, and spectators. Also, only one test match was scheduled in the summer, and held in January (Q3).
	Actual	2 ✗	2 ✗	→	
Other Sports Events	Target	0	4	Steady	Most 'other sports' events take place outside the cricket season, in Q1 and Q4.
	Actual	0 ✓	6 ✓	→	
Community Events	Target	0	0	Steady	
	Actual	0 ✓	0 ✓	→	
Cricket Event Days	Target	21	21	Steady	This figure relates to the late release of NZ Cricket summer cricket schedule noted above.
	Actual	5 ✗	5 ✗	→	
Other Sports Events Days	Target	0	4	Steady	
	Actual	0 ✓	6 ✓	→	
Community Event Days	Target	0	0	Steady	
	Actual	0 ✓	0 ✓	→	
Practice Facility Usage Days	Target	0	0	NA	This was a new measure in 2013/14 so no trend data is available.
	Actual	33 ✓	33 ✓		
Numbers attending events	Target	9,200	10,000	Steady	
	Actual	800 ✗	800 ✗	→	

ISSUES & OUTLOOK	
<ul style="list-style-type: none"> The Master Plan for the Basin Reserve was finalised in Q2 and presented to Councillors at a workshop on December 9. The Trust continues to work with officers to prepare project and funding documentation as part of the Council's Long Term Plan, and on plans to present the vision to key stakeholders and the public. The Trust received funding through the mid-term capex review to renew the ground keeping facilities. The building consent has been submitted and the project is on track to be completed in September. The Basin Reserve has successfully hosted training sessions as part of Cricket World Cup 2015. 	

CONTACT OFFICER

RICHARD HARDIE



BASIN RESERVE TRUST

REPORT NO. 2

2014-15

Prepared for Wellington City Council

For the 2nd Quarter 2014-15

Signed _____

Date _____

**Basin Reserve Trust
Report No. 2
WCC Monitoring Subcommittee**

For the quarter to 31 December 2014

1. **OVERVIEW**

The three month period under review generally heralds a busy period of maintenance and activity, as the Basin Reserve readies itself for the cricket programme, and the first half of the domestic season gets underway. However with the Cricket World Cup 2015 taking up the bulk of the second half of the season, the ground has had to be managed in a different way this summer.

Trust Meetings

The Trust met on 17 October, and 3 December, as part of its bi-monthly cycle of meetings.

Master Plan

Work continued on the "Master Plan" for the Basin Reserve, including the presentation to Councillors of the work to date, and the overall vision and strategy, on 9 December.

Cricket World Cup 2015

Much organisation has gone into the preparation of the venue for CWC2015 use, in February and March 2015. BRT representatives have been engaged with CWC, Council and other agencies to ensure full management of all responsibilities.

Health & Safety Training

BRT executives attended the Council's ELT Health & Safety Training, in October. The Trust has already focused much attention of H&S compliance, and it will be a feature of planning and delivery moving forward.

Maintenance

With the cricket programme beginning in October with practice matches and trainings, there was a full clean and operational inspection of the venue throughout October. Maintenance included:

- Deep cleanse of all public toilets
- Repair and painting of all bleacher seating on the western side of the ground
- Scoreboard repairs
- Renovation of the centre wicket block for scheduled matches; and
- Preparation of off-field practice facilities

2. **OPERATIONS**

2.1 ***Performance Analysis***

Events

- 1 x 4-day first class cricket match and 1 x 1-day club cricket match
- 33 uses of the venue as a practice facility (men's and women's teams)

2.2 ***Performance Measures***

The actuals against budget are attached. The 2014-15 SOI was agreed before the summer programme was confirmed by NZC, hence the lower than budgeted figures for event days, and spectators. With only one test match in the summer, and held in January (Q3), we expect the budgeted numbers to recalibrate in the next quarter.

3. **FINANCIAL REPORT**

Financial accounts are attached.

Basin Reserve Trust Financial Results 2014/15

(\$,000's)	Actual Q2 2014/15	Budget Q2 2014/15	Variance Q2 2014/15	Actual YTD 2014/15	Budget YTD 2014/15	Variance YTD 2014/15	2014/15 Budget Full Year	2013/14 Actual Prev Q2
Statement Of Comprehensive Income								
Income								
<i>Grant Income</i>	81	-	81	259	178	81	355	-
<i>Ground Hire Income</i>	18	28	(10)	20	28	(8)	122	65
<i>Other Income</i>	6	2	4	9	3	6	68	36
<i>Interest Income</i>	1	1	-	3	2	1	3	1
Total Income	106	31	75	291	211	80	548	102
Expenditure								
<i>Building Expenses</i>	14	21	7	23	40	17	81	17
<i>Ground Expenses</i>	154	36	(118)	170	66	(104)	141	45
<i>Occupancy Expenses</i>	34	40	6	59	64	5	120	33
<i>Event Running Expenses</i>	15	5	(10)	19	8	(11)	40	16
<i>Administration Expenses</i>	28	21	(7)	51	42	(9)	98	97
<i>Other Expenses</i>	5	-	(5)	6	-	(6)	8	4
<i>Finance Costs</i>	-	-	-	-	-	-	-	-
<i>Depreciation</i>	21	20	(1)	43	40	(3)	80	50
Total Expenditure	271	143	(128)	371	260	(111)	568	262
Total Comprehensive Income (Deficit) for the Period	(165)	(112)	(53)	(80)	(49)	(31)	(20)	(160)

Basin Reserve Trust Financial Results 2014/15

(\$,000's)	Actual Q2 2014/15	Budget Q2 2014/15	Variance Q2 2014/15	Actual YTD 2014/15	Budget YTD 2014/15	Variance YTD 2014/15	2014/15 Budget Full Year	2013/14 Actual Prev Q2
Statement of Financial Position								
<i>Total Non Current Liabilities</i>				-	-	-	-	-
<i>Total Current Liabilities</i>				113	40	73	55	157
<i>Total Trust Funds</i>				685	759	(74)	788	840
Total Trust Funds and Liabilities				798	799	(1)	843	997
Assets								
<i>Non Current Assets</i>				682	683	(1)	668	798
<i>Current Assets</i>				116	116	-	175	199
Total Assets				798	799	(1)	843	997
Statement of Cash Flows								
<i>Net Cash Flows from Operating Activities</i>				(20)	37	(57)	120	5
<i>Net Cash Flows from Investing Activities</i>				(10)	(25)	15	(50)	(1)
<i>Net Cash Flows from Financing Activities</i>				-	-	-	-	-
Net Increase (Decrease) in Cash Held				(30)	12	(42)	70	4
<i>Cash at the Beginning of Year</i>				110	80	30	80	82
Cash at the End of Period				80	92	(12)	150	86

Basin Reserve Trust Performance Targets 2013/14

	Actual Q2 2014/15	Budget Q2 2014/15	Variance Q2 2014/15	Actual YTD 2014/15	Budget YTD 2014/15	Variance YTD 2014/15	2014/15 Budget Full Year	2013/14 Actual Prev Q2
Administrative								
<i>Achieve targets within allocated budgets</i>		Annual			Annual		Annual	
<i>Comply with financial, technical and regulatory standards</i>	Achieved	Quarterly		Achieved	Quarterly		Quarterly	Achieved
<i>Asset management plan carried out</i>	Achieved	Quarterly		Achieved	Quarterly		Quarterly	Not Achieved
Operating - Number of Events								
<i>Cricket</i>	2	5	-3	2	5	-3	10	5
<i>Other Sports</i>							10	
<i>Community</i>							2	
Operating - Number of Event Days								
<i>Cricket</i>	5	21	-16	5	21	-16	26	15
<i>Other Sports</i>				6	4	0	10	
<i>Community</i>							2	
<i>Numbers attending events</i>	800	9,200	-8400	2,000	10,000	-8,000	29800	5,600
<i>Hirer satisfaction with venue and events</i>	Achieved	Quarterly		Achieved	Quarterly		Quarterly	Achieved
<i>Playing surface to be maintained to an international standard</i>		Annual			Annual		Annual	
<i>Council subsidy per visitor</i>								
Financial								
<i>Results within budget</i>	Not Achieved	Achieved		Not Achieved	Achieved		Achieved	Not Achieved
<i>Capital expenditure - within budget</i>	Achieved	Achieved		Achieved	Achieved		Achieved	Not Achieved
<i>Council % of revenue ratio</i>	76%	0%		88%	84%		65%	0%
<i>Event income</i>	\$18,000	\$28,500		\$20,000	\$29,000		\$121,500	\$0
<i>Non-event income as a % of total income</i>	83%	8%		93%	86%		78%	100%
<i>Business plan developed</i>		Annual			Annual		Annual	

WELLINGTON MUSEUMS TRUST

Q2 REVIEW TO 31 DECEMBER 2014

QUARTER IN REVIEW
<p>Museum of Wellington City & Sea Phase One (the Attic Project) building works are underway following the achievement of several critical milestones in Q2 including confirmation that Council would contribute \$1.6m towards the \$5 million cost of the Attic Project. Hon. Maggie Barry, Minister for Art, Culture and Heritage also announced a \$1.3m contribution to the development including \$809k for the Attic Project with the remaining grant as contribution to earthquake strengthening. The building works will be completed in June in time to mark the 150th anniversary of Wellington as Capital city and the Attic exhibitions will open in September.</p> <p>The Yvonne Todd exhibition <i>Creamy Psychology</i> at City Gallery opened at the beginning of December. Attendance and sales of the associated publication have been strong.</p> <p>Capital E's monthly movie collaboration with New Zealand Children's Film Foundation has proved popular with additional screenings being added to meet demand.</p> <p>Carter Observatory held an exhibition of Mark Gee's astrophotography during October and the two evening programmes, which were run to support the exhibition, attracted capacity audiences.</p>

YEAR TO DATE PERFORMANCE
<p>The Town Hall key went back on public display at the Museum of Wellington City & Sea.</p> <p>Capital E Central space on Queens Wharf was launched with <i>The Big Reveal</i> in early July. Capital E National Theatre for Children tour of <i>An Awfully Big Adventure</i> has reached over 5,600 young people to date.</p> <p>New programmes – particularly <i>A Short History of Jazz</i> – far exceeded target numbers and brought new audiences into the Museum of Wellington City & Sea.</p> <p>The <i>Adopt-A-Star</i> product at Carter Observatory has had a renewed marketing campaign resulting in a sales spike, including the sale of six of the most expensive stars.</p> <p>City Gallery Wellington had record attendance of 55,135 for the exhibition <i>Seung Yul Oh: MOAMOA A Decade</i>. A catalogue publication has been produced, which is now being distributed nationally and internationally.</p> <p>The <i>Tuatara Open Late</i> in August and September aligned with the City Gallery's 21st birthday celebrations in August and the launch of the William Kentridge exhibition in September.</p>

SUMMARY FINANCIALS

* Variance (Actual minus Budget). ✓ Favourable variance to budget ✗ Unfavourable variance to budget

FINANCIAL PERFORMANCE	Q2 Budget	Q2 Actual	Variance*	YTD Budget	YTD Actual	Variance*	FY Budget
(\$000)	31 Dec 14	31 Dec 14	31 Dec 14	31 Dec 14	31 Dec 14	31 Dec 14	30 Jun 15
Total Revenue	2,877	2,881	4 ✓	5,754	5,633	121 ✗	11,506
Opex before Depreciation	2,801	2,638	64 ✓	5,602	5,375	227 ✓	11,207
Depreciation	95	155	60 ✗	190	208	18 ✗	381
Adjustments (rounding)	(2)	(2)	n/a	(4)	(2)	n/a	0
Net Surplus (Loss)	(21)	86	107 ✓	(42)	48	90 ✓	(82)
FINANCIAL POSITION							
Total Assets	4,582	5,889	1,307 ✓				4,642
Total Liabilities	1,070	1,849	779 ✗				1,171
Equity	3,512	4,040	528 ✓				3,471
CASH FLOWS							
Total Net Cash Flows	(1,627)	(1,877)	250 ✗	(49)	(228)	179 ✗	(24)
Opening Cash	781	2,702					92
Adjustments (rounding)	0	0					
Closing Cash	(846)	825					67

The Trust recorded a net surplus for the quarter of \$86k (a \$107k positive variance to the budgeted loss of \$21k). This translated to positive YTD variance of \$90k. The financial statements identify that the Trust has spent \$181k on professional fees for the 6 months to 31 Dec 2015 versus a budget of \$40k for the full year to 30 June 2015. The Trust has advised that this item represents an expense coding error which does not impact the \$86k YTD surplus.

Visitation to Carter Observatory was on par with last year's figures but revenue is better and is expected to remain positive due to a change in strategies across admissions, retail and venue hire which involves, among other things, not offering large discounts during peak season. At 31 Dec 2014 Carter Observatory recorded a net profit of \$19k however the Trust still expects this business to trade at a deficit of \$82k (after Council's \$312k annual operating grant) for the full year to 30 Jun 2015. The Trust notes that the \$19k profit is a result of timing differences and it expects Carter Observatory to trade close to its full-year budgeted loss of \$82k.

At 31 Dec 2014 the Trust held cash on hand of \$825k – a positive variance of \$1.6m above the projected cash deficit of \$846k at 31 Dec 2014. The variances are due to timing and will normalise during the remainder of the year.

CONTACT OFFICER

NATASHA BETHKOUK, JEREMIAH

WELLINGTON MUSEUMS TRUST

Q2 REVIEW TO 31 DECEMBER 2014

KPI DASHBOARD					
✓ Achieved ✗ Not Achieved. The 3 Year Trend = year on year actual/nominal performance → Steady ↗ Improving ↘ Declining The table contains a selection of KPIs and measures and is not a complete list.					
MEASURE		Q2 31 Dec 14	YTD 31 Dec 14	3 Year Trend	Comments
Council grant/visit	Actual	\$10.05 ✓	n/a	↘	Ahead of target due to visitor numbers exceeding forecast. Trend is negative due to increasing Council grant and relatively static overall visitor numbers.
	Target	\$14.10	n/a		
Full cost subsidy*/visit	Actual	\$11.36 ✓	\$12.99 ✓	n/a	This measure is owned by Council and includes property costs which the Trust does not control plus grant funding.
	Target	\$14.60	\$15.48		
Average spend/visit	Actual	\$2.31 ✗	n/a	→	Below target for the quarter due to visitors exceeding target by 43k but trading income (retail and admissions) falling \$151k below target.
	Target	\$3.11	n/a		
Total visits	Actual	179,453 ✓	321,025 ✓	→	Q2 was 22% ahead of target led by strong visitation at all sites except Carter Observatory. YTD visitation is 43,464 (16%) visits ahead of the Trust's YTD target.
	Target	147,108	277,561		
Cable Car	Actual	67,532 ✓	105,869 ✗	→	YTD affected by slow start to the year but Q2 clawed back some of the Q1 deficit and strong figures for Q3 to date indicates full year visitation target will be achieved.
	Target	59,987	110,499		
City Gallery	Actual	38,930 ✓	89,368 ✓	↗	Visitation trend has been upward and recent exhibitions have exceeded expectations resulting in a strong YTD performance.
	Target	35,000	70,000		
Capital E	Actual	17,424 ✓	33,408 ✓	↘	Audience projections for this venue were conservative given the new location.
	Target	13,000	26,000		
MoW City & Sea	Actual	44,735 ✓	70,427 ✓	↗	The positive variance is due to a change in style and delivery of programmes, and the supporting marketing.
	Target	24,840	45,000		
Carter	Actual	10,383 ✗	20,933 ✗	→	Visitation at Carter is steady at around ten to eleven thousand visits per quarter.
	Target	13,750	25,000		

*Council operating grant plus property related cost (including rental grant paid for Capital E). This is a new measure required by Council and includes property costs which the Trust does not control.

The start of the Cruise Ship season has also had a positive impact on visitation at all institutions during Quarter Two. The Celebrating Everything Polish Festival and The Big Halloween collaborations between the Museum of Wellington City & Sea and Capital E drew record numbers to both institutions. City Gallery had very strong visitation to the final months of the Ralph Hotere and William Kentridge exhibitions, and the first month of the Yvonne Todd exhibition has been well attended. Public programmes related to the Gallery's exhibitions have also been popular. The Museum of Wellington City & Sea and City Gallery's monthly late-night openings are also having a positive impact on visitation.

ISSUES & OUTLOOK
<p>The Trust completed a review of its provision for children and young people and, taking this research as a foundation, has developed a three year, whole of organisation strategy for this audience and will commence the implementation of strategies in Q4. This will include consideration of Capital E's transitional and potential leadership role in this area as well as its future shape and location, including a central Wellington base for the National Theatre for Children.</p> <p>The Trust reviewed Carter Observatory's operation in 2013-14 and will implement a new business model in 2015-16. Council considered the financial implications of this new business model as part of our LTP submission and has confirmed in its 2014 Letter of Expectation that Carter will continue to operate under the existing Management Agreement.</p> <p>City Gallery will present Jono Roteman <i>Mongrel Mob Portraits</i> opening on 14 March.</p>

CONTACT OFFICER

MATASHA PETKOVIC JEREMIC

WELLINGTON MUSEUMS TRUST

Q2 REVIEW TO 31 DECEMBER 2014

EFFECTIVENESS INDICATORS						
The Trust operates the following facilities; City Gallery Wellington, Capital E, Carter Observatory, Museum of Wellington City & Sea, Cable Car Museum, Colonial Cottage Museum and the New Zealand Cricket Museum (jointly with the New Zealand Cricket Museum Trust).						
EFFECTIVENESS 30 JUNE	2009	2010	2011	2012	2013	2014
Total Visitors	538,950*	629,697	653,344	607,613	649,021	601,743
Operating & Rental Grant / Visitor	\$11.64	\$10.85	\$11.83	\$13.06	\$12.66	\$13.30
Non-Council Revenue / Visitor	\$3.78	\$3.79	\$4.96	\$5.22	\$5.36	\$4.90
Average Spend / Visitor	\$1.79	\$2.11	\$2.41	\$2.36	\$2.92	\$2.66
*reduced visitation due to refurbishment and upgrades at City Gallery.						

CONTACT OFFICER

NATASHA PETKOVIC-JEREMIC

**Wellington Museums Trust
2014-15
Report as at 31 December 2014 (Quarter 2)**

Financial Position

The Trust's result to 31 December 2014 shows a surplus of \$86,000 compared to a budgeted deficit of \$22,000.

A strong position is represented through the Statements of Financial Performance and Financial Position. Total Revenue for the quarter ending 31 December 2014 of \$2,881,000 is on par with budget of \$2,876,000.

Total operating expenses before depreciation for the quarter of \$2,640,000 closed at 94% of the budgeted figure of \$2,897,000. Power and Other Occupancy charges have decreased due to the installation of energy efficient equipment.

The increase in Fixed Assets relates to the spending on the Museum of Wellington City & Sea Development.

The increase in Current Liabilities, attributing to Trade Payables includes receipt of proceeds from an insurance claim for flood damage and a recent bequest.

KPIs

The Trust's Institutions had a number of very successful Public Programmes during the second quarter of the year. Of particular note were the *Celebrating Everything Polish Festival* and *The Big Halloween* both of which were collaborations between the Museum of Wellington City & Sea and Capital E that drew record numbers to both institutions. City Gallery had very strong visitation to the final months of the Ralph Hotere and William Kentridge exhibitions, and the first month of the Yvonne Todd exhibition has been well attended. Public programmes related to the Gallery's exhibitions have also been popular. The Museum of Wellington City & Sea and City Gallery Wellington's monthly late-night openings are also having a positive impact on visitation. The start of the Cruise Ship season has also had a positive impact on visitation at all our institutions during Quarter Two.

Highlights

- In October, Museums Wellington Science Curator Dr Claire Bretherton featured on the BBC World programme and also TVNZ news relating to the recent lunar eclipse.
- The Town Hall key went back on public display at the Museum of Wellington City & Sea.
- Carter Observatory held an exhibition of Mark Gee's astrophotography during October and the two evening programmes, which were run to support the exhibition, attracted capacity audiences.
- Capital E's monthly movie collaboration with New Zealand Children's Film Foundation has proved popular with additional screenings being added to meet demand and completely selling out during the December season.
- Capital E's October School Holiday Programme – *Book Bazaar* – saw the Queens Wharf site transformed into 'storytelling central' with authors and illustrators workshops, pop-up book installations and displays and craft workshops linked to author Pamela Allen's work at Hannah Playhouse, where her book, *Mr McGee & the Biting Flea* was presented as a theatrical production for family audiences. Over 1,200 enjoyed the holiday programme itself, with a further 1,200 coming to the return season of the show.
- Capital E's *Wishful Woodland* transformed Capital E Central during December and attracted over 1,100 visitors and volunteers to help partner charity, Foster Hope, who distribute essentials backpacks and Christmas gifts to children going into emergency foster care.
- City Gallery hosted a special reception for the artists and gallerists from this year's *Maori Art Market*; and the final day of the Hotere exhibition drew a capacity crowd for a particularly moving poetry reading and talk, featuring poets Bill Manhire, Cilla McQueen; Hotere & McQueen's daughter, Andrea Hotere; Bishop Muru Walters; and curator Gregory O'Brien.
- The Yvonne Todd exhibition *Creamy Psychology* opened at the beginning of December. The opening and opening weekend public programme activities had terrific attendance and sales of the associated publication have been extremely strong.

Pat Stuart
Chief Executive

**ECONOMIC GROWTH AND ARTS
COMMITTEE
17 MARCH 2015**

Actual 30-Jun-14	STATEMENT OF FINANCIAL PERFORMANCE	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Total YE	Total YE	Total YE
		6 mths to 31-Dec-14	Qtr to 31-Dec-14	Qtr to 30-Sep-14	Qtr to 30-Sep-14	Qtr to 31-Dec-14	Qtr to 31-Mar-15	Qtr to 30-Jun-15	30-Jun-15	30-Jun-16	30-Jun-17
	Revenue										
	1,667 Trading Income	634	365	269	393	393	393	393	1,573	1,382	1,632
	6,232 Council Operating Grant	3,227	1,613	1,613	1,613	1,613	1,613	1,613	6,453	6,403	6,453
	1,769 Council Rental Grant	884	442	442	442	442	442	442	1,769	1,769	1,769
	811 Other Grants	636	294	342	214	214	214	214	855	848	930
	476 Sponsorships and Donations	106	98	7	137	137	137	137	547	311	396
	77 Investment Income	48	18	30	18	18	18	18	70	70	70
	308 Other Income	96	48	48	60	60	60	60	239	242	237
	11,340 Total Revenue	5,633	2,881	2,752	2,876	2,876	2,876	2,876	11,506	11,025	11,487
	Expenditure										
	4,741 Employee Costs	2,596	1,300	1,296	1,224	1,224	1,224	1,224	4,897	5,025	5,125
	1,338 Council Rent	676	338	338	338	338	338	338	1,353	1,353	1,353
	2,156 Exhibitions & Programmes	720	341	379	511	511	511	511	2,044	1,628	2,101
	610 Marketing & Promotions	322	151	171	158	158	158	158	630	578	636
	932 Occupancy Costs (excluding Council Rent)	481	222	259	332	332	332	332	1,328	1,330	1,309
	118 Communication Costs	68	36	31	32	32	32	32	126	120	120
	81 Trustee Fees & Expenses	35	17	18	19	19	19	19	77	77	77
	295 Technology Costs	76	51	24	38	38	38	38	154	166	154
	151 Professional Fees	181	60	121	10	10	10	10	40	40	40
	274 Administration Expenses	204	113	91	109	109	109	109	437	441	437
	33 Other Operating Expenses	18	9	9	30	30	30	30	121	121	121
	603 Depreciation	208	155	53	95	95	95	95	381	381	381
	0 Interest	0	0	0	0	0	0	0	0	0	0
	11,332 Total Expenditure	5,585	2,795	2,790	2,897	2,897	2,897	2,897	11,588	11,259	11,853
	8 Net Surplus/(Deficit) before Taxation	48	86	(38)	(22)	(22)	(22)	(22)	(89)	(66)	(147)
	Taxation Expense										
	8 Net Surplus/(Deficit)	48	86	(38)	(22)	(22)	(22)	(22)	(89)	(66)	(147)
	0.1% Operating Margin	0.8%	3.0%	-1.4%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.6%	-1.4%

Total YE 30-Jun-14	STATEMENT OF FINANCIAL POSITION	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Total YE	Total YE	Total YE
		31-Dec-14	31-Dec-14	30-Sep-14	30-Sep-14	31-Dec-14	31-Mar-15	30-Jun-15	30-Jun-15	30-Jun-16	30-Jun-17
	Shareholder/Trust Funds										
	2,123 Share Capital/Settled Funds	2,123	2,123	2,123	2,123	2,123	2,123	2,123	2,123	2,123	2,123
	0 Revaluation Reserves	0	0	0	0	0	0	0	0	0	0
	52 Restricted Funds	52	52	52	38	38	38	38	38	38	38
	1,817 Retained Earnings	1,865	1,865	1,778	1,371	1,351	1,330	1,310	1,310	1,075	710
	3,992 Total Shareholder/Trust Funds	4,040	4,040	3,953	3,532	3,512	3,491	3,471	3,471	3,236	2,871
	Current Assets										
	74 Cash and Bank	9	9	55	11	11	11	11	11	11	11
	861 Accounts Receivable	230	230	87	239	239	239	239	239	251	263
	103 Other Current Assets	304	304	443	105	105	105	105	105	110	116
	1,038 Total Current Assets	543	543	584	355	355	355	355	355	372	390
	Investments										
	979 Deposits on Call	816	816	2,646	1,659	32	1,644	57	57	(172)	(244)
	0 Other Investments	0	0	0	0	0	0	0	0	0	0
	979 Total Investments	816	816	2,646	1,659	32	1,644	57	57	(172)	(244)
	Non-Current Assets										
	3,967 Fixed Assets	4,516	4,516	3,994	4,162	4,179	4,197	4,214	4,214	4,303	4,092
	51 Other Non-current Assets	15	15	15	16	16	16	16	16	16	16
	4,018 Total Non-current Assets	4,531	4,531	4,009	4,178	4,195	4,213	4,230	4,230	4,319	4,108
	6,035 Total Assets	5,889	5,889	7,239	6,193	4,582	6,212	4,642	4,642	4,519	4,254
	Current Liabilities										
	1,633 Accounts Payable and Accruals	1,549	1,549	1,405	572	577	622	671	671	758	832
	410 Provisions	300	300	293	488	493	498	500	500	525	551
	0 Other Current Liabilities	0	0	0	0	0	0	0	0	0	0
	2,043 Total Current Liabilities	1,850	1,850	1,698	1,059	1,070	1,120	1,171	1,171	1,283	1,383
	Non-Current Liabilities										
	0 Loans - WCC	0	0	0	0	0	0	0	0	0	0
	0 Loans - Other	0	0	0	0	0	0	0	0	0	0
	0 Other Non-current Liabilities	0	0	1,588	1,601	0	1,601	0	0	0	0
	0 Total Non-current Liabilities	0	0	1,588	1,601	0	1,601	0	0	0	0
	3,992 Net Assets	4,040	4,040	3,953	3,532	3,512	3,491	3,471	3,471	3,236	2,871
	0.51 Current Ratio	0.29	0.29	0.34	0.34	0.33	0.32	0.30	0.30	0.29	0.28
	0.66 Equity Ratio	0.69	0.69	0.55	0.57	0.77	0.56	0.75	0.75	0.72	0.67

Total YE 30-Jun-14	STATEMENT OF CASH FLOWS	Actual Mths to 31-Dec-14	Actual Qtr to 31-Dec-14	Actual Qtr to 30-Sep-14	Budget Qtr to 30-Sep-14	Budget Qtr to 31-Dec-14	Budget Qtr to 31-Mar-15	Budget Qtr to 30-Jun-15	Total YE 30-Jun-15	Total YE 30-Jun-16	Total YE 30-Jun-17
Cash provided from:											
1,591	Trading Receipts	1,064	360	704	397	393	393	393	1,577	1,365	1,614
8,001	WCC Grants	4,111	467	3,644	3,656	455	3,656	455	8,222	8,172	8,222
811	Other Grants	636	294	342	214	214	214	214	855	848	930
476	Sponsorships and Donations	106	98	7	137	137	137	137	547	311	396
77	Investment Income	48	18	30	18	18	18	18	70	70	70
308	Other Income	96	48	48	60	60	60	60	239	242	237
11,264		6,062	1,287	4,775	4,481	1,276	4,477	1,276	11,510	11,008	11,469
Cash applied to:											
4,741	Payments to Employees	2,596	1,300	1,296	1,224	1,224	1,224	1,224	4,897	5,025	5,125
5,332	Payments to Suppliers	2,970	1,186	1,784	1,861	1,861	1,822	1,820	7,364	6,887	7,440
(90)	Net GST Cashflow	3	2	2	(294)	(294)	(294)	(294)	(1,177)	(1,146)	(1,194)
0	Other Operating Costs	0	0	0	0	0	0	0	0	0	0
0	Interest Paid	0	0	0	0	0	0	0	0	0	0
9,983		5,570	2,488	3,082	2,791	2,791	2,752	2,750	11,084	10,767	11,372
1,281	Total Operating Cash Flow	493	(1,200)	1,693	1,690	(1,515)	1,725	(1,474)	425	241	98
Investing Cash Flow											
Cash provided from:											
0	Sale of Fixed Assets	0	0	0	0	0	0	0	0	0	0
0	Other	0	0	0	0	0	0	0	0	0	0
Cash applied to:											
253	Purchase of Fixed Assets	721	677	44	113	113	113	113	450	470	170
0	Other	0	0	0	0	0	0	0	0	0	0
253		721	677	44	113	113	113	113	450	470	170
(253)	Total Investing Cash Flow	(721)	(677)	(44)	(113)	(113)	(113)	(113)	(450)	(470)	(170)

Budget 30-Jun-14	STATEMENT OF CASH FLOWS (CONT)	Actual Mths to 31-Dec-14	Actual Qtr to 31-Dec-14	Actual Qtr to 30-Sep-14	Budget Qtr to 30-Sep-14	Budget Qtr to 31-Dec-14	Budget Qtr to 31-Mar-15	Budget Qtr to 30-Jun-15	Forecast to 30-Jun-15	Forecast to 30-Jun-16	Forecast to 30-Jun-17
Financing Cash Flow											
Cash provided from:											
0	Drawdown of Loans	0	0	0	0	0	0	0	0	0	0
0	Other	0	0	0	0	0	0	0	0	0	0
Cash applied to:											
0	Repayment of Loans	0	0	0	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	0	0	0	0	0
0	Total Financing Cash Flow	0	0	0	0	0	0	0	0	0	0
1,028	Net Increase/(Decrease) in Cash Held	(229)	(1,877)	1,649	1,577	(1,628)	1,613	(1,587)	(25)	(229)	(72)
25	Opening Cash Equivalents	1,053	2,702	1,053	92	1,669	42	1,654	92	87	-162
1,053	Closing Cash Equivalents	824	824	2,702	1,669	42	1,654	67	67	(162)	(234)
		(0)	(0)	1	(1)	(1)	(1)	(1)	(1)	(1)	(1)

Budget 30-Jun-14	CASH FLOW RECONCILIATION	Actual Mths to 31-Dec-14	Actual Qtr to 31-Dec-14	Actual Qtr to 30-Sep-14	Budget Qtr to 30-Sep-14	Budget Qtr to 31-Dec-14	Budget Qtr to 31-Mar-15	Budget Qtr to 30-Jun-15	Forecast to 30-Jun-15	Forecast to 30-Jun-16	Forecast to 30-Jun-17
8	Operating Surplus/(Deficit) for the Year	48	86	(38)	(21)	(21)	(21)	(21)	(82)	(235)	(365)
Add Non Cash Items											
603	Depreciation	208	155	53	95	95	95	95	381	381	381
0	Other	0	0	0	0	0	0	0	0	0	0
611		256	241	15	75	75	75	75	299	146	16
Movements in Working Capital											
(3)	(Increase)/Decrease in Receivables	631	(143)	774	(126)	0	0	0	(126)	(12)	(13)
17	(Increase)/Decrease in Other Current Assets	(201)	138	(340)	130	0	0	0	130	(5)	-6
350	Increase/(Decrease) in Accounts Payable	(193)	152	(345)	6	6	45	49	105	87	74
306	Increase/(Decrease) in Other Current Liabilities	0	(1,588)	1,588	1,606	-1,596	1,606	-1,598	17	25	26
670		237	-1,441	1,678	1,615	-1,590	1,650	-1,549	126	94	82
Net Gain/(Loss) on Sale:											
0	Fixed Assets	0	0	0	0	0	0	0	0	0	0
0	Investments	0	0	0	0	0	0	0	0	0	0
1,281	Net Cash Flow from Operations	493	(1,200)	1,693	1,690	(1,515)	1,725	(1,474)	425	241	98
0		0	0	0	0	0	0	0	0	0	0

Strategic Projects 2014-15

Refer to Appendix on page 6 for detailed outline of what we aim to achieve with each project in 2014-18



SECTION 1: Achieving Excellence					
Project	Responsibility	Targets for 2014-15	On-Target Yes / No	Q2 Report as at 31 December 2014	Achieved Yes / No
Museum of Wellington City & Sea Development					
Implement the visitor experience development plan for the Museum of Wellington City & Sea - a three phase project scheduled to be completed in 2020.	The Museums Wellington Team: lead by Director, Museums Wellington	All phases on track according to plan.	Yes	Phase One <ul style="list-style-type: none"> ▪ Issue of Building Consent. ▪ Receipt of tenders in line with the QS budget. ▪ Staff relocation to offices at the northern end of the top floor and first floor. ▪ Engaging Naylor Love as contractor for the building works. 	
		Fundraising strategy for personal, community and business giving implemented and target/s achieved.	Yes	<ul style="list-style-type: none"> ▪ Personal giving campaign to launch on 29 January. ▪ The Lion Foundation and Wellington Community Trust funding applications submitted. 	
City Gallery Wellington Entrance, Foyer and Internal Development					
Implement a visitor entry and commercial development project at City Gallery Wellington.	The City Gallery Wellington Team; lead by Director, City Gallery	Fully scope the project (feasibility, budget and timeframe to completion).	Yes	<ul style="list-style-type: none"> ▪ High level design, costs and timeline completed. ▪ Project submitted for CAPX funding in Long-Term Plan. ▪ Council's preliminary decision is not to provide CAPX. ▪ Alternative funding sources are being considered to enable a feasibility study followed by developed design in time for consideration as part of a mid-term CAPX review in September 2015. 	
		Work with Council property to implement EPC, HVAC and health and safety and visitor access issues.	Yes	<ul style="list-style-type: none"> ▪ Competitive Request for Proposals completed with EcoSave contracted to do a detailed facility study and costings by early March. ▪ Council and City Gallery working to address building H&S issues and visitor access. 	
		Develop and implement fundraising strategy.	Yes	<ul style="list-style-type: none"> ▪ Fundraising Strategy is in early development stage with work continuing into Q3. 	

Project	Responsibility	Targets for 2014-15	On-Target Yes / No	Q2 Report as at 31 December 2014	Achieved Yes / No
Learning about Nationhood – Wellington a Capital Destination for Learning					
Work with Council and other stakeholders to improve service and overcome barriers for teachers visiting or considering a visit to Wellington.	Trust Office; lead by Head of Strategic Development	Develop and deliver a pilot programme.	Yes	<ul style="list-style-type: none"> Pilot programme underway. 	
		Seek Wellington Regional Amenities Fund support for a pilot project targeting low decile schools.	Yes	<ul style="list-style-type: none"> WRAF budget (\$100k) approved. Contract in place between WCC and WMT. 	Yes
SECTION 2: Our Audiences					
Children and young people feel welcomed, included and important					
Realise our vision that children and young people encountering us feel welcomed, included and important.	Executive Team and Advocacy Group; lead by Chief Executive	A plan for the Trust's provision for children and young people (PCYP) is developed and implemented.	Yes	<ul style="list-style-type: none"> A plan has been developed. In the meantime greater awareness has been achieved & institutions are committed to this audience. Focus to date has been on organisation review to facilitate organisation wide coordination and leadership. 	
		A resource plan for implementation is prepared.	Yes	<ul style="list-style-type: none"> In development & subject to organisation review. 	
		Organisation-wide data-gathering & evaluation strategy is set up & baselines established.	Yes Q4	<ul style="list-style-type: none"> Q4 project. 	
		A transitional Wellington performance venue for the National Theatre for Children for the period to 2020 is confirmed.	Yes	<ul style="list-style-type: none"> Hannah Playhouse secured for 2015. Feasibility study will be completed in February Hannah Playhouse remains the most likely option for a Wellington base for the theatre company. 	
Reducing barriers for visitors with mobility, hearing and visual impairment					
Implement our plan for reducing barriers for visitors with mobility, hearing and visual impairment.	Visitor Services, Exhibitions and Programmes Teams; lead by Head of Strategic Development	Our Access Policy is reviewed.	Yes Q3/4	<ul style="list-style-type: none"> Will take place in Q3/4. 	
		Carter Observatory and Capital E Central achieve a minimum of silver in accessibility audits.	Yes Q3/4	<ul style="list-style-type: none"> Audits scheduled for Q3 & Q4. 	

Project	Responsibility	Targets for 2014-15	On-Target Yes / No	Q2 Report as at 31 December 2014	Achieved Yes / No
Increasing the diversity of our audience					
Undertake a research project that benchmarks the diversity of our audience, and helps us to understand barriers and motivators to engagement and feeds into the development of strategies that will help us to attain our goal of ensuring that our visitors reflect the region's demographic profile.	Executive Team; lead by the Chief Executive	<i>The first targets for this project will appear in 2015-16.</i>	N/A	<ul style="list-style-type: none"> ▪ In 2013-14 we prioritised two focus audiences for our first access and inclusion strategies: children and young people and visitors with mobility, hearing and visual impairment. ▪ In 2014-15 achievements see Project above – Reducing barriers for visitors with mobility, hearing and visual impairment. 	N/A
SECTION 3: Our Impact					
Audience Research					
Better understand the cultural diversity of our audiences in a way that supports future planning and improves our reach.	Trust Office, Visitor Services and Marketing Teams; lead by Head of Strategic Development	A consistent approach to gathering and recording visitor data is developed and implemented.	Yes	<ul style="list-style-type: none"> ▪ Underway. Get Smart monitoring in place at all visitor reception points. ▪ Review of survey taking place. 	
		Reports shared with staff which supports decision making.	Yes Q3/4	<ul style="list-style-type: none"> ▪ N/A 	
Economic Impact					
Work with Council to pilot measures that enable us to measure our economic impact and economic and social value.	Trust Office and Visitor Services Team; lead by Head of Strategic Development	Pilot study is complete leading to robust economic impact and economic and social value data for our institutions.	Yes	<ul style="list-style-type: none"> ▪ Presentations to Executive Team and Trustees in Q3. 	Yes
		A review of the pilot is conducted.	Yes Q3	<ul style="list-style-type: none"> ▪ Will follow discussion with Executive Team, Trustees and key stakeholders. 	
		Continue gathering data pending review.	Yes Q3	<ul style="list-style-type: none"> ▪ Will follow discussion with Executive Team, Trustees and key stakeholders. 	

SECTION 4: Our People, Places & Process					
Project	Responsibility	Targets for 2014-15	On-Target Yes / No	Q2 Report as at 31 December 2014	Achieved Yes / No
Health & Safety					
Continue to operate healthy and safe places for staff and visitors and respond effectively and efficiently to any event where the health and safety of staff or visitors is threatened.	All Staff; lead by the Chief Executive	100% compliance with current Health and Safety legislation.	Yes.	<ul style="list-style-type: none"> Compliant as of December 2014. 	Yes
		No serious harm incidents.	No.	<ul style="list-style-type: none"> Following a recent incident involving a member of the public falling down the City Gallery Staircase, WCC and the Trust are working together to address the issues to prevent future incidents. 	
		Complete Health and Safety audits of all sites operated by the Trust.	Yes.	<ul style="list-style-type: none"> This was conducted by David Wutzler HSS Ltd on behalf of the Trust. 	Yes
Organisational Development					
Support, develop and encourage staff to achieve a high performing organisation.	Executive Team and Managers; lead by the Chief Executive	Staff are committed to achieving the vision and the delivery of the strategic plan.	Yes	<ul style="list-style-type: none"> Review of vision completed in Q1 and new vision, purpose and values statements presented and implemented. Strategic Plan completed in Q2 following organisation wide consultation. Further engagement will be facilitated in Q3 and 4. 	
		Revised staff induction programme implemented.	Yes Q3	<ul style="list-style-type: none"> Priority for Q3 and 4. 	
		Training for managers / supervisors is provided.	Yes	<ul style="list-style-type: none"> Access to Council Crucial Conversations training is available and will be offered to managers in the first instance (4 staff participated in Q2 and we aim to offer the training to at least another 4 by year end). Other training options are being considered including Council's leadership programme. Management training needs analysis started but not completed as preparation for bespoke training programme. 	
		Staff turnover is less than 20%.	Yes	<ul style="list-style-type: none"> 9% YTD (includes permanent staff only). 	
Buildings and Maintenance					
Work with Council and other landlords to ensure that our buildings are safe, welcoming and well-maintained.	Executive Team and Buildings Manager; lead by Buildings Manager	We contribute to and monitor Asset Management Plans for our institutions.	Yes	<ul style="list-style-type: none"> Monthly meetings with WCC Property Dept. 	
		Maintenance and capital replacement takes place according to plan.	Yes	<ul style="list-style-type: none"> Bond Store maintenance as part of Attic Project Works. City Gallery re-roofing and re-cladding delayed. Planetarium Projectors installed. Colonial Cottage ventilation system installed at our cost. 	

SECTION 5: Financial Viability					
Project	Responsibility	Targets for 2014-15	On-Target Yes / No	Q2 Report as at 31 December 2014	Achieved Yes / No
Our Budget					
Ensure that our budget is break-even and depreciation is fully-funded.	All Staff; lead by Accounts Manager	Break-even budget or better after funding depreciation.	Yes	<ul style="list-style-type: none"> ▪ Reforecast as at 31 January indicates that the Trust will achieve budget. 	
		Council agrees to the LTP request for an increase in our operating grant and annual adjustment for inflation.	No	<ul style="list-style-type: none"> ▪ The requested catch-up in the operating grant is unlikely to be achieved based on current response from Council. Proposed inflation adjustment may be tagged to implement Council's LW policy. 	
Carter Observatory Sustainability					
Develop and implement a long-term approach for Carter Observatory that fosters financial viability and provides for re-investment in the visitor experience.	The Museums Wellington Team; lead by Director, Museums Wellington	Increased Council funding secured through Long-term Plan or existing cash underwrite remains in place.	Yes	<ul style="list-style-type: none"> ▪ LTP submission made with new business model, Council preference is for underwrite to remain in place. 	
		Visitation, revenue and visit feedback targets achieved.	Yes	<ul style="list-style-type: none"> ▪ New business model for implementation in 2015-16. 	N/A
Non-Council revenue is 30% or better of total revenue					
Improve our revenue generation capability and minimise risk to non-Council revenue streams.	All Staff; lead by the Chief Executive	30% or better of total revenue (excluding Council's rental subsidy) is from non-Council sources.	Yes	<ul style="list-style-type: none"> ▪ Trading and cultural grants revenue tracking ahead of budget. ▪ Donations and fundraising total will be boosted by Festival. ▪ Better coordination is in place. ▪ Workshop planned for Q3/4 to review personal giving strategy and how to engage and incentivise staff. ▪ Executive Team committed to trialling new approaches to personal giving. ▪ CAPX fundraising is the priority for the Museums Wellington team. 	

APPENDIX – Strategic Projects: What we want to achieve in 2014-18

SECTION 1: Achieving Excellence	
Project	What do we want to achieve in 2014-18
<p>Museum of Wellington City & Sea Development Implement the visitor experience development plan for the Museum of Wellington City & Sea - a three phase project scheduled to be completed in 2020.</p>	<ul style="list-style-type: none"> ▪ Phase One – delivery 2015. Opens the top floor of the Bond Store: the Attic (previously not accessible to the public) with major new exhibitions that will display collections, tell Wellington stories and showcase the unique features of this Category 1 Heritage New Zealand building. ▪ Phase Two – delivery 2017. Earthquake strengthen and enhance the first and second floor exhibitions and upgrade popular exhibitions such as <i>Millennium Ago</i> and <i>The Wahine Disaster</i>. Also during this period scope and fully plan the refurbishment of the Ground Floor. ▪ Phase Three – delivery 2020. Earthquake strengthen and reconfigure the ground floor to include community space integrated with changes to the exterior landscaping, a café, extended retail and reception.
<p>City Gallery Wellington Entrance, Foyer and Internal Development Implement a visitor entry and commercial development project at City Gallery Wellington.</p>	<ul style="list-style-type: none"> ▪ Subject to funding and Council addressing health and safety, accessible toilets and maintenance/capital replacement issues, Phase One (re-modelled entrance and orientation lobby) will be complete by the end of 2016. ▪ Phase Two which develops the area immediately in front of City Gallery on Civic Square and the area facing Harris Street is linked to, and somewhat dependent on, Council's plans for the revitalisation of Civic Square. We will continue to press for the Gallery, and recognition of the role it plays as the cultural heart of Civic Square, to be represented in the planning of this project.
<p>Learning about Nationhood – Wellington a Capital Destination for Learning Work with Council and other stakeholders to improve service and overcome barriers for teachers visiting or considering a visit to Wellington.</p>	<ul style="list-style-type: none"> ▪ Funding from Wellington Regional Amenities Fund will enable us to extend our pilot project to fund transport to Wellington for the region's decile 7 and below schools in 2015. A research component will be led by Victoria University, and teacher professional development coordinated by other members of the group. Once the project is complete and reported to stakeholders, we will hand the leadership of the project onto others.
SECTION 2: Our Audiences	
Project	What do we want to achieve in 2014-18
<p>Children and young people feel welcomed, included and important Realise our vision that children and young people encountering us feel welcomed, included and important.</p>	<ul style="list-style-type: none"> ▪ By 2018 we will be measurably closer to our vision that young participants in our experiences feel welcomed, included and important. We will create an implementation plan that draws together our expertise, facilities, products and services into provision that children and youth want to engage in and stakeholders are prepared to fund. ▪ Careful consideration of Capital E's transitional and potential leadership role in this area as well as its future shape and location, including a central Wellington base for the National Theatre for Children, are an integral part of this process. Discussion with internal and external stakeholders will ensure we are working to develop excellent long-term provision for children and young people.

<p>Reducing barriers for visitors with mobility, hearing and visual impairment</p> <p>Implement our plan for reducing barriers for visitors with mobility, hearing and visual impairment.</p>	<ul style="list-style-type: none"> ▪ We want to ensure that our staff and experiences are making visitors with access issues feel welcomed and included. Our institutions will achieve a silver or better accessibility rating. We will review our priority audiences in 2016.
<p>Increasing the diversity of our audience</p> <p>Undertake a research project that benchmarks the diversity of our audience, and helps us to understand barriers and motivators to engagement and feeds into the development of strategies that will help us to attain our goal of ensuring that our visitors reflect the region's demographic profile.</p>	<ul style="list-style-type: none"> ▪ In 2015-16 we will assess the diversity of audience and use that research to inform a review of our diversity policy. The research will also inform future strategy to engage diverse audiences.

SECTION 3: Our Impact	
Project	What do we want to achieve in 2014-18
<p>Audience Research</p> <p>Better understand the cultural diversity of our audiences in a way that supports future planning and improves our reach.</p>	<ul style="list-style-type: none"> ▪ In order to understand our visitor profile better particularly with respect to audience growth, diversity and the provision of reliable performance data, we will investigate and develop a whole-of-organisation approach to gathering and recording our visitor profiles.
<p>Economic Impact</p> <p>Work with Council to pilot measures that enable us to measure our economic impact and economic and social value.</p>	<ul style="list-style-type: none"> ▪ We will complete a pilot study in 2014-15 and review the project. Continuation depends upon the outcomes of the review.

SECTION 4: Our People, Places & Process	
Project	What do we want to achieve in 2014-18
<p>Health & Safety</p> <p>Continue to operate healthy and safe places for staff and visitors and respond effectively and efficiently to any event where the health and safety of staff or visitors is threatened.</p>	<ul style="list-style-type: none"> ▪ We will continue our active management of Health & Safety with the objective of full compliance with the new Health and Safety at Work Bill and to achieve entry to the ACC Workplace Safety Management Practices (WSMP). The level of staff engagement is important to our success in achieving and maintaining healthy and safe places for staff and visitors.
<p>Organisational Development</p> <p>Support, develop and encourage staff to achieve a high performing organisation.</p>	<ul style="list-style-type: none"> ▪ Critical to achieving our vision and strategic plan is the talent, commitment and experience of our staff; they are our most important asset. We recognise the importance of fair, performance-based remuneration, training and development opportunities and an organisation culture that is focused on the delivery of excellent experiences that Wellingtonians proudly share with the world.

<p>Buildings and Maintenance</p> <p>Work with Council and other landlords to ensure that our buildings are safe, welcoming and well-maintained.</p>	<ul style="list-style-type: none"> ▪ We have elevated the status of this area to a Strategic Plan issue in recognition of its importance in 2014-18. Across this period health and safety will be a focus, and proactive maintenance is critical to us achieving our 'no serious harm incidents' goal. We will therefore work with Council and contribute to the preparation and regular review of Asset Management Plans (AMP) for our buildings. It is our goal that maintenance and capital replacement is proactive and is not deferred to the detriment of our financial position, visitor experiences and the health and safety of our staff and visitors. ▪ Across 2014-18 we will undertake significant building projects – developments of the Museum of Wellington City & Sea and City Gallery Wellington are featured in Section 1: Achieving Excellence. These and other projects are also highlighted where relevant under the Business Unit Summaries.
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SECTION 5: Financial Viability	
Project	What do we want to achieve in 2014-18
<p>Our Budget</p> <p>Ensure that our budget is break-even and depreciation is fully-funded.</p>	<ul style="list-style-type: none"> ▪ We will break even or better and fully-fund depreciation annually across 2014-18.
<p>Carter Observatory Sustainability</p> <p>Develop and implement a long-term approach for Carter Observatory that fosters financial viability and provides for re-investment in the visitor experience.</p>	<ul style="list-style-type: none"> ▪ We will establish a long-term approach for Carter. This will include rebranding, broadening its visitor appeal through a wider variety of Planetarium shows, drive visitation into education-only and public-only hours, and extending the evening viewing options; i.e. an operating model that balances the Observatory's education and public/tourist attraction roles, plus proposals for timetabled maintenance and capital expenditure for essential re-investment in the product. Visitation, revenue and visitor satisfaction targets are achieved.
<p>Non-Council revenue is 30% or better of total revenue</p> <p>Improve our revenue generation capability and minimise risk to non-Council revenue streams.</p>	<ul style="list-style-type: none"> ▪ We will achieve all revenue targets. ▪ Our focus on commercial activities will continue, and, in order to increase revenue generation capacity, our capital development projects include new or expanded trading opportunities: Phases One and Two of the Museum of Wellington City & Sea development will enhance venue hire and retail opportunities and City Gallery's foyer development includes dedicated retail and a modified venue hire area. ▪ We will also implement improvements in our fundraising strategy, focussing upon coordination, transparency of reporting and monitoring, relationships, and investing our limited resource for maximum gain. Fundraising is an area where we want greater staff engagement, with the possibilities for fundraising and other revenue generation opportunities becoming part of the planning and decision-making process for programming and other activities.

WELLINGTON REGIONAL STADIUM TRUST

HALF YEAR REVIEW TO 31 DECEMBER 2014

HALF YEAR IN REVIEW
<p>Rugby: With event patrons totalling 35,820 the All Blacks test match against South Africa in September was a sell-out, including temporary seats. ITM Cup Rugby attendances have again declined, averaging less than 3,000 for the round robin games which is a decrease from the prior season average of 4,282. This was attributable in large part to the performance of the Lions, winning just one game all season, compared to their appearance in the final the previous year.</p> <p>Football: The Football United tour saw 26,106 patrons attend the two (back to back) matches on a sunny afternoon in July. The atmosphere was good and the afternoon format was good for family attendance. Average attendance at the first four Phoenix games was 7,387 which was up on the overall average for the prior season.</p> <p>Exhibitions: Beervana maintained its popularity and returned for its third year. The Home and Garden Show was held in September and attracted good crowds. A new event held during August was the Foodstuffs Expo – this was a trade show, showcasing new products and equipment attracting many visitors from out of town.</p>

CONTINUED...
<p>Other: The Rugby League four nations final was hosted and attended by 22,008 fans.</p> <p>Cricket: Over a weekend in November, the stadium hosted five domestic T-20 games as part of the Georgie Pie Super Smash tournament. As experienced elsewhere across the country, attendances were not high, but these games are required to be played under lights for television purposes. Currently the Cricket World Cup 2015 is being hosted.</p> <p>The Stadium has extended its public food offering with the opening of the East Mezzanine Bar and the introduction of mobile food carts. Publicity regarding the food items now on offer has been positive.</p> <p>During the period, the wet pour beer project was completed and commissioned. Once again, feedback has generally been positive. Wet pour provides for more flexibility in the range of beer that can be offered (subject to the codes' pourage rights), such as the provision of low and mid strength beers.</p> <p>Rachel Taulelei joined the Board on 1 July 2014 replacing Sir John Anderson. On the staff, the Trust established a new role of Fan Engagement and Digital Manager as this area has become increasingly important to the Trust.</p>

SUMMARY FINANCIALS				
* Variance (Actual minus Budget). ✓ Favourable variance to budget ✗ Unfavourable variance to budget				
FINANCIAL PERFORMANCE	H1 Budget	H1 Actual	Variance*	FY Budget
(\$000)	31-Dec-14	31-Dec-14	31 Dec 14	30-Jun-15
Total Revenue	7,204	8,012	808 ✓	14,900
Opex before Interest & Deprn	4,654	4,681	27 ✗	8,990
Interest & Deprn	2,505	2,429	76 ✓	4,790
Net Surplus	45	901	857 ✓	830
FINANCIAL POSITION				
Total Assets	n/a	104,446	n/a	104,100
Bank borrowings	n/a	10,400	n/a	13,000
Total Liabilities	n/a	22,701	n/a	22,700
Equity	n/a	81,745	n/a	81,400
CASH FLOWS				
Operating Cash Flow	n/a	2,047	n/a	(310)
Investment Cash Flow	n/a	(1,572)	n/a	(3,790)
Financing Cash Flow	n/a	1,980	n/a	8,650
Net Cash Flow	n/a	2,455	n/a	4,550
Opening Cash	n/a	111	n/a	1,000
Closing Cash On Hand	n/a	2,566	n/a	5,550
<p>The net surplus for the six months ending 31 December 2014 is \$901k compared to a budget of \$45k. Event revenues were \$503k ahead of budget, offset by event expenditure being \$160k ahead of budget. The Georgie Pie cricket weekend was an event that was additional to budgeted events and the well-attended events such as the All Blacks test, Four Nations final and Football United matches were ahead of budget. Sundry income was \$300,000 ahead of budget due largely to non-event day car parking which has continued to be very well utilised. This positive variance of \$857k is expected to reduce over the next six months due to some events, notably the Sevens being unlikely to achieve budgeted returns in addition to lower than budgeted membership sales.</p>				

CONTACT OFFICER

WADSWICK HAYES

WELLINGTON REGIONAL STADIUM TRUST

HALF YEAR REVIEW TO 31 DECEMBER 2014

EVENT DASHBOARD					
✓ Achieved ✗ Not Achieved. The 3 Year Trend = year on year actual/nominal performance → Steady ↗ Improving ↘ Declining The table contains a selection of KPIs and measures and is not a complete list.					
MEASURE	Actual 31 Dec 13	Actual 31 Dec 14	Target 31 Dec 14	Target 30 Jun 15	Comments (H1 to 31 Dec 14)
Total event days	22	23	23	52	Event highlights were the Football United Tour in July, the All Blacks match in September and the final of the Rugby League Four Nations in November.
Number of events	18	17		n/a	
Attendance	173,495	164,142		n/a	
Rugby event days	8	6 ✓	6	12	All Blacks v South Africa. ITM Cup Rugby: 5 round robin games.
Attendance	87,274	50,470		n/a	
Cricket event days	2	3 ✓	0	6	Georgie Pie Super Smash Domestic T20 competition: 5 games across weekend.
Attendance	1,640	2,596		n/a	
Football event days	5	6 ✗	7	15	Football United Tour. A-League (Phoenix): 5 Regular season games.
Attendance	60,690	63,041		n/a	
Exhibition days	2	7	7	10	Beervana. Foodstuffs Expo (trade). Home & Garden Show.
Attendance	23,347	26,025		n/a	
Other sporting event days	--	1 ✓	1	3	Rugby League: Four Nations Final.
Attendance	--	22,008		n/a	
Concerts / non-sporting event days	1	0 ✓	0	1	
Attendance	648	--		n/a	
Community	--	6 ✓	2	5	The Trust is broadening the usage of the Stadium and introducing new events with a community focus.
Attendance	--	--		n/a	

Future events: The Cricket World Cup jointly hosted with Australia is currently playing at the Stadium and other venues in New Zealand. The FIFA Under 20 World Cup is due to begin in July 2015. The Elton John Concert, to be held in November 2015, was secured during the period. A Warriors match has been confirmed for August 2015.

Events Calendar

Period	Rugby (Actual)	Cricket (Actual)	Football (Actual)	Exhibition days (Actual)	Other sporting events (Actual)	Concerts / non-sporting (Actual)	Community (Actual)	Total
30-Jun-10	18	0	14	7	0	0	8	47
30-Jun-11	18	0	16	7	0	0	9	50
30-Jun-12	23	0	12	7	0	0	5	47
30-Jun-13	16	0	12	14	0	0	4	46
30-Jun-14	17	0	11	14	0	0	10	57

CONTACT OFFICER

WARWICK HAYES

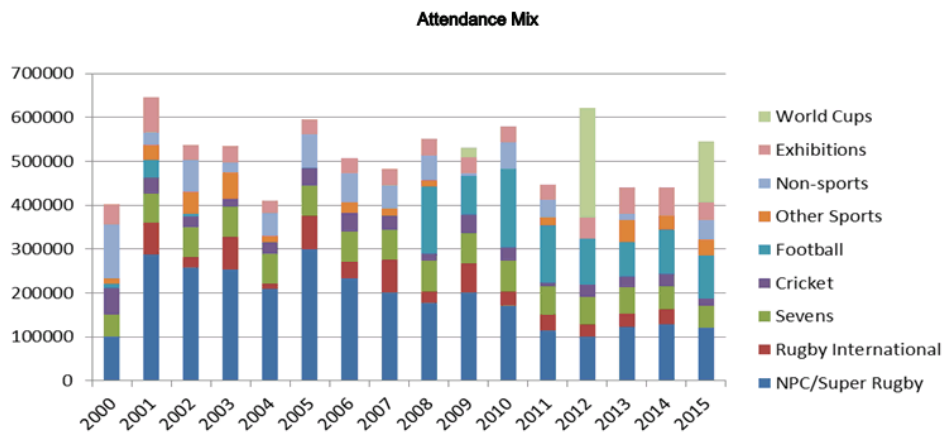
ISSUES & OUTLOOK

The outlook for events is strong. The Trust is in negotiation for a number of major events over the next two years and expects to host a record number of events over the next 12 months. Attendances are expected to exceed 500,000 for the year to 30 June 2015.

At the time of writing, the Stadium had just hosted the CWC2015 pool match between New Zealand and England (held Fri 20th Feb) and following this sold out event there has been a lot of negative press about the Stadium's food and beverage management. The complaints relate mostly to long queues (over 30 minutes for service). The Chief Executive's response is that this will not happen again. Improving the level of service provided to event patrons is a continuing challenge for the Trust and according to public comment this is an issue that still needs to be remedied.

The renewal of memberships is a continuing challenge for the Trust. Membership sales were 50% of the target of 2,100. The Trust expects that sales will continue throughout the year and on an ongoing basis. The Trust has licensed 28 boxes representing 537 seats compared to a target of 30 boxes and 600 seats and aims to achieve that target this year.

Attendances continue to challenge teams and venues across New Zealand, particularly in the main centres for Super Rugby and ITM Cup. The Trust is working closely with its key hirers to collectively develop strategies to grow attendances including broader membership and season pass strategies.



2015 – forecast figures to 30 June.

EFFECTIVENESS INDICATORS

EFFECTIVENESS 30 JUNE	2009	2010	2011	2012	2013	2014
Event days (excl. minor events)	36	51	55	50	49	51
Attendance	528,038	579,095	447,211	621,497	441,553	439,638
Average attendance per event day	14,668	11,355	8,131	12,430	9,011	8,620

The number of event days that the stadium hosts has increased steadily and the stadium continues to be well utilised. The Trust is broadening its usage and introducing many new events which have a greater community focus (e.g. sports days, marathons etc.) which are not included above.

CONTACT OFFICER

WADSWICK HAYES



**Wellington Regional Stadium Trust
Half yearly report to settlers
For six months ending 31 December 2014**

The Trustees are pleased to present this report of operations for the six months ending 31 December 2014.

EVENTS

Once again we have had a busy six month period, with a variety of events. Total event days were 23, and attendance was 164,142.

<i>Event</i>	<i>Month</i>	<i>Attendance</i>
<i>Rugby</i> All Blacks v South Africa ITM Cup Rugby: 5 round robin games	September August to October	35,820 2,930 avg
<i>Football</i> Football United Tour A-League – Phoenix: 5 Regular season games	July October to December	26,106 7,387 avg
<i>Rugby League</i> Four Nations Final	November	22,008
<i>Exhibitions</i> Beervana Foodstuffs Expo (trade) Home & Garden Show	August August September	7,825 3,000 15,200
<i>Cricket</i> Georgie Pie Super Smash – Domestic T20 competition – 5 games across weekend	November	2,596

Event highlights were the Football United Tour in July, the All Blacks match in September and the final of the Rugby League Four Nations in November.

The eagerly anticipated Football United Tour occurred on a sunny afternoon in July. Two matches took place with Sydney FC playing West Ham and the Phoenix playing Newcastle United. It was a great atmosphere and the afternoon kick off was attractive for families.

Westpac | STADIUM

Following 2013's sell-out All Blacks Test Match against Australia, it was pleasing to see the feat repeated in 2014 with another sell-out, including temporary seats, against South Africa. Operationally the event went very well.

November saw the Stadium play host to the Four Nations Rugby League final. This event had a number of challenges with a late kick-off time of 8.45 pm (for broadcasting reasons) and the two competing teams only being confirmed the week prior. But again, operationally it went very well, the crowd was well behaved, and the event received a lot of positive media feedback.

ITM Cup Rugby attendances have again declined, and averaged just under 3,000 for the round robin games which is a decrease from the prior season average of 4,282. This was attributable in large part to the performance of the Lions, winning just one game all season, compared to their appearance in the final the previous year.

Average attendance at the first four Phoenix games was 7,387 which was up on the overall average for the prior season. It was unfortunate (but unavoidable) that there was such a gap between the successful Football United matches (played in the EPL pre-season) and the start of the A-League season.

Beervana returned for its third year and continues in popularity. The Home and Garden Show was held in September and attracted good crowds. A new event held during August was the Foodstuffs Expo – this was a trade show, showcasing new products and equipment attracting many visitors from out of town.

Over a weekend in November, we hosted five domestic T-20 games as part of the Georgie Pie Super Smash tournament. As experienced elsewhere across the country, attendances were not high, but these games are required to be played under lights for television purposes.

Upcoming events

The Elton John Concert, to be held in November 2015, was secured during the period.

A Warriors match has been confirmed for August 2015. We are also working on securing several other potential events.

We have continued to work with the organisers of the Cricket World Cup and FIFA Under-20 World Cup as they continue planning for the 2015 tournaments.

CUSTOMER SATISFACTION

The Stadium has extended its public food offering with the opening of the East Mezzanine Bar and the introduction of mobile food carts. Publicity regarding the food items now on offer has been positive and indicates that the new offerings have been well received.

During the period, the wet pour beer project has also been completed and commissioned. Beer service across the concourse provides fresh and cold keg beer in cups rather than plastic bottles. Once again, feedback has generally been positive. Wet pour also provides for more flexibility in the range of beer than can be offered (subject to the codes' pourage rights), such as the provision of low and mid strength beers.



The annual foundation Members survey conducted in October 2014 provided a pleasing result with a “Good to Excellent” rating for the overall membership experience at 66%, with an average rating of 7.5 (out of 10) compared to 6.5 in the previous year.

The Trust is in the process of contracting research and survey work to be done on a regular basis in the public areas, to commence after the ICC Cricket World Cup Tournament.

It has been pleasing to see more balanced media coverage of Stadium matters this year, in part due to a more proactive media strategy being adopted.

RENEWAL OF MEMBERSHIP AND CORPORATE BOX LICENSES

We have licensed 28 boxes representing 537 seats compared to a target of 30 boxes and 600 seats.

On the membership side, membership sales achieved were half of the target of 2,100. The launch to the public was later than previously planned and we expect that sales will continue throughout the year and on an ongoing basis.

RELATIONSHIP WITH HIRERS

We are working closely with our key hirers to collectively develop strategies to grow attendances. We are engaging with them in regard to broader membership and season pass strategies.

MAINTAINING AND ENHANCING THE FACILITY

With the two World Cups in the current financial year, no further capital works are planned.

During the period we completed the rollout of wet pour to the western side of the Stadium, which included construction of an additional two coolstores. The Stadium now has wet pour throughout 80% of the concourse allowing a variety of beers and cider to be served.

As mentioned previously, we also purchased two further food carts and two beverage carts continuing this additional style of food and drink delivery that was introduced last year. The carts offer more variety and their locations can be altered in response to seating plans for each event.

Turf

The turf is currently in very good condition going into the exceptionally busy summer and autumn period. We were able to undertake a mini turf renovation process in December and are well placed to cope with the heavy event schedule for the next few months.

FINANCIAL RESULTS

The net surplus for the six months ending 31 December 2014 is \$901,000 compared to a budget of \$45,000. We expect this positive variance to reduce over the next six months due to some events, notably the Sevens being unlikely to achieve budgeted returns in addition to lower than budgeted membership sales.



Event revenues are \$503,000 ahead of budget, offset by event expenditure being \$160,000 ahead of budget. Financial results from the well-attended events such as the All Blacks test, Four Nations final and Football United matches were ahead of budget. The Georgie Pie cricket weekend was an event that was additional to budgeted events.

Sundry income was \$300,000 ahead of budget. This is largely due to non-event day carparking which has continued to be very well utilised.

INSURANCE

We completed the renewal of insurance during this reporting period. We are pleased to have confirmed cover to the levels of the previous year being \$150m for material damage and \$25.6m for Business Interruption. While still a significant expense, the premium has reduced from the previous year.

OTHER MATTERS

Health & Safety

The Board receives regular detailed Health and Safety reports from management. Good progress is being made on continuous improvement to our health and safety practices, including work with the many contractors, hirers and other users of the Stadium.

Staffing

Rachel Taulelei joined the Board on 1 July 2014 replacing Sir John Anderson.

Two of our long-serving management team moved on during the period – Marketing Manager, Steve Thompson and Operations Manager, Mark Nunn. Both of these positions have been filled.

We established a new role of Fan Engagement and Digital Manager as this area has become increasingly important to the Trust.

CONCLUSION

During the last six months we have:

- Provided residents and visitors with a wide range of events to attend
- Continued to enhance the Stadium facility and experience
- Exceeded financial targets for the period

While challenges remain, particularly with respect to membership renewals, we look forward to a very busy six months ahead with the two World Cups as well as Super Rugby, Phoenix, AFL and exhibitions.

John Shewan
Chairman
February 2015

Wellington Regional Stadium Trust
Key Performance Indicators

FINANCIAL	Actual			Budget			YTD Variance		
	1st half 31-Dec-14 \$000	2nd half 30-Jun-15 \$000	Total YTD \$000	1st half 31-Dec-14 \$000	2nd half 30-Jun-15 \$000	Annual Budget \$000	Reforecast Budget \$000	31-Dec-14 \$000	%
Event revenue	2,455		2,455	1,952	3,518	5,470	6,211	503	26%
Total income	8,012		8,012	7,204	7,720	14,924	14,890	808	11%
Net surplus/(deficit)	901		901	45	791	836	1,168	856	1911%
Net cashflow movement	2,455		2,455	(804)	5,353	4,549	3,985	3,259	405%
Net bank debt	10,304		10,304	13,303	7,550	7,550	7,224	(2,999)	23%
Liquidity Ratio (Current Assets to Current Liabilities)	0.75		0.75	0.43	2.14	2.14	0.76		
Bank borrowing to Total Assets	9.96%		9.96%	13.51%	12.49%	12.49%	8.38%		
Stadium Enhancements (Capex)	1,531		1,531	2,516	1,280	3,796	1,891	(985)	(39%)

Wellington Regional Stadium Trust
Key Performance Indicators

EVENTS	<i>1st half</i>	<i>2nd half</i>	<i>Total</i>	<i>1st half</i>	<i>2nd half</i>	<i>Total</i>	<i>Reforecast</i>	<i>YTD Variance</i>	
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Budget</i>	<i>Budget</i>	<i>Budget</i>		
	<i>31-Dec-14</i>	<i>30-Jun-15</i>	<i>YTD</i>	<i>31-Dec-14</i>	<i>30-Jun-15</i>			<i>31-Dec-14</i>	
Events held during period									
Rugby	6		6	6	6	12	14		
Cricket	3		3	0	6	6	9		
Football	6		6	7	8	15	16		
Other Sport	1		1	1	2	3	2		
Concerts/Other events	0		0		1	1	1		
Exhibition Days	7		7	7	3	10	10		
Total events	23	0	23	21	26	47	52	2	10%
Community events	6		6	2	3	5	8		
Total events (days)	29	0	29	23	29	52	60	6	26%
Total numbers attending	164,142		164,142						

Item 2.1 Attachment 3

Wellington Regional Stadium Trust
Statement of Financial Performance
For the Six Months Ending 31 December 2014

	<i>Actual YTD</i>	<i>Budget YTD</i>	<i>Variance</i>	<i>Annual Budget</i>	<i>31-Dec-13 Actual 6 months</i>
	\$	\$	\$	\$	
Operating Revenue					
Event Revenues	2,455,349	1,952,332	503,017	5,470,495	2,616,936
License Fees & Sponsorship	2,600,877	2,587,008	13,869	3,471,654	2,728,347
Amortisation	1,437,717	1,437,717	0	3,552,492	1,408,066
Interest income	6,492	16,416	(9,924)	155,307	3,515
Sundry income	1,511,081	1,210,269	300,812	2,273,880	1,158,468
Total Revenue	8,011,516	7,203,742	807,774	14,923,828	7,915,332
Operating Expenses					
Event	1,568,140	1,407,975	(160,165)	2,616,745	1,810,470
Other operating expenses	3,112,915	3,245,992	133,077	6,378,258	3,058,214
	4,681,055	4,653,967	(27,088)	8,995,003	4,868,684
Operating Surplus before Depreciation and Interest	3,330,461	2,549,775	780,686	5,928,825	3,046,648
Depreciation	1,874,272	1,917,058	42,786	3,876,407	1,776,479
Interest	554,777	587,911	33,134	1,216,575	299,505
Net Operating Surplus	901,412	44,806	856,606	835,843	970,664

<i>Wellington Regional Stadium Trust Statement of Financial Position As at 31 December 2014</i>	31-Dec-14 \$	30-Jun-14 \$
Trust Funds		
Accumulated Surplus	81,745,373	80,843,962
Limited Recourse Loans		
Wellington Regional Council	1,020,950	933,702
Wellington City Council	612,571	560,222
Wellington City Council - Accrued Interest	5,820	5,339
Total Trust Funds & Limited Recourse Loans	<u>83,384,714</u>	<u>82,343,225</u>
Non Current Liabilities		
Term Loans	10,400,000	10,890,000
Revenue in Advance	2,332,322	35,374
Total Non Current Liabilities	<u>12,732,322</u>	<u>10,925,374</u>
Current Liabilities		
Payables & Accruals	3,726,506	1,342,114
Revenue in Advance	4,602,932	5,132,614
Total Current Liabilities	<u>8,329,438</u>	<u>6,474,727</u>
Total Funding	<u>104,446,474</u>	<u>99,743,326</u>
Represented by:		
Non Current Assets		
Fixed Assets	98,186,565	98,535,172
Total Non Current Assets	<u>98,186,565</u>	<u>98,535,172</u>
Current Assets		
Cash	2,566,114	111,009
Receivables & Prepayments	3,693,795	1,097,145
Total Current Assets	<u>6,259,909</u>	<u>1,208,154</u>
Total Assets	<u>104,446,474</u>	<u>99,743,326</u>

<i>Wellington Regional Stadium Trust Statement of Cash Flows For the six months ended 31 December 2014</i>	6 mths 31-Dec-14 \$	6 mths 31-Dec-13 \$
Operating activities		
<i>Cash was provided from:</i>		
Event and operating income	2,705,760	2,689,800
License fees and sponsorships	3,546,883	3,488,245
Interest received	6,492	3,515
Goods and services tax (net)	-	345,286
Sundry income	1,609,606	1,166,114
	<u>7,868,742</u>	<u>7,692,960</u>
<i>Cash was applied to:</i>		
Payments to suppliers and employees	(5,475,809)	(5,452,857)
Interest paid	(332,822)	(267,472)
Goods and services tax (net)	(12,636)	-
	<u>(5,821,267)</u>	<u>(5,720,330)</u>
Net cash inflow from operating activities	2,047,475	1,972,630
Investing activities		
<i>Cash was provided from:</i>		
Disposal of fixed assets	6,500	-
<i>Cash was applied to:</i>		
Purchase of fixed assets	(1,578,870)	(3,445,202)
Net cash outflow from investing activities	<u>(1,572,370)</u>	<u>(3,445,202)</u>
Financing activities		
<i>Cash was provided from:</i>		
Drawdown of loans		2,470,000
Third party event funds held	2,470,000	
<i>Cash was applied to:</i>		
Loan repayments	(490,000)	
Net cash inflow from financing activities	<u>1,980,000</u>	<u>2,470,000</u>
Net increase (decrease) in cash held	2,455,105	997,428
Cash at beginning of the period	111,009	136,042
Cash at the end of the period	<u>2,566,114</u>	<u>1,133,470</u>
<i>Composition of cash:</i>		
Cash at bank	96,114	1,133,470
Term Deposit	2,470,000	-
	<u>2,566,114</u>	<u>1,133,470</u>

PARTNERSHIP WELLINGTON TRUST

Q2 REVIEW TO 31 DECEMBER 2014

QUARTER IN REVIEW
<p>Both domestic and international visitors to Wellington increased significantly and the visitor sector is expecting continued growth through 2015.</p> <p>In this quarter PWT successfully launched a new domestic marketing campaign with the promise of Its Never Just a Weekend When it's in Wellington. This campaign has been run in a coordinated manner with joint venture activity promoting the Tyrannosaurs Exhibition at Te Papa. The six-week campaign launch period saw almost 86,000 domestic market visits to WellingtonNZ.com, up 15% on the previous period and 12% on the previous year.</p> <p>Continuation of a busy events calendar has also helped bring increased visitors to the city and the one off events have been supplemented by PWT's work to leverage the final Hobbit film release. Working with Weta Workshop, the placing of costumes around the city for visitors to discover has both given visitors more reasons to explore further and helped PWT engage with a wide variety of partner organisations.</p>

Q2 REVIEW cont.
<p>In Australia PWT continues to highlight reasons to visit the city and its neighbouring regions for both leisure and business purposes. Wellington is enjoying increased interest from the business events sector as Australian event organisers want to learn more about the planned convention centre. PWT has also leveraged Tourism New Zealand investment in promoting cycling in New Zealand to an urban Australian audience whilst working with Grow Wellington on the Destination Wellington programme with focused marketing activities around particular business sector niches.</p> <p>The i-SITE visitor information centre experienced a challenging period at the end of Q2 as a result of the closure of much of the access to the centre as a result of the works to remove the Portico. At the same time though Weta completed the installation of information regarding their activities in Wellington and the Department of Conservation took over the old café space providing information about access to the Conservation Estate in the Wellington region.</p>

SUMMARY FINANCIALS							
* Variance (Actual minus Budget). ✓ Favourable variance to budget ✗ Unfavourable variance to budget							
FINANCIAL PERFORMANCE	Q2 Budget	Q2 Actual	Variance	YTD Budget	YTD Actual	Variance	FY Budget
(\$000)	31 Dec 14	31 Dec 14	31 Dec 14	31 Dec 14	31 Dec 14	31 Dec 14	30 Jun 15
Total Revenue	2,604	2,743	138 ✓	4,913	5,279	366 ✓	11,075
Operating Expenses	3,196	2,647	549 ✓	5,661	4,770	890 ✓	11,072
Net Surplus (Loss)	(592)	95	687 ✓	(748)	508	1,257 ✓	3
FINANCIAL POSITION							
Total Assets	1,805	1,768	37 ✓				1,354
Total Liabilities	1,585	751	834 ✓				845
Equity	220	1,017	671 ✓				509
CASH FLOWS							
Total Net Cash Flows	(1,055)	(1,230)	175 ✗	174	(439)	(613) ✗	(161)
Opening Cash		1,778			1,778		1,210
Closing Cash		1,339			1,339		1,049
<p>This Trust's 2014/15 Statement of Intent did not project the establishment of the Wellington Regional Development Agency Ltd (WREDA).</p> <p>Spending on some categories was suspended in anticipation of WREDA and also to leverage timing opportunities. The variances above relate to the transition from PWT to WREDA and effectively transfer to WREDA as PWT's operations are absorbed by the new entity.</p>							

CONTACT OFFICER

WARWICK HAYES

PARTNERSHIP WELLINGTON TRUST

Q2 REVIEW TO 31 DECEMBER 2014

KPI DASHBOARD					
<p>✓ Achieved ✗ Not Achieved. The 3 Year Trend = year on year actual/nominal performance → Steady ↗ Improving ↘ Declining</p> <p>The table contains a selection of KPIs and is not a complete list. The KPI is a percentage change measure against the same period last year.</p>					
MEASURE *		Q2	YTD	3 Year	Comments (on trend)
		31 Dec 14	31 Dec 14	Trend	
WCC grant max 50% Wellington marketing.	Actual	38.7% ✓	48.7% ✓	→	This is a constant metric that the Trust observes in leveraging its Wellington marketing spend. The current measure is timing related and will normalise.
	Target	50.0%	50.0%		
Maintain market share in conventions (multi-day delegate days)	Actual	-0.3% ✗	-0.4% ✗	→	While this trend is interpreted as static, looking to the future this is expected to strengthen with the development of a purpose built convention centre.
	Target	0.0%	0.0%		
Australian arrivals to Wellington	Actual	+3.8% ✓	+3.6% ✓	→	Australian visitor arrivals to Wellington have reached a plateau following several years of steady improvement.
	Target	+3.0%	+3.0%		
Downtown retail & hospitality spending by visitors*	Actual	+13.0% ✓	+9.6% ✓	n/a*	Retail and Hospitality spending by visitors increased 19.3% in the first quarter compared the same quarter of last year. This is a new measure*.
	Target	0.0%	0.0%		
International visitor spending**	Actual	+25.5% ✓	+24.4% ✓	n/a**	International visitor spend increased 20% in the September quarter compared to the same period in 2013. This is a new measure**.
	Target	+2.0%	+2.0%		
Paid Visitor Nights – International	Actual	19.6% ✓	15.0% ✓	→	This trend is static at best with some apparent downward pressure becoming more pronounced.
	Target	+2.0%	+2.0%		
Paid Visitor Nights – Domestic	Actual	9.1% ✓	2.1% ✓	→	This trend has change from upward to static following a weaker 2014 performance than expected.
	Target	+2.0%	+2.0%		
Weekend rooms sold in partner hotels	Actual	n/a	n/a	→	Systems failure means data not available for Q2. Q1 was ahead of target.
	Target	+2.0%	+2.0%		

* Measurement of this KPI replaces the downtown visitation measurement that previously tracked electronic card transactions at a selection of retail outlets. The data now measures electronic card spend on retail and hospitality by visitors to Wellington. Source: Regional Tourism Indicators, MBIE.

** This is a new performance measure. Source: Regional Tourism Indicators, MBIE.

The KPIs demonstrate the strong growth in domestic and international visits to Wellington and the associated spending benefits of these visitors to the city.

ISSUES & OUTLOOK
<p>PWT has of course in this quarter become a part of WREDA. Staff at PWT are in good spirits and excited about the future and the new possibilities that WREDA will provide.</p> <p>This is the final quarterly report for PWT. In future reporting will be provided by WREDA.</p>

CONTACT OFFICER

WARWICK HAYES

	Quarter				Full Budget
	Actual	Budget	YTD	YTD Budget	2014/15
Profit and Loss					
For the quarter ended 31 Dec 2014					
Partnership Wellington Trust Inc.					
Income					
i-SITE Trading Income	831,783	930,000	1,170,332	1,320,000	2,930,000
Funding - WCC	1,472,350	1,391,250	3,358,501	3,277,500	6,594,000
Partner Income	340,817	150,000	610,099	588,000	1,176,000
Rental Income	14,441	23,750	30,142	47,500	95,000
Investment Income	12,128	14,500	38,123	40,000	80,000
Other Income (incl Cruise)	71,012	95,000	72,340	102,000	200,000
Total Income	2,742,531	2,604,500	5,279,537	5,375,000	11,075,000
less Expenditure					
Employee Costs	729,776	745,000	1,358,605	1,420,000	2,878,000
Other Operating Expenses	71,999	94,000	189,460	195,000	383,000
Depreciation	18,488	21,700	35,202	50,400	79,800
Marketing & publications expenses	1,030,679	1,463,800	2,019,497	2,687,900	4,887,300
Premises expenses	98,575	100,000	212,806	212,000	412,000
i-SITE Cost of Sales	697,924	771,900	954,839	1,095,600	2,431,900
Total Expenditure	2,647,441	3,196,400	4,770,409	5,660,900	11,072,000
Net Operating Surplus	95,090	(591,900)	509,128	(285,900)	3,000
Capital Expenditure					
Property Improvements	1,550		5,320		
Computer equipment/Intangibles	6,789	5,000	14,665	25,000	25,000
Furniture & Fittings	(8,266)	2,000	33,820	4,000	8,000
Total Capital Expenditure	73	7,000	53,805	29,000	33,000

Statement of Cash Flows
For the period ended 31st Dec 2014
Partnership Wellington Trust Inc.

	2014/15	2013/14
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash was provided from:		
WCC Income in Advance		
Sales and Other Income	1,247,672	1,449,317
WCC Funding	3,358,501	3,254,537
Partner Income	605,099	798,294
Rent Received	30,142	33,034
Interest Received	38,123	36,298
	<u>5,279,537</u>	<u>5,571,480</u>
Cash was applied to:		
Payments to Suppliers	(4,257,068)	(3,452,719)
Payments to Employees	(1,265,999)	(1,248,590)
Rent Paid	(141,466)	(165,851)
	<u>(5,664,533)</u>	<u>(4,867,159)</u>
Net Cash Flows from Operating Activities	(384,996)	704,321
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash was applied to:		
Purchase of Fixed Assets & Intangibles	(53,805)	(20,783)
Net Cash Flows from Investing Activities	(53,805)	(20,783)
Net Increase / (Decrease) in Cash Held	(438,801)	683,538
add: Cash Held at 1 July	1,778,153	1,021,424
add: Effect of foreign exchange gain / (loss)		
Cash Held at End of Month	<u>1,339,352</u>	<u>1,704,962</u>
Represented By:		
Cash on Hand	1,000	600
Bank Accounts	1,338,352	1,704,362
	<u>1,339,352</u>	<u>1,704,962</u>

Balance Sheet
For the period ended 31st Dec 2014
Partnership Wellington Trust Inc.

	2014	2013	
	December	December	
TRUST FUNDS			
Trust Funds at start of year	507,649	511,303	
Net Surplus (deficit) for period	509,126	623,590	
Trust Funds at month end	1,016,775	1,134,893	
Comprising			
Current Assets			
Cash and Bank	1,339,352	1,704,962	
Accounts Receivable	259,438	358,804	
GST Receivable	0	0	
Stock on Hand	1,409	889	
Prepayments	21,337	29,257	
Provision for Bad Debt	0	0	
Withholding Tax Paid	11,391	38,894	
Total Current Assets	1,632,927	2,132,806	
Current Liabilities			
Accounts Payable	260,873	364,572	
Accruals	351,793	596,245	
Employee Entitlements	144,977	126,014	
Income in Advance	57,547	46,596	
GST Payable	(64,005)	(46,529)	
Tax Payable	0	0	
Total Current Liabilities	751,185	1,086,898	
WORKING CAPITAL	881,742	1,045,908	
Fixed Assets			
Property Improvements			
Property Improvements	188,295	182,975	
less Accumulated Depreciation	(173,990)	(159,513)	
Net Property Improvements	14,305	23,462	
Computers			
Computers Original Cost	112,900	99,185	
less Accumulated Depreciation	(52,653)	(70,305)	
Net Computers	60,247	28,881	
Furniture, Fittings & Equipment			
Furniture, Fittings & Equipment	508,918	479,154	
less Accumulated Depreciation	(457,832)	(457,721)	
Net Furniture, Fittings & Equipment	51,086	21,433	
Total Fixed Assets	125,638	73,775	
Intangible Assets			
Intangible Assets	534,835	533,884	
less Accumulated Amortisation	(525,440)	(518,675)	Websites and software
Net Intangible Assets	9,395	15,210	
NET ASSETS	1,016,775	1,134,893	

Positively Wellington Tourism

2014/15 – Quarterly Report (October – December 2014)

Summary

The second quarter of the 2014-15 year has for tourism visitation in Wellington been a successful one. For the first time in a number of years the number of both domestic and international visitors to Wellington is increasing significantly and the visitor sector is expecting continued growth through 2015.

In this quarter PWT successfully launched a new domestic marketing campaign with the promise of *Its Never Just a Weekend When it's in Wellington*. This campaign has been run in a coordinated manner with joint venture activity promoting the Tyrannosaurs Exhibition at Te Papa. These activities have undoubtedly led to increased domestic visitation to the city.

Continuation of a busy events calendar has also helped bring increased visitors to the city and the one off events have been supplemented by our work to leverage the final Hobbit film release. Working with Weta Workshop, the placing of costumes around the city for visitors to discover has both given visitors more reasons to explore further and helped PWT engage with a wide variety of partner organisations.

In Australia PWT continues to highlight reasons to visit the city and its neighbouring regions for both leisure and business purposes. Wellington is enjoying increased interest from the business events sector as Australian event organisers want to learn more about our planned convention centre. PWT has also leveraged Tourism New Zealand investment in promoting cycling in New Zealand to an urban Australian audience whilst working with Grow Wellington on the Destination Wellington programme with focused marketing activities around particular business sector niches.

Our i-SITE visitor information centre has experienced a challenging period at the end of Q2 as a result of the closure of much access to the centre as a result of the work being carried out to remove the portico. At the same time though Weta have completed the installation of information regarding their activities in Wellington and the Department of Conservation have taken over the old café space providing information about access to the Conservation Estate in the Wellington region

PWT has of course in this quarter become a part of the Wellington Regional Development Agency. PWT staff are in good spirit and are excited about the future and the new possibilities that the amalgamation of organisations will provide to them to promote Wellington as a great destination for all kinds of reasons and to all kinds of consumers.

Key Performance Indicators

Activity Area	Timeframe	2014/15 Performance Measures	Q2 Result 2014 – 15	Year to Date
Organisational	Annual	Maintain overhead costs ¹ as less than 12% of total activity costs ² including partnership investments Source: PWT Financial Statements	Overhead costs were 6.5% of total activity costs for the first quarter.	Overhead costs year to date were 8.3% of total activity costs for this period.
	Annual	Maintain WCC core funding ³ at 50% or less of Wellington’s marketing activity investment ⁴ Source: PWT Financial Statements	WCC core funding was 38.7% of total marketing activity investment.	WCC core funding was 48.7% of total marketing activity investment.
Australia Sales and Marketing	Quarterly	Airline capacity maintained at least to 2013/14 levels Source: Wellington International Airport Ltd.	Trans-Tasman airline capacity reduced 3% in the quarter to 239,772 seats.	Trans-Tasman airline capacity reduced 3% to 466,044 in the year to December.
	Annual	Recognition ⁵ of Wellington as a visitor destination in targeted regions of Australia has risen over levels measured (after one full year of activity) in March 2015	Research regarding the familiarity of Wellington amongst Australian target markets will take place at	See Q2 result.

¹ Overhead costs include ‘Premises’, ‘Depreciation’ & ‘Operating expenses’ as line items in the Annual Report

² Expenditure made in joint venture activity. See Annual Report.

³ See Annual Report

⁴ Expenditure made in JV activity that targets the KPIs outlined in the SOI.

⁵ Survey respondent knowledge of what Wellington has to offer as a visitor destination

Item 2.1 Attachment 4

		Source: PWT 'Wellington Travel Survey'	the beginning of Q4.	
	Quarterly	Increase Australian visitor arrivals through Wellington International Airport over 2013/14 levels by 3% Source: International Visitor Arrivals, Statistics New Zealand; http://www.stats.govt.nz/browse_for_stats/population/Migration/iva.aspx (Table 7)	Australian visitor arrivals to Wellington Airport decreased 3.8% to 40,704 in the October to December 2014 period (compared to the same period in 2013).	Australian visitor arrivals to Wellington Airport decreased 3.6% to 70,128 in the July to December 2014 period (compared to the same period in 2013).
Convention Bureau Sales and Marketing		Maintain Wellington's Convention & Incentive market share within the New Zealand market to 17% of the national share of the multi day conference market Source: Convention Activity Survey, Ministry of Business, Innovation and Employment; http://www.med.govt.nz/sectors-industries/tourism/tourism-research-data/other-research-and-reports/convention-research/activity-survey	Wellington's market share of C&I multi-day delegate days for the September 2014* quarter was 18.3%. This was a decrease of 0.3 percentage points compared to the same period in 2013. *Data to Dec 2014 to be released 18-Feb	Wellington's market share of C&I multi-day delegate days for the April to September 2014 period was 19.0%. This was a decrease of 0.4 percentage points compared to the same period in 2013. *Data to Dec 2014 to be released 18-Feb
		Increase leads/referrals generated to Business Events Wellington partners by 2% relative to 2013/14 Source: Internally calculated/generated from the numbers of leads and referrals uploaded into Salesforce and from BEW website.	Leads/referrals generated for the December 2014 quarter were on par with the prior December quarter 2013.	Year to date leads/referrals generated are 8% below the same period in 2013
Destination		Ongoing integration of Wellington brand story into all Wellington marketing activities	The launch of the new 'It's Never Just a Weekend When It's in Wellington' visitor	The Wellington Story and accompanying look and feel has been integrated across all

Wellington⁶		Source: PWT, Grow Wellington and WCC report to CCOP's	campaign was designed to bring the 'place of the possible' to life, as well as provide a flexible campaign platform for future talent and business attraction activity.	campaign and collateral developed by PWT, Grow Wellington and WCC.
		Increase total website visits to WellingtonNZ.com by 10% relative to 2013/14 Source: Google Analytics	Traffic to WellingtonNZ.com hit a record monthly high of 389,887 in December, contributing to a high 719,905 quarter result (+28% on Q1).	WellingtonNZ.com has received a total of 1,279,466 visits within Q1 & Q2 which is +9.5% on Q1 & 2 2013/14.
		Delivery of marketing activity to targeted audiences in coordination with delivery programme Source: PWT, Grow Wellington and WCC report to CCOP's	Search and event marketing activity was timed around delivery activity at the Game Connect Asia Pacific conference in Melbourne. The majority of marketing activity will occur in Q3 and Q4 to time in with delivery programme.	Search and event marketing activity was timed around delivery activity at the Game Connect Asia Pacific conference in Melbourne. The majority of marketing activity will occur in Q3 and Q4 to time in with delivery programme.
Downtown Marketing	Quarterly	Wellington retail and hospitality spending does not decline below 2013-14 levels Source: Regional Tourism Indicators, MBIE. Measures electronic card spend on retail and hospitality by visitors to Wellington.	Retail and Hospitality spending by domestic and international visitors increased by an average of 13% in the October to December quarter	Retail and Hospitality spending by domestic and international visitors increased by an average of 9.6% in the July to December period (compared to the same period in

⁶ At the time of writing these targets are being considered by the DW tripartite agreement between PWT, GW and WCC. These KPI's are subject to the confirmation of funding for the associated activities.

Item 2.1 Attachment 4

			(compared the same period in 2013). ⁷	2013) ⁸ .
	Quarterly	Increase the KNOW Wellington audience (social media and KNOW eNews) by 10% to 157,000 ⁹ Source: PWT database statistics	The KNOW Wellington audience currently sits at 167,634 at the end of Q2.	The KNOW Wellington audience currently sits at 167,634, ahead of the year-end target by 6.7%.
International	Quarterly	Increase international commercial guest nights to Wellington relative to 2013/14 by 2% Source: http://www.stats.govt.nz/browse_for_stats/industry_sectors/accommodation/accommodation-pivot-tables.aspx	Commercial international guest nights increased 19.6% to 185,152 in the September to November period* (compared the same period in 2013). *Data to Dec 2014 will be released on 12-Feb	Commercial international guest nights increased 15.0% to 320,943 in the June to November period* (compared the same period in 2013). *Data to Dec 2014 will be released on 12-Feb
	Annual	PWT will work with WIAL to meet with airlines for which there is a business case to fly to Wellington and provide each with a business proposition. PWT will work with Wellington tourism providers and TNZ to promote travel to Wellington from key Asian source markets to increase demand for travel to Wellington. Source: PWT and WIAL report to WCC	PWT has worked with WIAL and WCC to provide a package of agreements that has secured Jetstar to fly Melbourne from Q4 of 2014-15	PWT has worked with WIAL and WCC to provide a package of agreements that has secured Jetstar to fly between Wellington and Gold Coast from Q2 of 2014-15 and Melbourne from Q4 of 2014-15

⁷ Note - this is the average of the change for each of the domestic and international markets - total/combined results are not published.

⁸ As above.

⁹ The reach the KNOW e-news is now in excess of 47,000; as a communication targeting Wellington households the reader rate is reaching saturation (c. 80,000 households in Wellington TA)..

	Annual	Increase the spend of international visitors to Wellington in 2014/2015 by 2% relative to 2013/14 Source: Regional Tourism Indicator reports produced by MBIE	International visitor spend increased 25.5% in the October to December quarter (compared to the same period in 2013).	International visitor spend increased 24.4% in the July to December period (compared to the same period in 2013).
New Zealand and Event Marketing	Quarterly	Increase domestic commercial guest nights in Wellington city by 2% relative to 2013/14 ¹⁰ Source: <u>http://www.stats.govt.nz/browse_for_stats/industry_sectors/accommodation/accommodation-pivot-tables.aspx</u>	Commercial domestic guest nights increased 9.1% to 388,400 in the September to November period (compared to the same period in 2013). *Data to Dec 2014 to be released 12-Feb	Commercial domestic guest nights increased 2.1% to 721,584 in the June to November period (compared to the same period in 2013). *Data to Dec 2014 to be released 12-Feb
	Quarterly	Increase weekend rooms sold in partner hotels ¹¹ by 2% relative to 2013/14 Source: PWT's Hotel Monitor	Weekend Room Nights Sold increased 3% in the September quarter compared to the same period in 2013.	No data for Q2
Digital Marketing	Quarterly	Increase total website visits to WellingtonNZ.com by 10% relative to 2013/14 Source: Google Analytics	Traffic to WellingtonNZ.com hit a record monthly high of 389,887 in December, contributing to a high 719,905 quarter result (+28% on Q1).	WellingtonNZ.com has received a total of 1,279,466 visits within Q1 & Q2 which is +9.5% on Q1 & 2 2013/14.

¹⁰ The Trust recognises the ebbs and flows of business activity and visitor movements through the year but also understands that growth in business activity should be our target at all times of the year. Our organisational KPI's reflect this ambition by targeting a noted percentage growth over previous years for each individual quarter.

¹¹ Positively Wellington Tourism's New Zealand Marketing Campaign is funded in partnership with 19* city hotels (*Based on 2013/14 partnership).

Item 2.1 Attachment 4

	Quarterly	Increase Wellington’s subscribed audience by 7% (newsletter and social media subscribers across all areas) to 215,000 Source: PWT database stats	Wellington’s subscribed audience increased 2.8% on Quarter 1.	Wellington’s subscribed audience currently sits at 269,915, ahead of the year-end target.
Product Development	Annual	Provide support and research assistance into the visitor usage aspects of infrastructure projects proposed by WCC in its Eight Ideas for Economic Growth. Source: PWT and partner report to WCC	PWT has provided WCC significant support in regards to the data Convention Centre proposal as well as working on the Cable Car Trail, Great War Exhibition, the Mountain Biking sector and a variety of small business start-ups.	PWT has provided WCC significant support in regards to the data collection and public consultation around the Hilton Convention centre proposal and a number of other initiatives.
i-SITE Visitor Centre	Quarterly	Maintain i-SITE revenue relative to 2013/14 Source: PWT financial statements	i-SITE revenue is 8% behind the same period last year.	Year to date, the i-SITE revenue is 9.8% behind the same period last year.
	Annual	Increase the proportion of sales of Wellington product ¹² by 2.0% relative to 2013/14 Source: PWT Financial Statements	Wellington product sales increased by 12.9% during the December quarter compared to the same quarter in 2013.	Wellington product sales have increased by 9.7% year to date.
	Quarterly	Visitors to the i-SITE maintained at 2013/14 levels Source: i-SITE Visitor Centre door counters	Visitors this quarter totalled 107 271 – up 2.3% on last year.	Year to date visitor numbers have increased by 10.8%

¹² Wellington, Porirua, Hutt City and Upper Hutt City accommodation & activity products as a % of overall i-SITE sales.

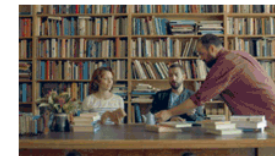
Highlights of our Activity

Brand & Communications

Brand Campaign

The '[It's Never Just a Weekend When It's in Wellington](#)' campaign launched on TV, cinemas and YouTube on October 12, following an exclusive reveal to our Facebook fans on October 10. Feedback from consumers and commercial partners was hugely positive.

- The six-week campaign launch period saw almost 86,000 domestic market visits to WellingtonNZ.com, up 15% on the previous period and 12% on the previous year.
- Organic traffic was up 14% on the prior period, and saw a 12% increase on the year prior. Direct traffic increased 25% on the previous six weeks, indicated a strong recall of the url from the campaign.
- The digital activity had a combined reach of just under 300,000, with YouTube advertising attracting 41,500 views. The Facebook reveal had a reach of just under 120,000, attracting over 14,500 views. The Facebook activity had an average view of 33 seconds, with a quarter of viewers watching the full 60 second clip. The reveal attracted 1,800 engagements (likes, comments, shares), which was followed up with 'hidden gems' content and a 'count the beards' competition.



Mini magazine

Following the brand campaign launch on TV, cinema and digital, 175,000 Wellington guide mini magazines were distributed throughout late October-early November in NZ Herald, The Press, Manawatu Standard, Marlborough Express and Hawke's Bay Today. The guide profiles upcoming events, hot new spots to try and hotel deals.



Tyrannosaurs – Meet the Family

The campaign for the Tyrannosaurs Meet the Family exhibition had a cumulative reach of 2,039,081 across the quarter, driving 10,676 web page views. The cinema, radio and digital campaign was complemented through hosted media features in publications such as New Idea, a partnership promotion with What Now and social media activity.

A competition to select your favourite of '10 Meaty Reasons to Meet the Tyrannosaurs at Te Papa' had a reach of just under 75,000 on Facebook, attracting 1,105 likes, 514 comments and 57 shares. The 'Meaty Reasons' approach was also applied to planning for a drive range print and radio push for mid-January, reminding people to visit before the Tyrannosaurs become extinct again after Waitangi weekend.

Australia Cycling Campaign

October saw the launch of our cycling campaign in Australia, in partnership with Tourism New Zealand and regional partners. The campaign began with exhibiting the Go Bike Expo, with a regional cycling guide developed for distribution at the event, along with through fitness, health and cycling publications. A media outreach and famil programme was launched, with coverage secured in APN Australian Regional Media, Fitness First and a famil locked in with Mountain



Biking Australia. The campaign also includes a series of boosted Facebook posts and advertising, which had a reach of just under 65, 000 and a total of 2,833 clicks through to WellingtonNZ.com/Cycling.



Destination Wellington

To boost and leverage Grow Wellington’s attendance at the Game Connect Asia Pacific (GCAP) conference in Melbourne, we coordinated a targeted networking event at Beer DeLuxe for Grow Wellington and Melbourne gaming contacts, utilising Wellington gaming community networks. The ‘soft sell’ approach was designed to raise awareness and understanding of Wellington as a serious player in the Australasian gaming scene amongst industry influencers, as well as putting the city on the radar as a potential place to set up/move their business. Relationships established at the event also drove [coverage about Wellington’s Development Scene on Develop-online.net](#).

Goodie bags for Australian guests included Wellington collateral, a Garage Project beer, Whittaker’s chocolate and a ‘Supercharge your business’ WellingtonNZ.com phone power bank.

A ‘Wellington’s Got Game’ campaign page was developed for WellingtonNZ.com, with Search activity set up specifically to target the gaming sector, with paid search activity delivering just under 105,000 impressions and 183 clicks at a cost per click of \$2.04.



Media Programme

There were 201 stories on Wellington in the quarter that were influenced by PWT activity. Australasian coverage had a cumulative audience of 8.1 million and an advertising space rate value of \$430,000.

- **New Zealand**

There were 26 domestic media stories on Wellington and Visa Wellington On a Plate in the quarter that were influenced by PWT activity. The quarter's coverage had a cumulative audience of 971,486 and an advertising space rate of \$190,045. Major results included articles by Kim Knight (Waikato Times, Sunday Star Times, Marlborough Express), Jenny Nichols (North & South), Jared Savage (New Zealand Herald), Aimee Cronin (Waikato Times) and Josie Steenhardt (Remix) . 8 domestic media famils were hosted in Wellington across the quarter, including *Grant Smithies*, *Kim Knight and Shabnam Dastgheib* all of *Sunday Star Times*, and *Leigh Stockton* of *Idealog*.

- **Australia**

There were 175 Australia media stories on Wellington in the quarter that were influenced by PWT activity. The quarter's coverage had a cumulative audience of just under 7 million and an advertising space rate of just under \$250,000. Major hosting results included stories by Kate Midena (news.com.au) and Andrew Taylor (Australian Financial Review).

To set the scene for 2015 media pitches, 50 target media were sent a gift from 'One out of the box', featuring Flight Coffee, a Leeds St Bakery salted caramel cookie and a Christmas card featuring the Wellington Advent Calendar illustration. Tongue-in-cheek personalised messages were written, telling the journalists to expect to hear from our 'sweet little city' soon.



- **International**

There were nine international media stories on Wellington in the quarter that were influenced by PWT activity. Major hosting results included stories by Christopher Wakling for The Independent and The Independent on Sunday and Lee Ryder for Newcastle Evening Chronicle.

Corporate Communications

There were 43 media stories about Positively Wellington Tourism and the Wellington tourism industry in the quarter. The quarter's coverage had a cumulative audience of 1,634,626 and an advertising space rate of \$54,015. Coverage highlights included :

- 2014/15 cruise ship season
- The establishment of WREDA
- The Middle of Middle-earth Costume Trail

During the quarter PWT also gave good balance to coverage of:

- The Mt Victoria tree swing accident
- Interislander ferry reliability concerns

Our annual highlights video was also produced and launched to partners at our industry function. [Absolutely Positively Promoting Wellington](#) covers off some of the year's most iconic projects, including The Capital pop up city, the Wellington Story Video Series, the It's Never Just a Weekend When It's in Wellington, event campaigns, the Vampire's Guide to Wellington, Wellington Has Things and the re-launch of WellingtonNZ.com

Events & Partnership

Business Events

Business Events Wellington (BEW) attended the PCO (Professional Conference Organisers) conference in Canberra in November as part of a CINZ and TNZ collective. BEW hosted a private dinner at this event with the Hon. Chris Seed for 15 key delegates who are looking to bring their next conferences to New Zealand.

BEW recorded 36 large leads (150 pax or above) and confirmed 3 large business events in this quarter worth approx. \$152,000 to the Wellington economy. BEW hosted 22 potential clients during the quarter.

In the latest CAS (Convention Activity Survey) data, Wellington still rates as the second largest region for conference delegate days. However, with new convention centres planned for Canterbury, Queenstown and Auckland, it is likely that we will see more conference activity heading to the South Island.

Number of Delegates - July to December 2014

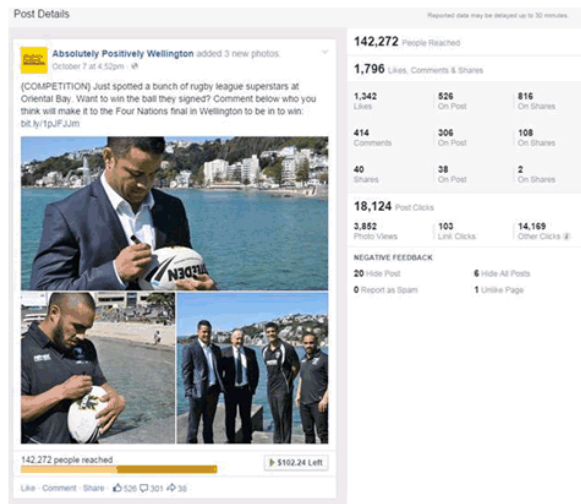
Region	Sum of Conference/Convention delegates	Sum of Conference/Convention delegate days	Sum of Total delegate days
Auckland	96,970	151,974	463,362
Hamilton & Waikato	11,473	20,570	127,011
Bay of Plenty	5,829	10,214	55,705
Rotorua	9,927	23,358	38,820
Taupo	4,427	9,514	19,196
Hawkes Bay	1,233	2,744	21,291
Manawatu	11,776	23,557	109,316
Wellington	37,628	76,638	199,562
Marlborough	1,232	5,941	13,264
Nelson	2,161	4,580	79,505
Christchurch & Canterbury	11,479	26,689	135,872
Dunedin	4,355	11,988	38,119
Queenstown	5,725	15,132	30,368
Grand Total	204,213	382,897	1,331,389

Consumer Events

The events team have worked closely with a range of stakeholders and particularly the City Council Events team creating detailed plans and programmes for events over the summer and through 2015.

World of WearableArt – September/October

Now in its 26th year, the World of WearableArt Awards Show sold more than 53,000 tickets to the 15 shows held in 2014, which was 13% more than 2013. The expansion of the show also contributed to a 9.6% increase for guest nights in Wellington in October. 11 million audience were reached through PWT’s channels via consumers and media results



Four Nations League Final - November

November saw Wellington host the Four Nations League Final between New Zealand and Australia. With only a week’s notice of which teams would play, the event was well supported with an attendance in excess of 20,000 people. A PWT social post promoting the event received some of the highest engagement with over 140,000 people reached.

Hobbit Costume Trail – November - March

To celebrate the release of the final movie in the Hobbit trilogy, Sir Peter Jackson (Wingnut Films) loaned the city 22 costumes worn in the trilogy, to form a Costume Trail throughout key locations around Wellington. A Costume trail map was produced for locals and visitors to the region which has been spotted all

Digital Marketing

WellingtonNZ.com

Traffic to WellingtonNZ.com saw a 28% increase compared to Quarter 1. This was primarily driven by December's record breaking result of 389,887 visits, up 21% on the previous monthly record set in December 2014, and was a result of a successful Christmas campaign.

Of note, is the continued increase in mobile traffic to WellingtonNZ.com. While this has previously been sitting consistently between 22-26% of all traffic to the site, in Quarter 2 it tipped the 30% mark.

In terms of highest viewed content on WellingtonNZ.com, two 'Sights and Activities' editorial pieces topped the chart; 'Wellington's Top 10 Things To Do' received 49,842 views while 'Best Things To Do For Free' received 16,951 highlighting the importance of creating content that provides recommendations for visitors to the city.

Several key development projects have commenced in Quarter 2. An online resource toolkit is underway, aimed with providing a hub for businesses, agents, education providers and media to access the images, videos and assets they require in order to tell Wellington's story on our behalf. This is expected to launch within Quarter 3.

Top 10 Wellington must dos

There's so much to see and do in the coolest little capital, so to get you started, here's our list of the top 10 must dos when you visit Wellington.



Discover our stories at Te Papa

The national museum of New Zealand, Te Papa, is fascinating and fun for visitors of all ages. The exhibits are innovative and interactive, telling stories of New Zealand's culture, history, and social history in new and exciting ways. In the very general admission fee, there are also exhibitions for an extra fee.

Check out some of Wellington's many other museums and galleries.



Enjoy 360-degree views from the top of Mount Victoria

Get a panoramic view of the city and harbor, and a great photo opportunity at the Mount Victoria Lookout. Watch the ferries sailing through the harbor and search for the off from Wellington Airport. You can drive all the way up, or walk through the scenic hill gardens. Grab your binoculars and sit on the grass as the sun goes down and the lights come on.



Taste your way around the city

Wellington is said to have more bars and restaurants per capita than New York City, and with such beautiful views and scenery to boot, it's no wonder. These restaurants are spectacularly good. We're also known for our craft beer, and as for our coffee, it's legendary.



Ride the historic Wellington Cable Car

The Cable Car is a Wellington icon. It runs from Lambton Quay up to Ballhaus, where at the top there's a bookstore, the Cable Car Museum, and Queen Chalmers street. With interactive displays, a range of digital games, and historic photographs, it's a virtual voyage to the stars. Come back down to earth (and the city) through the beautiful historic streets.

Downtown Marketing

Wondrous Wellington Advent Calendar

Quarter 2 saw the launch of the 5th annual [Wondrous Wellington Advent Calendar](#) on 1 December.

As well as celebrating and profiling our city, the Wondrous Wellington Advent Calendar is about connecting people with downtown Wellington's retailers, hospitality businesses and attractions in a fun and festive way. Each day in the lead up to Christmas, a treat from a local business was revealed, hidden within an animated Wellington illustration.

The 2014 edition of the Advent Calendar saw 239,103 visits, and was primarily responsible for the highest ever traffic month for WellingtonNZ.com. A huge 91,244 vouchers were emailed to users, up 50% from 2013's result of 60,590, and the hashtag #WellingtonAdvent was trending across New Zealand on Twitter.

This year, emphasis was placed on having an even split between retail, hospitality and attraction offers, and proved popular with users. While full redemption rates are still being calculated, initial, feedback from partners has been overwhelming positive.

RUBY (high end retailer in Old Bank Arcade) received \$9,000 worth of business as a direct response from their Advent Calendar offer of 'spend \$250, receive \$50 off':

"We're really happy with the results and would love to participate next year. We had a total of 36 vouchers redeemed, with a minimum spend of \$250, which we were really pleased with".

The Little Waffle Shop were busy making 4,678 waffles as a result of their 2 for 1 waffles offer.

"We had 2339 redemptions, so times that by 2 and you have the total amount of waffles sold. This accounted for approximately 25% of our total sales over the period!"



Travel Trade Marketing

Australia

Positively Wellington Tourism visited key trade on sales calls in December 2014 along with Interislander and Destination Marlborough. Ten decision maker appointments were held and 53 frontline agents trained in Sydney, Brisbane, Gold Coast and Melbourne. The declining purchasing power of the Australian dollar should encourage Australians to holiday closer to home and Australian travel sellers are very positive about Wellington, with Cruise, Coach and Independent travel all performing well.

In October, Tourism New Zealand hosted 247 frontline agents on their largest ever famil held, spread across New Zealand. Wellington hosted 47 agents and then partnered with Wairarapa and Hawke's Bay at the Training Day held in Auckland to train the entire contingent. Our regional session was interactive and a real hit with the agents.

Wellington became part of the South Island – temporarily – when PWT was invited to join the South Island regions to train Perth agents during October. Wellington promoted itineraries which encouraged Western Australians to fly into Christchurch on the recently introduced Air New Zealand Perth-Christchurch route and then tour northwards before flying out of WIAL. We also partnered with Air New Zealand's training team in three webinars before the final Hobbit release and supported the airline and Tourism New Zealand's with Middle Earth goodie bags at trade screenings of The Hobbit: Battle of the Five Armies before the Australian premiere in December.

Asia

PWT represented the Wellington & Wairarapa region at Tourism New Zealand's KiwiLink China and Frontline Training event in November. A total of 315 agents were trained in Hong Kong, Guangzhou, Beijing and Shanghai and 90 Product Manager appointments were held. A record number of New Zealand companies participated in the event, demonstrating the growing importance of the China market throughout New Zealand.

Rest of World

In October, a pre-season cruise meeting with presentations from Cruise NZ and a ground handler was attended by more than 100 Wellington businesses and City Ambassadors. This was the highest attendance nationwide, demonstrating the importance and interest in cruise from local tourism operators and retailers. Follow up visits were under-taken with eight inbound tour operators who deal with the China and India markets to follow up on KiwiLink appointments held in those source markets.

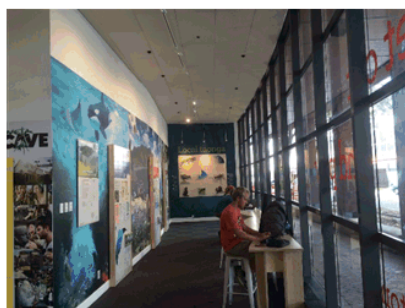
Famil activity was exceptionally high in Q2, with agents hosted from India, China, Australia, Singapore, Canada and Japan as well as an early scoping visit from Lions Rugby Travel UK.

In total, PWT met with 108 decision makers, trained 645 frontline agents and hosted 154 travel sellers in Wellington during Q2.



Wellington i-SITE Visitor Information Centre

The redevelopment of the ex café area completed, providing a light filled, informative space with stools and high tables to encourage visitors to linger and engage in promotion of the regional product. One part of the area promotes film tourism and includes a large Gandalf statue and image-rich content detailing the story of the Miramar Group, a map of film locations around Wellington and showcases film tourism product. The Department of Conservation area promotes the local island sanctuaries, marine reserves and forest parks in the region as places to learn about conservation, history, nature through adventure, fun and relaxation.



The Portico removal project began in November providing challenges around identifying the Centre location, access areas and noise. Unsurprisingly this confusion reflected to a decline in sales and actual visitor numbers through the centre. Additionally the high foot count recorded on both doors as locals have accessed Civic Square and Wakefield Street through the Visitor Centre has meant measurement of revenue per foot count and transactions has not been meaningful.

Positive results were gained from the Visitor Research Survey conducted over four weeks in November and December. The mission was to measure customer satisfaction against key performance indicators and gather visitor and market information. 62.5% of visitors rated their overall visitor satisfaction experience 10/10 compared with 55.8% the previous year and 91.2% rated this same category between 8-10/10 compared with the previous year of 81.8%. Consultant's product knowledge and expertise also saw a positive result from 2013 with the 8-10/10 rating increasing from 79.9% to 89.7%.

Four new summer crew joined the team to work over the cruise and high season. The new consultants all study tourism at Victoria University and were all recruited from the Wellington City Ambassador programme where they worked on a volunteer basis the previous cruise season.

The 2014/15 Cruise season began in October, and up until December 29 ships were hosted, with PWT operating shuttles on 11 of these days. Ambassadors attended product update tours as additional training at Te Papa, Museum of City & Sea and Carter Observatory, and also completed guided tours of Lower Hutt (organised with support from Hutt City), Close Encounters and guided walks of Wellington Zoo and Wellington City Scenic Tours.

POSITIVELY WELLINGTON VENUES

Q2 REVIEW TO 31 DECEMBER 2014

QUARTER PERFORMANCE	YEAR TO DATE PERFORMANCE
<ul style="list-style-type: none"> Convention & Exhibitions (C&E) delivered over 100 events in Q2 including a number of school prize givings and graduations. Conferences included the ARISE annual men's conference (1,500 delegates), the Waste Management Institute New Zealand Conference (multi-day for 350pax), and the 16th International Conference on Harmful Algae (multi-day for 330pax). Performance & Events (P&E) highlights during the quarter included Lorde, Nick Cave (2 shows), The Seekers, the season of Mamma Mia and Royal New Zealand Ballet's <i>A Christmas Carol</i> Work continued on transitioning Venues into the new Wellington Regional Economic Development Agency (WREDA). 	<ul style="list-style-type: none"> Over Christmas the TSB Bank Arena was prepared for the installation of two new retractable seating units (now installed). The new motorised units provide modern and comfortable seating, time savings and greater flexibility in terms of possible lay-outs. Venues notes strong pipeline bookings for the rest of the year. A review and repairs to the air circulation system at the St James Theatre was successfully undertaken. The Wellington Region Economic Development Agency was established on 5 November 2014. PWV is now part of that organisation.

SUMMARY FINANCIALS							
(\$,000's)							
FINANCIAL PERFORMANCE	Q2 Actual	Q2 Budget	Variance	YTD Actual	YTD Budget	Variance	FYE
Total Revenue	4,737.5	4,579.5	158	9,180.5	9,301.5	(121)	16,003
Direct Costs	2,854	2,659.5	(194.5)	5,296	5,128.5	(167.5)	8,962
Operating Expenses	1,614.7	1,455.5	(159.2)	3,258.7	3,220.5	(38.2)	6,276
EBITDA	268.8	464.5	(195.7)	625.8	952.5	(326.7)	765
Net Profit	213.6	400.9	(187.3)	512.6	824.9	(312.3)	510
FINANCIAL POSITION							
Total Assets				4,568			
Total Liabilities				3,018			
Equity				1,551			
CASH FLOWS							
Total Net Cash Flows				878			
Opening Cash				1,002			
Closing Cash				1,880			
<ul style="list-style-type: none"> The YTD EBITDA result is \$429k ahead of the previous year's result, but \$327k behind budget. PWV expects to recover this in the second half of the year and is on track to reach its year-end target of \$765k. YTD revenue of \$9.2m was \$121k (1%) under budget, but \$1m ahead of the same period in 2013/14. PWV notes that this result is in part due to the restructuring of the Food and Beverage side of the business. Good results in the Performance and Events business have been offset by declines in the Conference and Exhibitions side of the business, resulting in the overall event business coming in \$45k below budget. Q2 operating expenses were \$159k over budget, driven primarily by higher wage and salary costs, in part as a result of the restructuring of Food and Beverage and technical services, and an initiative to improve the cleaning standard across venues. 							

CONTACT OFFICER

RICHARD HARDIE

POSITIVELY WELLINGTON VENUES

Q2 REVIEW TO 31 DECEMBER 2014

KPI DASHBOARD					
MEASURE		Q2	YTD	Trend	Comments
		31 Dec 14	31 Dec 14		
Increase economic contribution to Wellington over previous year.	Target	\$12.7m	\$24.8m	Improving ↗	This is based on PWV revenue earned from events (times the multiplier), and does not include indirect and induced spend. P&E revenue is \$1m (13%) ahead of budget. YTD the C&E contribution is behind target by \$1.4m (8%). These are still expected to be on target by year end.
	Actual	\$13.1m ✓	\$24.4m ✓		
Improve venue utilisation by 5% over previous year.*	Target	57%	60%	New measure	Utilisation for Q2 is 4% below target but 3% ahead of the previous year. Forward bookings are strong and the company remains confident of reaching the full year target of 51%.
	Actual	53% ✗	53% ✗		
Improve venue yield by 4% over previous year.*	Target	43%	43%	New Measure	Venue yield for the quarter is 10% below target and 1% below Q2 last year. The change in timing of WOW has contributed to this result.
	Actual	33% ✗	35% ✗		
Improve PWV Profitability (EBITDA) over previous year	Target	\$465	\$953k	Improving ↗	YTD EBITA is ahead of the previous year by \$429k, but \$327k behind budget.
	Actual	\$269	\$626k ✗		
Maintain a mix of commercial and community hires	Target	>40	>80	Improving ↗	PWV supports community access through five investment categories: City Growth; Creative Sponsorships; Community Causes; Civic Occasions; and Commercial Discounts. In Q2 the total subsidy provided was over \$327k.
	Actual	56 ✓	94 ✓		
Improve gross margin by 1% over previous year *	Target	42%	45%	New Measure	Gross margin is 4% ahead of the previous Q2 result, but 2% behind budget. The company anticipates that the restructuring of the Food and Beverage side of the business will improve operating margins.
	Actual	40% ✗	42% ✗		

* Target is based on a percentage improvement on 2013/14 actual results, excluding PAF grants

ISSUES & OUTLOOK
<ul style="list-style-type: none"> The company has identified the following priorities over the next six months/new financial year: securing funding for new flat floor seating for TSB Bank Arena, replacement the fixed sports court at the TSB Bank Arena with a mobile court, and improvements to the kitchen, toilets and Shed entrance way. \$270k in capital expenditure for the refurbishment of the Opera House is planned for January 2015. The company is monitoring the effectiveness of the repairs to the St James air conditioning system to understand whether an upgrade of the system is required. Venues will present its new Food and Beverage strategy in Q3, including the establishment of a new and enhanced café offering at the St James Theatre.

CONTACT OFFICER

RICHARD HARDIE



**POSITIVELY
WELLINGTON
VENUES**

.....
**Because things
are better LIVE**
.....

Economic Growth and Arts Committee
Quarter 2 Report
October 14 –December 14

Confidential

1. Introduction

PWVs second quarter result for the 2014/15 financial year is well ahead of the same period last year, but we have fallen short of our fairly challenging budget. We are however confident that we will achieve our EBITDA budget by year end - once we have absorbed some one-off costs and realised the benefits of some of the structural and strategic changes that we introduced in Q2.

The months of December and January are traditionally very quiet for PWV and we have an enforced close down period as a consequence of that. While December's result took some shine off our financial performance, January (not included in the Q2 result) delivered a better than budget result.

Although we refer to the close down period, some members of the team were still on the job working with WCC and a team of contractors on some significant venue upgrade and improvement projects (these are outlined below).

We remain committed to supporting the development of a purpose build convention centre and multipurpose performance arena but until such time as new purpose built venues are confirmed, commissioned, completed and operational, ensuring that our existing portfolio of venues are of a competitive standard (without over capitalising on improvements) is a priority for us if we are to continue to attract and retain our conventions and events and show and performance businesses.

2. Operations

The key facility projects that were worked on during the break included:

- TSB Bank Arena and Convention Centre - preparing the TSB Bank Arena for the installation of two new retractable seating units (now installed). The old seating units were at the end of their usable life and we were encountering both health and safety issues and operational efficiency issues.

The new motorised units provide modern and comfortable seating, enormous time savings and far greater flexibility in terms of possible lay-outs.

The northern end retractable seating unit is fixed whereas the southern end units are mobile – so we can move into a variety of set ups very easily which will benefit a range of different users – from sports, to live performance and conventions and events.

- At the Michael Fowler Centre new operable walls were installed in the Renouf Foyer. Further work will be undertaken on brining the parquet floor back into better condition and the fixed bar areas will be de-installed and replaced with mobile bars which will add the flexibility with which we can layout the rooms.
- With special thanks to Dave Finley from WCC's property team we have been able to repair the air conditioning system at the St James. This work was completed in time for the Webstock Conference (a requirement of the conference organisers) and we are monitoring the effectiveness of the repairs to understand whether a second phase of work to upgrade the system is required
- A substantial amount of work was completed at the Opera House over the break – this included refreshing the paint and gilt work on the proscenium arch and boxes, reconditioning the marble in the entranceway, repainting the entrance and first floor gallery spaces – including new gilt work on the ceilings using local artists, installing new bars and improving the ticket boxes. The venue is back in hire now and in mid-April it will be taken out for a week to install new lighting fixtures, new drapes (entrance, gallery and boxes), mirrors and furniture. The upgrades have been funded by WCC, PWV and a PAF grant.

Confidential

- Our priorities over the next six months/new financial year are new flat floor seating for TSB Bank Area (noting that the seating can be used in our other venues as well), the replacement of the fixed sports court at TSB with a mobile court enabling us to concrete the underlying floor which will allow better/faster pack ins when we are not in sports mode, and improvements to the kitchen, toilets and Shed entrance way. Unfortunately these were not able to be funded as part of the exterior upgrade of the Arena and Shed 6 the details of which are due to be announced shortly. We will also be pursuing funding for the installation of digital signage across the venues.

3. Summary

The PWV team are all back on desk and ramping up for the year ahead. While the establishment of WREDA creates uncertainty for people, our core business is unlikely to change substantially and we continue to focus on delivering a great venue offering that supports the goals of the City.

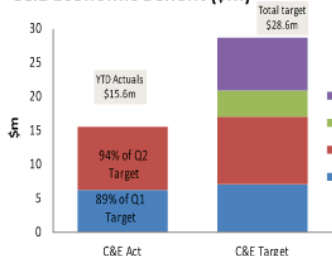
We will soon be in a position to confirm the details around a new café offering at the St James Theatre and some other developments that we are working on to enhance our offering.

Glenys Coughlan
CEO

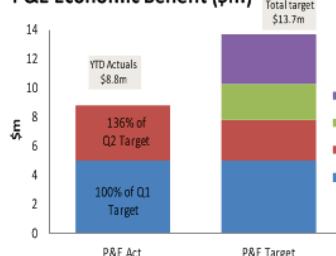
4. Key Performance Indicators

Grow contribution to Wellington

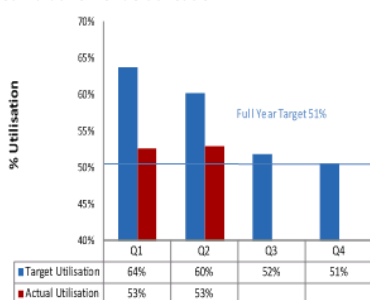
C&E Economic Benefit (\$m)



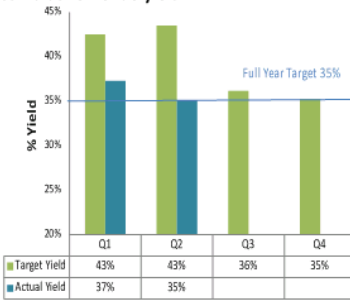
P&E Economic Benefit (\$m)



Cumulative Venue utilisation



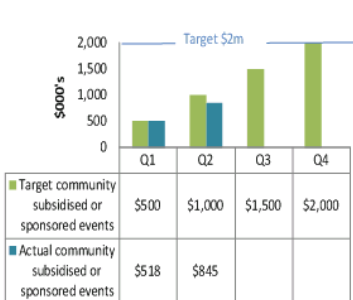
Cumulative Venue yield



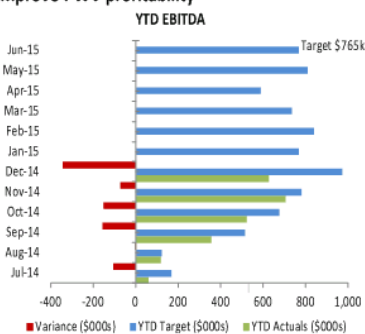
Cumulative community hire days



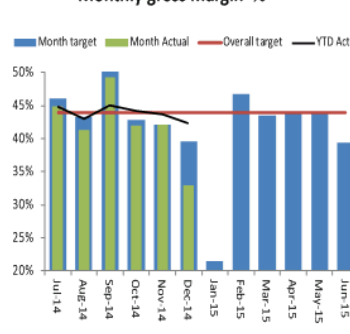
Cumulative value of funded events



Improve PWW profitability



Monthly gross margin %



Key

- Well Below
- below
- On Target
- Ahead
- Exceeding

Q2-14 Q1-14



The estimated direct economic contribution (which measures the relationship between event revenue and total direct event-related expenditure) to Wellington is based on expenditure multipliers 3.37x C&E event revenue and 2.46x P&E event revenue.

Q2-14 Q1-14



For improving venue optimisation we are targeting a 5% increase in venue utilisation to 51% and a 4% increase in venue yield to 35%. Utilisation of 48% and Yield of 33% were achieved in FY14.

Q2-14 Q1-14



'Community hire days' is about ensuring our venues are open to community and for funded events. Funding categories that are captured include City Growth, Creative Sponsorship, Community Support, and Civic Occasions. The measure is both the 'hire days' made available and the monetary value of the subsidy.

Q2-14 Q1-14



Improving profitability and margin is about ensuring the ongoing viability of the business, ensuring we prosper and contribute to the economic growth of the Wellington community. We have targeted a \$765 EBITDA return. Gross margin is defined as a 1% improvement on FY14 result (being 43% excluding PAF grant) therefore the target is 44% gross margin.

KPI commentary

[Grow contribution to Wellington](#)

The total economic contribution for Q2 was \$13.1m, \$435k ahead of target for the quarter. The total year to date contribution of \$24.4m is 58% of the full year target of \$42.3m; the full year result for 2013/14 was \$40m. Note: our measure of economic contribution to Wellington is based solely on the revenue PWV earned from events (times the multiple) and does not include indirect and induced spend generated by this activity.

P&E revenue for Q2 was \$1m or 13% ahead of budget with an estimated economic benefit to the Wellington economy of \$3.8m based on the Covec expenditure multiple. The year to date P&E contribution is \$8.8m or 64% of the full year target

C&E has contributed an economic benefit of \$9.3m to the Wellington economy in Q2. This is behind target by \$600k or 6% for the quarter, 8% or \$1.4m behind the YTD budget.

[Optimising venue utilisation and yield](#)

The year to date venue utilisation has remained constant at 53%, 2% above the full year target of 51% but down on target expectations for the quarter. Utilisation for Q2 last year was 50% bring the year to date last year to 55%.

Venue yield for Q2 was 33% (37% in Q1), bringing the YTD yield down to 35% and on par with the full year target. The extended season of WOW was not anticipated in the budget and has contributed to the slippage in this measure. Yield for the equivalent quarter last year was 36%.

[Community hire days & funded events](#)

There were 18 community funded events during Q2 for a total of 56 hire days and above the target of 40 for the quarter. The majority provided for creative sponsorship events and community causes including the Cystic Fibrosis' Christmas Tree Festival & Communities Action Trust's Diwali festival. The total subsidy for the quarter is over \$327k, slightly below the \$500k target for the quarter.

[Net promoter score](#)

We are looking at developing a more robust approach to surveying and estimating our NPS.

[Health and safety](#)

No serious harm incidence.

[Staff engagement](#)

The staff engagement survey has been completed; results are in the process of being collated.

[Improve profitability & margin](#)

Refer next section.

5. Financial performance against budget & prior year

Revenue

- December's year-to-date revenue is \$121k behind the budget but substantially up on last year by over \$1m.
- The Food & Beverage (F&B) business is the primary driver for the below budget performance which has been redressed by restructuring our F&B operations and the roll out of new F&B strategy that will kick in from quarter three.
- The Performance & Event (P&E) business gains against budget have offset the Conference & Exhibition (C&E) business decline leaving the overall event business \$45k below budget. Event revenue is up by over \$1m on YTD last year.

EBITDA

- At \$626k YTD EBITDA is down on the YTD budget but well ahead of last year and on track to achieve the full year budget of \$765k.
- The EBITDA result is impacted on by higher wage & salary costs, offset by lower utility costs and marketing underspend which will largely be due to phasing.
- Wage costs are over budget as a result of the F&B and technical services restructures, and initiative to improve the cleaning standard of venues.
- Salary costs have increased as a result of one-off personnel changes in F&O and F&B restructuring costs.

Financial Performance December year-to-date 2014/15

Prior year		Year-to-date	FY 14/15
YTD	Var		
7,777.9	1,031.1	Actual	Budget
385.8	(14.2)	8,809.0	8,978.9 (169.9)
8,163.7	1,016.8	371.6	322.6 48.9
1,276.3	134.4	Total revenue	9,180.5 9,301.5 (121.0)
3,621.2	264.1	Wages	1,410.7 1,295.3 (115.4)
4,897.5	398.5	Direct event costs	3,885.3 3,833.2 (52.2)
3,266.2	618.3	Total direct costs	5,296.0 5,128.5 (167.5)
40%	2%	Gross profit	3,884.5 4,173.0 (288.5)
1,323.0	(404.7)	<i>Gross Margin %</i>	42% 45% -3%
1,746.3	215.3	Salaries	1,727.7 1,533.0 (194.7)
3,069.3	(189.4)	Other expenses	1,531.0 1,687.5 156.5
196.9	429.0	Total expenses	3,258.7 3,220.5 (38.2)
101.7	(11.6)	EBITDA	625.9 952.5 (326.7)
0.0	0.0	Depreciation	113.3 127.6 14.4
95.2	417.4	Tax expense	0.0 0.0 0.0
		Net profit/(loss) after tax	512.6 824.9 (312.3)
			765.0
			251.8
			3.0
			510.2

Note: () denotes unfavourable variance

6. Forecast update

- The Q1 forecast completed in October indicates we are on track to achieve budget EBITDA \$765k.
- Since the Q1 forecast we are seeing a further decline in C&E revenue, and some unforeseen costs (F&B restructuring) reflected in the result. These are somewhat offset by a better P&E result and future expected savings from lower salary costs and reduced utility fees.
- P&E event revenue in the pipeline is solid at 97% of budget. The C&E pipeline is currently at 81% of budget and it will be challenging to make this up in the remainder of the year but the sales team are focused on closing the gap.
- The Q2 forecast is currently being finalised with the above factors and a better than expected January result being reflected in the result.

7. Financial Position

\$'000	Actual 31-Dec-14	Prior Quarter 30-Sep-14	Quarterly Movement	Prior Year 31-Dec-13	Annual Movement
Bank & Cash	1,854	1,916	(62)	1,276	578
Debtors	892	750	142	699	193
Accrued income	455	652	(197)	346	110
Prepayments	76	155	(79)	135	(59)
Inventory	22	32	(10)	67	(45)
Total current assets	3,298	3,504	(206)	2,523	776
Fixed assets	1,270	1,313	(43)	1,226	44
Total assets	4,568	4,817	(248)	3,749	820
Creditors	1,331	1,440	(109)	1,460	(129)
Employee Entitlements	316	454	(138)	313	3
GST	155	50	105	187	(32)
Revenue in Advance	1,215	1,534	(319)	1,189	26
Provisions	0	0	0	27	(27)
Total current liabilities	3,018	3,479	(461)	3,176	(159)
Shareholders' funds	1,038	1,038	0	477	561
Current year result	513	300	213	95	417
Total liabilities and equity	4,568	4,817	(248)	3,749	820
Current ratio	1.8	1.8	0.0	1.3	0.5

Bank & Cash has remained consistently between the \$1.8m to \$2m range in the last quarter. Debtors have increased by \$142k with close to 100% of debtors being less than 60 days overdue. Liquidity remains steady with the current ratio at 1.8x, well above the average range for last year of between 1.2x and 1.5x. The ratio is expected to reduce slightly as a consequence of the holiday break.

8. Cash Flow Statement

Cash Flow Statement



\$000s	Actual JUN 2014	Actual JUL 2014	Actual AUG 2014	Actual SEP 2014	Actual OCT 2014	Actual NOV 2014	Actual DEC 2014	Projected JAN 2015	Projected FEB 2015	Projected MAR 2015	Projected APR 2015	Projected MAY 2015	Projected JUN 2015
Fiscal Year begins 1/07/2014													
Opening Cash Balance	1,379	1,002	1,609	1,666	1,933	2,088	1,858	1,880	1,622	1,625	1,693	2,049	1,740
Cash Receipts													
Receipts from Events	938	2,120	1,351	1,492	1,669	1,705	1,359	895	1,395	1,211	1,468	907	838
Receipts from Food & Beverage	102	113	60	143	90	113	113	0	0	0	0	0	0
GST refunds	0	2	0	0	0	26	5	0	0	0	0	65	0
Interest received	0	7	6	12	0	8	0	4	2	1	20	0	0
Grants - capital investments	0	0	0	0	0	0	0	0	0	0	4	3	3
Other	1	24	21	83	44	3	11	16	16	16	19	15	15
Total	1,041	2,266	1,438	1,731	1,803	1,855	1,488	915	1,414	1,229	1,575	925	856
Total Cash	2,420	3,268	3,047	3,396	3,736	3,943	3,346	2,794	3,036	2,854	3,269	2,974	2,596
Cash Paid Out													
Payments to Suppliers	853	1,082	702	828	888	1,455	969	562	729	640	598	745	679
Payments to Employees	326	350	393	360	543	347	376	284	284	284	416	284	284
PAYE	120	137	114	160	139	183	121	100	100	100	100	100	100
GST paid	118	64	150	116	76	100	0	126	128	136	105	105	105
Bank Fees	1	1	0	0	0	0	1	0	0	0	0	0	0
Capital purchases	0	0	0	0	0	0	0	100	170	0	0	0	0
Other	0	24	22	0	2	0	0	0	0	0	0	0	0
Total	1,418	1,659	1,382	1,463	1,648	2,086	1,466	1,172	1,411	1,160	1,219	1,234	1,168
Closing Cash Balance	1,002	1,609	1,666	1,933	2,088	1,858	1,880	1,622	1,625	1,693	2,049	1,740	1,428

The cash flow projection to June 2015 continues to improve as the pipeline is being filled. A total of \$270k in capital expenditure for the Opera House is projected to occur from January. The \$1.5m WCC overdraft facility remains unlikely to be drawn on.

2014/15 SECOND QUARTER REPORT

Purpose

1. This report outlines progress towards the delivery of the 2014/15 Annual Plan as at 31 December 2014.

Recommendation

That the Economic Growth and Arts Committee:

1. Note the information.

Background

2. The quarterly report informs councillors of progress against the annual plan, and also ensures the annual report does not contain any unexpected and significant variances from performance. Responsibility for the report falls within the purview of the Governance, Finance and Planning Committee.

Discussion

3. The attached quarterly report, with the accompanying appendix one, outlines the Council's progress against planned or budgeted performance for:
 - Income
 - Operational expenditure
 - Capital expenditure
 - Service delivery (KPI performance)
 - Compliance with Treasury Policy
 - Key programmes.
4. Significant variances are explained, by activity group, in appendix one to the quarterly report. This quarterly report explains variances greater than 10%.
5. Details relating to significant projects are highlighted, by relevant committee, on pages 2-4 of the quarterly report itself.

Attachments

Attachment 1.	2014/15 Second Quarter Report	Page 77
Attachment 2.	Quarter 2 2014/15 Performance Summary by Activity Area	Page 81

Author	Shanan Smith, Senior Advisor Planning and Reporting
Authoriser	Brian Hannah, Director Strategy and External Relations

SUPPORTING INFORMATION

Consultation and Engagement

Not applicable.

Treaty of Waitangi considerations

Not applicable.

Financial implications

This report outlines progress against the planned projects, spending and service levels indicated in the annual plan.

Policy and legislative implications

Not applicable.

Risks / legal

Not applicable. This report outlines progress towards the annual plan and annual report, which are legislative requirements.

Climate Change impact and considerations

Not applicable.

Communications Plan

Not applicable.

KEY PROGRAMMES		Q1 Actual (1 Jul–30 Sep 2014)	Q2 Actual (1 Oct–31 Dec 2014)	Q3 Planned (1 Jan–31 Mar 2015)	Q4 Planned (1 Apr–30 Jun 2015)
Committee	Programme	Milestones			
GOVERNANCE	ACCOUNTABILITY AND PLANNING	Annual Report adopted			
		Long-term plan: • Workshop series commenced.	Long-term plan: • Financial strategy. • Infrastructure strategy. • Programme overview.	Long-term plan: • Revenue and Financing policy. • Performance framework. • Adopt draft plan.	Long-term plan: • Consultation. • Adopt final plan.
		Mid-term capex review – \$15m investment package adopted and to be implemented, including: • Funding for Meet the Locals enclosure at Wellington Zoo. • Expansion of City to Sea Museum. • Victoria Street transformation in line with Central City Framework. • Urban catalyst projects.			
ECONOMIC GROWTH AND ARTS	ECONOMIC DEVELOPMENT	Region wide consultation on development of Wellington Regional Economic Development Agency (WREDA).	• WREDA established on 5 December 2014. • WREDA Chair (Peter Biggs) and Board appointed. • Recruitment process for WREDA Chief Executive commenced.	WREDA transition and implementation.	
	8 BIG IDEAS	Convention centre: • Public consultation undertaken.	Convention centre: • Final commercial terms agreed for Council consideration and final decision on proposal. • Developer subsequently indicated problems in finalising deal on proposed site.	Convention centre: • Progress options for delivery of the project and report back to Council.	Convention centre: • Progress agreed process and option for delivery of the project.
		Tech hub: • Developed Expression of Interest (EOI) documentation.	Tech hub: • EOI process completed and preferred provider identified.	Tech hub: • Complete contract negotiations with preferred provider. • Confirm timeline, cost and range of hub activities.	
		Airport runway extension: • Results of economic impact assessments received.	Airport runway extension: • Reports peer reviewed by council officers and external experts. • Report back to Council and approval of additional funding to complete RMA approvals process.	Airport runway extension: • Monitor progress of RMA approvals process. • Continue to develop business case for runway extension.	
		Film museum: • Preliminary investigations and concept development continue.			
MAJOR EVENTS	World of Wearable-Arts – 25 Sep to 12 Oct. Beervana – 22 to 23 Aug. All Blacks v South Africa Test – 13 Sep. LUX Light Festival – 22 Aug to 1 Sep. Oktoberfest – 19 to 20 Sep.	SkyShow – 8 Nov. Toi Māori Art Market – 14 to 16 Nov. Rugby League Four Nations Final – 15 Nov. Capital Christmas – 10 to 24 Dec. New Year's Eve Festival – 31 Dec.	IRB Sevens – 6 to 7 Feb. Homegrown Music Festival – 7 Mar. ICC Cricket World Cup – 14 Feb to 29 Mar. Cuba-Dupa – 28 to 29 Mar.	Wellington Fashion Week – 8 to 12 Apr. World Water Ski Racing Championships – 9 to 20 Apr. WW100 and ANZAC Commemorations – 25 Apr. AFL match – 25 Apr. FIFA Under-20 World Cup – 30 May to 20 Jun.	
COMMUNITY SPORTS AND RECREATION	HOUSING UPGRADE	Berkeley Dallard and Etona: • Construction completed and buildings reoccupied.			
		Arlington Site 1: • Business case under development.			Arlington Site 1: • Councillor workshop on proposed procurement strategy and development model analysis. • Commence procurement.
		Arlington Site 2: • RFP under development.	Arlington Site 2: • High-level brief issued to potential suppliers.	Arlington Site 2: • RFP to be issued.	Arlington Site 2: • RFP results evaluation. • Commence development of detailed design.

KEY PROGRAMMES

		Q1 Actual (1 Jul–30 Sep 2014)	Q2 Actual (1 Oct–31 Dec 2014)	Q3 Planned (1 Jan–31 Mar 2015)	Q4 Planned (1 Apr–30 Jun 2015)
Committee	Programme	Milestones			
COMMUNITY SPORTS AND RECREATION	HOUSING UPGRADE	Marshall Court: <ul style="list-style-type: none"> Under construction. 		Marshall Court: <ul style="list-style-type: none"> Construction complete. Units let to suitable occupants. 	
		Kotuku: <ul style="list-style-type: none"> Tender evaluation complete. 	Kotuku: <ul style="list-style-type: none"> Construction contract commenced. 	Kotuku: <ul style="list-style-type: none"> Under construction. 	
	RECREATION UPGRADES	Keith Spry Pool: <ul style="list-style-type: none"> Teaching pool and children's pool tanks completed. Maintenance work started on existing pool. 	Keith Spry Pool: <ul style="list-style-type: none"> Upgrade work on new pools and change rooms continued. 	Keith Spry Pool: <ul style="list-style-type: none"> Upgrade work on new pools and change rooms to be completed in January 2015. Hand over from contractor to the Council. Commence operational set-up of new pools and preparation for opening to the public. Opening to the public on 28 February 2015. 	
ENVIRONMENT	WATER UPGRADES	Seismic strengthening: <ul style="list-style-type: none"> Strengthening of Maupuia No1 and No2 reservoirs completed. Melrose reservoir design work completed. 	Seismic strengthening: <ul style="list-style-type: none"> Melrose reservoir tender completed. 	Seismic strengthening: <ul style="list-style-type: none"> Melrose reservoir construction commences. Install auto-shut valve (ASV) at Roseneath No 2 reservoir. Linden and Newlands reservoir design work underway. 	Seismic strengthening: <ul style="list-style-type: none"> Linden and Newlands reservoir design work completed. ASV installations at Montgomery, Mt Wakefield and Broadmeadows reservoirs.
	NATURAL ENVIRONMENT	Our Capital Spaces: <ul style="list-style-type: none"> Completed pre-engagement for review of Biodiversity Action Plan. Completed sediment reduction plan for Porirua Harbour Strategy. Established interagency planning group for the development of Watts Peninsula as a heritage park. Funding approved for Mountain Bike Economic Growth Initiative (MBEGI) to develop business plan for Wellington as a premier mountain bike destination. 	Our Capital Spaces: <ul style="list-style-type: none"> Biodiversity Strategy approved by Environment Committee to formally consult. Consultation on draft Suburban Reserves Management Plan completed. MBEGI undertaking economic modelling for visitor mountain biking activity in Wellington. 	Our Capital Spaces: <ul style="list-style-type: none"> Consultation on Biodiversity Strategy (22 January to 6 March with oral submissions on 19 March). Consultation on Mt Victoria Master Plan. 	Our Capital Spaces: <ul style="list-style-type: none"> Final Biodiversity Strategy to Environment Committee for approval. Mt Victoria Master Plan completed. MBEGI completed business plan for Wellington as a premier mountain bike destination.
		Island Bay Seawall:	<ul style="list-style-type: none"> Project and engagement plans agreed by the Environment Committee. 	Island Bay Seawall <ul style="list-style-type: none"> Consultation and engagement completed. Environment Committee agreed to repair the seawall and continue planning work on long-term solutions (options three and four), which will be implemented by 2018–21. 	Island Bay Seawall: <ul style="list-style-type: none"> Agree project plan for next phase of the project Initiate detailed planning, design and consultation of options three and four.
TRANSPORT AND URBAN DEVELOPMENT	CITY RESILIENCE	Earthquake strengthening of Council buildings: <ul style="list-style-type: none"> Clarrie Gibbons Building strengthening completed. Network Newtown strengthening commenced. Truby King House chimney strengthening completed. Thistle Hall strengthening continues. 	Earthquake strengthening of Council buildings: <ul style="list-style-type: none"> Network Newtown strengthening nearly completed. Portico demolition commenced. Band Rotunda design work commenced. Planning for strengthening chapel and crematorium at Karori Cemetery commenced. Thistle Hall strengthening completed. 	Earthquake strengthening of Council buildings: <ul style="list-style-type: none"> Portico demolition completed. Band Rotunda strengthening plan and tendering process completed. Thistle Hall contract maintenance period completed. Planning for strengthening chapel and crematorium at Karori Cemetery completed. 	Earthquake strengthening of Council buildings: <ul style="list-style-type: none"> Band Rotunda remediation complete.
		Application submitted to the Rockefeller Foundation's "100 Resilient Cities" programme.	Application to "100 Resilient Cities" programme successful.	Appoint Chief Resilience Officer to lead development of a city resilience strategy.	
		Town Hall strengthening project is awaiting further information on options. Alternative use continues to be worked on.			

KEY PROGRAMMES

		Q1 Actual (1 Jul–30 Sep 2014)	Q2 Actual (1 Oct–31 Dec 2014)	Q3 Planned (1 Jan–31 Mar 2015)	Q4 Planned (1 Apr–30 Jun 2015)	
Committee	Programme	Milestones				
TRANSPORT AND URBAN DEVELOPMENT	CITY RESILIENCE	Hataitai Bus Tunnel: • Portal strengthening design and tender documents completed and issued. • Public notification of works and stakeholder briefings.	Hataitai Bus Tunnel: • Contract awarded and work to strengthen portals commenced in November 2014. • Work is progressing on both sides of tunnel with 26% completed to date. Seatoun Tunnel: • Received draft assessment report.	Hataitai Bus Tunnel: • Work to strengthen portals continues with 90% completed by end of quarter. Seatoun Tunnel: • Contract for professional services for strengthening work to be tendered.	Hataitai Bus Tunnel: • Work to strengthen portals completed. Seatoun Tunnel: • Complete detailed design for strengthening work.	
	WATERFRONT FRAMEWORK	North Kumutoto project: • Council decision on building, long-term lease and public space projects.	North Kumutoto project: • Application for resource consent submitted.	North Kumutoto project: • Resource consent application process continues.		
		TSB Arena and Shed 6: • Investigations commenced.	TSB Arena and Shed 6: • Detailed planning completed and tender documentation prepared.	TSB Arena and Shed 6: • Work underway to renew exterior cladding.		
	URBAN DEVELOPMENT	Parliamentary precinct: • Contractor appointed for Cenotaph upgrade. • Construction commenced 1 September.	Parliamentary Precinct: • All demolition and ground works completed. • Work commenced on new staircase and paving.	Parliamentary Precinct: • Work completed and space opened up for public use.		
		Memorial park: • Arras Tunnel opened and park construction commenced.	Memorial park: • Park construction underway. Australian Memorial construction commenced.	Memorial park: • Park construction complete.	Memorial park: • Park opening and Anzac day commemoration.	
		Kilbirnie town centre phase two: • Deferred pending confirmation of design brief.	Kilbirnie town centre phase two: • Design brief still to confirmed following consultation. • Concept design in progress.	Kilbirnie town centre phase two: • Detailed design completed and contract awarded (subject to suitable design being confirmed).	Kilbirnie town centre phase two: • Construction underway (subject to suitable design being confirmed).	
		Victoria Street: • Funding and concept design approved and detailed design commenced.	Victoria Street: • Detailed design completed and construction commenced.	Victoria Street: • Full construction work underway with construction commencing in southern block.	Victoria Street: • Major construction works completed by end of June. • Minor additional works may continue.	
		Lombard Lane: • Design brief being confirmed.	Lombard Lane: • Concept design completed.	Lombard Lane: • Detailed design commenced, in consultation with adjacent developer to ensure works are coordinated.	Lombard Lane: • Tender documents prepared and construction programme agreed with developer.	
		TRANSPORT	Island Bay to City Cycle route: • Section one (Shorland Park to Wakefield Park) design and consultation. • Section two (Wakefield Park to John St) planning and preparation for public consultation.	Island Bay to City Cycle route: • Section one (Shorland Park to Wakefield Park) design and consultation completed. Committee agreed to final design. • Section two (Wakefield Park to John St) planning and preparation for public consultation.	Island Bay to City cycle route: • Council vote deferred while cycling masterplan is developed in more detail.	
			Johnsonville road improvements: • Broderick Rd Bridge construction started.	Johnsonville road improvements: • Broderick Rd Bridge construction continues.	Johnsonville road improvements: • Broderick Rd Bridge construction continues. • State Highway One off-ramp work commences. • Other work commences: Signal works, street and crossing upgrades, and pedestrian and cycling improvements.	Johnsonville road improvements: • Broderick Rd Bridge construction completed. • State Highway One off-ramp work continues. • Other work continues: Signal works, street and crossing upgrades, and pedestrian and cycling improvements.
		Public Transport Spine: • Undertake core spine assessments to determine physical corridor constraints and detailed assessment of core routes based on integration with the Council's cycle planning.				

APPENDIX 1: QUARTERLY REPORT

1 October 2014 – 31 December 2014

PERFORMANCE SUMMARY: BY ACTIVITY AREA

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1. GOVERNANCE

Pārongo ā-Tāone

We want to maintain confidence in our decision-making.

We have an obligation to ensure the views of Māori and mana whenua are heard.

WHAT WE DO

- Governance, information and engagement
- Māori and mana whenua partnerships.

SIGNIFICANT VARIANCES TO PERFORMANCE¹:

SERVICE DELIVERY

Measure	Actual	Target	Var	Variance explanation
Council, committee and subcommittee reports that are made available to the public five days prior to the meeting (%)	68%	80%	(15%)	We achieved an 80% result for this measure in the second quarter. We continued to achieve 100% for our statutory target to making reports available two days prior to meetings.
Satisfaction with City Archive services and facilities	100%	90%	11%	

NET OPERATING EXPENDITURE

Activity	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
1.1 Governance, Information & Engagement	7,307	7,147	(160)	14,031	14,213
1.2 Māori Engagement (mana whenua)	67	112	46	225	225
TOTAL	7,374	7,259	(114)	14,256	14,438

CAPITAL EXPENDITURE

No significant variances.

¹ Areas where performance varied from budgeted expectations by more than 10%.

2. ENVIRONMENT

Taiao

We aim to protect and enhance Wellington's natural environment.

WHAT WE DO

- Gardens, beaches and green open spaces
- Waste reduction and energy conservation
- Water
- Wastewater
- Stormwater
- Conservation attractions.

HIGHLIGHTS OF THIS QUARTER

Gardens and green open spaces

- Our Natural Capital - Wellington's draft Biodiversity Strategy and Action Plan was approved by the Environment Committee for public consultation.
- 10,000 plants were collected by residents for planting in the road reserve or reserve adjoining their property.
- Pest Fest was held at Waitangi Park during Conservation Week. It was attended by over 800 people with 300 ecosourced native plants swapped in return for weeds from people's gardens.
- Otari Wilton's Bush won an international Green Flag Award from the Parks Forum
- We completed consultation on the draft Suburban Reserves Management Plan. We received more than 250 submissions and two online petitions.
- We completed preparation for the WW1 poppy field sowed seeds on the Remembrance Ridge site in the Botanic Garden.
- The Truby King Open Day was held in early November. The 1-3pm sessions in the house and in the garden were fully subscribed.
- The Lady Norwood Rose Garden was nominated for a World Rose Federation Award.
- The 2014 Botanic Gardens Management Plan was approved and signed off by Councillors
- We completed track and trail work in Centennial Reserve, Pohill Reserve, Mt Victoria, Skyline Walkway, and Trelissick Park.
- The Welly Walks app was updated by Positively Wellington Tourism. New walks are in development by teams across council.

Climate change and smart energy

- Smart Energy challenge – the pilot challenge won the renewables innovation category at the National NZI Sustainable Business Network Awards and the 2015 Smart Energy Challenge is underway.
- Smart Energy challenge – Aro Solar installed a solar PV system on the Aro Valley Community Centre and went through the Live the Dream social enterprise accelerator programme this summer to help take their concept to the next stage.
- Four schools received solar panel installations as part of the Council's funding partnership with Genesis Energy to bring the Schoolgen programme to Wellington.

- Energy assessments were piloted in five Wellington office buildings as part of the Smart Building's Challenge, a funding partnership between Council and EECA, aiming to help property owners reduce energy use and make better use of building data.

Water, wastewater and stormwater

- We renewed water mains in Frederik St, Adelaide Rd/King St, The Esplanade, Houghton Bay Rd, Hungerford Rd and Hobart St.
- We improved the earthquake resilience of the Churton North reservoir.
- We renewed sewer drains in Cambridge Tce, Crofton Rd, Cecil Rd, Harrold st, Herald Tce and Ross St.
- Stormwater drains were replaced in Rixon Grove and Coombe Street.

Conservation attractions

- Celebrations were held in December to celebrate the 5th birthday of The Nest Te Kōhanga, the Zoo's award-winning animal hospital and centre for native wildlife.
- Do at the Zoo, the Zoo's annual celebration of Conservation Week was held on November 8. Highlighting the Zoo's international conservation projects and the links between Wellington Zoo and the rest of the world, over 1,700 visitors attended this event.
- We had 1,340 ZEALANDIA by Night visits for the quarter.
- The first known successful Tieke (Saddleback) nest outside the sanctuary was recorded during the quarter.

SIGNIFICANT VARIANCES TO PERFORMANCE²:

SERVICE DELIVERY

Measure	Actual	Target	Var	Explanation
Visitors to Otari-Wilton's Bush	43,082	38,752	11%	A new marketing campaign highlighted Otari-Wilton's Bush. We also had an increase in cruise ship visitors and tour groups.
Visitors to Botanic Garden	714,209	651,638	10%	We had an increase in visitors during the Spring Festival partly due to good weather. We also had an increase in cruise ship visitors.
WCC Corporate energy use: main CCOs	4,260,780	5,576,780	24%	In previous years this measure included Wellington Waterfront Limited, which is now included in the WCC general result
WCC Corporate energy use: WCC general	10,729,322	9,664,410	(11%)	This result now includes City Shaper (previously called Wellington Waterfront Limited), which was previously included in the main CCOs result.
Freshwater sites (%) within acceptable faecal coliform counts	81%	95%	(15%)	Investigations are ongoing for the four areas where water quality is poor. We have corrected the faults we have found so far.
Zealandia – education programme attendees	3,813	4,506	(15%)	The Trust expects to achieve its year-end target.

NET OPERATING EXPENDITURE

Activity	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
2.1 Gardens, Beaches and Open Space	13,332	14,032	700	28,308	28,176
Year to date variance is mainly related to the timing of contract spend and savings in rates for the Town belt, where some land has been reclassified for rating purposes.					
2.2 Waste Reduction & Energy Conservation	454	523	70	499	280
Forecast variance relates to contaminated soil revenue which is expected to be below the level assumed.					
2.3 Water	18,203	19,930	1,727	37,294	39,879

² Areas where performance varied from budgeted expectations by more than 10%.

**ECONOMIC GROWTH AND ARTS
COMMITTEE
17 MARCH 2015**

Year to date and forecast variances relate to savings on insurance costs and depreciation, following the revaluation of infrastructure assets.					
2.4 Wastewater	19,700	20,161	462	40,636	40,377
2.5 Stormwater	8,258	9,324	1,065	17,587	18,647
Year to date and forecast variances relate to savings on insurance costs and depreciation, following the revaluation of infrastructure assets.					
2.6 Conservation Attraction	3,030	3,063	33	6,128	6,126
TOTAL	62,977	67,033	4,057	130,453	133,486

CAPITAL EXPENDITURE

Activity	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
2.1 Gardens, Beaches and Open Space	1,376	1,289	(87)	2,493	3,073
2.2 Waste Reduction & Energy Conservation	206	236	30	979	979
2.3 Water	3,066	5,993	2,927	13,343	13,004
Some projects have started later than anticipated but are expected to be completed by the end of the year.					
2.4 Wastewater	1,951	3,304	1,353	7,745	7,745
Some projects have started later than anticipated but are expected to be completed by the end of the year.					
2.5 Stormwater	2,860	2,300	(560)	4,255	4,255
Programme is ahead of schedule.					
2.6 Conservation Attraction	543	1,036	493	4,160	4,160
Year to date variance is timing related. All projects are due to be completed by the end of the year.					
TOTAL	10,002	14,159	4,156	32,976	33,216

3. ECONOMIC DEVELOPMENT

Whanaketanga ōhanga

By supporting city promotions, events and attractions, we underscore Wellington's reputation as a great place to live and visit.

WHAT WE DO

- City promotions and business support

HIGHLIGHTS OF THIS QUARTER

Venues

- We commissioned a review of the city's major entertainment venues as part of the initial work to determine the feasibility of an indoor arena.

Events

- WOW had record audiences with two extra shows and 55,000 attendees.
- On November 15, we hosted the final of the rugby league four nations tournament, which was won by the Kiwis.
- Capital Christmas activation – the city was festive with Christmas dressing on the iconic Wellington Railway Station and Cable Car. Street performances throughout December brought the CBD shopping quarters alive.

Destination Wellington

- A large multi-national subsidiary have confirmed Wellington for their web development team
- Disney confirmed Wellington as their filming destination for *Pete's Dragon*, creating 300 jobs for five months.
- Legendary pictures confirmed Wellington as their filming destination for *KRAMBUS*.

Wellington Museums Trust

- Museums Wellington and Capital E had a very successful collaboration with the Celebrating Everything Polish Festival – welcoming around 5,000 visitors across both sites.
- Capital E's monthly movie collaboration with New Zealand Children's Film Foundation was popular with additional screenings being added to meet demand and completely selling out during the December season.
- Capital E's October School Holiday Programme - Book Bazaar – had 1,200 attendees and Wishful Woodland in December attracted over 1,100 visitors and volunteers to help partner charity, Foster Hope.
- City Gallery hosted a special reception for the artists and gallerists from this year's Maori Art Market; and the final day of the Hotere exhibition drew a capacity crowd.

Innovation

- We participated in a consortium response to the Government's ICT Graduate School request for Expressions of Interest.
- We supported Wellington's first civic hackathon in Miramar.

Tourism

- In December Jetstar announced that it will introduce four flights a week from Wellington to Melbourne, commencing in March 2015.
- Jetstar flights between Wellington and Gold Coast commenced in December.
- Fiji Airways announced a year-round direct route between Wellington and Nadi in December.
- The cruise ship season commenced on 7 October, with almost 80 cruise ship visits expected this season.

SIGNIFICANT VARIANCES IN PERFORMANCE³:

SERVICE DELIVERY

Measure	Actual	Target	Var	Explanation
Estimated attendance at Council supported events	186,564	165,000	13%	Estimated attendance at the LUX festival in the first quarter was above target.
Te Papa visitors	553,564	639,500	(13%)	

NET OPERATING EXPENDITURE

Description	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
3.1 City Promo & Business Support	11,667	12,134	467	24,511	23,774
Year to date favourable variance is mainly due to delays in the payments of some grant-related funding that will now occur in the second half of the year. The forecast adverse variance relates to the Council-approved overspend for the Major Events Fund.					
TOTAL	11,667	12,134	467	24,511	23,774

CAPITAL EXPENDITURE

Outcome Description	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
3.1 City Promo & Business Support	424	1,002	577	2,471	2,471
Under budget on Positively Wellington Venues projects - TSB Arena and other venues renewal works are behind schedule. Costs are expected to be in line with budget at year end.					
TOTAL	424	1,002	577	2,471	2,471

³ Areas where performance varied from budgeted expectations by more than 10%.

4. CULTURAL WELLBEING

Oranga ahurea

Supporting arts activity adds vibrancy to the city as well as promoting inclusive, tolerant and strong communities.

WHAT WE DO

- Arts and cultural activities

HIGHLIGHTS OF THIS QUARTER

- More than 10,000 people attended the Diwali Festival with a strong representation of the local Indian Community as well as international performers.
- Sky Show attracted more than 100,000 people. The show was moved to the Saturday after Guy Fawkes day to make it easier for families to attend.
- Santa Parade was attended by 65,000 people with more than 6,000 people attending the Santa's After Party at Frank Kitts Park.
- The free multimedia event "Lest We Forget" occurred during the 100 year anniversary of troops leaving New Zealand for World War One. More than 50 wall stories were put up around the city and a projection show was exhibited in key three historic sites.
- Approximately 10,000 attendees attended the New Year's Eve celebrations with the Wellington Orchestra and fireworks being highlights.
- 26 arts and cultural projects, including events, performances and workshops were funded a total of \$109,000 during this quarter.
- Sheyne Tuffery's railway-inspired large scale mural on the facade of Johnsonville Countdown on Moorefield Road was launched in December. A zoo inspired mural on a bus shelter at Rintoul Street, Newtown was designed and painted by local artist Michelle Carlton.
- Toi Pōneke delivered five exhibitions – 1260 by Justine Fletcher, Shadows Out Of Time by Natalie Smith, Cahoot by Whitireia NZ students, Handshake 2 by thirteen NZ art jewellers exhibiting experimental work, Toi Pōneke Residents Exhibition.
- The Toi Pōneke 2015 Gallery Exhibitions and Whitireia NZ Artist and Resident were selected.
- We decided to fund four projects under the Public Art Fund. They are Remembrance by Chris Bennewith, Rainscape by Debbie Fish, Time Machine by MOM (Margarita Ianev) and The Mokopuna Island Project by Mike Ting
- Kedron Parker's soundscape, Kumutoto Stream, became a permanent installation in Woodward St Tunnel.
- A new exhibition, Huts of Welling Town by artists Kemi & Niko & Co. was installed in the Courtenay Place Park light boxes in December.
- The international contemporary artist Christian Thompson was the first artist to work and exhibit at Te Whare Hēra Gallery, the visual space dedicated to the Wellington International Artist Residency programme, which opened in December.
- We selected new artworks by Lucien Rizos, Shannon Te Ao and Shaun Waugh for the City Art Collection.

SIGNIFICANT VARIANCES IN PERFORMANCE⁴:

SERVICE DELIVERY

Measure	Actual	Target	Var	Explanation
Total visits to museums and galleries (including Carter Observatory)	321,025	291,562	10%	There were a number of very successful public programmes this quarter, including Celebrating Everything Polish Festival and The Big Halloween. Both of these programmes were collaborations between the Museum of Wellington City & Sea and Capital E.
Estimated attendance at Arts and Cultural festivals	325,910	294,000	11%	Results bolstered by attendance for Skyshow (150,000) and the Santa Parade (70,000)

NET OPERATING EXPENDITURE

Outcome Description	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
4.1 Galleries and Museums	10,067	9,394	(673)	18,000	17,190
Year to date and forecast unfavourable variances relate to the Council-approved overspend for the Community Events Programme.					
TOTAL	10,067	9,394	(673)	18,000	17,190

CAPITAL EXPENDITURE

Outcome Description	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
4.1 Galleries and Museums	3	1,261	1,258	2,321	2,321
Year to date variance is timing related with all projects expected to be completed by the end of the year.					
TOTAL	3	1,261	1,258	2,321	2,321

⁴ Areas where performance varied from budgeted expectations by more than 10%.

5. SOCIAL AND RECREATION

Pāpori me te hākinakina

We provide a wide range of services throughout the city to encourage quality of life and healthy lifestyles.

WHAT WE DO

- Recreation promotion and support
- Community support
- Public health and safety.

HIGHLIGHTS OF THIS QUARTER

Recreation promotion and support

- We hosted the New Zealand under 14 Water Polo Champs, Wellington Regional Swim Champs, Boccie Nationals, Le Penina Pacifica Tournament, North Island Junior Volleyball Champs, International Handball Federation Trophy Oceania, NZ Futsal National League and Football Remembers 1914-2014.
- We hosted NZ Fiji Football tournament and NZ Community Football Cup at Wakefield Park, So They Can - Charity fun run at Newtown Park and a National Age Group Football Tournament at various parks.
- We finished replacing the roof on the Newtown Park grandstand.
- We completed renewal works at Martin Luckie Pavilion.
- We completed renewal of the Hazlewood Ave play area and Makara Model School playgrounds.
- We won two awards for the South Coast Kids Track, through the Wellington Airport Community Awards and New Zealand Recreation Association.

Community support

- We officially opened the upgraded Berkeley Dallard and Etona Apartments.
- We were highly commended by the International Association for Public Participation for our engagement work with housing tenants. We were also highly commended at the NZ Open Source Awards for our computer hubs which give housing tenants free access to use computers and internet with support.
- In November the Community, Sport and Recreation Committee agreed that the Johnsonville Library project proceed to the design phase for a new library, developed as a community hub together with the Johnsonville Community Centre and Keith Spry Pool, subject to final funding decisions in the Long Term Plan.
- In December we ran a cans for fines promotion. Over 3,000 cans were collected with \$3 being waived for each can received. All cans were passed to local food banks.
- We funded 27 community projects (allocating \$89,648) through the Social and Recreation Fund.
- The Thistle Hall community centre and the free community-based computer hub, Smart Newtown, reopened after earthquake strengthening work was completed.
- We selected 340 Cricket World Cup volunteers for Wellington.
- We installed four emergency water tanks in schools.
- In conjunction with Barrier Free Trust, we developed a simple-to-use web guide to assist in

integrating accessibility into building upgrades and maintenance. This is the first of its kind in the country (see barrierfreenz.org.nz/tools/best-practice-accessibility-guidelines.html)

Public Health and safety

- Local Host started their service in the Newtown, Kilbirnie and Miramar
- We are working in partnership with the Central Neighbourhood Policing Team on a number of initiatives including the “Eyes On” shoplifting prevention pilot also working with Cuba Street retailers (30 shops so far)
- We are partnering with the Department of Corrections to use the community probations team to assist with Graffiti removal – especially managing the graffiti on the network of military bunkers
- We partnered with NEC to host a series of workshops at the NEC Innovation Centre to explore Safe City solutions for Wellington – particularly using smart technologies. This has resulted in an innovative pilot project – using the Cuba Precinct as a living lab.

SIGNIFICANT VARIANCES IN PERFORMANCE⁵:

SERVICE DELIVERY

Measure	Actual	Target	Variance	Variance Explanation
Sports fields – % of scheduled games that are played	88%	80%	10%	Lower demand and favourable winter weather resulted in fewer restrictions and closures.
Artificial sportsfields % utilisation: off peak winter	25%	15%	67%	Winter sports tournaments and school holiday programmes increased use of facilities.
Artificial sportsfields % utilisation: peak winter	68%	80%	(15%)	Opening of the Alex Moore Park turf increased availability of facilities, which decreased utilisation overall.
College artificial sports fields % utilisation for WCC hours: winter	56%	80%	(30%)	There was a reduction in peak weekend use due to more sport being played on the new Alex Moore Park turf.
Visits to facilities: ASB Sports centre (peak)	156,208	179,408	(13%)	Weekday evening usage reduced after two leagues were withdrawn for the period. Weekend daytime usage was moderate although it was expected given the season.
ASB Sports Centre courts utilisation (off-peak)	39%	35%	11%	The youth in sport programme is keeping off-peak usage above target.
ASB Centre courts utilisation (peak)	48%	71%	(32%)	Weekday evening usage reduced after two leagues were withdrawn for the period. Weekend daytime usage was moderate although it was expected given the season.
Libraries website visitor sessions	1,821,377	600,000	204%	In 2012/13 we changed the measurement methodology. We expected results to decrease and we reduced the target accordingly. The expected decrease has not occurred and we will review the target during the development of the next long-term plan.
Library programmes – estimated attendees	40,809	35,000	17%	This year, we increased the target for this measure but results are still above forecast. We will review the target during the development of the next long-term plan.
Number of uses of Leisure Card	60,253	50,209	20%	Use is consistent with the same period last year.
Occupancy rates (%) of Wellington City Council Community Centres and Halls	37%	45%	(18%)	We changed the methodology for this measure, which now combines community centres and community halls. We also set a new stretch target that we will struggle to meet by year-end.

⁵ Areas where performance varied from budgeted expectations by more than 10%.

Item 2.2 Attachment 2

Measure	Actual	Target	Variance	Variance Explanation
Dog control – complaints received (5 of registered dogs)	2%	3%	22%	Reduction in complaints in November and December is likely due to dogs being in kennels or being taken on holiday.
Percentage of planned inspections carried out for high-risk premises (category 3)	60%	50%	20%	After a slow start to the year, we are on track to achieve this target at year end.
Percentage of inspections carried out for high-risk premises (category 3) carried out during high trading hours.	30%	25%	18%	After a slow start to the year, we are on track to achieve this target at year end.

NET OPERATING EXPENDITURE

Outcome Description	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
5.1 Recreation Promotion & Support	13,859	12,812	(1,047)	26,142	25,126
Revenue is unfavourable mainly in the fitness centres and the ASB Sports centre. Also labour costs are over budget partly due to the introduction of the Wellington Wage. This has meant a higher allocation of corporate overheads to this activity.					
5.2 Community Support	7,924	9,010	1,086	11,595	16,821
Under budget primarily due to Social Housing. The key variances are the timing of the recognition of the Crown grant for the Housing Upgrade Project and savings in interest, insurance and depreciation.					
5.3 Public Health and Safety	4,376	4,111	(265)	8,616	8,281
Over budget due to additional labour costs which has also flowed through to a higher allocation of corporate overheads to this activity.					
TOTAL	26,159	25,933	(226)	46,353	50,228

CAPITAL EXPENDITURE

Outcome Description	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
5.1 Recreation Promotion & Support	3,982	4,250	269	7,243	7,243
Under budget due to the Keith Spry Pool Upgrade and Renewal works being slightly behind schedule.					
5.2 Community Support	9,959	12,195	2,235	26,203	22,222
Under budget due to Housing works behind budget. This relates to both the Housing Upgrade Project and renewal work. The Housing Upgrade Project is currently expected to be ahead of schedule by year end.					
5.3 Public Health and Safety	948	666	(282)	1,090	1,310
Over budget as work is ahead of budgeted schedule.					
TOTAL	14,889	17,111	2,222	34,537	30,775

6. URBAN DEVELOPMENT

Tāone Tupu Ora

Our focus is on enhancing Wellington as a compact, vibrant, attractive and safe city that is built on a human scale and is easy to navigate.

WHAT WE DO

- Urban planning, heritage and public spaces development
- Building and development control.

HIGHLIGHTS OF THIS QUARTER

- An application was received for a 5 storey commercial building on Site 10, Wellington Waterfront. The application includes the creation of public open space on the adjoining site. The applicant has requested direct referral to the Environment Court.
- The first tranche of special housing areas approved by Council in the first quarter have now been approved by Government as part of the implementation of the Wellington Housing Accord.
- We have been working with Bond Street residents and retailers to coordinate the Bond Street activation project. Retailers are developing a street webpage to leverage off the project.
- The Civic Square beach installation has seen high volumes of young people using the square.
- We completed concept designs for a green wall that will be installed into Civic Square to promote the use of vertical gardens and sustainability in the city. A green wall conference is planned for later in the year.

SIGNIFICANT VARIANCES IN PERFORMANCE⁶:

SERVICE DELIVERY

Measure	Actual	Target	Var	Variance Explanation
Land Information Memorandums (LIMs) issued within 10 days	80%	100%	(20%)	We have received record numbers of applications for the year-to-date, which has affected our performance. Results improved in December 2014 as we focused on improving our performance and the number of applications reduced.
Noise control (excessive noise) complaints investigated within one hour	99%	90%	10%	All but four of the 502 noise complaints received were investigated within one hour.
Resource consents that are monitored within three months of project commencement	99%	90%	10%	This quarter all resource consents were monitored within three months of project commencement.
Earthquake strengthened council buildings: programme achievement	Partially-Achieved	Achieved	n/a	Work on the Town Hall and Portico are ongoing.

⁶ Areas where performance varied from budgeted expectations by more than 10%.

NET OPERATING EXPENDITURE

Description	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
6.1 Urban Planning and Policy	5,124	5,822	698	11,358	11,951
Year to date and forecast favourable variances relate to higher than budgeted Waterfront property lease and parking revenue, including the unbudgeted naming rights income for TSB Arena.					
6.2 Building & Development Control	4,373	3,488	(884)	7,884	7,319
Building and Resource Consent volumes and income lower than budgeted.					
TOTAL	9,496	9,310	(186)	19,242	19,270

CAPITAL EXPENDITURE

Description	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
6.1 Urban Planning and Policy	4,531	3,543	(988)	17,935	17,500
Current variance is predominantly due to timing of expenditure on the Parliamentary Precinct and Victoria Street projects. Forecast variance is predominantly due to additional expenditure on the Parliamentary Precinct project which is funded by unbudgeted external grant revenue.					
6.2 Building & Development Control	2,222	3,891	1,669	5,558	5,558
Under budget as the Earthquake Strengthening programme is behind schedule.					
TOTAL	6,753	7,434	681	23,493	23,058

Item 2.2 Attachment 2

7. TRANSPORT

Waka

We manage the transport network so it is sustainable, safe and efficient.

WHAT WE DO

- Transport
- Parking.

HIGHLIGHTS OF THIS QUARTER

Parking

- The planning for the Parking Sensor Trial has been completed with an initial install of the sensors to be completed early in 2015. The trial will conclude late June 2015 with results presented thereafter.

Transport

This quarter we:

- completed 7.7 km of footpath renewals and 3.8 km kerb and channel renewals
- replaced or fitted 150 raised road markers (cat's-eyes) repainted 207 Traffic Arrows and 103 km of centre-line or solid white line
- repaired or replaced nearly 5,000 signs and poles and 1.5km of handrails
- repaired 10 bus shelters.
- approved 1,530 Corridor Access Requests for utility network maintenance and other temporary activities on the transport network, monitoring activity as appropriate.
- provided 505 approvals for significant temporary traffic management plans
- sourced LED street lights to replicate the original design lights for the Kelburn Viaduct. The lights will be fitted in early 2015.

SIGNIFICANT VARIANCES IN PERFORMANCE⁷:

SERVICE DELIVERY

No significant variances.

NET OPERATING EXPENDITURE

Outcome Description	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
7.1 Transport	18,654	19,432	778	38,912	39,114
Year to date variance is mainly timing related.					
7.2 Parking	(7,064)	(7,061)	3	(13,877)	(14,086)
Currently in line with budget. However revenue from parking enforcement is under budget and is expected to be unfavourable to budget at year-end. This is being offset by lower than anticipated labour costs and other savings in general operating costs.					
TOTAL	11,591	12,371	781	25,035	25,028

⁷ Areas where performance varied from budgeted expectations by more than 10%.

CAPITAL EXPENDITURE

Item 2.2 Attachment 2

Outcome Description	YTD			Full Year	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000
7.1 Transport	17,474	18,259	785	43,603	39,623
Forecast variance relates to the Johnsonville triangle project and is funded by unbudgeted NZTA revenue.					
7.2 Parking	53	30	(23)	180	180
TOTAL	17,527	18,289	762	43,783	39,803

WW100 PROGRAMME UPDATE

Purpose

1. This report provides an update to the Committee on the WW100 programme, particularly in relation to the commemorations around Anzac Day.

Summary

2. This report provides an update to the Committee on the WW100 programme, particularly in relation to the commemorations around Anzac Day. The presentation at the committee meeting will provide additional detail.

Recommendation

That the Economic Growth and Arts Committee:

1. Receive the information.

Background

3. As the capital of New Zealand, the WW100 programme and, particularly, the “Anzac Week” centenary commemorations provides a unique opportunity for Wellington to work alongside central government and assert ourselves as the lead city in the nation's commemorations of the First World War.

Discussion

4. As part of the Anzac Week Project Team, Wellington City Council has been working as a key partner with the Ministry for Culture and Heritage (MCH), the New Zealand Defence Force (NZDF), the Ministry for Foreign Affairs and Trade (MFAT), and the Department of Internal Affairs (DIA) (through its Visitors and Ceremonial Office). The Council is also collaborating with MCH on the exhibition *The Great War* at the Dominion Museum building.
5. The Mayors Advisory Group has been operating for one year and is composed of representatives of MCH, Parliamentary Services, an external communications advisor, two Councillors and the Wellington branch of the Royal New Zealand Returned Services Association (RSA).
6. A WW1 community funding programme within the Council's community team has also been established.
7. In relation to the comprehensive programme to be run as "Anzac Week" 2015, the Council is working as a strategic partner with the New Zealand Government, the New Zealand Defence Force, and the Royal New Zealand Returned Services Association.
8. The week of remembrance will begin on 18 April 2015 with three significant openings:
 - the opening of Pukeahu National War Memorial Park,
 - the opening of the exhibition *The Great War* in the Dominion Museum, and
 - the opening of the exhibition *Gallipoli – The Scale of Our War* at Te Papa Tongarewa.

9. The broader “Anzac Week” programme includes:
- The final completion of the Cenotaph refurbishment project, of which \$381,940 was secured through the WW100 Lotteries Board Grants.
 - A City Council organised street parade on 24 April from Parliament to Pukeahu National War Memorial Park, featuring vintage World War I vehicles and memorabilia, bands, NZDF personnel, descendants from the Arras Tunnellers, and visiting French sailors.
 - The Dawn Service on 25 April begins at 5.30am and includes the Wellington Citizens Wreath Laying Service at the Cenotaph at 9am and the National Service of Commemoration at Pukeahu National War Memorial Park at 11am.
 - At 1pm, the Anzac Day AFL game between St Kilda and Carlton is on at Westpac Stadium.
 - At 2.30pm a live feed from the Dawn Service from Gallipoli will be shown on big screens at Pukeahu National War Memorial Park.
 - Images of World War One, including the Gallipoli campaign, the Anzac relationship, and our history of conflict, resolution and peacekeeping, will come to life in *WWI Remembered: A Sound and Light Show* at Pukeahu National War Memorial Park from 7-10pm nightly from 18 to 25 April inclusive.
 - A joint project with the Fields of Remembrance Trust will result in 866 white crosses (commemorating the Wellingtonians who lost their lives in 1915) being placed on the Salamanca Lawn in the Botanical Gardens from 8 to 28 April.
10. The WW100 commemoration programme represents a funding partnership between the Council and central government. The Council funding of the programme in 2014/15 is \$405k and there is an additional \$328k of funding from the Lotteries Board WW100 Grants.
11. The formation of strong partnerships with Government, along with being a leader in the strategic planning for major events at a central government level, are identified as key goals in the Events Policy. As noted in earlier reports, the WW100 commemoration has been identified by central government as an important national event, and is providing Wellington with an excellent opportunity to demonstrate leadership in this area, and to coordinate with key stakeholders such as MCH, Te Papa, Nga Taonga, Government Archives, and Alexander Turnbull Library, thereby asserting the capital's importance and significance. The Council's WW100 commemoration programme also aligns with the goal to reinvigorate the capital city cultural experience in the Council's Arts and Culture Strategy.
12. In addition, this programme of work, combined with related projects, such as the Cenotaph upgrade and National Memorial Park, will provide the city with an important and exciting portfolio of legacy assets.

Attachments

Nil

Author	Dilys Grant, Project Manager
Authoriser	Derek Fry, Director City Growth & Partnerships

SUPPORTING INFORMATION

Consultation and Engagement

A significant stakeholder group is involved in planning and coordinating the city's WW100 programme, including MCH, NZDF, MFAT, and DIA. WCC is a key contributor to this group. A community engagement programme is in place.

Treaty of Waitangi considerations

WCC is working with our iwi partners and the Council's Treaty Team on various components of the Anzac Week programme.

Financial implications

In 2014/15, this project is being partially funded from an approved Council overspend and partially from the WEID fund. External funding contributions from the Lotteries Board and central government are also contributing to the WW100 programme.

Policy and legislative implications

This programme fits with the Council's objectives as set out in its Events Policy and its Arts and Culture Strategy.

Risks / legal

Standard event risk planning has occurred in relation to the planned events programme.

Climate Change impact and considerations

No direct implications.

Communications Plan

Communications are being coordinated with MCH's Anzac Week Communications Manager and the various government agency communications teams.

UPDATE ON PROJECTS

Purpose

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

Recommendation

That the Economic Growth and Arts Committee:

1. Receive the information.

Discussion

2. The Director of City Growth and Partnerships will update the Committee on a number of projects currently underway. There will also be a presentation by the Manager of City Shaper on some of the projects that his team is currently working on.

Attachments

Nil

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