

**ORDINARY MEETING**

**OF**

**ENVIRONMENT COMMITTEE**

**AGENDA**

Time: 09:15 am  
Date: Thursday, 23 June 2016  
Venue: Committee Room 1  
Ground Floor, Council Offices  
101 Wakefield Street  
Wellington

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**MEMBERSHIP**

Mayor Wade-Brown  
Councillor Ahipene-Mercer  
Councillor Coughlan  
Councillor Eagle  
Councillor Foster  
Councillor Free  
Councillor Lee  
Councillor Lester  
Councillor Marsh  
Councillor Pannett (Chair)  
Councillor Peck  
Councillor Ritchie  
Councillor Sparrow  
Councillor Woolf  
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](mailto: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.*

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## **AREA OF FOCUS**

The Committee will focus on climate change initiatives, enhancing the city's open spaces, protecting biodiversity in plant, bird and animal life, and ensuring there are high quality outdoor areas for residents and visitors to enjoy. The committee is also responsible for waste minimisation, energy efficiency and the three waters (drinking water, stormwater and wastewater).

**Quorum:** 8 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 26 May 2016 will be put to the Environment 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 Environment 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 Environment Committee.***

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



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## 2. Policy

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# WASTE MANAGEMENT BYLAW - PROPOSAL TO FORMALISE TERMS AND CONDITIONS

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### Purpose

1. The purpose of this paper is to put in place a new resolution to replace one made in 2011 about suburban kerbside collection of recycling. In doing so it will enable the Bylaw to be enforced appropriately by correctly referencing terms and conditions which had been intended to come into force in 2011. It is an administrative step and does not change the substance of what was agreed in 2011.

### Summary

2. On 20 April 2011 and in regard to the paper *Suburban Kerbside Collection of Recycling: Conditions for New Method*, the Council resolved to 'adopt the terms and conditions for Council collection of kerbside recycling in suburban areas, which have been incorporated into the existing terms and conditions under clause 4.2.1, Part 9 (Waste Management), Consolidated Bylaws 2008 as detailed in appendix two of these minutes of the Committee.'
3. However, the resolution was not referenced correctly as there was no appendix two. Legal advice has stated that as the resolution was incorrect there are concerns about the validity of the resolution.
4. The issue is not with the substance of the Bylaw or the Terms and Conditions, but due to the inadvertent error (referencing the wrong document), the existing Terms and Conditions were not actually formalised by the Council.
5. Legal advice is that the Terms and Conditions now need to be correctly adopted to ensure that they can be enforced, if required. Therefore it is recommended that the Council make a new resolution to correctly refer to the Terms and Conditions. The Terms and Conditions are attached as Attachment One to this report.
6. The Bylaw allows the Council to set Terms and Conditions for collection services by publicly notified resolution (clause 4.2.1). Once made, the resolution must be made available at Council offices and libraries and on Council's website (clause 6.1).
7. This has been referred to this Committee as the first step in this process.

### Recommendations

That the Environment Committee:

1. Receive the information.
2. Recommend to Council that it adopt the Terms and Conditions for collection of kerbside recycling in suburban areas as detailed in Attachment One of this report and that it revoke any previous Terms and Conditions.
3. Agree the date these Terms and Conditions come into force is the day after the date the Council resolves to adopt the Terms and Conditions.

**Options**

- 8. Adopt the recommendations as Legal advice is that the Terms and Conditions need to be correctly adopted to ensure that they can be enforced, if required.
- 9. Not adopt the recommendations and therefore the terms and conditions will remain not formalised by Council.

**Next Actions**

- 10. Agree the above recommendations and refer this to Council.

**Attachments**

Attachment 1. Terms & Conditions - Waste Management

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Author	Carolyn Dick, Senior Advisor
Authoriser	Greg Orchard, Chief Operating Officer



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## **SUPPORTING INFORMATION**

### **Consultation and Engagement**

Consultation has taken place with officers from the Specialist Advice and Compliance and Democratic Services teams. Legal advice has also been sought.

### **Treaty of Waitangi considerations**

None arising from this paper.

### **Financial implications**

None arising from this paper.

### **Policy and legislative implications**

Putting the replacement resolution in place will enable the Bylaw to be enforced appropriately by correctly referencing terms and conditions which had been intended to come into force in 2011.

### **Risks / legal**

Legal advice is that the Terms and Conditions need to be correctly adopted to ensure that they can be enforced, if required.

### **Climate Change impact and considerations**

None arising from this paper.

### **Communications Plan**

A communications plan will be developed if required.



## ATTACHMENT ONE

### Part 9: Waste Management - Terms & Conditions

#### Terms & Conditions for Collection Services & Landfill Use

These terms and conditions for collection services and landfill use were made by resolution pursuant to clause 4.2.1. of the Wellington City Consolidated Bylaw 2008 Part 9 - Waste Management.

#### 1. Introduction & Commencement

- 1.1 These are Council resolutions made pursuant to the Wellington City Council Consolidated Bylaw 2008: Part 9 - Waste Management, and should be read in conjunction with it.
- 1.2 These resolutions shall come into force on *[the day after the date on which Council resolves to adopt the Terms and Conditions]*

#### 2. Terms & Conditions for Collection Services

- 2.1 The Council has approved the following 'official containers' for use for Council collection services:

- (a) yellow pre-printed plastic bags intended for non-divertible waste
- (b) green plastic bins (45 litres) for divertible material
- (c) white plastic bags for divertible material.

And, in respect of Council collection of recyclable materials from suburban Areas (see clause 2.9):

- (d) "Approved container for glass" - a 45 litre green crate embossed, inter alia, with the following: "for the collection of domestic recyclables only" and "this bin and the recyclables remain the property of Wellington City Council"
- (e) "Approved containers for other recyclable materials", either:
  - A 140 litre Mobile Recycling Bin (MRB, commonly referred to as a "wheelie bin") issued by Wellington City Council and branded with the Wellington City Council logo; or
  - A 70 litre clear plastic bag branded with the Wellington City Council logo and printed with the following "official suburban recycling bag".

- 2.2 No person shall:

- (a) put or cause or allow anyone else to put waste or divertible material or a collection container for waste or divertible material, approved or otherwise, in a public place other than during the permitted times, as stated in clauses 2.9.5, 2.9.6 and 2.12, as applicable, without the prior written permission of the Council

- (b) allow or cause anyone else to allow the placement of waste or divertible material, including hazardous substances and building materials, in a public place in such a manner as to create a risk to members of the public
- (c) allow or cause anyone else to allow any leakage, spillage or fugitive (wind-blown) waste or divertible material to be released from their containers onto public places.
- 2.3 No one shall put or cause or allow anyone else to put into any container for collection any hazardous substance, including those that require special handling as defined by the Hazardous Substances and New Organisms Act 1996, the most common of which are listed below:
- (a) explosive or any highly flammable material
- (b) radioactive material, asbestos or paint
- (c) trade refuse, offal, dead animals or infectious matter
- (d) any waste removed from any part of a drainage or sewerage system
- (e) hot ashes. Cold ashes must be well wrapped to protect anyone handling the bag from the risk of breathing ash dust
- (f) unwrapped sharp objects. Any broken bottles, glass items or sharp objects must be well wrapped to protect anyone handling the bag from injury.
- Note to clause 2.3:** Household substances which are excluded from the collection services may be taken to the Hazardous Waste Storage Facility at the Southern Landfill.
- 2.4 No person shall put out any approved container, other than an approved 140 litre Mobile Recycling Bin, for Council collection that, with contents, weighs more than 15 kilograms.
- 2.5 Waste or divertible material must be correctly separated and treated before being put into approved containers, or public litter or recycling bins, for collection. Divertible material put out for collection must be clean, and not contaminated by food or other organic material which may attract rats or disease.
- 2.6 The following may be placed in approved containers for collection:
- (a) aluminium cans - wash and squash
- (b) steel – wash and squash where possible
- (c) glass bottles and jars – washed and lids removed
- (d) plastic bottles – all grades except polystyrene - wash, squash and remove the lids
- (e) cardboard and paper unless it is waxed, foil backed, or has plastic or food on it.
- 2.7 Approved containers put out for collection must securely contain all material within the container and be placed:

- (a) as close to the kerb as possible, or in line with any permanent obstructions, without obstructing the footpath or carriageway
- (b) directly in front of the residence or premises discarding the refuse, where possible
- (c) out at times consistent with 2.12 (a) or (b)
- (d) out at any other specified place or time as determined by the Council from time to time.

2.8 The following additional material may be put out for collection:

- (a) cardboard - flattened and securely tied with string or tape into bundles under 15kg in weight
- (b) paper of any kind, unless it is waxed, foil backed, or has plastic or food on it - contained in a bag, such as the standard plastic supermarket bags, with handles tied.

2.9 Notwithstanding clauses 2.6, 2.7, 2.8 and 2.12, the following special terms and conditions apply to Council collection of recyclable materials in areas outside the Central Area as defined in the District Plan:

2.9.1 The following types of material are permitted for kerbside recycling:

- (a) Permitted Glass: only the following materials may be placed in an “approved container for glass” for collection: uncontaminated and unbroken bottles and jars with lids or caps removed.

**Note to clause 2.9.1(a):** All others materials are not permitted, including: example: sharp objects, gas canisters, aerosols, batteries); clothing; cardboard and paper; plastics; metals; or anything contaminated with paint, chemicals or petroleum products. Examples of non-permitted glass include: broken glass; pane glass; contaminated glass (for example with paint, petroleum products, chemicals, or organic materials); lightbulbs; fluorescent tubes; automotive glass; laminated glass; ‘Pyrex’ type glass; and ceramics.

- (b) Permitted Other Recyclable Materials: Only the following materials may be placed in an “approved container for other recyclable materials” for collection: uncontaminated paper and cardboard; uncontaminated cans and tins; all grades of uncontaminated plastics except polystyrene (for example meat trays and packaging).

**Note to clause 2.9.1(b):** All other materials are not permitted, including: general waste; all forms of glass; organic waste; hazardous materials (eg. sharp objects, gas canisters, aerosols, batteries); clothing; paper or cardboard that is waxed, foil backed, or has plastic or food on it; or anything contaminated, such as with paint, chemicals, or petroleum products.

- 2.9.2 Approved containers for glass and approved containers for other recyclable materials will be collected on alternate weeks and only on the designated collection days specified by the Council for a geographic location.
- 2.9.3 The Council may vary designated collection days from time to time and will advise affected residents accordingly.
- 2.9.4 Approved containers for glass and approved containers for other recyclable materials put out for collection must securely contain all material within the container and be placed:
- (a) as close to the kerb as possible, or in line with any permanent obstructions, without obstructing the footpath or carriageway
  - (b) directly in front of the residence or premises discarding the material, where possible
  - (c) out at times consistent with clauses 2.9.5 and 2.9.6
  - (d) on a public street
  - (e) out at any other specified place or time as determined by the Council from time to time. Containers must be placed as close as possible to the kerb in a manner that does not unduly restrict pedestrian or traffic access.
- 2.9.5 Containers must be placed at an appropriate pick-up location:
- (a) between the hours of 10pm the day before the designated collection day and 8am on the designated collection day
  - (b) for streets with dispensation for earlier collections, containers must be placed at an appropriate pick up location between the hours of 9pm the day before the designated collection day and 7am on the designated collection day
  - (c) the Council may, from time to time, determine streets with dispensation and will advise affected residents accordingly.
- 2.9.6 Any material that is uncollected, for whatever reason, and all approved containers must be retrieved from the kerbside area by 10 pm on the designated collection day.
- 2.9.7 The Council may declare some streets, or parts of streets, unsafe for collection where it is not possible to safely undertake the collection of containers. There will be no collection of recycling from areas so declared, and approved containers, or any other containers for recycling, must not be placed for collection in the affected area.
- 2.9.8 Where a resident or household fails to comply with the special conditions for Council collection of recyclable materials described in clauses 2.9.1 to 2.9.7, the Council may withdraw collection services and advise the resident or household accordingly. In such circumstances, the resident or household must not place recyclable materials out for collection by the Council.
- 2.10 The containers, and any uncollected waste or divertible material outside of an approved container, intentionally or otherwise, remains the property and

- responsibility of the depositor and is considered litter under the Litter Act 1979 if not removed from the public place.
- 2.11 The noise generated during the collection and placement processes of any waste and divertible material management is subject to the District Plan noise controls requirements at all times.
- 2.12 The permitted times for placing approved containers, and any additional material as set out in clause 2.8, in public places for the collection of waste and divertible material are as follows:
- (a) For the Central Area, as defined in the District Plan, no container, waste or divertible material is permitted in public places between 7.00am and 5.00pm.
  - (b) For all other areas in the District Plan, containers may be put out from 7.00pm on the day preceding collection and must be out before 7.00am, or by the latest time as notified by the relevant service provider, on the day of collection. All containers and any uncollected waste and divertible material are to be removed from the public place by 12 midnight on the day of collection.
- 2.13 The permitted times for the collection of waste and divertible material are as follows:
- (a) Collection is permitted at any time where the operation is completed entirely on private property.
  - (b) Collection activity is not permitted to generate any unreasonable adverse impact on the operation of the transport network or safety. Collection during peak commuter traffic times on Principal, Arterial and Golden Mile roads (as defined under the District Plan) must be avoided. Wellington City Council's Code of Practice for Working on the Road specifies that these peak times are typically weekdays between 7am and 9am and between 4pm and 6pm, and that vehicle and pedestrian traffic may not be disrupted at any time for more than 2 minutes without a Council-approved Temporary Traffic Management Plan.
  - (c) For the Central Area, as defined in the District Plan, collection is permitted 7 days per week between 6.00pm and 7.00am.
  - (d) For all other areas in the District Plan, collection is permitted only on week days and only between 7.00am and 10.00pm.
  - (e) The Wellington City Council may approve variations to collection times for reasons of health, safety or congestion. Requests can be made to the relevant Council Director. Where a request for variation also requires a change in existing collection times, affected parties must be notified and given the opportunity to have their views considered. If a variation is approved, the collection service provider must notify all affected customers in writing of the times for when waste and divertible material must be put out.
- 2.14 The emptying of pedestrian bins in public places in association with street cleaning activity may occur on any day and time.

- 2.15 The provision and maintenance of temporary bins in areas of short-term increased demand, such as for events, may be approved under the Footpath Management Policy 2007.
- 2.16 Inorganic collections, such as community clean-ups at beaches or other public areas, may occur on any day.

### **3. Terms & Conditions for Household Use of the Southern Landfill**

- 3.1 The landfill may operate during the hours as determined by the Council from time to time and published on the Council website.
- 3.2 A full list of material prohibited from disposal into the landfill, but which may be received from households at the Hazardous Waste Storage Facility at the Southern Landfill is to be published on the Council website.
- 3.3 The Council may refuse to accept for disposal to landfill the types of waste and divertible material described in clause 2.3, except that:
- (a) while the landfill is not intended for the disposal of green waste, it will be accepted if necessary. As garden waste emits significant greenhouse gas emissions when disposed to landfill where its decay is anaerobic, home composting is by far the preferred option for this material.
  - (b) sharp objects need not be wrapped.
- 3.4 In addition to the restrictions described in clause 3.3, the Council may also refuse to accept for disposal to landfill:
- (a) cleanfill
  - (b) items and material it considers, at its sole discretion, can reasonably be expected to be diverted from the waste stream.
- 3.5 Commercial operators are also referred to the Collection and Transportation of Waste Bylaw 1997.
- 3.6 The charges for disposing of waste in the landfill and for depositing divertible or hazardous material shall be as determined annually by Council through the Annual Plan process. The Council may make additional charges where special handling and/or storage is necessary, and as required by the Waste Minimisation Act 2008.



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## **SELECT COMMITTEE SUBMISSION ON THE HEALTHY HOMES GUARANTEE BILL (NO 2)**

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### **Purpose**

1. The Government has passed the Healthy Homes Guarantee Bill (No 2) to the Government Administration Select Committee. The Council's draft submission on this Bill is attached.

### **Summary**

2. This Bill being considered by the Select Committee would strengthen the housing quality requirements for rental properties.
3. In addition to the recent changes to the Residential Tenancies Act (1986) (RTA) which added standards for insulation and smoke alarms, this Bill proposes to strengthen the insulation requirements and add standards for
  - methods of heating
  - indoor temperatures
  - ventilation
  - draught stopping, and
  - drainage.
4. The Council supports improved housing quality regulations for rental housing. This has consistently been identified as a major issue within the housing system. Vulnerable parts of the community (low income, seniors, young families etc) tend to be the most affected by these factors and it often results in negative outcomes for individuals and the community.
5. The Council has previously submitted on the changes to the RTA and associated regulatory framework (ENV 11 February 2016). This submission is consistent with the approach taken in that submission.
6. Now that the first steps have been taken by the Government to introduce housing quality measures, officers are continuing to work on options for how the Council can support this framework and improve rental housing quality in Wellington.

### **Recommendations**

That the Environment Committee:

1. Receive the information.
2. Agree to the draft submission as attached in Attachment One.
3. Agree to delegate to the Chair of the Environment Committee and the Chief Executive the authority to amend the submission to include any amendments agreed by the Committee, and any associated minor consequential edits.

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**Next Actions**

7. The submission states that the Council would like to make an oral submission to the Select Committee.
8. Officers are planning to present to the Committee the options for a housing performance implementation plan later this year to support the Government's legislative framework. This builds on the previous work completed on the Rental Warrant of Fitness.

**Attachments**

Attachment 1. Submission to the Select Committee

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Author	Geoff Lawson, Principal Advisor
Authoriser	Kaine Thompson, Manager, Office of the Chief Executive

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## **SUPPORTING INFORMATION**

### **Consultation and Engagement**

Not as part of this submission. However the Council will consult with stakeholders and the community as part of the development of any rental warrant of fitness if this proceeds.

### **Treaty of Waitangi considerations**

Not Applicable. Often Maori are overrepresented in rental housing and improved housing quality will benefit the Maori community.

### **Financial implications**

If the Government introduces new housing quality requirements for rental housing this may have financial implications for the Councils housing stock.

### **Policy and legislative implications**

This supports the Councils development of a rental warrant of fitness. This would provide the Council with the tools to help improve housing quality in Wellington.

### **Risks / legal**

Not Applicable

### **Climate Change impact and considerations**

The development of these regulations may support more effective energy use and heating solutions for rental housing.

### **Communications Plan**

Not as part of this submission. However the Council will consult with stakeholders and the community as part of the development of any rental warrant of fitness if this proceeds.

23 June 2016

Committee Secretariat  
Government Administration  
Parliament Buildings  
Wellington 6140

Attention Healthy Homes Guarantee Bill (No 2) submissions

Select Committee Members

Wellington City Council (the Council) welcomes the opportunity to submit on the Healthy Homes Guarantee Bill (No 2). As a society we have made a big commitment to workplace health and safety and we set high standards for new homes and buildings. We need to do more to lift the health and safety standards for our legacy housing stock and in particular to ensure our rental housing meets these standards.

As in previous submissions on improving housing quality, the Council supports the ongoing work to make all homes warmer, drier and safer, including through the recent changes to the Residential Tenancy Act 1986 (RTA) and the Government's *Warm Up New Zealand: Healthy Homes* programme.

We support this Bill's intent to continue to lift the standard of our rental housing in which more than a third of New Zealanders live and to strengthen further the insulation requirements recently set in the RTA. Rental properties tend to be where the greatest concerns about housing quality occur and are the homes of our most vulnerable citizens, students and young families. It is well documented that poor quality housing drives significant social costs across the country and further disadvantages these households and communities. This Bill will assist in reducing the long term social and economic costs of sickness and injury.

As we have stated previously there are many factors contributing to substandard housing and differing ideas on how to increase the health and safety standards of rental housing. However there is general agreement that minimum standards must be clearly set out and a system in place to ensure they are adhered to.

The Council considers that the implementation of the Bill needs as much consideration as the factors chosen to determine housing quality if they are to be effective in supporting vulnerable tenants in private rentals.

*The need for a regulatory framework to support tenants*

A key issue is the power imbalance between landlord and tenant. Some tenants will be prepared and are able to pursue their own health and safety rights. However where demand for housing is highest and where tenants are socially vulnerable – e.g. our young, old, infirm, and low income citizens, some tenants struggle with raising these issues themselves.

The 2014 New Zealand General Social Survey (NZGSS) asked questions relating to housing quality. It states that

- Just under half of renters reported they had a problem with dampness or mould, compared with around one-quarter of home-owners.
- Pacific peoples were the ethnic group most likely to report cold and damp problems; 15 percent reported a major dampness problem while 43 percent stated they were always or often cold.
- People in one-parent families were more likely than those in other family types to report housing problems.

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- People in the lowest income band were also more likely to report their homes were always or often cold (24 percent compared with 13 percent for the highest earners) and to report a major problem with dampness (8 percent compared with 3 percent).

The Council is concerned that those tenants who most need the intervention are least likely to intervene. These tenants are likely to be reluctant to engage with the landlord, let alone escalate the situation to the Tenancy Tribunal.

*The need for a regulatory framework and implementation plan to support landlords*

Many of the benefits this Bill seeks to deliver provide only indirect or minor benefits to the landlord especially when demand for housing is high as it is currently. Some landlords provide good quality housing however some continue to be reluctant to improve their housing. While a subsidy will help encourage many landlords to address these issues, regulation and adequate monitoring is needed to ensure minimum standards are met by all.

The Ministry of Business Innovation and Employment's (MBIE) recent discussion document noted that detailed minimum standards for all residential dwellings are prescribed in the Housing Improvement Regulations 1947. While the 1947 regulations clearly set out minimum standards for dampness and heating New Zealand still has a problem with cold and damp rental housing and this Bill will go some way to addressing this.

Regulation is only as effective as the supporting implementation and enforcement regime. The Council considers that attention is needed on the implementation of the regulatory framework that addresses heating and dampness. We have worked with other Councils on a Rental Warrant of Fitness and consider that these tools are also an important part of the implementation framework to support any quality standards that are included in the RTA.

*Third Party Verification*

We consider that vulnerable tenants need a different mechanism such as a third party (e.g. a private business or social enterprise) to assess the property and approach the landlord on their behalf. Few of these tenants would have the expert knowledge needed to assess whether a property meets the housing standard. These people are unlikely to take action on their own behalf and risk continued marginalisation and disadvantage in the poorest quality housing.

Any implementation of the Bill needs to consider that vulnerable tenants in private rentals will need a third party assessor and advocate. If well designed, a service involving an approved third party can provide benefits to both landlords and tenants.

*Regulation vs Education*

The factors that are included in the Bill significantly extend the current provisions in the RTA. On the surface, some of the factors would appear easier to regulate and enforce than others and this would have to be borne in mind when developing regulations. For example, it is much easier to require ventilation in bathrooms, kitchens and laundries than to enforce indoor temperature which is subject to a wide range of factors and can be variable throughout a house.

For less controllable factors MBIE could provide guidance to landlords and tenants under a Rental Quality Standard (indoor temperatures, drainage and other factors) to ensure that they are more fully informed. This would enable landlords to differentiate their properties on quality and allow tenants, where possible, to have a more informed choice.

The Council considers that the following factors are important to successfully implement the quality provisions in the Bill.

- We understand that Cabinet agreed housing quality as a Tier 1 statistic in 2012 with an indicative first year of production being after 2015/16. These statistics need to be developed and released so that the public and local authorities are more fully informed on housing quality standards across the country.
- The development of a recognised performance checklist and disclosure regime for rental accommodation. This could be a Rental Quality Standard or a Warrant of Fitness checklist which would include the minimum standards set out in the regulations should this Bill be passed and also other best practice quality guidelines covering broader health, safety and liveability criteria.
- The Bill should set the disclosure requirements for any landlord seeking to tenant any property. The aim should be that both tenants and landlords are fully informed of both their legal obligations (where these factors are regulated) and what the best practice housing requirements are (where it is a recommended housing standard).
- Many housing quality factors are also impacted by behaviour of the occupants (cooking practices, opening of windows etc). To improve housing quality, these factors also need to be addressed and the implementation of the Bill requires a communication and education strategy to address these issues. For instance, just as there are disclosure requirements for landlords under the RTA, there could also be an ongoing strategy on 'tips and tricks' for a healthy home. MBIE has already released useful checklists and guidelines on some of these issues.
- We recommend that:
  - Subsidies for efficient 'approved' heating should be given serious consideration to reduce the risk of heating requirements being met with inefficient or ineffective solutions. For some landlords meeting these standards will be costly and support like that provided with insulation will be necessary to achieve the standard. For example heat pumps are the cheapest form of heating, but cost more upfront, and are fixed to the building when installed so will not be installed by the tenant. It would not be uncommon for a tenant in a cold home to be unable to afford to heat, try to heat with a more expensive to run portable electric heater, or use an unflued gas heater creating an indoor environment that is wetter and even harder to heat.
  - The regulations include controls on the use of unflued gas heaters.
  - There are reasonable timeframes set to allow landlords to comply with these standards.
- The Council supports the continuation of the Warm Up New Zealand programme including targeting low-income and priority rental households (e.g. where tenants have young children or respiratory conditions such with asthma). The Council is concerned that the Government has continued to reduce funding for this. In Budget 2016 \$12 million was allocated to Warm Up New Zealand and \$4.5 million for the Healthy Homes programme. This compared to \$23.9 million for Home Insulation in 2015 and as much as \$85 million in 2011/12. These subsidies are important components of these strategies and give landlords an additional incentive to improve the standard of their property. Just as the insulation programmes have been effective in improving housing standards, similar incentives should be provided for other elements such as heating solutions.
- There is a risk that landlords will increase rents after meeting these standards and the Committee should consider if there are ways in which this risk might be mitigated.

Although we sit outside the current social housing regulatory framework, the Council is New Zealand's third-largest provider of social housing after Housing New Zealand and Christchurch City Council. As landlords for those with the greatest need, we are in a strong position to work with both tenants and landlords to help make all rental homes warm, dry and safe. Social housing providers must lead by example, including by incorporating design quality criteria to promote social cohesion, community integration and well-being. We would expect that these standards are built into the Ministry of Social Development social housing contracts.

Thank you for the opportunity to submit on this Bill which we believe addresses a major issue and if implemented well will increase both health and housing performance in New Zealand. As the Capital City, we are well placed to work with the Government in the interests of Wellington and New Zealand. We would like to make an oral submission to the Committee.

Yours sincerely

**Celia Wade-Brown**  
MAYOR

**Councillor Iona Pannett**  
Chair of the Environment Committee

**Kevin Lavery**  
Chief Executive Officer





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### 3. Monitoring

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## REPORTS FROM COUNCIL CONTROLLED ORGANISATIONS FOR THE QUARTER ENDING 31 MARCH 2016

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### Purpose

1. To provide reports from the Wellington Zoo Trust and the Karori Sanctuary Trust for the quarter ended 31 March 2016.

### Recommendations

That the Environment Committee:

1. Receive the information.
2. Note any issues for the Chair to raise with the Council Controlled Organisations covered in this report.

### Background

2. 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.
3. The Environment Committee is tasked with the assessment of the efficiency and effectiveness of the following entities:
  - The Wellington Zoo Trust (the Zoo)
  - The Karori Sanctuary Trust (ZEALANDIA)
4. Officers have reviewed the Quarterly reports from the organisations noted above and consider that there are no material issues that are not covered in the reports.
5. 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.

### Discussion

#### The Wellington Zoo Trust

ACTIVITY SUMMARY
<ul style="list-style-type: none"><li>• Solar panels were installed on the front entrance building in February. They have received positive public feedback and are already showing a reduction in power usage.</li><li>• The 11<sup>th</sup> annual Neighbours Night was held during the quarter with over 1,100</li></ul>

neighbours visiting the Zoo. Partner organisations for this event included WCC City Housing, Trade Me and Tip Top.

- In March, the Zoo again achieved animal welfare accreditation under the Zoo Aquarium Association accreditation association system.
- Visitor numbers are tracking very well, with the Trust on target to host over 250,000 people at the Zoo this year.

### SUMMARY FINANCIALS

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

FINANCIAL PERFORMANCE (\$,000)	Q3 Actual	Q3 Budget	Variance	YTD Actual	YTD Budget	Variance	Annual Budget
Total Revenue	1,982	1,686	296 ✓	5,347	4,825	522 ✓	6,303
Total Expenses	1,578	1,561	(17) ✗	4,787	4,734	(53) ✗	6,303
Net Surplus	404	125	279 ✓	560	91	469 ✓	0
<b>FINANCIAL POSITION</b>							
Total Assets				4,643	2,965	1,678 ✓	2,170
Total Liabilities				2,159	1,911	(248) ✗	1,207
Equity				2,484	1,054	1,430 ✓	963
<b>CASH FLOWS</b>							
Total Net Cash Flows				771	810		21
Opening Cash				3,456	2,009		2,032
Closing Cash				4,227	2,819		2,053

A review of the financial statements of the Zoo highlights the following points:

- Revenue of \$1.982m for the quarter is ahead of budget by \$296k (18%). YTD revenue is \$522k (11%) ahead of budget, largely due to trading income YTD of \$2,654 being \$290k (12%) ahead of budget as a result of strong visitation numbers. YTD revenue includes \$178k of unbudgeted capital grants and donations.
- Expenses for the quarter of \$1,578 are in line ( $\leq 1\%$ ) with budget.
- The YTD net surplus of \$560k is well ahead of the budgeted surplus of \$91k. This is due largely to better than expected trading income and unbudgeted capital grants and donations.
- The Trust's cash balance as at 31 March was \$4.227m, including \$1.606m in restricted funds.

**KEY PERFORMANCE INDICATORS**

MEASURE	Q3		YTD	3 Year	Comments
		31 Mar 16	31 Mar 16	Trend	
Visitors	Target	62,248	175,295	Improving	The Zoo is on track this year to exceed 250k visitors for the first time.
	Actual	76,055 ✓	192,205 ✓	↗	
Average income per visitor (excl. WCC grant)	Actual YTD	\$15.60		Steady	Annual Target \$14.86
				→	
Ratio of trust generated income as % WCC grant	Actual YTD	142%		Improving	Annual Target 124%.
				↗	
Average WCC subsidy per visitor	Actual YTD	\$10.98		Improving	Annual Target \$11.99.
				↗	
Fully costed visitor subsidy	Actual YTD	\$18.61			Annual Target \$21.19. WCC generates the figure which includes depreciation, shared service costs, insurance, and interest.
Staff turnover	Actual YTD	14.63%		Steady	Annual Target <20%
				→	
Number of vulnerable or endangered species	Actual YTD	25		NA	Annual Target >26
Volunteer hours	Actual YTD	8,206 hrs (4.3FTE)		Steady	Annual Target >11,520hrs
				→	

**KPI COMMENTARY**

The Zoo's KPIs are tracking well, with the following items noted:

- The KPIs for Contact Animal Hours and People Participating in Animal Close Encounters are on track to meet their annual target.
- The Zoo is initiating a new volunteer programme to focus on the quality rather than quantity of volunteer time activity at the Zoo. Ultimately, this will see a decrease in the number of volunteer hours reported, but the effort of volunteers will add more value.
- Due to technical design issues, the completion of the kea aviary in Meet the Locals He Tuku Aroha has been delayed. The Zoo is in the process of working through the issues and negotiating a resolution with the contractors.
- The Council's fully costed visitor subsidy calculation for the quarter was \$18.61. It is on track to meet the target at year end.

## OUTLOOK

Key activities and issues anticipated in the next quarter include:

- The Zoo expects to resolve the issues with the kea aviary in Q4 and complete the project in time for summer.
- The Zoo will have hosted over 250k visitors for the first time well before year end.
- In May 2016 the Zoo and Council agreed a new Contract for Services.

## ZEALANDIA

### QUARTER IN REVIEW

**Visitors:** Total visitation for Q3 was 40,246 being 11,208 (38.6%) above target for the period. This result extends the positive trend from the previous two quarters. The strong result is in part due to the extended shoulder season with particularly good weather in February and March but is also a signal by locals in support of the Trust's strategies to re-energise its offerings. Locals continue to represent the largest group of visitors contributing to 38% of paid admissions. In Q3, international visitors to the sanctuary represented 47% of total paid admissions. The Trust's education-related visits were on target for the quarter and are 7% ahead of the YTD target.

**Members and volunteers:** Total membership averaged 10,158 for the quarter and reached 10,415 at the end of March. New members in the quarter reached a record high versus any other quarter. At quarter end, the Trust also has 417 active volunteer roles.

#### Conservation & research:

- Maud Island frogs - Surveys of enclosures with Maud Island frogs completed and transfer of 5 frogs to Wellington Zoo undertaken.
- Hihi - The end of March saw the conclusion of the breeding season where more females nested than ever before, and the last chick fledged at the end of the month, with 91 chicks fledged from nest boxes and at least another 3 from an undiscovered natural nest.
- Kākāriki - the breeding season is still underway with 56 nestlings banded in March. Two more fledglings have transmitters attached (now ten in total) so that their survival and dispersal movements can be tracked.
- Kākā - Five kākā fledglings have been caught and transferred safely to Cape Sanctuary; the transfer of a further five will be made in April;
- Rifleman translocation - Discussion about the possibility of a collaborative WCC and ZEALANDIA translocation in 2017 has begun.

**People:** Russell Spratt (Principal Consultant with JacksonStone) joined the Board in April. Russell's iwi affiliations are Te Ati Awa ki Whakarongotai, Ngati Toa Rangatira and Ngati Raukawa ki te tonga. Russell offers a range of skills, networks and experiences which are expected to bring a range of benefits to the Board and ZEALANDIA.

**Strategy:** Work towards finalising the Trust's 2nd Generation Strategy continued with workshops with staff, the Board, the Guardians, members and volunteers. All groups engaged with the process were consistent in their big picture thinking of ZEALANDIA's impact locally, nationally and globally. The 2nd Generation Strategy is expected to be completed in June.

**SUMMARY FINANCIALS**

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

FINANCIAL PERFORMANCE (\$000)	Q2 Budget 31 Dec 15	Q2 Actual 31 Dec 15	Variance* 31 Dec 15	YTD Budget 31 Dec 15	YTD Actual 31 Dec 15	Variance* 31 Dec 15	FY Budget 30 Jun 16
Total Revenue	1,036	1,427	391 ✓	2,793	3,396	603 ✓	3,607
Op. Exp. before Depreciation	963	964	1 ✗	2,682	2,594	(88) ✓	3,433
Surplus before Interest & Depn.	73	463	390 ✓	111	802	691 ✓	174
Net Surplus (Loss)	(262)	284	546 ✓	(896)	711	1,607 ✓	(1,167)
FINANCIAL POSITION	Q3 Budget	Q3 Actual	Variance*	YTD Budget	YTD Actual	Variance*	FY Budget
Total Assets				13,469	16,169	2,700 ✓	13,024
Total Liabilities				11,480	11,495	15 ✗	11,306
Equity				1,989	4,674	2,685 ✓	1,718
CASH FLOWS	Q3 Budget	Q3 Actual	Variance*	YTD Budget	YTD Actual	Variance*	FY Budget
Total Net Cash Flows	262	632	370 ✓	132	706	574 ✓	12
Opening Cash	479	713	234	479	713	234	609
Closing Cash	741	1,345	604	741	1,345	604	621

The Trust's Q3 and YTD revenue figures are ahead of target mainly in response to ZEALANDIA's strong visitor numbers. Total revenue was \$391k above target for the quarter and YTD the Trust's earnings are \$603k above budget. In Q3, the Trust's admissions revenue was \$159k above target and trading revenues from the café, functions and retail activities all exceeded forecasts. During the quarter the Trust also received a substantial bequest (\$141k) from a foundation member and long-time volunteer. Operating expenditure has been well contained particularly given the higher levels of commercial activity and revenues.

The strength of the Trust's financial performance to date is reflected in its cash on hand at quarter end of \$1.3m which is \$604k ahead of its target. As noted, YTD revenue is \$603k above target and the \$604k favourable cash variance over the same period is a tangible acknowledgement of the operational efficiencies the Trust has introduced to its activities.

**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	Q3 31 Mar 16	YTD 31 Mar 16	3 Year Trend	Comments on trend

KPI DASHBOARD					
Visitors	Actual	40,246 ✓	96,099 ✓	↗	Strong growth so far this year and expected to exceed full-year target comfortably.
	Target	29,038	73,691		
Students & education visits	Actual	1,954 ✓	6,719 ✓	↗	A strong Q3 and the trend is once again positive.
	Target	1,585	5,870		
Full costs to Council*	Actual	\$359k ✓	\$722k ✓	n/a*	This is a Council metric which the Trust does not control or influence.
	Target	\$383k	\$767k		
Annual measures to 30 Jun 16. The Trust reports quarterly.					
Council subsidy (\$/visit)	Actual	\$6.83 ✓		↗	This metric is on a favourable trend (i.e. the subsidy per visit is decreasing) and strong visitation is helping this metric to exceed the SOI forecasts.
	Target	\$9.12			
Average revenue** (\$/visit)	Actual	\$27.97 ✓		↗	Improving despite reduced admissions prices.
	Target	\$25.90			
Non-Council funding	Actual	\$327,905		n/a	Annual measure. The Trust has already exceeded its full year target.
	Target	\$250,000			
Individual members	Actual	10,158		n/a	Annual measure which the Trust expects to meet.
	Target	10,200			

\* This is a new KPI for the Trust so trend data is not yet available. This measure is owned by Council and includes costs which the Trust does not control (e.g. interest cost on its Council loan) plus grant funding. \*\* Revenue per visit excludes interest, Council and government grants.

In Q3, the Trust's visitor satisfaction feedback metric dropped slightly from 86% satisfaction to 83% (the KPI is 93%). At this stage the lower result is attributed to the broadening range of visitor expectations resulting from the increased visitor numbers. The Trust is actively reviewing the situation and will respond accordingly to any recurring themes in visitors' feedback.

ISSUES & OUTLOOK
<p>The Trust's proposal with respect to the Visitor Centre and its \$10.34m loan, and on strengthening its relationship with the Council was included in Council's 2016/17 Annual Plan consultation. Both proposals received strong support and will be considered by the Council on 29 June.</p> <p>The Trust is nearing the completion of its work on developing, agreeing and committing to its 2nd Generation Strategy. The 2nd Generation Strategy is a response to the sanctuary's first 20 years and looks toward the next 20 years of ZEALANDIA's development and contribution to Wellington.</p> <p>On 31 May 2016, the Trust signed a Memorandum of Understanding with Victoria University which will form the basis of a tangible working relationship between the parties. The immediate expectation is that VUW and the Trust will work toward establishing a physical presence on-site for a VUW research facility.</p>

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## Attachments

Attachment 1. Zoo Q3 Report 2015/16

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Attachment 2. Karori Sanctuary Trust Q3 Report 2015/16

Page 48

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

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## **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 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.





**To:** Wellington City Council Environment Committee  
**From:** Wellington Zoo Trust  
**Date:** 31 March 2016

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### Third Quarter Report 2015/16 Financial Year

#### *Highlights*

- The Northern White-cheeked Gibbon morning chorus is an iconic feature at Wellington Zoo, and now will be a cheer for the efforts we are making to save these critically endangered animals in the wild. We are partnering with Fauna & Flora International's Vietnam Programme, by collaborating with two other ZAA institutions as the main funding group for a targeted project. The work will take place in Pu Mat National Park, home to the only known viable wild population of these Gibbons in the world.
- A Northern Royal Albatross (Toroa) was brought to The Nest Te Kōhanga with severe injuries to its left eye and resulting infection of the globe. The eye was not able to be salvaged and would be a source of ongoing infection and discomfort if left in place so it was surgically removed. The bird was rehabilitated in the salt water pool and Wellington Zoo veterinary staff returned it to the wild with the help of New Zealand Police Maritime Unit. It was released into Cook Strait.
- Neighbours Night was again a huge success with just over 1,100 of our closest neighbours visiting the Zoo for the 11<sup>th</sup> annual event. WCC Housing again partnered with us, seeing the value in the benefit the night gives to their clients. As well as WCC Housing, we also saw support from partners Trade Me and Tip Top to help us provide our neighbours with a truly special evening.
- Solar panels were installed on our front entrance buildings and were operational as of 9 February. Feedback from community has been overwhelmingly positive, and we are already seeing proof of a reduction in our power usage.
- The result for the nine months to 31 March 2016 shows an operating surplus of \$382,424 before transfers to restricted funds against a budgeted operating surplus of \$91,459.
- Operating Revenue is above budget by \$343K and expenditure is above budget YTD March by \$52K.

#### *Challenges this Quarter*

- The completion of the kea aviary in MTLHTA and snags for the opened part of MTLHTA is the biggest strategic issue for Wellington Zoo at the moment. We have been having discussions with consultants and contractors. We have raised this issue with WCC officers.



**Visitors and events**

- We hosted our very first Pop Up Wedding in January. It was a successful event with a very happy Bride and Groom.
- We held our annual adult's only Valentine's Night for the eleventh year in a row, with 622 visitors attending we saw a 78% increase on number of visitors from last year. Talk themes were a little more risqué than usual focussing on mating and breeding habits of the animals.
- The Zoo remained open late on Wednesdays in February (until 8pm) to give visitors the chance to experience the magic of the Zoo in the evening. This year saw a marked increase in Zoo Twilights visitation, up 54% on last year's figures - most likely due to continued great weather and the focus on our new precinct Meet the Locals He Tuku Aroha. We had special talks (including two in MTLHTA) and Close Encounters available for booking.
- Visitation for 2015-2016 as at end of March was 192,205. This is 16,910 ahead of target and 21,986 ahead of last year.

Visitor Attendance for the quarter ended 31 March 2016	
ACTUAL	192,205
TARGET	175,295
DIFFERENCE	+16,910

**LEOTC Numbers**

	<b>Annual Target</b>	<b>YTD 14/15</b>	<b>YTD 15/16</b>
School Visits (LEOTC)	10,000	10,349	9,548
Holiday Programme	1,300	1,185	1,253
<b>Total</b>	<b>11,300</b>	<b>11,534</b>	<b>10,801</b>

**Animal Collection**

<b>Species</b>	<b>Gender</b>	<b>Status</b>	<b>Due</b>
Cotton-top Tamarin	Male	From Bratislav Zoo in Slovakia	Due to arrive in May 2016
Cotton-top Tamarin	Female	From Blackpool Zoo in the UK	Due to arrive in May 2016
Giraffe	Female	From Auckland Zoo	Due to arrive in May 2016
Capybara	1 Male and 3 Females	From Paris Zoo	Due to arrive April 2016
Eastern Grey Kangaroos	3 Males and 1 Female	From Symbio Zoo in New South Wales	Due to arrive April 2016
Rainforest Mantis	Males and Females	From Australia	Arrived March 2016
Veiled Chameleon	Male and Female	From MPI	Arrived February 2016
Agoutis	Male and Females	From Hungary	Due to arrive in May 2016
Maud Island Frogs		From Zealandia	Due to arrive in April 2016
Little Blue Penguin	Female	From Massey University	Due to arrive in April 2016
Kiwi		From Rainbow Springs	Due to arrive in April / May 2016



TradeMe staff joined us for our Annual Neighbours Night BBQ to help hand out ice creams, cook barbecues and greet our guests.

- We received a \$66,500 grant from the Lottery Grants Board World War One Commemorations, Environment and Heritage Committee towards the renewal of the visitor experience within The Twilight Te Ao Māhina.
- Our Facebook following has increased to 36,104 likes and our Twitter following has increased to 7,484 followers. Our Instagram account has substantially grown with 660 followers and counting; plus our post engagement has increased with more likes and comments on our posts as we have focussed efforts in this area.
- We have completed a realignment of our volunteer programme with 28 of our current volunteers transitioning to the new programme which became effective as of 29 February 2016. We have replaced our general volunteer role with three new dedicated volunteer roles; Animal Care Volunteer, Volunteer Ranger and The Nest Te Kōhanga Volunteer. The new volunteer structure is aligned with our 2015–2018 strategy; it provides volunteers with greater role clarity and more efficient lines of communication, seven day a week management cover and more targeted and specialised training.
- Tip Top were at the Zoo on 17 January with a portable freezer selling Tiger Time scoop ice cream for a gold coin donation as part of our partnership activation. We raised \$1,100 through visitor donations for the day and had wonderful feedback. Developed as part of Tip Top's commitment to sustainable palm oil - Tiger Time ice cream is gingerbread and vanilla flavoured with a percentage of supermarket sales going to our conservation partner, 21st Century Tiger.



*Veterinary Nurse Sarah Van Herpt and Veterinarian Anna-Karina Gonzalez Argandona return a rehabilitated Toroa to the wild with the help of the New Zealand Police Maritime Unit.*

- A critically endangered Fiordland Crested Penguin was released successfully back into the wild on the South Island. Veterinary Nurse Sarah Van Herpt attended the release in Charleston, near Westport, to provide care for the penguin and training for the DOC and rehabilitation team.
- Visitor Rangers and Volunteers represented WZT at the Newtown Fair with the Penguin costume, highlighting our Take the Lead campaign for Little Blue Penguins.
- **Conservation partnerships:** MOU with Cheetah Outreach signed; MOU with Places for Penguins signed; New partnership with Flora and Fauna International agreed for White Cheeked Gibbons; Funding level to Madagascar Fauna and Flora Group increased so we are now 'contributing members;' Debbie Cox from Jane Goodall Institute (JGI) Africa visited Wellington Zoo and presented to staff on their on the ground programmes in Africa.
- Keeper Esta Wilson-Burke travelled to Senegal to work with the JGI Spain researching Chimpanzees in the wild.
- Keeper Jacqui Hooper travelled to Sumatra to work with the Sumatran Orangutan Conservation Project.

Native animals brought to The Nest Te Kōhanga in the last year

Veterinary Statistics

	Jan 2016	Feb 2016	Mar 2016	Calendar YTD 2016 Total
Collection Animal Cases	62	53	64	179
Native Wildlife Cases	67	41	39	147
Post Mortems	2	1	10*	13

*\*of which one was a Kea whose intact cadaver was sent off-site to Massey pathology for post mortem*

Native Animal Admission Statistics

	2012	2013	2014	2015	2016
January	45	47	57	63	67
February	26	41	72 *	51	41
March	41	19	41	60	39
April	24	25	31	30	
May	14	24	23	37	
June	15	47	34	34	
July	14	36	12	33	
August	16	22	19	26	
September	13	17	28	25	
October	23	58	20	19	
November	27	30	43	33	
December	27	51	56	67	

*\* 42 patients + 30 Quarantine*



WZT Board Chair Craig Ellison (L), Mayor of Wellington Celia Wade Brown (second from R) and WZT Chief Executive Karen Fifield (R) are presented with Wellington Zoo's carboNZero recertification by Enviro-Mark Solutions Chief Executive Dr Ann Smith (second from L)

- General Manager Community Engagement and Learning Experience Manager have had their article on the partnership between The Warehouse and Wellington Zoo published in the 50th edition of the International Zoo Yearbook. This is a peer reviewed and referenced publication. Hughes, A. & Allan, L. (2016): *The Warehouse Wellington Zoofari: school visits to Wellington Zoo for conservation-based learning programmes – an example of effective collaboration between zoos and business. International Zoo Yearbook 50. DOI: 10.1111/izy.12119*

Craig Ellison  
Chairperson, Wellington Zoo Trust Board

**Appendix 1 – Wellington Zoo Strategy Framework 2015-16**

Measure	Target 2015-16	Tracking YTD 31 March	Notes
<b>CONNECT PEOPLE WITH ANIMALS</b>			
Fundraising targets for ZCP reached or exceeded	25% of ZCP Capex Spend	Achieved	Varies according to ZCP CAPEX spend. This measure is appropriate for 2015-16 only as the ZCP will then be complete.
Meet ZCP project timing and budget programme	Complete Meet the Locals He Tuku Aroha	Delay of aviary	With this project the ZCP is complete. Project total completion delayed due to issues with aviary construction.
Measure visitor feedback and satisfaction	1 research project	Annual target	We have an initial social return on investment report, with further research in the wider community to produce a full picture of this, once complete; will be presented to the Trust Board.
Participate in visitor research project re behaviour change	> 1	Annual target	The three year collaborative Zoo Action project looking at engaging visitors with behaviour change as a result of their visit to the Zoo is coming to a close this year.
Contact animals meeting visitors in Zoo	1,000 hours	898hrs 47mins	Introduction of Weta and Forest Geckos into programme have helped increase contact time across the Zoo
People participating in Animal Close Encounters	3,665	2,786 people have participated YTD March	The majority of people participate in Close Encounters during the Summer/Autumn months.
Number of students participating in LEOTC sessions	10,000	9,548	Tracking well
<b>PEOPLE LOVE AND SUPPORT THE ZOO</b>			
Increase total visitation by 2% each year on base year 2005/06 (170,116 visitors) as per the ZCP Business Case	234,714	192,205 YTD March above target by 16,910 and ahead of last year actuals by 21,986	These increases are beyond the required 2% p.a as agreed in the ZCP Business case. This is appropriate for 2015-16 only as the ZCP will then be complete.
Increase total visitation as per agreed %	NA	Annual target	New measure introduced in 15-16 as the ZCP will be complete.
Percentage of operating costs generated by the Trust	55%	63%	Tracking well.
Ratio of Trust generated income as percentage of WCC grant	124%	142%	Tracking well.
Average income per visitor from Trust generated revenue	\$14.86	\$15.60	Good result due to trust generated revenue being above budget for the first nine months.
Average WCC subsidy per visitor	\$11.99	\$10.98	This KPI measures only WCC Zoo OPEX Grant per visitor. Tracking well.
Full cost per visitor including WCC costs	\$21.19	Annual target	This KPI is generated by WCC. It includes depreciation, shared services costs, CCO team costs, insurance, CAPEX interest and the OPEX grant.
Volunteer hours	≥11,520 hours (6 FTE)	8206.25 (4.3FTE)	New volunteer programme, decrease in volunteer numbers with focus on quality rather than quantity.



Measure	Target 2015-16	Tracking YTD 31 March	Notes
<b>SAVE ANIMALS IN THE WILD</b>			
Number of vulnerable, endangered or critically endangered species (IUCN list) in the Zoo's collection	≥26	25	Upon the arrival of Maud Island Frogs in Quarter 3 we will be on target.
Percentage of native patient successful release to the wild after treatment in the Nest Te Kōhanga	≥55%	Annual target	65.7% at 30 June 2015. December 2015 had the highest number of native wildlife patients admitted for the months of December on record, and November 2015 had the second highest number of native wildlife patients admitted for the months of November on record
Number of Field Conservation Projects supported for threatened (NZ) endangered or critically endangered (global) species	≥ 4	8	Kea Conservation Trust (NZ-TH), Madagascar Fauna and Flora Group (CR), Proyecto Titi (CR), Associação Mico-Leão-Dourado (EN), 21st Century Tiger (CR), Save the Tasmanian Devils Programme (EN), Red Panda Network (EN), Northern White Cheeked Gibbon (CR)
% of OPEX directly contributed to field conservation	3%	Annual target	This measure uses the American Zoo Association Framework (now adopted by the Zoo Aquarium Association Australasia) to measure direct contribution to field conservation. We achieved 4.5% in 14-15.
Participate in animal based scientific projects	≥ 4	6	Projects from The Nest Te Kōhanga include; Kākā lead study (ongoing with Aditi and Wildbase), Kākā microchip investigation (ongoing with Kate McInnes) and Dingo genetics Study (with Otago University). Scientific paper Giraffe C-section, Chimpanzee ear surgery and Bongo Rumenotomy.
<b>LEAD THE WAY</b>			
Maintain Zoo and Aquarium Association Animal Welfare Accreditation	Achieved		New Measure - achieved October.
Maintain carbonZero certification	Achieved		New Measure - achieved November.
H&S targets met	ACC work levy discount applied Achieved	(Lag) Discount has been applied to WZT's work levies based on experience rating (Lead) On track to date	Lag indicator – WZT gets a discount applied on work levies if we perform better than our industry peer group & Total Levy Risk Group in terms of the number and severity of work-related injury claims. Lead indicators - H&S included in weekly 'Zoo Staff News' emails (e.g. monthly metrics, drill and incident debriefs, topical reminders). Training provided for identified risks and emergency situations. Monthly SIT meeting Minutes available to all staff.
Initiatives to embed professional development of our people	≥ 8	13	Zauled - Streamlining LS Workflows, P4P Full & Refresher Training Sessions, Putting a Face to our Values, Iwi Stories with Neavin, Bees 101, Leadership Presentation by Rachel Taulelei, Fatigue Busters by Synergy Health, A Brave New World, Volunteer Realignment, Presentation by Debby Cox, Resilience with Dr Sven Hansen
Staff turnover (permanent staff only)	≤ 20%	14.63%	Was 14.68% for the same period in 2014/15

Appendix 2 – Financial Statements

**CCO: Wellington Zoo Trust**  
**Quarter Three 2015/16** **\$NZ000's**

Actual 30-Jun-15	EARNINGS STATEMENT	Actual 31-Mar-16	Budget 31-Mar-16
	<b>Revenue</b>		
3008	Trading Income	2654	2364
2757	WCC Grants	2170	2110
82	Other Grants	62	62
188	Sponsorships and Donations-Operational	131	177
1252	Sponsorships and Donations-Capital	178	0
114	Investment Income	68	37
355	Other Income	84	75
7,756	<b>Total Revenue</b>	5,347	4,825
	<b>Expenditure</b>		
4,010	Employee Costs	3,241	3193
2,078	Other Operating Expenses	1,530	1526
20	Depreciation	16	15
595	Interest		
	Vested Assets		
6,703	<b>Total Expenditure</b>	4,787	4,734
1,053	<b>Net Surplus/(Deficit) before Taxation</b>	560	91
0	Taxation Expense		
991	Operating Surplus (Deficit)	382	91
1,053	<b>Net Surplus/(Deficit)</b>	560	91
12.8%	<b>Operating Margin</b>	7.1%	1.9%

Actual 30-Jun-15	<b>STATEMENT OF FINANCIAL POSITION</b>	Actual 31-Mar-16	Budget 31-Mar-16
	<b>Shareholder/Trust Funds</b>		
0	Share Capital/Settled Funds	0	0
0	Revaluation Reserves	0	0
1,624	Restricted Funds	1,606	583
318	Retained Earnings	878	471
1,942	<b>Total Shareholder/Trust Funds</b>	2,484	1,054
	<b>Current Assets</b>		
3,456	Cash and Bank	4,227	2,842
360	Accounts Receivable	24	30
84	Other Current Assets	115	60
3,900	<b>Total Current Assets</b>	4,366	2,932
	<b>Investments</b>		
0	Deposits on Call	0	0
0	Other Investments	0	0
0	<b>Total Investments</b>	0	0
	<b>Non-Current Assets</b>		
67	Fixed Assets	277	33
0	Other Non-current Assets	0	0
67	<b>Total Non-current Assets</b>	277	33
3,967	<b>Total Assets</b>	4,643	2,965
	<b>Current Liabilities</b>		
1,267	Accounts Payable and Accruals	611	700
	Provisions		0
746	Other Current Liabilities	1,536	1,199
2,013	<b>Total Current Liabilities</b>	2,147	1,899
	<b>Non-Current Liabilities</b>		
0	Loans - WCC	0	0
0	Loans - Other	0	0
12	Other Non-Current Liabilities	12	12
12	<b>Total Non-Current Liabilities</b>	12	12
1,942	<b>Net Assets</b>	2,484	1,054
1.9	<b>Current Ratio</b>	2.0	1.5
49.0%	<b>Equity Ratio</b>	53.5%	35.5%

Actual 30-Jun-15	STATEMENT OF CASH FLOWS	Actual Mar-16	Budget Mar-16
	<i>Cash provided from:</i>		
3008	Trading Receipts	2,654	2,364
2757	WCC Grants	2170	2,814
82	Other Grants	62	62
1440	Sponsorships and Donations	309	177
114	Investment Income	68	37
409	Other Income	5,156	75
7810		10,419	5,529
	<i>Cash applied to:</i>		
4,010	Payments to Employees	3,016	3,193
1,668	Payments to Suppliers	6,632	1,526
	Net GST Cashflow		
595	Other Operating Costs (VESTING)		
	Interest Paid	0	0
6273		9,648	4,719
1537	<b>Total Operating Cash Flow</b>	771	810
	<b>Investing Cash Flow</b>		
	<i>Cash provided from:</i>		
(18)	Sale of Fixed Assets		
	Other		
(18)		0	0
	<i>Cash applied to:</i>		
	Purchase of Fixed Assets		
	Other -vesting Cash for Capital Projects	0	0
0		0	0
(18)	<b>Total Investing Cash Flow</b>	0	0

Actual 30-Jun-15	STATEMENT OF CASH FLOWS (CONT)	Actual 31-Mar-16	Budget 31-Mar-16
	<b>Financing Cash Flow</b>		
	<i>Cash provided from:</i>		
	Drawdown of Loans		
	Other		
0		0	0
	<i>Cash applied to:</i>		
	Repayment of Loans		
	Other		
0		0	0
0	<b>Total Financing Cash Flow</b>	0	0
1,519	<b>Net Increase/(Decrease) in Cash Held</b>	771	810
1,937	<b>Opening Cash Equivalents</b>	3,456	2,009
3,456	<b>Closing Cash Equivalents</b>	4,227	2,819

Actual 30-Jun-15	CASH FLOW RECONCILIATION	Actual 31-Mar-16	Budget 31-Mar-16
1,053	<b>Operating Surplus/(Deficit) for the Year</b>	560	91
	Add Non Cash Items		
20	Depreciation	16	15
	Other (movement Restricted Funds)	(19)	
1,073		557	106
	<b>Movements in Working Capital</b>		
101	(Increase)/Decrease in Receivables	336	0
(24)	(Increase)/Decrease in Other Current Assets	(31)	0
437	Increase/(Decrease) in Accounts Payable	(656)	(130)
(50)	Increase/(Decrease) in Other Current Liabilities	790	834
464		439	704
	<b>Net Gain/(Loss) on Sale:</b>		
0	Fixed Assets	(225)	0
	Investments	0	0
0		(225)	0
1,537	<b>Net Cash Flow from Operations</b>	771	810



9<sup>th</sup> March 2016

Karen Fifield  
Chief Executive  
Wellington Zoo  
200 Daniell St  
Newtown, Wellington 6021  
New Zealand

Dear Karen,

On behalf of the Zoo and Aquarium Association Board, I would like to congratulate Wellington Zoo on achieving your Accreditation under the ZAA Accreditation Program.

The positive animal welfare focus of the Accreditation Program is a first for the zoo and aquarium community. The Program recognises and promotes positive animal welfare opportunities for the animals under our care, and provides community assurance of your commitment to high standards in animal welfare. Zoos and aquariums that strive to provide positive animal welfare opportunities will not only enhance the welfare of the animals, but may also find that compliance with relevant welfare regulation and standards is further enhanced.

We'd like to take this opportunity to thank all of your team who have generously contributed to the Accreditation process. Particular thanks goes to Simon Eyre as our contact person at Wellington Zoo. We also acknowledge the excellent contribution he has made as an Animal Accreditation and Welfare Committee member.

Shortly, you will be mailed an Accreditation Pack containing your Certificate as well as:

- your Site Review Report which you are encouraged to use to identify future welfare strategies, and it may be used to demonstrate validation of welfare outcomes;
- an Accredited Member logo which we encourage you to proudly display; and
- two letter templates for your use to inform your media, local community, and stakeholders of your accredited status and its significance.

PO Box 20, Mosman NSW 2088 Australia  
p: 61-2-9978 4797 f: 61-2-9978 4761  
[www.zooaquarium.org.au](http://www.zooaquarium.org.au)

Your organisation's Accreditation status lasts for three years. Please note that this Program will continue to develop and the next review will be further defined and developed. You will be duly informed within a suitable time frame. You are invited to provide any feedback you feel valuable towards the Programs continuing development.

The Program aims to avoid any repetition with regulatory obligations and as such Members are expected to maintain compliance with relevant regulation as a condition of Accreditation.

If you have any further questions, or would like to meet to discuss this achievement, please contact Nick de Graaff, Manager Accreditation, on 61-2-9978-4759.

We look forward to working with you as an Accredited Member of the Association.

Yours sincerely,

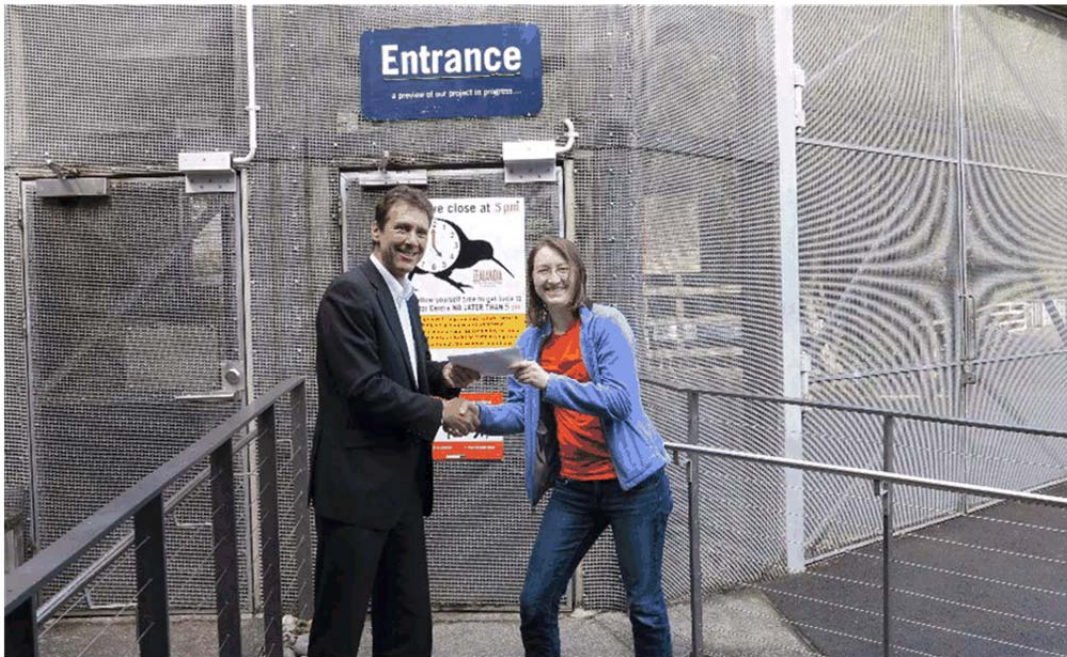


Chris Hibbard  
Executive Director

PO Box 20, Mosman NSW 2088 Australia  
p: 61-2-9978 4797 f: 61-2-9978 4761  
[www.zooaquarium.org.au](http://www.zooaquarium.org.au)



## Report to the Wellington City Council CCO Performance Committee Third Quarter ended 31 March 2016



ZEALANDIA CE, Paul Atkins, congratulates Kathryn from Colorado, our 100,000<sup>th</sup> visitor in 2015/16.

### Highlights

- Exceeded year end visit numbers in Q3. YTD Q3 numbers 96,099
- Q3 visitation ended 35% (10,487) above target.
- Spotted skink release
- Busy quarter in the café due to increased visitation. Café targets exceeded.
- Wide consultation on our emerging 2<sup>nd</sup> Generation Strategy

### April Update

- 100,000th visitor
- Fenced Sanctuaries Workshop held mid-April



**WORKING WITH PARTNERS**

**Thought Leaders Reference Council**

The ZEALANDIA Thought Leaders Reference Council was launched in March. The Council has been established to support the 2<sup>nd</sup> generation strategy and, in particular, to assist with developing the thought leadership to extend ZEALANDIA's impact and contribution. Current members are:

- Emeritus Professor Charles Daugherty (Inaugural Chair)
- Professor Tim Beatley (University of Virginia)
- Professor Iain McCalman (University of Sydney)
- Dr James Buwalda (Chair Natural Heritage National Science Challenge)
- Professor Bruce Clarkson (University of Waikato)
- Ruud Kleinpaste (Science Communicator)

**Spotted Skink Transfer – January 2016**

Females	60
Males	18
Unknown	18
<b>Total</b>	<b>96</b>

The translocation of 96 skinks from Matiu Somes Island involved 13 staff from across ZEALANDIA. The transfer was supported by many of our partners including VUW, DOC, GWRC, WCC and our Nature Connections partners.



Photo credit: Jerisa McKenna



Photo credit: Kerrie Bell



Photo credit: Kimberly Collins



Photo credit: Kerrie Bell



Photo credit: Jerisa McKenna



Photo credit: Sarah O'Sullivan

**VISITOR EXPERIENCE**

The positive trends from Q1 and Q2 continued through Q3, with total visitation (40,246) exceeding target (29,759). Visitation for Q3 is 30% ahead of the same period last year. Increases in visitation have extended well into our shoulder season, especially with some great weather in February and March. Locals continue to be our largest group of visitors with member visits making up almost 20% of total visits in Q3 and local visits contributing to 38% of our paid admissions.

Paid Admissions – by visitor origin	Q3
Local	38%
Rest of North Island	11%
South Island	4%
Australia	11%
Asia Pacific	2%
UK/Ireland	12%
United States	7%
Europe other	4%
America's	10%
Africa & Middle East	0%

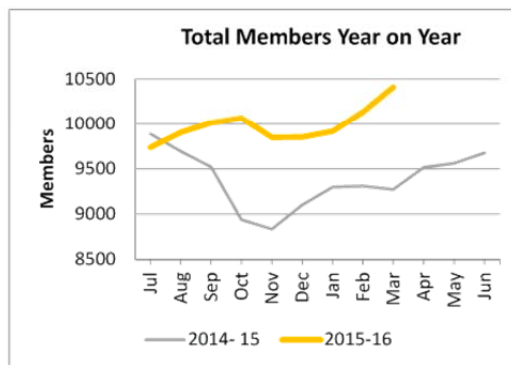


Note \* Are target figures

**ZBN and custom tours:** Cruise ships (especially double cruise ship days) and special events in Wellington (Royal Edinburgh Military Tattoo and Chinese New Year) contributed to ZBN and custom tours achieving their targets. The biggest Cruise Ship day in January brought in 317 visitors and in February the biggest Cruise Ship Day saw 291 visitors take part in a Custom Tour.

The Trade & Tourism team have completed a review of current processes, and identified opportunities to further develop this part of ZEALANDIA.

**Members:** Total membership average for the quarter (10,158) continues its upward trend. Retention peaked in March (83%), further adding to the year's performance as a YTD record average of 74%. Memberships reached 10,415 at the end of March with 'new members' reaching a record high for any other quarter (1180).



**Visitor Feedback:**

Visitor satisfaction has decreased to 83% from 86%. There has been a significant increase in visitor numbers over the summer period and we expect that the consequent broadening of the range of visitor expectations is a contributing factor. With increased visitors and more surveys completed we are noting recurring themes in feedback and are actively addressing the feedback.

**Visitor Comments – enjoyed most**

*"I loved hiking around and trying to spot birds. It was a very tranquil experience, especially since the city is so close."*

*"Your courage and breadth/duration of vision."*

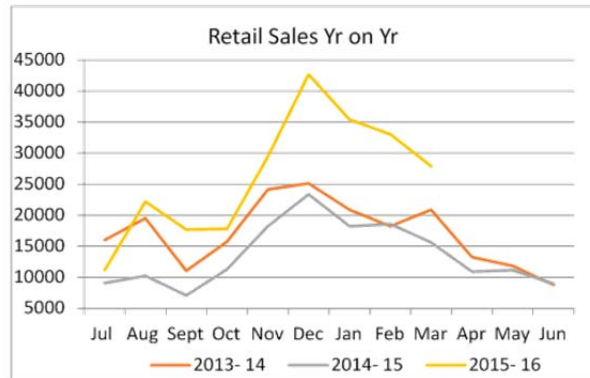
*"The guide on the walking tour introducing us to some of the species to be found at Zealandia. Very worthwhile information and lovely personality."*

**FINANCIAL SUSTAINABILITY**

Overall, our Q3 revenue performance (excluding the WCC grant) is \$1,208,050 against a budget of \$854,900. The WCC grant contributed 19% of our total revenue YTD. Focusing on the retail elements of our activity in Q3 shows a similar picture below.

**Retail:** Retail sales continue to trend positively with the total sales for the quarter ending 89% (\$45,352) ahead of target. Better stock holding over peak season and the continued review of stock lines and margins should see this trend continue.

**Café & Functions:** Q3 ended well and we will exceed the targeted financial contribution to the bottom line at year-end. The analysis and development planning of the café and functions business continues with the intention to implement and action initiatives to ensure the café and functions remain key contributors to the future of ZEALANDIA.



During Q3 we received a substantial bequest of \$141,000 from a foundation member and long term volunteer.

**STRATEGY & GOVERNANCE**

Work towards finalising our Second Generation Strategy continues and we have held workshops with Staff, the Board, the Guardians, Members and Volunteers. While the final wording of the 2<sup>nd</sup> Generation Strategy document will not be completed until June, all groups engaged with the process have been consistent in their big picture thinking of ZEALANDIA's impact locally, nationally and globally.



**All our work will be grounded in:**  
Strong strategic partnerships  
Evidence-based action  
Community connections  
Kaitiakitanga

**The key behaviours that will underpin this next surge of effort are:**  
Enabling - enabling people with information and knowledge  
Engaging - engaging people through the experiences that we provide  
Inspiring - inspiring people to join in our work and live well with nature

**We value:**  
Generosity and sharing  
Inclusivity

Russell Spratt (Principal Consultant with JacksonStone) joined the Board in April and brings with him a range of skills, networks and experiences which will afford considerable benefits to the Board and ZEALANDIA. Russell's iwi affiliations are Te Ati Awa ki Whakarongotai, Ngati Toa Rangatira and Ngati Raukawa ki te tonga.

## EVENTS & VISITORS

- Japanese Ministerial delegation
- Ecological students from Elon University, USA
- David Bond, Wild Things Project, UK
- Dr Todd Dennis, Auckland University
- Adam Rutherford, BBC 4, UK
- David Seymour, ACT MP
- His Excellency, Javad Zarif, Iranian Foreign Minister and entourage
- Minister Joyce acknowledged the significant role of ZEALANDIA in progressing New Zealand's biodiversity aims at the launch of the Kakapo 125 project which aims to sequence the genomes of all Kakapo.

## VOLUNTEERS

We currently have 417 active volunteer roles. As part of our business planning process we are now considering how we can measure volunteer contribution to ZEALANDIA more holistically.

## EDUCATION

Total education visits were on target with 1,594 visits. YTD figures (6,719) are 7% ahead of target (6,270).

Sleepovers for 2016 started in mid March, there are already a number of future bookings for school and not-for-profit groups.

The ZEALANDIA collectable card game (produced with DoC) have been printed and will be used in schools from April.



## ZEALANDIA AS A TERTIARY LEARNING ENVIRONMENT

### Mount St Mary's College (New York) and Ohio Northern University

20 Biology Major students visited to gain an understanding about our habitat restoration and increasing biodiversity. They attended a seminar with Education and Conservation staff, a guided walk and weeded an area previously planted by students from Te Aro School.

*"Everyone was very accommodating at ZEALANDIA – I felt that every student's question was answered sincerely and thoughtfully – just a wonderful experience – Thanks!"*

### Elon University, USA

10 Eco-tourism students were hosted by volunteer and Guardian Roy Sharp. During their trip to New Zealand they experienced many different types of adventure based learning with a focus on understanding the special niche each activity has in the overall environment.

### Winona State University, Minnesota USA

Another 10 students were hosted by Roy Sharp this time their focus was on leadership. They travelled to New Zealand to learn about the importance of culture and context in organisational development.

### Victoria University

Around 40 Conservation Biology students used the upstairs exhibition space at the beginning of the academic year. Conservation Ranger Neil Anderson gave an introductory talk about what we do and how we do it at ZEALANDIA with a focus on research opportunities. The students particularly enjoyed the guided walk.

### ServiceIQ

Discussions with ServiceIQ have taken place regarding the possibility of ZEALANDIA running an Eco-tourism course (NCEA Level 3). Further details will be discussed as part of the 2016-17 Business Planning

**COMMUNICATIONS AND MARKETING**

**Communications highlights**

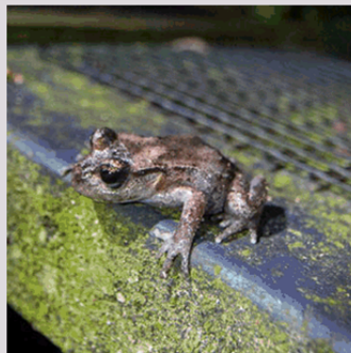
- The second half of summer campaign was promoted.
- Effective promotion of Easter Egg Hunt led to a massive Easter weekend with 3,250 visitors and two news stories (One News & Dominion Post). A key contributor to this success was effective online promotion – Eventfinda event had 119,782 views and the Facebook event had a reach of 85,000 (largest ever of both).
- Spotted skink release successful with approximately 120 visitors and extensive media coverage including 3 News, Dominion Post, NewsTalk ZB, RadioNZ, Newsline, & Independent Herald.
- Record number of positive Trip Advisor Reviews (169 compared to 81 in Q3 2014/15)
- Reached the 10,000 Facebook followers mark
- It was also a good quarter for media, with 12 positive stories in local and national news compared to 7 in Q3 2014-15. There were also 3 stories on the proposed sale of the Visitors Centre



**CONSERVATION**

**Species updates**

- Maud Island frogs - Surveys of enclosures with Maud Island frogs completed and transfer of 5 frogs to Wellington Zoo undertaken in April
- Hihi - The end of March saw the conclusion of the breeding season where more females nested than ever before, and the last chick fledged at the end of the month, with 91 chicks fledged from nestboxes and at least another 3 from an undiscovered natural nest.
- Kākāriki - the breeding season is still underway with 56 nestlings banded in March. Two more fledglings have transmitters attached (now ten in total) so that their survival and dispersal movements can be tracked.
- Kākā - Five kaka fledglings have been caught and transferred safely to Cape Sanctuary; the transfer of a further five will be made in April;
- Rifleman translocation - Discussion about the possibility of a collaborative WCC and ZEALANDIA translocation in 2017 has begun.



Maud Island Frog



Kaka getting ready for transfer to Cape Sanctuary

**MEASUREMENT AGAINST TARGETS IN SOI**

**Non-Financial Performance Measures (Quarterly Targets)**

Measure	2015/16 Quarter 2 (Jan-Mar)		2015/16 Annual	
	Actual	Target	Actual (YTD)	Target
Visitation	40,246	29,038	96,099	95,947
Education Visits (LEOTC, Tertiary, Early Childhood, School Holiday Programme)*	1,594	1,585	6,719	8,378

\* Education visits are also included in total visitation numbers above.

**Non-Financial Performance Measures (Annual Targets)**

Measure	Actual YTD	Annual Target 2015/16
Individual Members	10,158 <sup>1</sup>	10,200
Quality of Visit	83%	92%
Volunteers <sup>2</sup>	417	>400
City Residents' Awareness <sup>3</sup>	-	87%

<sup>1</sup> Q3 Average.

<sup>2</sup> Number of volunteer roles.

<sup>3</sup> A survey will be completed at the end of the final quarter to assess the level of awareness of city residents.

**Financial Performance Measures**

Measure	Actual YTD	Annual Target 2015/16
Full cost per visitor (including WCC costs)	\$11.29	\$16.28
Average subsidy per visit (Total WCC operating grant/all visitors)	\$6.83	\$9.12
Average revenue per visitation (excludes Council & Government grants)	\$27.97	\$25.90
Non-Council Donations/Funding	\$327,905	\$250,000

Conservation Programme (Annual Targets)			
Conservation Measures	Actual YTD	Annual Target 2015-16	Commentary
Restore missing species to the wild in accordance with the Restoration Strategy			
Number of new animal species transferred	1	1	<b>Completed:</b> Transfer of Spotted skinks occurred January 2016
No. animal species being actively managed in the wild. <i>* Active management includes supplementary feeding, nestbox and roostbox management and excludes species held in captivity.</i>	9	9	<b>On target:</b> Hihi, kākā, takahē, bellbird, kākārīki, kiwi, MI frog, Long-fin eels, giant weta; <i>Note: Saddleback had nestboxes provided at time of release, but none actively managed at this time.</i>
No. animal species being actively monitored (assuming 1 new species transferred/annum) <i>*Includes species with ongoing active data collection.</i>	12	12	<b>On target:</b> Hihi, kākā, takahē, bellbird, kākārīki, kiwi, scaup, shags (3 species), tuatara, giant weta. Observations of other species (eg saddleback) gathered in ad hoc manner;
Percentage of transferred animal species (17) regarded as self-sustaining (assuming ongoing management)	72%	76%	<b>On target:</b> 13 of the 17 species transferred are regarded as self-sustaining assuming ongoing current management. 2 transfers failed (tomtit, weka) and 2 (bellbird, Long-fin eels) not regarded as self-sustaining; <i>Note: it usually takes several breeding seasons before a transfer can be regarded as self-sustaining (successful breeding, population stable or increasing) so % will reduce with new transfers eg to 72% after Spotted skink transfer (13/18)</i>
Improve the population status of nationally threatened species present			
Number of threatened species present (excluding species held for advocacy or temporarily eg. takahe, kakapo)	4	4	<b>On target:</b> Hihi, NI kākā, Maud Island frog and Pied shag are all breeding successfully.
Number of threatened species actively managed	3	3	<b>On target</b> Pied shag is not actively managed.
Number of threatened species actively managed that increase or are regarded as self-sustaining	3	3	<b>On target:</b>
Manage species held for captive breeding purposes to ensure they remain healthy and breed successfully			
No. species of held for captive breeding	2	2	<b>On target:</b> Maud Island frogs and Barking geckos.

Conservation Measures	Actual YTD	Annual Target 2015-16	Commentary
No. species breeding successfully	2	2	<b>On target:</b> Maud Island frogs and Barking geckos both breeding successfully.
Monitor animal pest status, control mice & successfully respond to any incursions			
Mice maintained at levels below or similar to previous years (abundance per100 trap nights)	2.7	<10	<b>On target:</b> The actual figure represents the average abundance/100 corrected trapnights of index trapping done in Jan-March
No. invasive mammalian species actively searched for (eg by audits)	0	7	The animal audit is scheduled for quarter 4.
No. biosecurity incursions	0	0	Tracking tunnel audit and dog searches planned for quarter 4.
Percentage incursions successfully eradicated	N/A	100	Tracking tunnel audit and dog searches planned for quarter 4.
Monitor plant pest status and reduce distribution of environmental weeds (currently 123) within and near the fence perimeter			
No. species actively controlled or surveyed	37	44	<b>On target:</b> 44 environmental weeds identified as priorities.
No. species where control has achieved a decline to low levels of infestation	49	52	<b>On target:</b> This evaluation will not occur until annual programme completed (4th quarter); Note control also undertaken outside the perimeter fence for key species to improve feasibility of ongoing suppression inside the fence



<b>Measures against Strategy Areas</b>		
<b>MEASURE against Strategy Areas</b>	<b>TARGET 2015/16</b>	<b>TRACKING 2015/16</b>
<b>ZEALANDIA is an internationally recognised centre for ecological restoration, visible engagement with research and science, visitor experience and community involvement</b>		
ZEALANDIA is recognised internationally as a centre for ecological restoration and conservation action	Formal Agreement with Victoria University of Wellington to establish a presence at ZEALANDIA	A draft MOU is with VUW and planned to be finalised by 31 May 2016.
	Recruitment of key staff, jointly funded by Victoria University and ZEALANDIA	
	Development of a research programme by June 2016	
	Publication of key research outcomes	
	Strategic Scientific Steering Group established and functioning by 2016, which nominates resident thinker	
<b>ZEALANDIA's visitors are moved, touched and inspired to act on our call to action</b>		
Define a clear identity for ZEALANDIA in the urban environment	Identity statement for ZEALANDIA in the urban environment and 'call for action' agreed by the Board by October 2015	Consultation with staff, Guardians, members and volunteers has taken place.
	Key messages used consistently throughout our programme	
Improve visitor experience through the articulation and presentation of our story	Annual visitor experience programme developed/enhanced	In Progress
	Professional development programme for staff/volunteers in telling our story, developed and implemented throughout the year	Being achieved through Nature Connections and other development programmes being run in house and externally
	Complete signage projects that tell the story of the sanctuary	Signage, track network and maps project being included in current business plans
	Monthly Kids Trail and Children's discovery area established part of programme	Kids Trail is promoted during school holidays and as part of the education programme
	Plan for matauranga Maori focus developed and implementation underway by June 2016	Iwi engagement is an integral part of the Second Generation Strategy.
	Accessibility progressively improved and recognised	Be Accessible rating moved from Bronze to silver. Beginning work to make improvements which will help us achieve gold.
	Animation of various exhibition spaces throughout the Visitor Centre to tell our story via exhibitions and annual programming events	New education exhibition (lower foyer) launched in July 2015 tells the story of schools involved in visit and outreach programmes
Increase presence/profile within our community	1,500 people reached via attendance at community events	On course to achieve this (Spring festival, Johnsonville Santa parade, Pest Fest, Wellington City Santa Parade, Kids Day out, Pest Fest) Planning for Open Day in May.

MEASURE against Strategy Areas	TARGET 2015/16	TRACKING 2015/16
	ZEALANDIA is represented and visible at five or more city events	On course to achieve this (Wellington on a plate, Spring festival, Kids Day out, Pest Fest)
<b>ZEALANDIA will extend its conservation, research and education programmes to the backyards of Wellington's residents</b>		
ZEALANDIA extends to residents' backyards	Community groups sign up for ZEALANDIA Outreach programme	Discussions underway with the Halo Project and community trapping projects (eg Crofton Downs)
	City residents report increasing numbers of native birds in their gardens	Achieved – Reports from Wellingtonians through NatureWatch, ZEALANDIA's "Report a Bird" and the annual Landcare Garden Bird Survey indicate an increase in native birds throughout the city. This is also supported by systematic counts such as the WCC 5 minute bird counts
	Education materials on how to attract native fauna and keep them safe (eg. Lizard garden, traps etc) available on website	Achieved – there is also provision for this in the new website
	Increased number of households actively managing pests in their backyards	Achieved – Education outreach programme in collaboration with other organisations such as the Halo project
<b>ZEALANDIA's strategies and reputation are firmly aligned with those of Wellington City, and the people of Wellington love ZEALANDIA as an integral part of the City.</b>		
Align ZEALANDIA's reputation with Wellington City	ZEALANDIA's 20 <sup>th</sup> Anniversary is celebrated by the community	20 <sup>th</sup> Anniversary weekend (4-5 July 2015), Volunteer celebration dinner (5 December 2015)
	Increased visibility through our Outreach programme	The number of schools that are a part of this is increasing along with awareness of the program
	Regular, proactive release of good news stories	12 positive news stories in local and national news compared to 7 in Q3 2014-15.
<b>ZEALANDIA is a financially viable and sustainable business</b>		
Diversity revenue streams	Commercial partnerships established with organisations that are aligned with ZEALANDIA's vision	Ongoing – ZIP (Zero Invasive Predators), CVNZ (Conservation Volunteers New Zealand), 7 Sanctuaries Expanding partnerships with like-minded organisations is a priority for our new CE and the Second Generation Strategy.
	Donor conversion programme	Being developed as part of the 2016-17 Business planning process
	Corporate sponsorship programme	
	An improved premium product offering	
	A Corporate Team Building product developed	Completed – a review of the number and type of events is underway
	An event programme for Rata café is established	
Refurbishment of the top floor exhibition to create a multi-functional space that will provide greater venue hire options	Phase one of this work is now complete with all exhibits moveable, heating and cooling options in place and the ability to adjust the brightness of the lighting and mute the upstairs exhibits.	
J:\6 Governance\WCC\201516 Q3 Reporting\KST Q3 WCC Report 2015-16 FINAL.docx		
Page 11		

MEASURE against Strategy Areas	TARGET 2015/16	TRACKING 2015/16
		We are beginning to explore elements of phase two which include furniture, AV and storage and planning for phase 3 (full physical segregation of the upstairs/downstairs space and the provision of natural light) will be included in the Capital expenditure plan that's currently being developed.
Implement the Sanctuary Blueprint project	Phase 1 valley enhancements of the Sanctuary Blueprint project completed	Being incorporated into Business planning and Capital Development plans.
Improve organisational capability	IT capability across the organisation is improved with the server software upgrade and rollout of upgraded computers and software to staff	Complete
	Automation of membership renewal process	Complete - As complete as possible with the current system processes continue to be improved on an ongoing basis.
	Website upgrade and improved online booking system	In progress – Contract signed and now being implemented.
	Point of sale system reviews and updated	In progress - Goal to have system replaced by July 1 2016
	Options for improved CRM database investigated	In progress - Linked to POS system replacement
	Full review of organisational policy and procedures completed	In progress

**FINANCIAL PERFORMANCE**

Detailed financials are attached.

## Balance Sheet

### Karori Sanctuary Trust As at 31 March 2016

31 Mar 2016

#### Assets

<b>Current Assets</b>	
Accounts Receivable	54,922
Cash	1,344,760
Prepayments	71,799
Stock on Hand	49,045
<b>Total Current Assets</b>	<b>1,520,526</b>
<b>Fixed Assets</b>	
Fixed Assets	5,087,722
VC Building	10,202,668
Less Accumulated Depreciation on VC Building	(642,136)
<b>Total Fixed Assets</b>	<b>14,648,254</b>
<b>Total Assets</b>	<b>16,168,780</b>

#### Liabilities

<b>Current Liabilities</b>	
Accounts Payable	78,826
Accrued Liability	6,500
Community Trust Loan - Current	33,333
Entertainment Books	442
GST	40,525
Payroll Taxes	155,761
Project / Capex Fund	27,405
Unearned income	405,777
<b>Total Current Liabilities</b>	<b>748,569</b>
<b>Non-Current Liabilities</b>	
Community Trust Loan	400,000
WCC Loan	10,346,689
<b>Total Non-Current Liabilities</b>	<b>10,746,689</b>
<b>Total Liabilities</b>	<b>11,495,258</b>
<b>Net Assets</b>	<b>4,673,522</b>

#### Equity

Current Year Earnings	710,712
Retained Earnings	3,962,810
<b>Total Equity</b>	<b>4,673,522</b>

## Profit & Loss

### Karori Sanctuary Trust For the 3 months ended 31 March 2016

	Mar-16	Dec-15	Sep-15	YTD
<b>Income</b>				
Admissions	449,122	305,633	196,023	950,778
Care & Preservation Income	8,647	6,947	5,486	21,080
Education Other Revenue	1,322	5,024	-	6,346
Evening Talk (Koha)	96	28	352	476
Interest Income	2,510	7,287	3,748	13,545
KBN (Kids by Night) Tours	-	35	-	35
Membership Subscriptions	84,489	85,869	63,285	233,643
Non-LEOTC Sleepovers & Night Tours	-	-	1,243	1,243
Other Grants & Donations	202,384	104,796	74,564	381,744
Other Operating Revenue	17,622	22,926	12,929	53,478
Sales of Goods	441,858	419,503	216,069	1,077,430
WCC Grant	218,750	218,750	218,750	656,250
<b>Total Income</b>	<b>1,426,800</b>	<b>1,176,799</b>	<b>792,449</b>	<b>3,396,048</b>
<b>Gross Profit</b>	<b>1,426,800</b>	<b>1,176,799</b>	<b>792,449</b>	<b>3,396,048</b>
<b>Less Operating Expenses</b>				
Additional Cruise Ship Shuttle Hireage	2,026	574	-	2,600
Administration & Management	114,466	95,009	138,212	347,687
Be Accessible & Carbon Zero	3,200	6	2,967	6,173
Colt Motor Vehicle Expenses	113	285	239	638
Contractors & Consultants - Marketing	-	546	-	546
Cost of Goods Sold	185,722	156,835	98,635	441,193
Education Events	-	201	-	201
Food - Functions Expenses	-	6,975	-	6,975
Marketing - Education	-	1,150	-	1,150
Other Operating Expenses	46,797	66,235	41,130	154,163
Personnel	543,486	457,199	408,997	1,409,681
Salaries & Wages - Guides	15,427	9,287	4,973	29,687
Salaries & Wages - Tourism & Trade	6,763	13,154	18,170	38,087
Salaries & Wages - Visitor Experience	23,066	16,805	19,939	59,810
Sirocco Costs	-	1,460	7,969	9,429
Sirocco Expenses	-	-	3,834	3,834
Sirocco Expenses - (R & A)	-	8,969	9,680	18,649
Skink Transfer Programme	1,962	33	-	1,995
SMT - Discretionary Expense Allowance	230	142	-	372
<b>Interest Paid</b>				
Interest Expense	5,445	5,881	6,996	18,322
<b>Total Interest Paid</b>	<b>5,445</b>	<b>5,881</b>	<b>6,996</b>	<b>18,322</b>
<b>Trustees Remuneration</b>				
Board Expenses	20,458	20,366	20,609	61,432
<b>Total Trustees Remuneration</b>	<b>20,458</b>	<b>20,366</b>	<b>20,609</b>	<b>61,432</b>

## Profit & Loss

	Mar-16	Dec-15	Sep-15	YTD
<b>Total Operating Expenses</b>	<b>969,161</b>	<b>861,114</b>	<b>782,350</b>	<b>2,612,625</b>
<b>Operating Profit</b>	<b>457,639</b>	<b>315,685</b>	<b>10,099</b>	<b>783,423</b>
<b>Non-operating Expenses</b>				
Depreciation Expense	173,655	173,687	(274,631)	72,711
<b>Total Non-operating Expenses</b>	<b>173,655</b>	<b>173,687</b>	<b>(274,631)</b>	<b>72,711</b>
<b>Net Profit</b>	<b>283,985</b>	<b>141,997</b>	<b>284,730</b>	<b>710,712</b>

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## FINAL 2016/17 STATEMENTS OF INTENT FOR COUNCIL CONTROLLED ORGANISATIONS

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### Purpose

1. To receive and consider the final 2016/17 Statements of Intent (SOIs) for the Wellington Zoo Trust (the Zoo or the Trust) and the Karori Sanctuary Trust (ZEALANDIA or the Trust).

Summary 2. At its meeting on 28 April 2016, the Committee reviewed the draft 2016/17 Statements of Intent (SOI) for the Zoo and ZEALANDIA and recommended some changes be communicated to both entities. The recommendations of the Committee have been addressed by the Zoo and ZEALANDIA in their final SOI.

### Recommendations

That the Environment Committee:

1. Receive the information.
2. Note that following the Committee meeting on 28 April 2016 the officers wrote to the Council Controlled Organisations requesting changes to be made in their Statements of Intent and that these changes have been included in the final Statements of Intent.
3. Note any issues for the Chair to raise with the entities covered by this report.
4. Agree to recommend to Council that it approves the 2016/17 Statements of Intent received from the Wellington Zoo Trust and the Karori Sanctuary Trust.

### Background

3. Under the Local Government Act 2002, CCOs are required to submit a draft SOI to the Council by 1 March in the previous financial year. As a matter of good practice, the Council precedes this with a Letter of Expectation which outlines the Council's expectations in respect of the SOIs it will receive.
4. Officers received the draft SOIs and tabled these at the Environment Committee meeting on 28 April 2016. The report included issues that had been identified in each draft SOI that were expected to be addressed in the final SOI. Officers then wrote to each CCO, highlighting these issues and requesting that they be addressed in the final SOI.
5. The final SOIs are included in this report for referral to the Council for its approval. As the key accountability document between the Council and the Board of each entity, the approval or support of the SOI is important in confirming the strategic direction and accountability to Council of each organisation.
6. The 2016/17 SOI for Wellington Water Limited will be considered by the Wellington Water Committee.

### Discussion

7. Officers have reviewed the final SOIs and acknowledge that they respond constructively to the Letters of Expectations. The main areas for the committee to note are as follows:

**Wellington Zoo Trust:**

8. In its final SOI for 2016/17, the Zoo has responded to the points raised by the Environment Committee. Specifically, the Trust has updated Health and Safety statement to show that the Board understands its responsibilities with respect to the new Health and Safety legislation and made it clear in the capex programme discussion that the proposed programme will be subject to future Annual and 10-Year Plan bids and analysis.
9. Officers recommend that the Environment Committee recommend that the Council approve the Zoo's 2016/17 SOI.

**Karori Sanctuary Trust:**

10. In the 2016/17 SOI, ZEALANDIA has responded to the points raised by the Environment Committee following its meeting on 28 April 2016. The Trust has acknowledged the Committee's request for a more developed presentation of its risk register and is currently undertaking this work which will be completed and applied in the first quarter of the 2016/17 financial year. The revised framework will be included in the Trust's first quarterly report to the Environment Committee in 2016/17. In terms of the Trust's focus on international partnerships and its engagement with international students, the SOI acknowledges its focus in these areas. The SOI also acknowledges the Trust's understanding of and compliance with the Health and Safety legislation as emended.
11. Officers recommend that the Environment Committee recommend that the Council approve ZEALANDIA's 2016/17 SOI.

**Attachments**

- |               |  |          |
|---------------|--|----------|
| Attachment 1. | Wellington Zoo Trust final 2016/17 SOI   | Page 66  |
| Attachment 2. | Karori Sanctuary Trust final 2016/17 SOI | Page 108 |

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



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## **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.

### **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.



May 24, 2016

Cr Iona Pannett  
Chair  
Environment Committee  
Wellington City Council  
PO Box 2199  
WELLINGTON 6140

Dear Iona,

**RE: Statement of Intent (SOI) 2016-17**

Thank you for your letter of May 3, 2016 regarding the Wellington Zoo Trust's Statement of Intent for 2016-17.

Our SOI addresses the issues for the Trust which you have raised in your original Letter of Expectation and this latest letter regarding the Draft SOI. These specifically refer to the following matters:

- alignment with the Council's strategic direction and aims in the 2015-25 LTP
- ensuring the annual report and audited financial statements include the budget from the SOI for the same period
- achieve Be Accessible gold standard
- develop more ways to achieve wider engagement across the visitor experience
- develop a brief to review the ZCP outcomes against objectives
- outline the Zoo's capital projects for the next ten years, both funded and unfunded. Clearly state that the Trust understands that the proposal is subject to Annual, and future Long Term Plan, budget bids and analysis
- update H&S to show that the Board clearly understands and acknowledges its responsibilities with respect to the H&S legislation and
- complete an annual Board performance review.

The Trust looks forward to continuing the positive working relationship we have with Council to create celebration and pride in our boutique but mighty Zoo.

We are looking forward to an exciting year for Wellington Zoo as we ignite a Zoo revolution.

Yours sincerely

A handwritten signature in black ink, appearing to read "Craig Ellison".

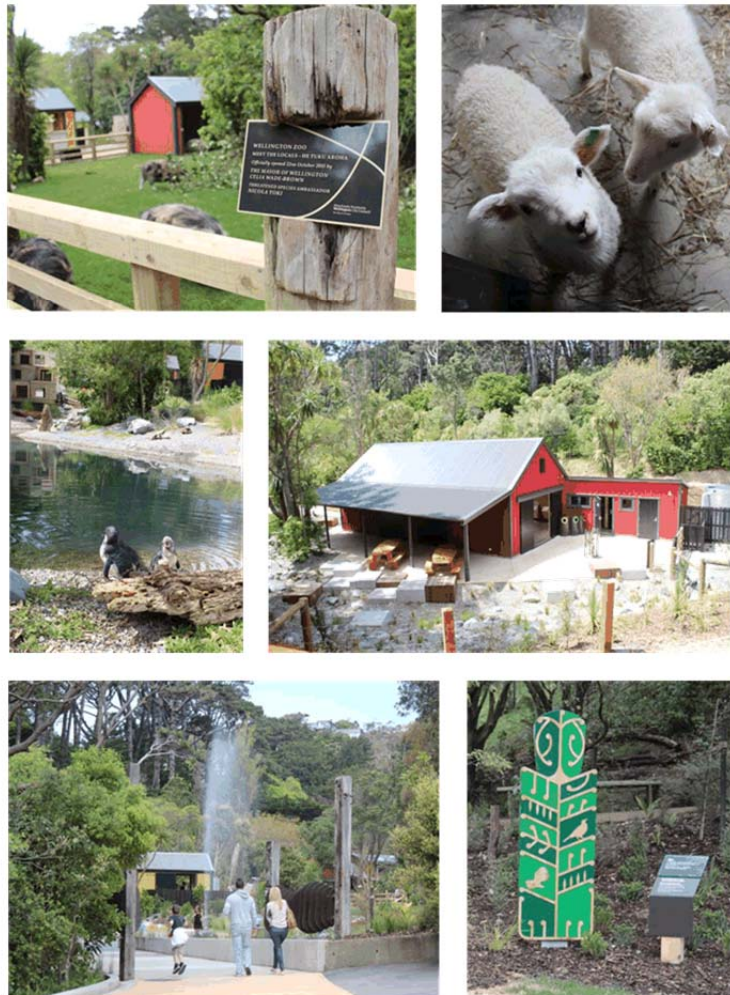
Craig Ellison  
Chair  
Wellington Zoo Trust

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Statement of Intent and Business Plan  
2016-17  
Wellington Zoo Trust

Pursuant to Schedule 8 of the Local Government Act (2002)



*Meet the Locals He Tuku Aroha – our New Zealand experience opened October 2015*

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## 1. Introduction

Wellington Zoo is 110 years young in 2016. As New Zealand's first Zoo and that of the capital city we are committed to ensuring that our strategic aims are based in excellence and engender a sense of pride in their Zoo from our community. We are a social enterprise which exists to create community good and to solve important social and environmental problems – people disconnected from nature in an urbanised world and the loss of species worldwide. We operate to fulfil our 'why' to ignite a Zoo revolution through leading the way in connecting people and animals and saving animals in the wild by having our community love and support their Zoo. We have local and global influence as behaviour change agents for the environment and as a conservation agency with sustainability at its heart.

Wellington Zoo contributes to the vibrancy and forward thinking of our city through employment of Wellingtonians, working with Wellington suppliers and other Wellington organisations in partnerships driven by outcomes and provision of quality visitor experiences for our local and international community. The Zoo aims to be a reflection of our city and contribute to the thriving cultural and natural heritage of Wellington as an accessible and liveable city. The Zoo generates additional liveability for our citizens and the economic benefit generated reflects the Economic Strategy of the Council for Wellington.

We have consistently met or outperformed almost all of our performance targets in the last nine years. Since the beginning of the Zoo Capital Plan (ZCP) investment in 2006 our visitation has **increased 34.7% on the base 2004-05 figures**. We have also increased our contribution to the operating costs of the Zoo from 37% to 59% in that time.

In the 2015/25 LTP no new Zoo CAPEX submissions were approved for inclusion. **However we have outlined CAPEX priorities for the Zoo over the next ten years later in the SOI as per the Letter of Expectation. We understand that this proposed programme is subject to future Annual and Long Term Plan budget bids and analysis.**

**Included in this SOI is a summary of the ZCP objectives set in 2006.** We are very pleased with the achievements the ZCP has driven and that we have delivered what we promised in 2006. Not only has visitation increased exponentially, the facilities for animals, staff and visitors have all been vastly improved. We have begun to review the success of the ZCP and we will be providing WCC with a comprehensive report once this is complete.

**We have submitted a request for additional financial support regarding Animal Care staffing.** We have been undertaking a benchmarking exercise with Auckland Zoo, Hamilton Zoo and Orana Wildlife Park regarding staff numbers and salaries. We need to address these issues within our Zoo as animal care is our highest priority. The case for this funding request is included in this SOI. **As with all our H&S responsibilities the Board (and other officers of the Trust) acknowledges and understands its accountability. We have made the appropriate improvements to ensure the new H&S legislation (effective April 2016) is well managed and that the Trust meets the required reporting, monitoring and reviewing of H&S objectives.**

We agree to the nonfinancial expectations of the Zoo and the SOI outlines how we will implement these expectations.

## 2. Strategic Direction

### a) Core Purpose

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

#### **PURPOSE**

Wellington Zoo exists to ignite a zoo revolution. We lead the way in connecting people to animals and saving animals in the wild by our community loving and supporting their Zoo.

#### **TRUST DEED**

Wellington Zoo Trust Deed states the objects of the Trust as follows:

*"7.1 The objects for which the Trust is established, to the extent that they are a charitable purpose within New Zealand, are as follows:*

*7.1.1 To manage, administer, plan, develop, maintain, operate and promote Wellington Zoo as a zoological park for the benefit of the Wellington community and as an attraction for visitors to Wellington;*

*7.1.2 To educate the community by building an awareness of plant and animal species and the actions required to promote conservation;*

*7.1.3 To promote species conservation;*

*7.1.4 To support and complement the conservation and learning activities undertaken by other organisations;*

*7.1.5 To develop, manage and plan animal species management programmes;*

*7.1.6 To promote and coordinate the raising of funds to assist the management, administration, maintenance, planning, promotion and further development of Wellington Zoo;*

*7.1.7 To acquire additional plant and animal species;*

*7.1.8 Generally to do all acts, matters and things that the Trustees think necessary or conducive to further or attain the objects of the Trust set out above for the benefit of the Wellington community."*

**b) Operating Environment Update**

We have redefined the strategic framework for Wellington Zoo Trust in order to deliver our strategic objectives. This is supported by structural changes and underpinned by our values.

We are well aware of the need to continually improve our experience offering so that the community feels they're getting value for money and leading edge zoo experiences. As the capital city zoo we believe we should be providing a uniquely Wellington Zoo experience- innovative, fun, creative and personal.

While we can make adjustments to our operations there is still the expectation within Wellington that access to many visitor facilities or events should/will be free. This community expectation provides challenges for us even though we have several community accessibility initiatives each year.

**c) Strategic Framework**

The ZCP was a disruptive force for change at the Zoo when it begun in 2006 and an impetus like this is what we need again — not so much a physical change but building on the innovative platform for future initiatives that we have created. We must continue to drive success and organisational improvement.

Our new strategy is about the Wellington Zoo of the 21st century and seeks to take us into a new realm which builds on our success of the past few years, using the rebuilt Zoo physical platform and setting the stage for Wellington Zoo to be seen as a leader in the conservation of species and sustainability outcomes. Wellington Zoo distinguishes itself as a 'good zoo' in global terms and we want to continue this reputation across our strategic goals. (See below)

Our values underpin our strategy and structure and they resound with our approach to being a welcoming, happy place. Our iwi alignment is reflected in the iwi interpretation of the values and we have worked with Tarankai Whanui to ensure the correct concepts to reflect our intentions. (See below)

Both the strategy and values are supported by a realignment of our people to deliver the new strategy in the Wellington Zoo way. The new structure will be complete by July 1, 2016.







**Wellington Zoo Trust's strategic elements are to:**



The Zoo is perfectly positioned, as a multi award winner in visitor experience, business leadership, vibrancy, sustainability and conservation, to take an active role in delivering conservation and sustainability messages to a large audience of over 230,000 visitors on-site and many more online.

Wellington Zoo will continue to build its reputation as a unique and intimate Zoo by including more opportunities for our visitors to experience multi layered and multisensory learning experiences. We will design creative and profound visitor experiences which connects people and animals in ways which inspire people to take positive action for the environment.

Our people are passionate about their work and we will ensure they are supported in their development and have the necessary capability to deliver our strategy.

Our commitment is to ensure **continual improvement in visitor experience to achieve wider engagement within the community**. We have dedicated expert staff in this area and they train our people and volunteers in the best practice approach to visitor engagement. We offer a range of events, discount days and other visitor programmes which ensure we engage our whole community in the work of the Zoo. Accessibility is important to us as we believe that the Zoo belongs to everyone. Programmes such as The Warehouse Wellington Zoofari for low decile schools, Neighbour's Night for the local community who live near the Zoo and discounted entry on Winter Wednesdays ensure accessibility for a wider segment of the community. Zoo Crew membership is continually increasing and this is a strategic aim for us as Zoo Crew provides an excellent value proposition for Wellington city rate payers and residents who visit the Zoo often throughout the year.

Our newly refreshed website is broadening the reach of our message based experience, the visitor experience starts at home, with our updated website more accurately reflecting the experience within the Zoo, and showcasing our new Zoo for the community.

With the introduction of Meet the Locals He Tuku Aroha, we have an opportunity to engage our community in different ways – asking them for action (e.g. planting trees in our restoration site); or introducing them to community groups who are working across our city in biodiversity, or social enterprise: this may mean a conversation with the Wellington Beekeepers Association, or a lesson in planting vegetables at home provided by volunteers from one of our local community gardens. We have also increased the Iwi voice within the Zoo visitor engagement in Meet the He Tuku Aroha and will continue to work with Taranaki Whanui to continue this across the site. Meaningful, unique Māori stories will create a sense of place that no other Zoo in the world can replicate.

We will also be refreshing our approach to learning within the Zoo, looking to blur the line between the traditional constructs of the 'formal' and 'informal' learning experiences and providing all of our visitors with message driven, learning based experiences. This will be complemented by specialist Visitor Ranger Volunteers working alongside our staff helping us to deliver the best possible experience for all of our visitors.

**Last year we achieved a silver rating by Be Accessible and as per the Letter of Expectation we will set our goal this year to achieve the gold rating.**

Our Social Return on Investment (SROI) (November 2015) project, undertaken by the WCC Research Unit, indicates that we are seen as a credible voice for conservation and sustainability within the community. 95% of our visitors would recommend the Zoo to others visiting Wellington and 71% said that Wellington Zoo improves the quality of life in the city, while 89% said they would visit again when next in Wellington. We will include both local and non-local visitor SROI results in the **ZCP Review Document for WCC**.



Our end game is to save animals in the wild, locally and globally. We have a global conservation remit. Zoos worldwide are the third biggest investor in range state conservation (US\$350m annually) with only WWF Global and The Nature Conservancy contributing more.

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

Our Collection Plan focuses on the number of critically endangered and endangered species we have in human care at the Zoo and those we support through our conservation programmes in the animal's range state. The field conservation programmes for critically endangered and endangered species in their range state that we support are: Sumatran Tigers through 21<sup>st</sup> Century Tiger, Tasmanian Devils through Save the Devil Program, Malayan Sun bears through Free the Bears South East Asia, Cotton Top Tamarins through Proyecto Titi, Black and White Ruffed Lemurs through Madagascar Fauna and Flora Group, Chimpanzees through the Jane Goodall Institute, White Cheeked Gibbons through Flora and Fauna International, Kea through Kea Conservation Trust, Kororā Little Blue Penguins through Places for Penguins; North Island Kākā through breed for restoration programmes, Grand and Otago Skinks with DOC and Golden Lion Tamarins through Associação Mico-Leão Dourado. The planned acquisition of **Snow Leopards** and **Ring Tailed Lemurs** will provide further opportunities for our community to engage with global conservation issues for endangered species.

Our goal is to ensure within the next three years that 5% of our operating expenditure goes directly to field conservation, following the international guidelines and model of the American Association of Zoos and Aquariums. In 2014/15 4.47% of our OPEX went directly to helping to save animals in the wild.

The Nest Te Kōhanga works with a variety of native species. Native wildlife cases now make up 70% of the veterinary medicine case load – including many who are critically endangered and endangered. Our success in this area is above world standard for zoo veterinary hospitals and we take great pride in this achievement.

In the SROI research mentioned above 75-89% of visitors learnt that zoos play a vital role in conservation and have learnt ways that they can also contribute to conservation after their visit to Wellington Zoo. After visiting Wellington Zoo 80% said they plan to change their behaviour to benefit the environment.



The Trust now contributes 59% of its operational costs and has increased this consistently since the inception of the Trust in 2003 from 37%.

The Zoo's contribution to the economic development of our city is through its financial results, creating a place Wellingtonians can feel proud of, by the employment of over 80 people (62 FTE) and by being one of the largest businesses in Newtown.

The Trust will continue to drive for results in its commercial imperatives this year to ensure financial sustainability. As a social enterprise we seek to ensure our financial sustainability so that our social and environmental goals can be achieved.

Wellington Zoo is inclusive for all sectors of our community – our visitor mix is diverse and we ensure that all visitors feel safe and respected. Our visitor numbers continue to grow. In the SROI research project the initial phase measured the economic impact of Wellington Zoo to the City from visitors coming to Wellington specifically to visit the Zoo. During the 2014-15 year non-local visitors to Wellington Zoo contributed **\$3,730,273 of direct new spending** to Wellington City's economy. This result was conservative, excluding any overnight accommodation and indirect spend. The next phase of the research will analyse the total economic value of Wellington Zoo to the City.

Our visitor feedback is positive and people are enjoying the continual change in the Zoo. Our Animal Close Encounters continue to attract visitors and venue hire and functions bookings are increasing.

Two examples of visitor feedback are as follows:

*'This is one of the best zoos we have had the pleasure of visiting. My wife and I have lived and worked in Sydney, London, Singapore, and now Wellington, and we both view Wellington Zoo as the best zoo of any zoo we have visited internationally. It is incredibly well planned and laid out, always immaculate, accessible, full of great family features (we have two young boys), and educational without being 'preachy' or condescending in any way. Staff are well informed and always extremely helpful. We have been annual pass holders for two years now, visit regularly but neither the kids (or their parents) have never been bored by the experience. We will continue to be annual pass holders and frequent visitors.'* Wellington Zoo visitor December 2015

*'A friendly staff member approached us at the Otter enclosure as we were leaving and was super friendly and incredibly knowledgeable. She asked us about ourselves and gave us some great information about the otters and other animals we had encountered. She was engaging, and friendly without being overbearing or false. A great end to a great day.'* Wellington Zoo visitor January 2016



Wellington Zoo has been recognised in a multitude of awards over the past few years, from sustainability to business and environmental leadership. We will continue to strive for excellence across our organisation. To achieve our strategy we will be ensuring our commitment to sustainability and our carboNZero certification continues with projects such as the **solar power installation on the roof of the Zoo entry building.**

We will invest in our people to provide professional growth. Caring for our people is a high priority for us and our new H&S Manager role will ensure we achieve our H&S targets. Our values project will be embedded over this coming year as part of our commitment to 'walking the talk'. **Our animals are the major emphasis for us and we are very proud to have achieved Zoo and Aquarium Association Animal Welfare Accreditation in 2015.**

We are also proud to have made a commitment to addressing the immense issue of illegal trade in wild animals. **To support the ethical standard to which Zoos should be operating when they gain animals in their collection, Wellington Zoo Trust has committed 5% of all costs spent on animal acquisitions to go directly to our partner organisation, TRAFFIC South East Asia, to help them tackle illegal trade in animals throughout the world. Last year 4.7 million animals were illegally traded in Asia – this represents one of the biggest species crises we are facing.** We are a Wellington based zoo with a global reach and this is one initiative which can support our partners in the field who are trying to reduce illegal animal trade.

### 3. ZCP Review

As the Letter of Expectation notes, the ZCP is now complete. We have begun reviewing the achievements from the ZCP including Return of Investment. **We will address the original objectives in this review and will ensure this review of the ZCP is reported to Council, as the major funder, during 2016-17.**

Wellington Zoo contracted DOT Loves Data to analyse the success of the ZCP prior to the opening of Meet the Locals He Tuku Aroha. This analysis will be included as part of the ZCP Review Project.

An excerpt of the ZCP Business Case 2006 rationale is below. We believe we have exceeded the measures for the ZCP investment. The risks listed below in the Business Case have been addressed and visitation has exceeded the ten year target.

#### **Zoo Capital Programme Rationale from the 2006 Business Case**

*Every great city deserves a great zoo. As the capital city of New Zealand, Wellington deserves a great national zoo. Zoos are found in every continent and in every culture. They are the most visited of all the cultural organisations worldwide and more people go to zoos every year than all the spectator sports combined.*

*The critical success factors for a modern Zoo are that it be interactive, unique, dynamic, accessible and provide the community with a forum to connect with wildlife through multi-sensory experiences and best practice animal welfare and management. The Zoo should establish partnerships with likeminded organisations to promote sustainable lifestyles and conservation action in the community through its diverse visitor reach. Through its social and environmental returns the modern Zoo becomes a major community asset with economic benefits for the city through tourism, employment and financial sustainability. Wellington Zoo can be small, specialised and doing it well. **Achieved***

*Wellington Zoo is a major heritage asset for the city but the degraded state of many Zoo assets arising from a legacy of many years of deferred facility maintenance and under-development so this is the primary driver for the scope of projects that are proposed to comprise the Zoo Capital Programme. **Achieved***

*This programme was described as "Option 3 – A Modified 10 Year Programme", in the Trust's investment proposal to Wellington City Council in October 2005 and as adopted for further exploration in this review.*

*The Trust's approach to the selection of projects to comprise "Option 3" was to identify the essential work required to remedy the major health and safety and animal welfare issues and then to leverage the opportunity arising from the remedial work so that a start could be made on achieving the Trust Deed objectives of conservation, education and community benefits.*

*These opportunities arise not only because of the asset renewal arising from the remedial work, but also because remedying the issues associated with some exhibits is not practical in situ and in those cases, relocation of some species and exhibits is necessary.*

*The intention of this integrated approach is to deliver a community facility which meets visitors' and stakeholders' expectations of a modern zoo that delivers on the triple bottom line of economic, social and environmental returns on investment. **Achieved***

**Summary of Major Current Risks 2006**

The six areas of risk outlined above have a potential range of impacts which are summarised below.

**Table 1 - CURRENT RISKS**

<b>1 Risk</b>	<b>2 Health and safety issues</b>
<i>Current likelihood</i>	<i>Low to medium</i>  <i>While mitigation measures are in place to control most of the significant risks, some are not sustainable in the medium to long term as assets deteriorate further and the statistical likelihood of human error increases. Some risks (particularly of back injury) cannot be satisfactorily mitigated, especially in the existing hospital.</i>
<i>Impact</i>	<i>Legal and financial risk to Trust and Council remains. Serious injury, disease or death is a possibility.</i>
<b>3 Risk</b>	<b>4 Animal well-being compromised</b>
<i>Current likelihood</i>	<i>High</i>  <i>The condition and location of some current exhibits and off-display areas is such that higher levels of morbidity and mortality are occurring than is acceptable. This is most obvious in Bird Valley.</i>
<i>Impact</i>	<i>Serious risks to reputation of Trust, Council and city if issues not resolved for some species in near future. Currently in adequate holding pattern for some areas but this is not sustainable. The location of much of the bird collection carries risks which cannot be mitigated and whose consequences are unacceptable.</i>
<b>5 Risk</b>	<b>6 Zoo slipping behind standard expected of modern zoo</b>
<i>Current likelihood</i>	<i>Medium to high</i>  <i>Reputation with zoo community is currently reasonable. In the longer term, this could change if investment is not made and key staff leave as a consequence or if failure to invest means the Zoo cannot keep up with increasing expectations for participation in joint programmes. Visitor numbers may begin to decline if visitor expectations cannot be met.</i>
<i>Impact</i>	<i>Zoo industry support may be compromised leading to increasing difficulty in sourcing animals. Maintaining regional zoo industry accreditation could become problematic. Ability to counter anti-zoo lobby attacks reduced. Key staff leave. Admissions and other revenues decline.</i>
<b>7 Risk</b>	<b>8 Trust continues in negative equity position</b>
<i>Current likelihood</i>	<i>High</i>  <i>Issue raised by auditors at last audit. Must be addressed through next purchase agreement.</i>
<i>Impact</i>	<i>Legal and financial risk to Trust and Council remains. Could ultimately lead to need to cease operation with subsequent resourcing demands for management of closure over some years.</i>

*The Trust is confident in its projection of an increase in visitor numbers to between **230,000 and 240,000 by 2015/16**. This represents an average of 3% – 3.5% growth per year.*  
**Achieved**

*The additional growth resulting from the ZCP project development and associated visitor experience and product enhancements represents 3% per year on average and a total growth over the ten years of 36%. Given the growth pattern seen since its establishment, the Trust believes this 3% growth projection is conservative given that the ZCP will see a series of developments rolled out over ten years akin to the development programme at Auckland Zoo in the 1990s*

9 Risk	10 Increasing competition from other events and facilities leads to accelerating drop in visitation
<i>Current likelihood</i>	<i>Medium to high</i>  <i>Continuing to be competitive in this area depends on renewal and maintaining relevance.</i>
<i>Impact</i>	<i>Trust is unable to reduce its dependence on Council operational funding, fails to attract substantial external funding for development.</i>

We believe we have addressed these risks and we will outline this further in the ZCP review.



#### 4. CAPEX programme 2016-26

The following projects outline the CAPEX priorities for Wellington Zoo over the next ten years.  
**Currently none of these projects are funded in the LTP and we understand that the proposed programme will be subject to future Annual and Long Term plan budgets and analysis.**



Proposed Spend for New Capital Projects											
	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	TOTAL
<b>Snow Leopards</b> Snow Leopards are endangered in the wild, with a population of less than 7,000 thought to exist in their mountainous range state. International research shows that big cats are the biggest draw card for visitors attending zoos. As the only zoo in New Zealand with Snow Leopards, we would be part of the international commitment to protect this species via home range conservation action. The preliminary design is complete for this project. This project has been prioritised by WZT for some years now.	\$3.5m										\$3.5m
<b>Ring tailed Lemur Exhibit</b> WZT is reducing the number of baboons we hold (we only have six males currently as all females have been translocated to Australia) and we will eventually remove that species from our collection. We plan to replace this common species with an endangered species – Ring tailed Lemurs. We already support lemur conservation in Madagascar through the Madagascar Fauna and Flora Group so these animals would support our conservation work. The Ring tailed Lemurs experience will be in the existing baboon habitat but we propose to create a lemur walkthrough habitat to create a Madagascar conclusion to the Africa precinct. This design for these animals has proved successful at Taronga Zoo and Melbourne Zoo and we know our visitors enjoy being close to the animals in the same space. We would be the only zoo in NZ with a walkthrough Lemur experience. To complete this project we will need to redesign a completely new animal habitat to allow visitors to access this space. This project will be completed within one year.	\$500k										\$500k

Proposed Spend for New Capital Projects											
	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	TOTAL
<p><b>Welcome Plaza</b></p> <p>This area of the Zoo is currently unsuitable for growth in visitor numbers. It is confusing and congested for staff and visitors with many functional activities taking place in a small space. Admissions, retail, catering and visitor amenities all compete for space and visitor flow. On busy days the space is so crowded that long queues form outside the Zoo. The auditors have mentioned the confusion in this area for the past three years as part of their audit process. Year one cost is for planning as this is a complex project. The design will include a new learning/discovery space as well as admissions, retail, cafe and new staff offices.</p>		\$500k	\$2.5m	\$2.5m							\$5.5m
<p><b>Tropical River Trail Aviaries</b></p> <p>The existing aviaries and visitor pathways along the Tropical River Trail need to be replaced and improved. The aviary walls are an earthquake risk and the islands need to be redesigned for the animals we now hold. The earthquake risk is currently being assessed with WCC and some minor improvements may need to occur to manage this before we have the CAPEX to completely upgrade. The upgrade plan is for a large aviary structure housing small monkeys.</p>		\$2m									\$2m
<p><b>Australia (Including Australian Birds)</b></p> <p><i>Neighbours</i> has been successful as a visitor walkthrough experience and to complete this we want to move all our Australian birds to that space as well as acquire wombats. This will require an upgrade of the existing space and the creation of new viewing for those animals. This project will also include the demolition of the old chimp day room and improvements to the existing chimp park containment wall. This wall is being assessed against earthquake standards and may require addressing earlier in the ten year programme depending on the assessment results. Removal of the old chimp day room will create a much more exciting entry to the Africa precinct with viewing into the chimp park and visitor learning opportunities in that space.</p>					\$2m	\$800k					\$2.8m
<p><b>Sustainability initiatives</b></p> <p>To future proof the Zoo as a leader in sustainability we must implement large carbon emissions reduction projects over time. Projects such as wind power and more solar panels will part of these sustainability initiatives. This work is part of the ethos of the Zoo as a conservation agency and builds on our success to date in this area. As the world's first carboNZero certified Zoo we are a leader in sustainability globally. As the capital city Zoo we feel this should be continued as the Zoo contributes more and more to global conservation outcomes.</p>						\$500k					\$500k

<b>Proposed Spend for New Capital Projects</b>											
	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	TOTAL
<p><b>Archibald Centre - multi use visitor space</b></p> <p>The Archibald Centre is an old multi use building which will need replacing by 2022/23. This venue is used for corporate hire, functions and meetings. It is a critical part of our revenue growth and will need to meet acceptable standards. This building was built in the 1960s and while it is acceptable it is not a space that suits modern venue hire expectations. As the Zoo strives to reduce the burden on the ratepayer having a suitable venues assist us with much needed revenue.</p>							\$2m				\$2m
<p><b>Savannah Survival (Cheetah and Lions)</b></p> <p>The current cheetah and lion exhibits and dens are old. Cheetah are an iconic species for Wellington Zoo and we support Cheetah Outreach in South Africa as part of our suite of range state conservation programmes. Cheetah also a major factor in our Close Encounters which provide a more in depth learning opportunity for visitors. We would also like to be able to have both male and female lions on display together which we cannot with the current arrangement. These iconic cats need better housing and viewing arrangements. As part of the Africa precinct visitor engagement strategy we believe glamping options in this area would be successful.</p>								\$2.5m	\$2.5m		\$5m
<p><b>Kiwi and Tuatara House Te Ao Māhina</b></p> <p>The position of Te Ao Māhina is less than ideal from both visitor flow and storytelling perspectives. In ten years' time it would be prudent to rebuild the kiwi house as it will be over 25 years old. We plan to relocate it closer to Meet the Locals He Tuku Aroha and improve visitor flow throughout the Zoo.</p>										\$2m	\$2m
<b>Total</b>	<b>\$4m</b>	<b>\$2.5m</b>	<b>\$2.5m</b>	<b>\$2.5m</b>	<b>\$2m</b>	<b>\$1.3m</b>	<b>\$2m</b>	<b>\$2.5m</b>	<b>\$2.5m</b>	<b>\$2m</b>	<b>\$23.8m</b>

## 5. Animal Care Keeper Staffing

After the death of a very experienced Zookeeper at Hamilton Zoo in 2015 the four major zoos in NZ- Auckland, Hamilton, Orana Wildlife Park and Wellington - have undertaken a benchmarking review to assess Animal Care staffing, animal to keeper ratios and salaries. This issue has not been discussed with WCC prior to February 2016 by Wellington Zoo as we did not have the results of the comparative study.

The biggest risk facing Wellington Zoo in the resultant scenarios is in the area of health and safety, specifically, the immediate need to manage fatigue, reduce keeper to animal ratios, minimise risk of error and address leave entitlement issues for our animal care staff. Our audit of the situation has established a critical need for more keepers on the ground each day to reduce animal to keeper ratios in line with internationally accepted minimum standards.

The priorities are:

- Employ an additional 3FTE keepers. The additional staff will allow us to change the rostering to have staff working a maximum of five days rather than seven. This will reduce risk of error and fatigue.
- Restructure the current Life Sciences Managers to Team Leaders to have more experienced keepers on the ground (equivalent cost to 1 FTE). This would provide more experience on the ground daily.
- Recruit an Animal Care Manager who is responsible for management of all husbandry sections, animal care outcomes and training of the keeping staff.

The impact on operational salary costs is as follows:

- 4 FTE keepers- \$160k
- Animal Care Manager- \$70-80K

**Wellington Zoo Trust is able to manage the cost of the Animal Care Manager (\$70-80K) through its current budgets from 2016-17. This bid, therefore, is for WCC to increase the Zoo's operational grant by \$160K pa to cover the cost of employing additional keepers. This is a major challenge for Wellington Zoo as excellent animal care is the basis of everything we do and Health and Safety of our people and our community is a major imperative of being a good zoo. We ask that this request be considered in the 2016-17 Annual Plan discussions.**

## **6. Contribution to our city and links to the WCC Strategy**

The Towards 2040 Strategy for our city aligns with the goals of Wellington Zoo Trust in that it is about inspiring each other to see the possibilities for the future. The work of the Zoo supports the four pillars of the Towards 2040 Strategy: eco city, people centred city, connected city and dynamic city centre. The Zoo is an iconic asset for our city and as our population grows there will be an even greater desire for the Zoo to be a sophisticated and accessible attraction which delivers 21st century conservation programmes on site and off site

The Zoo is a strong contributor to our city, focusing on knowledge, collaboration, innovation and positive action. It contributes to the vibrancy and forward thinking of our city. We aim to be a reflection of our city and contribute as a cutting edge business with talented people to the thriving cultural and natural heritage of Wellington as a liveable city. The Zoo supports the Economic Strategy for our city by contributing strongly to liveability outcomes and by being part of the well-being of people that Wellington is renowned for amongst New Zealand cities. We feel very positively about working with WREDA to ensure economic growth for our city. As winners of Green Gold and Vibrant Gold, Wellington Gold Awards and the supreme winner of the Wellington Region Business Awards 2015 we believe we are perfectly placed to add value to the economy of our region.

As a result of aiming for and achieving the Trust's strategic vision, Wellington Zoo will be seen as:

- A leader in the city in shaping the community's views on and action for conservation and sustainable living
- A valued and valuable member of the Wellington regional community that adds to the prosperity of our city through events, connections, inclusivity and engagement
- A substantial player in the drive to position Wellington as a centre for learning about and expertise in conservation and sustainability
- A key contributor to helping the city become internationally competitive, entrepreneurial and innovative by attracting investment in education, research, tourism and employment and contributing to the provision of a vibrant city attracting a creative working population
- An important part of Wellington's history as New Zealand's first zoo and the most visited paid cultural attraction in Wellington.

Wellington Zoo can be seen as an important part of the regional fabric that stimulates overall wealth creation and social stability and connects people to conservation and environmental issues. As our region's only zoo we are a unique asset for our city.

## 7. Nature and Scope of Activities

### Core Business

The Trust will continue to provide the core business services that the Zoo has historically delivered to Wellington. These can be summarised as follows:

- Strategic direction and operational management of the Zoo
- Development and maintenance of animal exhibits which offer high quality experiences to visitors and high quality living environments to the resident animals
- Provision of engaging learning experiences for visitors and community involvement with the Zoo as a community asset
- Educational curriculum delivery to develop children as democratic citizens
- Management of collection animals to achieve excellent levels of health and emotional/psychological well-being according to the Five Domains of animal welfare
- Contribution to conservation through advocacy, support for ex situ and in situ conservation programmes, and sustainable management practices on site
- Participation in collaborative inter-zoo management programmes for collection species and other zoo specific activities
- Contribution to conservation, scientific, learning and management research projects in the field and on site
- Fundraising for the organisation's future sustainability, development and conservation projects.

## 8. Performance Measurements

For the next three years the following table indicates the measures for WCC to monitor. These are linked to our strategic areas.

Measure	Frequency of Measure	Target 2016-17	Target 2017-18	Target 2018-19	Notes
<b>Connect people with animals</b>					
Contact animals meeting visitors in Zoo	Quarterly	1,000 hours	1,100 hours	1,100 hours	
People participating in Close Encounters	Quarterly	4,069	4,262	4,464	
Number of students participating in LEOTC sessions	Quarterly	10,000	10,000	10,000	Our annual target is 5,500 students for our LEOTC contract so this is a stretch target
<b>People love and support the Zoo</b>					
Increase total visitation	Annually	239,408	242,520	245,673	
Percentage of operating costs generated by the Trust	Annually	55%	54%	54%	
Ratio of Trust generated income as percentage of WCC grant	Annually	122%	119%	118%	
Average income per visitor from Trust generated revenue	Annually	\$15.94	\$15.69	\$15.74	
Average WCC subsidy per visitor	Annually	\$13.05	\$13.19	\$13.37	This KPI measures only the WCC OPEX Grant per visitor
Full cost per visitor including WCC costs	Annually	\$21.22	\$20.95	\$20.68	This KPI is generated by WCC. It includes depreciation, shared services costs, CCO team costs, insurance, CAPEX interest and the OPEX grant
Volunteer engagement survey	Annually	1	1	1	New measure.

<b>Save animals in the wild</b>					
Number of vulnerable, endangered or critically endangered species (IUCN Red List and DOC National list) in the Zoo's collection	Annually	≥26	≥27	≥27	
Number of threatened Native species (DOC rating) treated in the Nest Te Kōhanga	Annually	≥30	≥30	≥30	
Number of Field Conservation Projects supported for threatened (NZ) endangered or critically endangered (global) species	Annually	≥ 4	≥ 5	≥ 6	
% of OPEX directly contributed to field conservation	Annually	3%	4%	5%	This measure uses the American Zoo Association Framework (now adopted by the Zoo Aquarium Association Australasia) to measure direct contribution to field conservation.
Participate in animal based scientific projects and paper publication	Annually	≥ 4	≥ 5	≥ 6	
<b>Lead the way</b>					
Maintain Zoo and Aquarium Association Animal Welfare Accreditation	Annually	Achieved	Achieved	Achieved	
Maintain carbonZero certification	Annually	Achieved	Achieved	Achieved	
H&S targets met	Annually	Achieved	Achieved	Achieved	
Initiatives to embed professional development of our people	Annually	≥ 8	≥ 9	≥ 10	Golden Agouti Staff Recognition Awards; Organisational Values Project, training initiatives, development opportunities for specific technical skills, recruitment of talented staff
Staff turnover (permanent staff only)	Annually	≤ 18.5%	≤ 18.5%	≤ 18.5%	The 2014 NZ Staff Turnover Survey was released mid-2015. The survey findings put the 2014 national average turnover at 16.3% and at 18.2% for the Not for Profit sector.



## 9. Board's Approach to Governance

Wellington Zoo Trust is a Council Controlled Organisation having been established in 2003 by the Wellington City Council to develop and manage Wellington Zoo.

### Relationship with Council

The Trust ensures the ongoing viability of the organisation is maintained through the monitoring of Key Performance Indicators (KPIs) and the financial results. Governing policies have been developed by Trustees to ensure the business of the Trust is managed consistently with its Deed and stated direction.

As part of the ongoing relationship with the Wellington City Council, the Chair and Chief Executive meet with the Mayor, Environment Portfolio leaders and Wellington City Council Chief Executive on a regular basis. The Wellington Zoo Chief Executive meets regularly with officers of the CCOs & City Growth Projects unit and other Council management when appropriate. The Chair and Chief Executive attend the Environment Portfolio meetings as required.

The Trust's Statement of Financial Performance and audited accounts will be presented to Council within 60 days of financial year end. ***These statements include the budget from the SOI for the same period as per the Letter of Expectation and our usual approach to the accounts.***

The Trust will disclose any material or potentially contentious transactions that are planned within its annual business plan. Where this is not possible, the earliest practicable notice will be given to Council of such transactions.

The Trust will publicly acknowledge Council's contribution to the Zoo wherever appropriate.

The principles governing the relationship between the Trust and Council will include:

- A "no surprises" approach
- Open communications which acknowledge each partner's objectives and constraints
- Mutually respectful negotiation of resolution of differences
- Reciprocal recognition of the requirements of each other's processes
- Provision of quarterly reports against agreed KPIs and an annual report within three months of balance date.

**Board Membership**

Name	Term Expires
Frances Russell ( <i>Deputy Chair</i> )	31 December 2016
Linda Meade	30 June 2016
Sarah Free	October 2016
Raewyn Bleakley	30 November 2017
Craig Ellison ( <i>Chair</i> )	30 November 2017

All Board members are non-executive.

**Board Committees**

The Board operates two committees:

- Finance, Audit and Risk Committee
- Remuneration Committee

**Board Development**

The Board conducts an annual review of overall Board performance and individual and chair performance and from this determines development needs and any other actions required to ensure best practice governance and performance standards are met. The Trust promotes Board development for corporate governance and spends at least 10 hours a year on this at Board meetings and additional workshops and discussions. **A report will be tabled to the WCC Chief Executive on the Board review and outcomes by 30 September 2016.**

## **10. Organisational Health, Capability and Risk Assessment**

Wellington Zoo Trust has a Finance, Audit and Risk Committee which meets quarterly throughout the year. The Board monitors our risk matrix at least annually and this matrix is updated as required.

Health and Safety is currently managed via the recently appointed Health and Safety Manager who is a direct report to the Chief Executive. The H&S Manager works with our Safety Improvement Team to ensure safe practices in the Zoo for animals, staff and visitors. All Health and Safety incidents are monitored weekly by the SMT and by the Board at their regular meetings. Annual trends are analysed by the SMT and the Board and actions taken to rectify any trends.

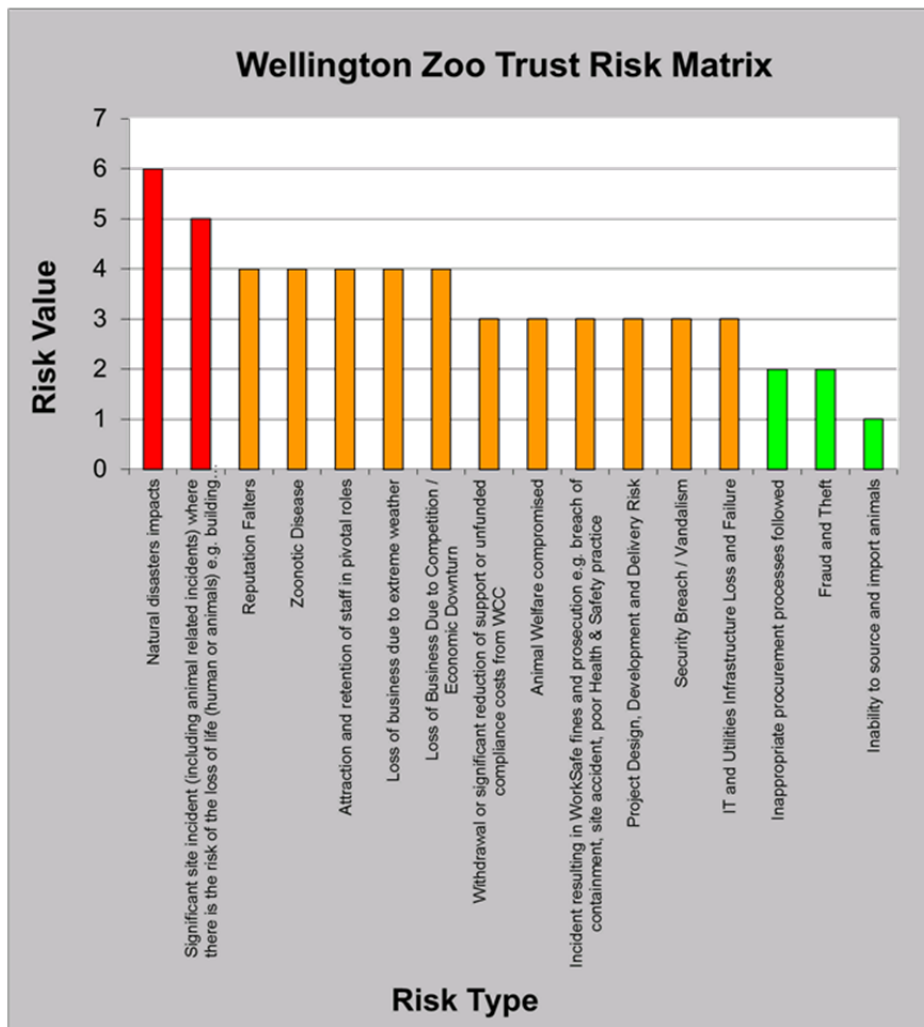
**As with all our H&S responsibilities the Board (and other officers of the Trust) acknowledges and understands its accountability. We have made the appropriate improvements to ensure the new H&S legislation (effective April 2016) is well managed and that the Trust meets the required reporting, monitoring and reviewing of H&S objectives.**

Risk Analysis & Mitigation Plan for Wellington Zoo Trust

Risk No	Areas of Risk	Risk Identification	Probability	Impact	Risk Value	Impact	\$ Value of Risk	Risk Mitigation	Responsibility	Accountability
1	Financial, H&S, Operational, Collection, Visitation	Natural disasters impacts	-1	7	8			Business Continuity Plan, Emergency Management Plans. All documents reviewed annually. Regular practice drills carried out. Crisis communications plan for communicating with community and media.	CE	Board GMAC H&S Manager GMCE
3	Financial, H&S, Operational, Visitation, Reputational, Fund Raising, ZCP, Collection	Significant site incident (including animal related incidents) where there is the risk of the loss of life (human or animals) e.g. building fire	-2	7	5			Emergency Management Plans, Health & Safety Management System, Containment Standards. All documents reviewed annually. Regular practice drills carried out. Communications protocols in place to communicate to community and media in event of incident. Monitored Fire Alarms in all our buildings and where possible in animals areas, Building WDF's.	CE	Board GMAC H&S Manager GMCE
7	Financial, Operational, Reputational Visitation, Fundraising, ZCP	Reputation Failures	-2	6	4			Communications protocols to communicate with key stakeholders, media and community in event of reputational risk. Strong relationship management with partners and stakeholders e.g. DOC, MPI, WCC. Mitigations in place to avoid this happening include: Animal Welfare Accreditation, Euthanasia Policy, Code of Conduct, Media Policy, Use of Electronic Media Policy, Disciplinary Policy.	CE	Board SMT
4	Financial, H&S, Operational, Collection, Visitation	Zoonotic Disease	-3	7	4			Health & Safety Management Plan, Zoonotic Diseases Policy, EPA/MPI policies. All documents reviewed annually as part of annual MPI audit.	CE	Board GMAC
2	Financial, H&S, Operational, Visitation, Fundraising, ZCP	Attraction and retention of staff in pivotal roles	-1	5	4			Recruitment Policy and networks with recruitment agencies and other organisations. Staff Development Policy and dedicated training budget for development in line with requirements of role. Remuneration Policy and a range of benefits for staff set out in the Benefits, Rewards & Recognition Policy. Engagement through shared values.	CE	Board GMP&C
10	Financial, H&S, Operational, Collection, Visitation	Loss of business due to extreme weather	-1	5	4			In the event of an extreme weather event that results in a prolonged impact on our business, tactical marketing and pricing will be put into effect. Aspects of the planned recovery from such an event are also covered in the Business Continuity Plan.	CE	Board GMB&P GMCE
11	Financial, Reputational Visitation, Fundraising	Loss of Business Due to Competition / Economic Downturn	-1	5	4			As part of the annual planning process competition and the economic climate are evaluated and reviewed. Value for money feedback is also sought from visitors and the community as required through research projects. This is all taken into account in the annual business planning cycle, annual pricing review and collection planning. In the event of an unexpected sharp economic downturn tactical marketing and pricing will be put into effect and tempered by prudent financial management.	Board	Board CE
5	Financial, H&S, Operational, Collection, Visitation, Reputational, Fundraising	Withdrawal or significant reduction of support or unfunded compliance costs from WCC	-2	5	3			Statement of Intent, Contract for Services, relationship plans where appropriate and regular meetings with key contacts at WCC such as The Mayor, Deputy Mayor, Portfolio leaders, Councilors, Chief Executive and ELT, presentations at relevant Committee meetings, inclusion of WCC partners at all events, regular reporting on Zoo based activities, relationships developed between relevant officers across WCC and related Zoo portfolios managers	Board	Board CE
8	Financial, Operational, Reputational Fundraising, Collection	Animal Welfare compromised	-3	6	3			Through ZAA Accreditation the Zoo's animals welfare state is evaluated. Husbandry Manuals which are regularly reviewed and updated ensure that all animal needs are met. Staff attending national and international conferences as part of development policies ensure their knowledge stays abreast with rest of industry, governed by NZT Animal Welfare Committee	CE	Board GMAC
6	Financial, H&S, Operational, Visitation, Reputational, Fund Raising, ZCP, Collection	Incident resulting in WorkSafe fines and prosecution e.g. breach of containment, site accident, poor Health & Safety practice	-3	6	3			Health & Safety Management Plan, Health & Safety Manager position, Inductions (staff and contractors), maintaining processes, protocols and reporting, Emergency Manual, daily containment checks, SCPs, annual training and competence assessment.	CE	Board GMAC H&S Manager GMCE

Item 3.2 Attachment 1

12	Financial, Operational, Visitor, Fundraising, ZCP	Project Design, Development and Delivery Risk	-2	5	3		Project Management Process as agreed with the Board, following procurement processes for engaging Consultants and Contractors, regular progress meetings to maintain projects on time and within budget, regular reporting to the Board on capital and renewals projects	CE	Board H&S Manager
13	Financial, H & S, Operational, Collection	Security Breach / Vandalism	-2	5	3		CCTV System and Security Alarms in all our buildings and where applicable in animal areas, weekly perimeter checks, perimeter electric fence monitored by security company, Maintenance of Perimeter Fence	CE	Board GMAC
14	Financial, Operational, Visitor, Fundraising, ZCP, Collection, H & S	IT and Utilities Infrastructure Loss and Failure	-1	4	3		Business Continuity Plan, WCC Business Continuity Plan, Minor Works programme ensure maintenance up to date. Connection to WCC systems where appropriate to utilise WCC back up systems.	CE	Board H&S Manager GMAC
15	Financial, Operational, Reputational, Fund Raising, ZCP	Inappropriate procurement processes followed	-2	4	2		Procurement Policy, Register of Interests, delegations for approvals, Board approval process for capital procurement and WCC sign-off for Capital Procurement for major capital projects	CE	Board CFD
16	Financial, Operational, Reputational, Fundraising	Fraud and Theft	-2	4	2		CCTV at front entrance which is monitored weekly by SMT members and also monitored by Sales and Services Manager, Code of Conduct Financial management procedures, Daily banking checks by Finance and Procurement Manager with written procedures for following up variances, Annual audit by Audit NZ, Pre-employment Criminal checks.	CE	Board GM&P/CFD
9	Financial, Operational, Visitor, Reputational, Fund Raising, ZCP	Inability to source and import animals	-3	4	1		Zoo Collection plan that is continually updated, Animal Science Manager position that is responsible for sourcing animals, ZAA and WAZA members and have relationships with other zoos around the world to source animals through programmes such as ASMP.	CE	Board GMAC









**Risk Analysis Scale**

Score	Probability that the Event will Occur
1	Almost Certain and / or could occur frequently
0	Very likely to occur and / or could occur more than once
-1	Moderately likely to occur and / or could occur at least once
-2	Unlikely to occur and / or might occur once
-3	Very unlikely to occur

Score	Level of Impact of the Event Occurring
7	Catastrophic Damage value greater than 50% of the project value, or Major delay to the project completion, or Major impact on this and other business opportunities
6	Very High Impact Damage value about 20% - 50% of the project value, or Significant delay to project completion, or Significant impact on this and other business opportunities
5	Major Damage value about 5% - 20% of the project value, or Project completion affected, or Some impact on this or other business opportunities
4	Minor Damage value less than 5% of the project value, or Project completion not impacted (although a phase of the project may be), or This business opportunity could be impacted
3	Negligible Damage value covered by contingency, any delays barely noticeable and client unaffected
2	Minimal

These two scores are added together to give a "Risk Value". This will be in the range zero to eight.

-  All risks with a Risk Value of 5 - 8 must have a mitigation plan developed and agreed with the Board.
-  All risks with a Risk Value of 3 or 4 shall have a mitigation plan so they can be managed by SMT.
-  All risks with a Risk Value of 0 - 2 can just be recorded and accepted as such until such time as they produce a higher score.
-  Any risk that has a Probability Value of one (1) or an Impact Value of five (5) or more must still have a mitigation plan even if the overall Risk Value is less than five.

## 11. Additional Information

*a) Response to other specific Letter of Expectation matters (if applicable)*

Not Applicable

*b) Ratio of shareholders funds to total assets*

Please refer to the Balance Sheet included and Accounting Policies.

*c) Estimate of amount intended for distribution*

Wellington Zoo Trust does not make a distribution to the Settlor.

*d) Acquisition procedures*

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

*e) Activities for which the Board seeks compensation from a local authority*

The Board acknowledges the **\$2,965,278 for operational funding currently in the Long Term Plan.**

The Trust is seeking **\$160k additional operational funding to be added into the Long Term Plan** to address the Animal Care staffing issues based on benchmarking exercise across NZ's major zoos.

The Board acknowledges the **\$815,030 currently in the Long Term Plan for CX125** (Zoo asset renewals) for 2016-17. However we note that in the full cost of the Zoo measure calculated by WCC, depreciation for the Zoo asset is running at \$1.5m pa. This is considerably more than the renewals funding we receive. We will be discussing this issue with the Officers during 2016-17.

*f) Estimate of commercial value of shareholders investment*

Not Applicable

*g) Other matters (if applicable) e.g. water supply services LGA requirements*

Not Applicable

*h) Supplementary information the entity wishes to include*

Not Applicable



## 12. Accounting Policies

### Reporting Entity

The Wellington Zoo Trust (the Trust) is a charitable trust registered under the Charitable Trusts Act 1957 domiciled in New Zealand and is also a council-controlled organisation as defined under Section 6, Part 1 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Trustees. The Trust was established on 1 July 2003 by the Wellington City Council.

The financial statements have been prepared in accordance with the requirements of the Charitable Trusts Act 1957 and section 69 of the Local Government Act 2002.

The Trust is reliant on the Wellington City Council (the Council) for the majority of its income and operates under a Contract for Services with the Council. The Contract for Services was negotiated for a period of 3 years to 30 June 2012. This contract has been re-extended to 30 June 2016. Ongoing funding for the Trust has been approved in the 2015/2025 Long Term Plan.

The primary objective of the Trust is to manage, administer, plan, develop, maintain, operate and promote the Wellington Zoo for the benefits of the inhabitants of Wellington and as an attraction to visitors to Wellington, not to make a financial return. Accordingly, the Trust has designated itself as a public benefit entity for the purposes of New Zealand PBE IPSAS

Under this framework, the Trust is eligible to apply the reduced disclosure regime (Tier 2 entity) of the Public Benefit Entity Accounting Standards.

The reporting period for these financial statements is for the year ended 30 June 2015. The financial statements were authorised for issue by the Board of Trustees on 12 August 2015.

### Statement of Compliance with International Financial Reporting Standards

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to PBE IPSAS and other applicable Financial Reporting Standards, as appropriate for Tier 2 public benefit entities.

### Measurement Base

The measurement base applied is historical cost. The accrual basis of accounting has been used.

### Functional and Presentation Currency

These financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless otherwise stated. As a result of rounding there may be slight discrepancies in subtotals.

## **Significant Accounting Policies**

### **Critical Accounting estimates and assumptions**

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. The Trust has assessed the financial records and there are no significant critical accounting estimates. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **Grants**

Grants received from the Wellington City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the trust deed. The Trust also receives other assistance for specific purposes, and these grants usually contain restrictions on their use.

Grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if the conditions of the grant are not met. If there is such an obligation the grants are initially recorded as grants received in advance, and recognised as revenue when the conditions of the grant are satisfied.

### **Revenue**

Revenue comprises revenue from operating activities, investment revenue, grants and donations and other revenue and is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

Most of the services that the Trust provides for a fee are subsidised by grants therefore do not constitute an approximately equal exchange. Accordingly most of the Trust's revenue is categorised as non-exchange.

### **Donated, subsidised or vested assets**

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Such revenue is recognised when control over the asset is obtained.

### **Interest**

Interest revenue is recognised using the effective interest rate method.

#### **Volunteer Services Recognition**

The Trust benefits from the service of dedicated volunteers in the delivery of its activities. Due to the difficulty in determining the value of these donated services with sufficient reliability, donated services are not recognised in these financial statements.

#### **Taxation**

The Trust is registered as a Charitable Trust and is exempt from income tax under the Income Tax Act 2004. The Trust is not exempt from indirect tax legislation such as Goods and Services Tax and accordingly is required to comply with these regulations.

#### **Goods and Services Tax (GST)**

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

#### **Debtors and other receivables**

Debtor and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

#### **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of less than three months.

#### **Creditors and other payables**

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

#### **Inventory**

Inventories are recorded at the lower of cost (determined on a first-in first-out basis) or net realisable value. This valuation includes allowances for slow moving and obsolete stock. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

#### **Property, Plant and Equipment**

##### **Recognition**

Property, plant and equipment consists primarily of operational assets. Expenditure is capitalised when it creates a new asset or increases the economic benefits over the total life of an existing asset. Costs that do not meet criteria for capitalisation are expensed.

The Trust also manages the construction and development of buildings, structures and enclosures on behalf of the Council. These assets are not recorded in the Trust's financial statements as ownership vests in the Council.

### **Measurement**

Property, plant and equipment are valued at historical cost less accumulated depreciation and impairment losses.

The initial cost of property, plant and equipment includes the purchase consideration, and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Subsequent expenditure that extends or expands the asset's service potential is capitalised.

### **Impairment**

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use.

### **Disposal**

Realised gains and losses arising from the disposal of property, plant and equipment are recognised in the Statement of Comprehensive Revenue and Expense in the period in which the transaction occurs.

### **Depreciation**

Depreciation is provided on all assets owned by the Trust excluding assets under construction (work in progress). Depreciation is calculated on a straight line basis, to allocate the cost or value of the asset (less any residual value) over its useful life. The estimated useful lives of the assets are as follows:

#### **Plant**

Audio Visual Equipment	3 years
Projector	5 years
Shade Sail	10 years
Hospital Equipment	10 years
Garden Furniture	10 years
Living Room Furniture	15 years
Endoscope	8 years

#### **Furniture and Equipment**

Composter	10 years
CCTV	3 years
Incubators	12.5 years

#### **Work in Progress**

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed and then depreciated.

### **Employee Benefits**

A provision for employee benefits (holiday leave, long service leave, and retirement gratuities) is recognised as a liability when benefits are earned but not paid. The Trust recognises a liability and an expense for a one off payment where contractually obliged or where there is a past practice that has created a constructive obligation.

#### **Short Term Employee Benefits**

Holiday leave (annual leave, long service leave qualified for and time off in lieu) is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with sections 16(2) & 16(4) of the Holidays Act 2003.

Long service leave (not yet qualified for) and retirement gratuities have been calculated on an actuarial basis based on the likely future entitlements accruing to staff, after taking into account years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and other contractual entitlements information. The present value of the estimated future cash flows has been calculated using an inflation factor and a discount rate. The inflation rate used is the annual Consumer Price Index to 31 March prior to year end.

#### **Other Contractual Entitlements**

Other contractual entitlements include termination benefits. Termination benefits are recognised in the Statement of Financial Performance only when there is a demonstrable commitment to either terminate employment prior to normal retirement date or to provide such benefits as a result of an offer to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

#### **Provisions**

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

#### **Other Liabilities and Provisions**

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. .

#### **Contingent Assets and Liabilities**

Contingent liabilities and contingent assets are disclosed in the notes to the financial statements. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

### Animal Transfers

Animal transfers are recognised at cost.

### Equity

Equity is the residual interest in the Trust and is measured as the **difference between total assets and total liabilities. The components of equity are accumulated surpluses and deficits** and restricted funds (special funds, trusts and bequests).

Restricted funds are those reserves that are subject to specific conditions of use whether under statute or accepted as binding by the Trust because of the specific reason for which the funds were provided.

Transfers from these reserves may be made only for specified purposes or when certain specified conditions are met.

### Statement of Cash Flows

The statement of cash flows is prepared using the direct approach. Operating activities include cash received from all revenue sources of the Trust and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to transactions that change the equity and debt capital structure of the Trust.

### Related Parties

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include Wellington City Council, key management personnel and the governing body (Trust Board).

Trustees' remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a trustee during the reporting period. The disclosures for the Trust include the remuneration of the Trustee board as they occupy the position of a member of the governing body of the Trust.

### Transition to PBE IPSAS

Effect of first-time adoption of PBE standards

The changes to the accounting policies and disclosures (including comparatives) resulting from the first-time adoption of PBE standards are as follows:

Within the notes forming part of the financial statements presentational changes have occurred as follows:

- Changes to (Note 1) classifying the main revenue components as either exchange or non-exchange revenue.
- Changes to the receivables note (Note 8) and payables notes (Note 12) to reflect the disaggregation above
- Change to Revenue in advance reflecting the nature of the advance receipts and liabilities for transfers with conditional agreements
- Other minor terminology changes

### 13. Forecast Financial Statements

<b>CCO: Wellington Zoo Trust</b>		<b>\$NZ000's</b>						
<b>EARNINGS STATEMENT</b>		<b>Qtr to</b>	<b>Qtr to</b>	<b>Qtr to</b>	<b>Qtr to</b>	<b>Total YE</b>	<b>Total YE</b>	<b>Total YE</b>
<b>Estimate</b>	<b>30-Jun-16</b>	<b>30-Sep-16</b>	<b>31-Dec-16</b>	<b>31-Mar-17</b>	<b>30-Jun-17</b>	<b>30-Jun-17</b>	<b>30-Jun-18</b>	<b>30-Jun-19</b>
	<b>Revenue</b>							
3020	Trading Income	707	1008	948	724	3,387	3,333	3,394
2893	WCC Grants	781	781	781	782	3,125	3,200	3,284
82	Other Grants	21	21	20	20	82	82	82
237	Sponsorships and Donations-Operational	45	50	44	51	190	250	250
200	Sponsorships and Donations-Capital					0	-	0
50	Investment Income	12	13	12	13	50	30	30
100	Other Income	27	27	27	27	108	110	110
6,582	<b>Total Revenue</b>	<b>1,593</b>	<b>1,900</b>	<b>1,832</b>	<b>1,617</b>	<b>6,942</b>	<b>7,005</b>	<b>7,150</b>
	<b>Expenditure</b>							
4,336	Employee Costs	1,207	1,207	1,207	1,207	4,828	4,885	4,982
2,025	Other Operating Expenses	523	551	505	514	2,093	2,100	2,150
21	Depreciation	5	5	5	6	21	20	18
0	Interest	0	0	0	0	0	0	0
200	Vested Assets					0	0	0
6,582	<b>Total Expenditure</b>	<b>1,735</b>	<b>1,763</b>	<b>1,717</b>	<b>1,727</b>	<b>6,942</b>	<b>7,005</b>	<b>7,150</b>
0	<b>Net Surplus/(Deficit) before Taxation</b>	<b>(142)</b>	<b>137</b>	<b>115</b>	<b>(110)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
0	Taxation Expense					0	0	0
0	<b>Operating Surplus (Deficit)</b>	<b>(142)</b>	<b>137</b>	<b>115</b>	<b>(110)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
0	<b>Net Surplus/(Deficit)</b>	<b>(142)</b>	<b>137</b>	<b>115</b>	<b>(110)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
0.0%	<b>Operating Margin</b>	<b>-8.9%</b>	<b>7.2%</b>	<b>6.3%</b>	<b>-6.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>





Estimate	STATEMENT OF FINANCIAL POSITION	As at 30-Sep-16	As at 31-Dec-16	As at 31-Mar-17	As at 30-Jun-17		As at 30-Jun-18	As at 30-Jun-19
	<b>Shareholder/Trust Funds</b>							
0	Share Capital/Settled Funds	0	0	0	0		0	0
0	Revaluation Reserves	0	0	0	0		0	0
1,424	Restricted Funds	1,424	1,424	1,424	624	624	624	624
318	Retained Earnings	176	313	428	318	318	318	318
1,742	<b>Total Shareholder/Trust Funds</b>	1,600	1,737	1,852	942	942	942	942
	<b>Current Assets</b>							
3,277	Cash and Bank	3,738	3,099	3,816	2,130	2,150	2,190	
150	Accounts Receivable	60	60	60	60	60	60	60
80	Other Current Assets	60	60	60	60	60	60	60
3,507	<b>Total Current Assets</b>	3,858	3,219	3,936	2,250	2,270	2,310	
	<b>Investments</b>							
0	Deposits on Call	0	0	0	0	0	0	0
0	Other Investments	0	0	0	0	0	0	0
0	<b>Total Investments</b>	0	0	0	0	0	0	0
	<b>Non-Current Assets</b>							
46	Fixed Assets	41	36	31	25	5	(13)	
0	Other Non-current Assets	0	0	0	0	0	0	0
46	<b>Total Non-current Assets</b>	41	36	31	25	5	-13	
3,553	<b>Total Assets</b>	3,899	3,255	3,967	2,275	2,275	2,297	
	<b>Current Liabilities</b>							
1,099	Accounts Payable and Accruals	1,060	806	830	621	481	503	
	Provisions					0	0	
700	Other Current Liabilities	1,227	700	1,273	700	840	840	
1,799	<b>Total Current Liabilities</b>	2,287	1,506	2,103	1,321	1,321	1,343	
	<b>Non-Current Liabilities</b>							
0	Loans - WCC	0	0	0	0	0		
0	Loans - Other	0	0	0	0			
12	Other Non-Current Liabilities	12	12	12	12	12	12	
12	<b>Total Non-Current Liabilities</b>	12	12	12	12	12	12	
1,742	<b>Net Assets</b>	1,600	1,737	1,852	942	942	942	
1.9	<b>Current Ratio</b>	1.7	2.1	2	1.7	2	1.7	
49.0%	<b>Equity Ratio</b>	41.0%	53.4%	46.7%	41.4%	41.4%	41.0%	

Estimate 30-Jun-16	STATEMENT OF CASH FLOWS	Qtr to Sep-16	Qtr to Dec-16	Qtr to Mar-17	Qtr to Jun-17	Total YE Jun-17	Total YE Jun-18	Total YE Jun-19
	<i>Cash provided from:</i>							
3,020	Trading Receipts	707	1,008	948	724	3,387	3,333	3,394
2,893	WCC Grants	1379	0	1378	0	2,757	3,200	3,284
82	Other Grants	21	21	20	20	82	82	82
437	Sponsorships and Donations	45	50	44	51	190	250	250
50	Investment Income	12	13	12	13	50	30	30
100	Other Income	27	27	27	27	108	110	110
6,582		2,191	1,119	2,429	835	6,574	7,005	7,150
	<i>Cash applied to:</i>							
4,336	Payments to Employees	1,207	1,207	1,207	1,207	4,828	4,885	4,982
2,025	Payments to Suppliers	523	551	505	514	2,093	2,100	2,128
	Net GST Cashflow					0	0	0
200	Other Operating Costs (VESTING)			0	0	0	0	0
	Interest Paid	0				0	0	0
6,561		1,730	1,758	1,712	1,721	6,921	6,985	7,110
21	<b>Total Operating Cash Flow</b>	461	(639)	717	(886)	(347)	20	40
	<b>Investing Cash Flow</b>							
	<i>Cash provided from:</i>							
	Sale of Fixed Assets					0	0	0
	Other					0	0	0
0		0	0	0	0	0	0	0
	<i>Cash applied to:</i>							
	Purchase of Fixed Assets					0	0	0
200	Other -vesting Cash for Capital Projects	0			800	800	0	0
200		0	0	0	800	800	0	0
(200)	<b>Total Investing Cash Flow</b>	0	0	0	(800)	(800)	0	0

Estimate 30-Jun-16	STATEMENT OF CASH FLOWS (CONT)	Qtr to 30-Sep-16	Qtr to 31-Dec-16	Qtr to 31-Mar-17	Qtr to 30-Jun-17	Total YE 30-Jun-17	Total YE 30-Jun-18	Total YE 30-Jun-19
	<b>Financing Cash Flow</b>							
	<i>Cash provided from:</i>							
	Drawdown of Loans					0	0	0
	Other					0	0	0
0		0	0	0	0	0	0	0
	<i>Cash applied to:</i>							
	Repayment of Loans					0	0	0
	Other					0	0	0
0		0	0	0	0	0	0	0
0	<b>Total Financing Cash Flow</b>	0	0	0	0	0	0	0
(179)	<b>Net Increase/(Decrease) in Cash Held</b>	461	(639)	717	(1,686)	(1,147)	20	40
3,456	<b>Opening Cash Equivalents</b>	3,277	3,738	3,099	3,816	3,277	2,130	2,150
3,277	<b>Closing Cash Equivalents</b>	3,738	3,099	3,816	2,130	2,130	2,150	2,190

Estimate 30-Jun-16	CASH FLOW RECONCILIATION	Qtr to 30-Sep-16	Qtr to 31-Dec-16	Qtr to 31-Mar-17	Qtr to 30-Jun-17	Total YE 30-Jun-17	Total YE 30-Jun-18	Total YE 30-Jun-19
0	<b>Operating Surplus/(Deficit) for the Year</b>	(142)	137	115	(110)	0	0	(0)
	Add Non Cash Items							
21	Depreciation	5	5	5	6	21	20	18
	Other (Gifted Hospital Assets)		0		0	0	0	
21		(137)	142	120	(104)	21	20	18
	<b>Movements in Working Capital</b>							
	(Increase)/Decrease in Receivables	90	0	0	0	90	0	0
	(Increase)/Decrease in Other Current Assets	20	0	0	0	20	0	0
	Increase/(Decrease) in Accounts Payable	(39)	(254)	24	(209)	(478)	(140)	22
	Increase/(Decrease) in Other Current Liabilities	527	(527)	573	(573)	0	140	0
0		598	(781)	597	(782)	(368)	0	22
	<b>Net Gain/(Loss) on Sale:</b>							
	Fixed Assets	0				0		
	Investments	0				0		
0		0	0	0	0	0	0	0
21	<b>Net Cash Flow from Operations</b>	461	(639)	717	(886)	(347)	20	40



**Craig Ellison**  
Board Chair, Wellington Zoo Trust

**Statement of Intent 2016-2017**  
**Karori Sanctuary Trust**

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

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**Appendices**

Appendix A: Accounting Policies

Appendix B: ZEALANDIA 2016/17 Budget

## 1. Introduction

ZEALANDIA's vision stretches 500 years into the future to a time when the sanctuary valley is not only abundant with restored native fauna, but the forest flora has regenerated to the point where the canopy is once again dominated by mature hardwoods. This vision spans the equivalent of 25 human generations and ZEALANDIA is now entering our 2<sup>nd</sup> generation.

### The first twenty years

The Karori Sanctuary Trust celebrated the end of its 1<sup>st</sup> generation, its 20<sup>th</sup> birthday, in 2015. Thanks to the commitment of hundreds of volunteers, members and donors over twenty years, supported by dedicated sanctuary staff, and with the backing of the Council, the Trust has achieved an extraordinary goal and Wellington now has ZEALANDIA - New Zealand's first urban nature sanctuary, a world leading example of ecological restoration within the urban landscape.

We welcome in the order of 100,000 visitors per year to ZEALANDIA's sanctuary valley, Visitors Centre and Exhibition. These tell the unique story of New Zealand's natural heritage, grounded in a valley in the capital city. Research, learning, community engagement and visitor programmes are designed to foster deeper understanding of, and connections with, nature.

ZEALANDIA's 2015/16 Statement of Intent provided a clear plan for our organisation's emergence from a recovery phase, establishing the basis for future resilience. The successful implementation of that plan has secured the underpinning upon which ZEALANDIA can now build and look forward to the next 20 years – our 2<sup>nd</sup> generation.

### The next twenty years

2016/17 marks the beginning of the 2<sup>nd</sup> generation since the foundation of the Trust. The next twenty years will be equally important in the evolution of ZEALANDIA. Our operating context is changing, providing us with new opportunities to contribute to the future of our city, our country and further afield.

The Trust is now working on a 2<sup>nd</sup> generation strategy to capture these opportunities. Whilst the strategy has not been finalised at this stage, key themes are strongly emerging and these have been used to organise our goals and targets in this document. The sanctuary valley unquestionably forms the ground on which our initiatives and actions stand, but an increasing focus during our 2<sup>nd</sup> generation will be on the influence and impact we can have **beyond the fence**.

ZEALANDIA's 2<sup>nd</sup> generation programmes aim to build people's capability to live well with nature, enriching our communities at multiple levels. This is much bigger than the sanctuary valley and restoration ecology alone – it is a focus on people, their health, their place in society, and their connection with nature. We aim to engage, inspire and empower people to take action for conservation and to live well with nature.

We will do this by creating, sharing and using knowledge about our natural heritage. We will develop integrated, multidisciplinary research programmes which create knowledge and provide an evidence-base that we can share widely, that will enable us to lead thinking on important issues. We will also use this knowledge to deliver high quality education, teaching and learning programmes, and visitor experiences that inspire people to engage with nature.

All of this will be grounded in our ongoing commitment to sustaining and building flourishing biodiversity in the sanctuary valley and wider Wellington.

Vital to achieving our strategy will be strong, strategic partnerships, in particular with Wellington City Council and Victoria University of Wellington. This Statement of Intent sets out our proposals for how those partnerships will be expressed in 2016/17. Whilst aligning with the Council's 2015-25 Ten Year Plan overall, we will focus on our contribution to Our Natural Capital: Wellington's Biodiversity Strategy, the Our Living City Project, and the Wellington Region Economic Growth Agenda.

ZEALANDIA aims to enhance significantly our contribution to Wellington's reputation as a liveable and living city and it is pleasing to see the contribution it is making already as referenced in *Feathery link to property sales in the Capital, 16 February 2016*. See: <http://wellington.govt.nz/your-council/news/2016/02/native-birds-used-to-sell-wellington-property>,

We will support all our work with sustainable infrastructure and facilities, and a strong, capable organisation, well aligned with our new strategic focus.

Our 2<sup>nd</sup> generation promises to be as exciting and impactful as the 1<sup>st</sup> generation has proved to be, and we are now in a strong position to take the first steps towards our new programme of initiatives to extend influence and value **beyond the fence**.

Denise Church, Chair, Karori Sanctuary Trust  
Paul Atkins, Chief Executive Officer, Karori Sanctuary Trust



## 2. The Strategic Partnership with Wellington City Council

The Wellington City Council is a key strategic partner of the Karori Sanctuary Trust (KST). The Council is a major funder and owns the land on which the Trust Board operates ZEALANDIA. It also appoints two trustees to the Board. The strategic priorities of the City form an important part of the strategic context for ZEALANDIA and our goals are closely aligned to meeting many of the City's priorities as described later in this document.

It should be noted that we have a proposal currently under consideration by the City that will bring Zealandia into an even closer strategic relationship with the Council. Should the Council approve the proposal, the implications are for long term sustainability that we expect would have only a modest impact on 2016/17 activities, since we are already well aligned with the City's priorities.

ZEALANDIA contributes significantly to the quality of life in Wellington. The availability of a 225 hectare sanctuary just minutes from the centre of a capital city is not only unique but provides many benefits to residents. The positive impact ZEALANDIA has on the property market has been noted above.

ZEALANDIA offers a place to connect with our native flora and fauna and to educate young people on the importance of protecting our natural heritage. The sanctuary is a place for our students to conduct research and provides all Wellingtonians with the opportunity to engage in a practical restoration project through membership and volunteering. It is also a place where people come to exercise and feel safe. Crucially, it is the source of the native birdlife that is spreading throughout the city so that the benefits of the sanctuary are shared with all Wellington residents regardless of whether they visit.

Through our deepening relationship with Council and other partners our impact and influence beyond the fence will be leveraged for the benefit of our community and further afield. Our strategy will enable us to continue to contribute significantly to Wellington as a great place to live, work, visit, and learn – a nature rich city that is globally influential in restoring people's connection with our natural heritage.

### 2.1 Wellington City 2015-2025 Ten Year Plan

Under its 2015-2025 Ten Year Plan, the Council commits to part fund ZEALANDIA as a conservation visitor attraction. The rationale for this investment is that ZEALANDIA will inform and educate people on the importance of conservation and biodiversity, attract visitors, and restore and protect native flora and fauna.

Amongst Council's outcome indicators in the Ten Year Plan, those of most relevance for ZEALANDIA are:

- residents' usage of the city's open spaces
- high value biodiversity sites are covered by integrated animal pest control or weed control
- the success of Council's investment in visitor attractions:

	2015-16 forecast	2016-17	2017-18	2018-19
ZEALANDIA visitors	115,000 <sup>1</sup>	93,600	96,500	98,430

<sup>1</sup> Note that 2015/16 was a year that Sirocco was at ZEALANDIA, and generated a significant number of visits in the usually quiet winter period

## 2.2 Wellington Towards 2040: Smart Capital

Wellington's Strategic Vision, "Wellington Towards 2040: Smart Capital" is supported by four goals – people-centred city, connected city, eco-city and dynamic central city. The eco-city goal recognises the importance of Wellington taking an environmental leadership role.

Research has shown that Wellingtonians have a deep appreciation of nature. The city currently has over 4,000 hectares of reserve lands, including parks and reserves for recreation, wildlife, and scenery. Wellington also has over sixty community conservation groups which participate in planting native species in reserve lands, weed work, clearing and maintaining waterways, and pest control.

ZEALANDIA makes a significant contribution to the city through not only our unique amenity value, but increasingly as the source of the resurgence of native fauna now being experienced throughout the city and suburbs. Additionally, many of our programmes further the environmental leadership role through, for example:

- Education, teaching and learning: These have always been key programmes for ZEALANDIA. Our annual programme of school visits is delivered in partnership with the Ministry of Education's Learning Experiences Outside the Classroom programme (LEOTC). Youth engagement with nature is funded through numerous community organisations including the Mana Trust and Rotary. Another arm of learning is through access to our sanctuary by academic researchers, locally and nationally.
- A key partner in the delivery of an enriched education and visitor engagement programme of the future is the Victoria University of Wellington. A primary strategy of the University is "enhancing the resilience and sustainability of our natural heritage and capital" which sits well within ZEALANDIA's own strategic direction. Increasing ZEALANDIA's capacity to attract and accommodate world-class researchers to the sanctuary through our partnership with the university will also greatly enhance the City's capacity to attract and retain talent.

## 2.3 Our Living City

Biophilic cities contain abundant nature. They care about, and seek to protect, restore and grow this nature, and strive to foster deep connections and daily contact with the natural world. In a biophilic city nature is not something optional, but essential to living a happy, healthy and meaningful life.

According to the United Nations, 54% of the world's population lives in urban areas and this is expected to reach 70% by 2050. Our challenge as urban centres become increasingly populated is how to ensure that we don't lose our connection to nature.

There is now a significant body of research demonstrating how human health can benefit from exposure to green environments, nature and wildlife, in relation to both physical and psychological wellbeing. Much of the research shows the direct positive effect of nature on the health and happiness of people, reduced stress and improved work performance.

A recent survey of ZEALANDIA members revealed that a significant benefit derived from their annual subscription was the pursuit of better health and well-being.

The "Our Living City" programme is being developed by the Council's biophilic city team, to improve Wellington's quality of life by strengthening urban-nature connections throughout the city, and building economic opportunities from a healthy environment.

Council has identified three goals for Our Living City:

- Growing and enjoying our natural capital - making sure that projects are carried out in a way which protects and develops our urban nature, biodiversity and resilience.
- Transforming our economy and reducing impact - attracting people, ideas and investment to the city; promoting green research, technologies and services; investing in smart infrastructure; reducing emissions from stationary energy, transport and waste.
- Showing leadership - encouraging community action; establishing partnerships, including research partnerships.

To achieve these goals, Council has committed to a range of partnerships to grow its reputation as a centre of excellence for urban planning, resilience and ecological sustainability.

ZEALANDIA and its programmes are at the core of Wellington as a living city, and closely aligned with the Council's way of working. We represent a unique model of global significance. The protection of such a large space within close proximity to the central business district of a capital city is a model that can be looked to from around the world as an example of how to balance urban environments with natural spaces. Other ways in which we make a significant contribution to the "Our Living City" programme include:

- Partnering with organisations which engage the community with nature-based activities and provide a platform to raise awareness and open the debate around the connection between well-being and nature, thereby positioning the conservation of the natural environment at the centre of national life. We play a leading role in the Nature Connections network and the exciting programmes developed through this to engage young people such as "Wild Things". Our Nature Connections partners include Wellington Zoo and Otari Wilton's Bush. Other key partnerships include Te Papa and the Department of Conservation.
- We have been instrumental in bringing together representatives from across all the fenced sanctuaries in New Zealand, hosting two meetings of this group in 2015/16. We will continue to encourage and facilitate these collaborations.
- Our partnership with Victoria University of Wellington continues to develop and provides a basis for outstanding research.
- Engaging at a community level with groups including Hutt Valley Disability Resources Trust, Thumbs up and the Sustainability Trust. This has included partnering for activities to mark special days in the calendar and staff using their newly introduced volunteer days to help out at other community groups.

As indicated in the next section, our vision for the next 20 years puts partnerships at the centre of the way we work.

#### 2.4 Our Natural Capital: Wellington's Biodiversity Strategy

Wellington's Biodiversity Strategy, completed in 2015, aims to protect and restore the city's indigenous biodiversity. In order to protect indigenous biodiversity Council recognises the need to connect people to it, and to carry out research so it can be better managed.

Council has identified four themes for its work to implement the Biodiversity Strategy:

- We will aim to protect the ecologically significant areas on both private and public land.
- We will restore these areas, create safe buffer zones around them and connect them together. We will reduce pest numbers throughout Wellington City to a point where our native species can survive and expand.
- Throughout the urban environment, we will focus on raising awareness of the issues facing indigenous biodiversity and connecting people to their natural environment.
- We will enable our community to continue restoration work across all of our reserves and we will support them in these efforts.

There is an increasing awareness worldwide of the need to protect our natural environment. Wellington is uniquely positioned to grow as a nature capital with ZEALANDIA at its heart as a nature destination and a site for urban ecology research and community learning.

There is very close alignment between the Council's Biodiversity Strategy and the purpose, strategy and themes by which ZEALANDIA works and will work in future.

- ZEALANDIA recognises and rejoices in people's growing awareness of, and desire to reconnect to, the natural world.
- ZEALANDIA plays an important role in the restoration of natural biodiversity in Wellington and in a range of Council led and supported initiatives. We are firmly committed to the Nature Connections and Halo projects that expand environmental programmes and enhance visitor experiences in the Wellington region.
- Ongoing support of other conservation and research programmes will continue and cement ZEALANDIA's leadership as a model for fenced mainland sanctuaries running restoration projects, as well as significantly contributing to conservation of threatened species by successful transfers to the sanctuary and to other sites.
- The science of urban ecology is emerging as increasingly influential, and ZEALANDIA is well-placed to help grow momentum for this important work across the Wellington region. Our urban location, education programme, connection to the community, proximity to Victoria University, and the visible effect upon the city's birdlife is helping to nurture a generation of Wellingtonians who treasure New Zealand's indigenous flora and fauna.

## 2.5 Our Capital Spaces Framework

The Council's Open Spaces and Recreation Framework for Wellington 2013-23 includes three priorities that are directly relevant to ZEALANDIA:

- Enhancing the Halo project and biodiversity - expand pest management and native planting; and work with partners to deliver the Halo project buffer zone to expand the safe habitats for birds flying in and out of ZEALANDIA.
- Accessible information - Provide on-site signs and information (on paper, online and for mobile devices) that can be accessed by everyone, including people with physical, hearing or sight impairments.
- Partnerships - Help expand partnerships, recognising that partnership requires resourcing from both sides.

Working with Council on these priorities aligns closely with our purpose of restoring our connection with our unique natural heritage, inspiring and enabling people to take action.

## 2.6 The Wellington Regional Economic Growth Agenda

The Wellington City Economic Development Strategy 2012 aims to attract business, talent and investment to the Wellington region. It includes four key platforms - Destination Wellington, The Smart Capital, The Connected Capital, and Open for Business. Destination Wellington is about building on the city's tourism marketing successes, expanding the story we tell to celebrate and build the city's economy.

Tourism is an important contributor to economic growth in Wellington and New Zealand. Wellington has a strong domestic tourism market with 75% of visitors to the city coming from other parts of New Zealand. Domestic visitors typically cite their reasons for travel as for a specific event, business or to have an urban experience.

International travellers from Germany, Scandinavia, and Canada are boosting Wellington significantly. Chinese tourism has also seen large growth over the last two years. The way Chinese tourists travel in New Zealand is changing, moving away from organised tours to more self-organised trips.

ZEALANDIA works closely with Destination Wellington and Positively Wellington Tourism to position itself firmly at the centre of the tourist trail in Wellington. In 2015/16 ZEALANDIA:

- Attracted over 100,000 visitors to the sanctuary.
- Featured consistently in the top 5 Wellington 'must do' visitor experiences on Trip Advisor.

In 2016/17 we will explore opportunities to work closely with the Wellington Regional Economic Development Agency (WREDA) which has been set up to advance the prosperity and liveability of the Wellington region, including through tourism.



### 3. Strategic Direction for 2016/17 and beyond

#### 3.1 The Operating Environment

The strategy of the Trust for the 1<sup>st</sup> generation was focussed on restoration and conservation of the sanctuary within the valley. The vision was at that time perceived as audacious, and success in achieving it is a testament to what is possible by partnership between committed volunteers, support from our partners and stakeholders, and engagement from the community.

We have achieved a flourishing environment within the sanctuary valley and growth of the halo effect of biodiversity into the wider Wellington environment is being experienced increasingly further afield. We are attracting more Wellingtonians, other New Zealanders and international visitors to ZEALANDIA and have established strong partnerships with other conservation organisations and initiatives in Wellington and around New Zealand.

The spread of ZEALANDIA's birds into Wellington's suburbs, along with a range of relatively recent initiatives from local community pest management to the global biophilic cities movement, have all contributed to a significant change in the conversations being held locally and nationally about New Zealand's natural heritage and what we might achieve in terms of restoration of that heritage and enhancing biodiversity, especially in our urban environments.

As a consequence of these trends, ZEALANDIA's operating context has changed. This is in significant measure due to ZEALANDIA's demonstrable successes in its 1<sup>st</sup> generation of work.

Following the successful implementation of ZEALANDIA's recovery plan as highlighted in our 2015/16 Statement of Intent, we have a firm base from which to launch our 2<sup>nd</sup> generation strategy.

#### 3.2 2<sup>nd</sup> generation strategy (2016 to 2035)

ZEALANDIA's emerging strategy will not only address the next 20 years of activity within the fence (for example, further restoration, translocations, visitor amenities and programmes) but increasingly our targeted impact **beyond the fence**. It will reflect the aspirational statement made in our Visitor Centre exhibition when it was first conceived:

*".....the boundary between ZEALANDIA and the outside world has become less rather than more marked. Because beyond it, too, the efforts of the wider community have made Wellington a place where the unique life of New Zealand – largely free from introduced pests – is thriving again."*

Our purpose will focus on the restoration of our connection with our unique natural heritage (bringing the benefits of our natural heritage to our nation and beyond), inspiring, engaging and enabling people to take action that will achieve this goal.

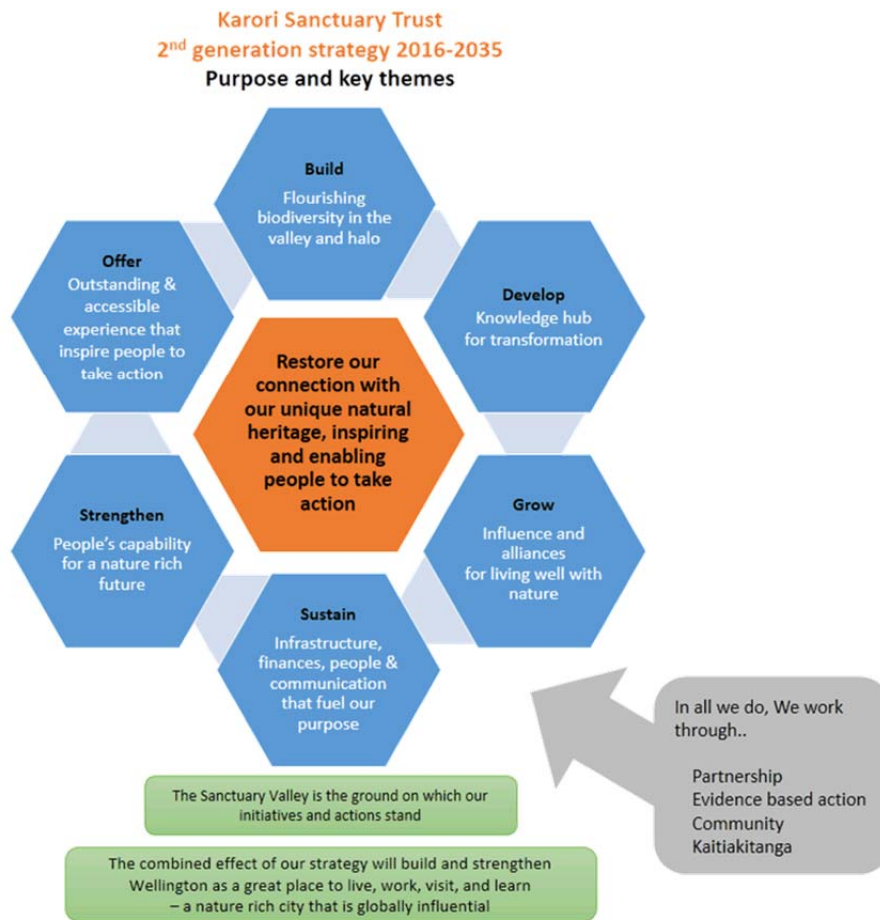
We will grow the halo of biodiversity but also the halo of impact we are able to achieve through our leadership in restoration, research, and ground-breaking community engagement.

Our focus in 2016/17 as we finalise this strategy will be on 5 key areas:

- Developing a long-term programme of research to provide an evidence-base and inform our future activity as well as the advice and guidance we are able to offer others.

- Strengthening our connections with Maori and the way we weave Mātauranga Māori into our programmes.
- Developing extended and integrated programmes for our education work.
- Forming strong partnerships for all our activity.
- Fostering community engagement in everything we do.

Our emerging 2<sup>nd</sup> generation strategy can be summarised in the following diagram:





We seek to engage, inspire and empower people to take action for a greater connectedness with our natural world. This will enable ZEALANDIA to make an even greater contribution to Wellington, New Zealand and people way beyond our boundaries.

Our vision for 2025 is for ZEALANDIA to be a regional, national and global exemplar of the multiple environmental and societal benefits which can be achieved through the restoration and conservation of native flora and fauna in our urban and rural communities.

We will be a knowledge and learning hub for best practice in community-based restoration, conservation and regeneration, playing our part towards a predator-free New Zealand and being an essential part of Wellington's identity as a 'must experience' visitor destination.

This vision is much bigger than the valley, and much bigger than conservation alone – it is a focus on people, their health, their place in society, and their connection with nature.

In aspiring to this outcome, our **purpose** is to:

**Restore our connection with our unique natural heritage, inspiring and enabling people to take action.**

We will **enable** people with the knowledge to connect with nature and to **inspire** them to practical action for living well with nature.

We can do this by creating, sharing and using knowledge about our natural heritage. Our **research** programmes will create knowledge and evidence that we can share widely, that will enable us to lead thinking on important issues. Our knowledge base will need to be increasingly suffused with Mātauranga Māori, New Zealand's indigenous knowledge base.

We will also use this knowledge to deliver high quality **education, teaching and learning** programmes. We will make these available at ZEALANDIA and then more widely through an increasing range of media channels.

We will also do this by creating **visitor experiences** that **inspire** people to **engage** with nature. We want to provide experiences for our members, volunteers, partners and visitors that stimulate questions and offers alternative ways of thinking about their relationship with nature. We will continue to think more widely about the range of experiences that we can offer.

These strategies are significantly interdependent. The sanctuary valley is the ground on which our initiatives and actions stand. The Trust was originally established with a focus on restoring the ecosystem in the valley, establishing a secure native wildlife sanctuary, and establishing specific habitats as representative examples of New Zealand's natural heritage. Our research work is important not only for achieving a thought leadership position and developing a knowledge hub at ZEALANDIA, but also to underpin outstanding experiences that inspire people to take action. Our research, education and visitor programmes will be grounded in our ongoing commitment to sustaining and building flourishing biodiversity in the valley and wider Wellington.

The key themes within our 2<sup>nd</sup> generation strategy are:

- Flourishing biodiversity in the valley and halo.
- Knowledge hub for transformation.
- Outstanding and accessible experiences that inspire people to take action.

- People's capability for a nature rich future.
- Influences and alliances for living well with nature.
- Infrastructure, finances, people and communication that fuel our purpose

All our work will be grounded in:

- strong strategic partnerships
- evidence-based action
- community connections
- Kaitiakitanga

The key **behaviours** that will underpin this next surge of effort are:

- **Enabling** people with information and knowledge
- **Engaging** people through the experiences that we provide
- **Inspiring** people to join in our work and live well with nature

We **value**:

- Generosity and sharing
- Inclusivity

The Trust Board members, the Chief Executive and the ZEALANDIA staff are sharing this thinking and consulting widely with our partners and stakeholders with the aim of finalising the strategy by June 2016. The final version of the Statement of Intent for 2016/17, due to be agreed between the Board and the Council by 20 May 2016, will be updated in accordance with any alterations made to our strategic direction prior to this deadline.

#### **4. The nature and scope of our activities in 2016/17**

The following sections set-out our high level objectives, scope of business, key performance indicators and the budget for 2016/17. It is supported by the ZEALANDIA business plan for 2016/17 and a range of other operational plans that are approved by the Board from time to time.

The KPI Scorecard (section 5.1) brings together a set of Key Performance Indicators to enable ZEALANDIA management, the Trust Board and the Council to focus on the most important measures of success for 2016/17.

##### **4.1 Objectives**

The 2016/17 work programme is presented in the following sections, grouped according to our key objectives for 2016/17:

- To build flourishing biodiversity in the valley and halo.
- To develop a knowledge hub for transformation.
- To strengthen people's capability for achieving a nature rich future.
- To create outstanding and accessible experiences that inspire people to take action.
- To grow our influence and alliances for living well with nature.
- To sustain infrastructure, finances, people and communication that fuel our purpose.

##### **4.2 Build flourishing biodiversity in the valley and halo**

We will continue to undertake conservation activities to restore the valley's ecosystems and processes as closely as practicable to their presumed pre-human condition. Integral to this is a need to manage threats to native species in the sanctuary and also beyond the perimeter fence. We will continue to work closely with our Nature Connections partners and other community-based groups to strengthen pest management efforts outside the fence and expand the effective impact of the halo.

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

- Maintain the perimeter fence so that it ensures the area within the fence is secure from mammalian threats.
- Undertake effective monitoring and management of threats (plant and animal pests).
- Manage and monitor indigenous plants and animals, especially those recently transferred to the sanctuary or requiring support, for example, through provision of supplementary food or nest boxes.
- Manage the welfare of species held in captivity to ensure successful breeding outcomes where appropriate.
- Support nationally and locally led species recovery programmes and restoration work where possible.

##### **Strategic Initiatives**

- Assist in the restoration of healthy landscape scale ecosystems through active collaboration in community partnerships wherever appropriate.
- Continue the transfers of missing species, to increase natural diversity in accordance with the Restoration Strategy 2000.

- Evaluate the long-term viability and management requirements of key populations, especially those with small founder populations.

**Key performance indicators (see Table 5.4 for measures)**

- Plan and undertake a translocation (rifleman). Begin the ground work needed to evaluate the population health and management requirements of saddleback.
- Begin detailed, integrated planning for the restoration of the lower valley streams, wetland and lake.

#### **4.3 Develop a knowledge hub for transformation**

We will develop a long term programme of research to provide an evidence base to inform all our other programmes and activities. This will include the establishment of an urban ecology research centre, in partnership with Victoria University of Wellington, to attract a growing number of national and international researchers and students to Wellington to study in a ground-breaking environment.

##### **Current programmes**

- Undertake and support research that will increase our understanding about the flora, fauna, and the habitats and ecological processes that threaten or sustain them, and that can inform and benefit restoration initiatives elsewhere in New Zealand.
- Undertake and support research that will increase our understanding of the benefits of visiting the sanctuary and/or living closer to nature.
- Provide the sanctuary as a place where research and learning are encouraged.

##### **Strategic Initiatives**

- Develop a long-term programme of research and research partnerships to provide an evidence base for our future activity and advice and contribution to others.
- Develop pathways for thought leadership based on enhanced understanding of our unique natural heritage.
- Develop leading practice in citizen science and growing research capability.
- Broaden our research programme beyond biodiversity, ecology and conservation, to include the health, social and other benefits of people living in closer connection to nature.
- Develop a plan to ensure ZEALANDIA's knowledge and practice are increasingly suffused with Mātauranga Māori, New Zealand's indigenous knowledge base.

##### **Key performance indicators for 2016/17**

- Develop, agree and initiate implementation of plans for the establishment of an urban ecology research centre in partnership with Victoria University of Wellington (VUW), including:
  - Finalise MoU with VUW relating to this research centre
  - Establish a joint steering committee between ZEALANDIA and VUW to guide all detailed planning
- Establish a ZEALANDIA Thought Leaders Reference Council, and a Research Advisory Group to provide direct guidance on the content of our research programme.
- Develop and agree plans for a long-term, integrated research programme.

#### 4.4 Strengthen people's capability for achieving a nature rich future

A significant outcome of the conservation success of ZEALANDIA is demonstrated by the native birdlife spilling over the sanctuary's perimeter fence and into the city. Recognition of ZEALANDIA as a key site, both as a wellspring of biodiversity and a focal point for environmental inspiration, is essential in terms of the city's wider aspirations.

We work to educate our visitors on how to make their backyards a safe place for our native birds and how to interact safely with them. We work with Wellington City Council and other community groups to successfully control animal pests, thereby creating safer areas for native wildlife.

We actively engage with schools and communities by enabling them to experience forest and stream ecosystems and helping them to understand the steps needed to start their own backyard or community restorations. Steps have already been made with the assistance of WWF to develop a resource for schools to use nationwide that will enable children to learn about their natural heritage and the actions needed to identify and manage pest animal threats.

As a focal point for community engagement, we envisage that ZEALANDIA will continue to be a place where people learn about nature and what can be achieved with a successful restoration programme. They will also learn how to monitor and manage threats from pest plants and animals, participate in research projects, grow and plant native plants, monitor native wildlife and take this learning back out to their communities where they earn their halo by making their world a better place for native species and calling other people to action. We see a growing coalition of citizen scientists who champion and celebrate New Zealand's natural heritage.

#### Current programmes

- Provide education programmes that increase people's understanding of New Zealand's natural heritage, and the conservation challenges and successes here and elsewhere. Provide schools with educational resources that enable them to become actively involved in the study of nature and take action to improve native biodiversity.
- Provide high quality volunteering experiences that increase our connections and engagement with the community.

#### Strategic initiatives

- Develop extended and integrated programmes for education from pre-school to adult and the wider community.
- Work towards the goal that every student in the Wellington region has the opportunity to have an interaction with ZEALANDIA, by either visiting the sanctuary or working with education staff in their school or a "special place".
- Obtain funding to increase opportunities for decile 1-3 schools to either visit ZEALANDIA or their 'special place'.
- Aim for 50% of all schools within the Kapiti/Porirua/Hutt Valley/Wellington area to have tracking and trapping as a normal part of their school programme, resulting in enhanced biodiversity in their area by 2020.

- Sustain exemplar volunteer programmes that enrich and strengthen community, nature and people's lives.
- Develop programmes of placements, internships and work that grow skills and experiences for young people.
- Develop effective partnerships with restoration groups and strengthen community engagement in all that we do.

**Key performance indicators for 2016/17**

- ZEALANDIA increasingly recognised as the "go to" centre for information on restoration.
- Increased school visits, particularly decile 1-3; includes visits to the sanctuary and visits to schools or their "special places" by education staff.
- Increased number of schools with tracking and trapping as a normal part of their school programme (from 20 in 2015-16 to 30 in 2016-17).
- Increased number of opportunities for volunteers to work in the sanctuary.
- ZEALANDIA has become the key hub for interns, enabling them to work with restoration groups as well as within the sanctuary; this will enhance their experience and support sharing of expertise and knowledge between the sanctuary and groups in the "halo".

#### **4.5 Create outstanding and accessible experiences that inspire to action**

We will provide experiences for our members, volunteers, partners and visitors that will inspire them to engage with nature, and we will continue to develop the range of experiences that we can offer. By giving visitors an understanding of ZEALANDIA's goals in the urban and rural environment and the value of the work that we do, they are more likely to engage with us and act as ambassadors for our message. This level of engagement will encourage more people to visit the sanctuary and spread the message of the significant role ZEALANDIA plays in restoring our natural heritage to Wellington city and beyond. It will also encourage people to initiate action in other local, national or international restoration work.

##### **Current programmes**

- Provide experiences that increase people's understanding of New Zealand's natural heritage, and the conservation challenges and successes here and elsewhere.
- Provide world-class facilities for visitor experiences and recreation opportunities.
- Maintain a world-class visitor experience through connection with nature and sustainable practices.
- Provide high quality volunteering experiences that increase our connections and engagement with the community.
- Provide a diverse range of experiences for members and volunteers; researchers and academics; community and corporate groups; local Wellingtonians; and visitors from across New Zealand and other countries (both independent travellers, and those on tours and cruise ships).
- Work in partnership with Be.Accessible and through a process of continuous improvement make ZEALANDIA as accessible as possible to any visitor regardless of ability.
- Play an active part in the Nature Connections network in order to maximise the opportunity for people to learn about and engage with our natural heritage, and to grow visitor numbers to the member organisations' sites.

##### **Strategic Initiatives**

- Enrich and strengthen the valley experience to equip more visitors to make active choices for nature rich communities.
- Grow our connections with members as ambassadors for nature in Wellington.
- Grow practical options to promote the health, well-being and wider advantages of connections with nature.

##### **Key performance measures/indicators 2016/17**

- Visitor numbers – 93,600 separate visitations with breakdown of visitor demographics.
- 8,500 education visitors
- Visitor experience – ZEALANDIA achieves a satisfied visitor rating of 92% or greater.
- Continue to improve accessibility and work to attain the Be.Accessible Gold rating.
- > 400 volunteers
- > 80% of volunteers are satisfied with their relationship with ZEALANDIA.



#### **4.6 Grow our influence and alliances for living well with nature**

During 2015/16 we have continued to rebuild a strong network of members, engaged and re-engaged with a wider range of partners, and experienced a significant turnaround in public perceptions of ZEALANDIA.

We will expand our partnerships into all aspects of our activity. Working with partners in the community, the city and the wider world is key to everything we do.

Our most important strategic partner, at many levels, is the Wellington City Council. We also rely on and value partnerships with Victoria University of Wellington; organisations such as Te Papa, our Nature Connections partners including Wellington Zoo and Otari Wilton's Bush, the Department of Conservation, the Tenth's Trust, the other mainland sanctuaries, and others.

Integrating our plans with the vision and plans of others is essential to the achievement of our vision.

##### **Current programmes**

- We will continue to recognise the strategic priorities of the Council as an important part of the strategic context for ZEALANDIA, and to align our strategies and priorities closely with those of Wellington City. (See the earlier section on the Wellington City Council as the key strategic partner of the Karori Sanctuary Trust.)
- We will continue to recognise our members and volunteers as our closest partners, to provide opportunities for them to communicate with the Board and the staff, and to provide benefits that recognise our special relationship.
- We will continue to engage with our neighbours, the local community and the wider Wellington community, to seek and foster community support for ZEALANDIA, and encourage participation in our activities.
- As outlined in 4.3 above, we will grow our partnership with Victoria University in the creation of an urban ecology research centre. We will also establish a Thought Leaders Reference Council and Research Advisory Group.
- We will continue to make sustainability a cornerstone of our thinking and practice in all that we do and endeavour to continue to reduce our Carbon footprint and impact on the environment generally.

##### **Strategic Initiatives**

- We will undertake our Kaitiakitanga responsibilities through enhanced partnerships with Maori. A strong and comprehensive relationship with Maori, at mana whenua, iwi and national level, remains of primary importance to ZEALANDIA and we will develop closer relationships during 2016/17. We recognise that Mātauranga Māori, indigenous knowledge, is a key part of the evidence base that will be needed to underpin our work far into the future.
- Develop strategic alliances with other sanctuaries nationally for transforming our biophysical landscapes and how we live with them.
- Grow and develop our core partnership with Wellington City Council to make an outstanding biophysical, community, learning and economic contribution to Wellington.

- Be recognised as a centre of excellence for sustainable business.
- Build international networks that help strengthen New Zealand's influence in the world in restoring people's connection with our natural heritage.
- Establish strong connections and partnerships with organisations overseas which share similar goals to ZEALANDIA.

**Key performance indicators**

- Partnership with VUW agreed and formalised.
- Plans for an urban ecology research centre agreed and under implementation.
- Thought Leaders Reference Council established.
- Capability developed to enable closer partnerships with iwi and integration of Mātauranga Māori.

**4.7 Sustain infrastructure, finances, people and communication that fuel our purpose**

ZEALANDIA is now emerging from a recovery phase that was the focus of the previous Statement of Intent and related planning documents. Key indicators of, for example, visitor numbers, education activity and revenue are all showing very positive trends as indicated in our quarterly reports to Council. The organisation has been refreshed, with systems and processes that better support our activity and our future plans.

These areas continue to be of fundamental importance to a healthy, sustainable organisation and we will continue to pay close attention to all areas with particular focus on those highlighted below.

We will continue to build upon the continuous improvement culture, which has been pivotal in driving recent successes. Investing in staff development, providing tools and infrastructure which allows the teams organisation-wide to evolve and optimise best practice will be key in our long term sustainable development. As a lean organisation, the teams will also endeavour to maximise the partnerships which offer win-win opportunities for all those involved.

**Current programmes**

We will continue to develop plans to utilise the Visitor Centre and our other buildings to maximum effect and to support our research and education programmes, our visitor experiences, our strategic partnerships, and our commercial activities.

We will continue to provide high quality commercial services that connect visitors with nature through:

- Highly attractive visitor proposition and experience
- Premium and custom tours
- Annual membership
- The Rata Café
- Corporate and private functions held within our facilities
- Our retail store and retail offerings
- Exhibitions and events

- Marketing and communications

We will continue to develop new commercial products and services to drive revenue.

**Strategic Initiatives**

- Prepare a capital development plan that fully fits the valley and visitor centre to our purpose over the period of our 2nd generation strategy.
- Develop smart initiatives to grow our people, support systems and enduring financial vitality.
- Reform our communications channels to actively support experiences, programmes, partnerships and impact.
- Maintain our Carbon Zero accreditation.
- Install Photo Voltaic (PV) panels on the Visitor Centre's roof.
- Encourage an increase in the use of Electric Vehicles through looking for opportunities in our own operation and by installing on site charging stations.
- Continue a programme of retrofitting lighting with LED and using sustainable options on any building projects undertaken.

**Key performance measures/indicators 2016/17**

- A net surplus before depreciation and tax of \$312,000.
- Commercial revenue equating to 50% of overall budget.
- 10,400 members.
- Membership subscriptions \$300,000.
- Full cost per visitor (including WCC costs) \$16.91
- Average WCC subsidy per visitor \$9.35
- Average revenue per visit \$25.96
- Non-Council Donations/Funding \$250,00

**5. Performance Measurements**

**5.1 KPI Scorecard 2016/17**

<p><b>Build flourishing biodiversity in the valley and halo (4.2)</b></p> <ul style="list-style-type: none"> <li>Plan and undertake a translocation (rifleman). Begin the ground work needed to evaluate the population health and management requirements of saddleback.</li> <li>Begin detailed, integrated planning for the restoration of the lower valley streams, wetland and lake.</li> </ul>	<p><b>Develop a knowledge hub for transformation (4.3)</b></p> <ul style="list-style-type: none"> <li>Develop, agree and initiate implementation of plans for the establishment of an urban ecology research centre in partnership with Victoria University of Wellington (VUW), including:                             <ul style="list-style-type: none"> <li>Finalise MoU with VUW relating to this research centre</li> <li>Establish a joint steering committee between ZEALANDIA and VUW to guide all detailed planning</li> </ul> </li> <li>Establish a ZEALANDIA Thought Leaders Reference Council, and a Research Advisory Group to provide direct guidance on the content of our research programme.</li> <li>Develop and agree plans for a long-term, integrated research programme.</li> </ul>
<p><b>Strengthen people’s capability for achieving a nature rich future (4.4)</b></p> <ul style="list-style-type: none"> <li>ZEALANDIA increasingly recognised as the “go to” centre for information on restoration.</li> <li>Increased school visits, particularly decile 1-3; includes visits to the sanctuary and visits to schools or their “special places” by education staff.</li> <li>Increased number of schools with tracking and trapping as a normal part of their school programme (from 20 in 2015-16 to 30 in 2016-17).</li> <li>Increased number of opportunities for volunteers to work in the Sanctuary.</li> <li>ZEALANDIA has become the key hub for interns, enabling them to work with restoration groups as well as within the sanctuary; this will enhance their experience and support sharing of expertise and knowledge between the sanctuary and groups in the “halo”.</li> </ul>	<p><b>Create outstanding and accessible experiences that inspire action (4.5)</b></p> <ul style="list-style-type: none"> <li>Visitor numbers – 93,600 separate visitations with breakdown of visitor demographics.</li> <li>8,500 education visitors.</li> <li>Visitor experience – ZEALANDIA achieves a satisfied visitor rating of 92% or greater.</li> <li>Continue to improve accessibility, and work to attain the Be.Accessible Gold rating.</li> <li>&gt; 400 volunteers.</li> <li>&gt;80% of volunteers are satisfied with their relationship with ZEALANDIA.</li> </ul>
<p><b>Grow our influences and alliances for living well with nature (4.6)</b></p> <ul style="list-style-type: none"> <li>Partnership with VUW agreed and formalised.</li> <li>Plans for an urban ecology research centre agreed and under implementation.</li> <li>Thought Leaders Reference Council established.</li> <li>Capability developed to enable closer partnerships with iwi and integration of Mātauranga Māori.</li> </ul>	<p><b>Infrastructure, finances, people and communication that fuel our purpose (4.7)</b></p> <ul style="list-style-type: none"> <li>A net surplus before depreciation and tax of \$312,000.</li> <li>Commercial revenue equating to 50% of overall budget.</li> <li>10,400 members.</li> <li>Membership Subscriptions \$300,000.</li> <li>Full cost per visitor (including WCC costs) \$16.91.</li> <li>Average WCC subsidy per visitor \$9.35.</li> <li>Average revenue per visit \$25.96.</li> <li>Non-Council Donations/Funding \$250,000.</li> </ul>



**5.2 Non-financial Performance Measures**

Measure	2015-16 forecast <sup>1</sup>	2016-17	2017-18	2018-19
Visitation	115,000	93,600	96,500	99,300
Members (Individuals)	10,340	10,400	10,600	10,800
Volunteers	417	>400	>430	>450
Percentage of Satisfied Visitors Above City Benchmark	NA	>5%	>5%	>5%

<sup>1</sup> Figures to date 30 April 2016

Measure	2015-16 forecast	Q1	Q2	Q3	Q4	2016-17	2017-18	2018-19
Visitation	115,000	13,496	30,355	30,845	18,904	93,600	96,500	99,300
Education visits <sup>1</sup>	9,385	1,818	3,350	1,174	2,158	8,500	8,650	8,800

<sup>1</sup> (LEOTC, tertiary, early childhood, school holiday programme, and outreach)

The Trust notes Council's request to be presented with a richer understanding of visitor demographics and education related usage of the sanctuary.

The visitor information that Council has requested is collected by the Trust and can readily be provided. Details such as where visitors reside are collected at the admissions desk. Member visits are recorded daily and tracked on a weekly basis.

A member survey was conducted which provided invaluable information about visitor patterns, satisfaction and preferences. This survey will be completed every two years and the findings will be presented to Council.

ZEALANDIA also uses GetSmart, an online visitor survey that is used by approximately 10 nature based attractions across Wellington, which provides valuable benchmarking information. This survey collects information on the reason for visiting, duration of visits, visitor demographics and satisfaction ratings.

A summary and analysis of this information will be provided to Council on a quarterly basis, to provide the richer picture of visitation to the sanctuary.

Detailed information of education visits is also recorded. The trust will provide a summary and analysis of this information to Council on a quarterly basis. This quarterly report will include updates on programme, community outreach initiatives and outline the strategies in place to continually develop this area of the business.

**5.3 Financial Performance Measures**

Measure	2015-16 forecast	2016-17	2017-18	2018/19
Full cost per visitor (including WCC costs)	\$12.96	\$16.91	\$16.51	\$16.11
Average subsidy per visit (total WCC operating grant/all visitors)	\$7.61	\$9.35	\$9.07	\$8.80
Average revenue per visit (excludes Council & Government grants)	\$28.36	\$25.96	\$26.22	\$26.48
Non-Council Donations/Funding	\$395,188	\$250,000	\$265,000	\$270,000

**5.4 Conservation Measures**

Measure	2015-16 forecast	2016-17	2017-18	2018-19	Explanation
<b>Restore missing species to the wild in accordance with the Restoration Strategy</b>					
Number of new animal species transferred	1*	1	0	1	Transfer of Rifleman proposed for 2017; a lizard species in 2018/19 <i>*Note: Transfers also undertaken in 2015-16 from Zealandia to Wellington Zoo (Maud Island frogs) and Cape Sanctuary (kaka).</i>
# transferred animal species being actively managed in the wild	9	10	10	10	Active management includes supplementary feeding, nestbox & roostbox management; Species: rifleman, hihi, kaka, takahe, bellbird, kakariki, kiwi, MI frog, Long-fin eels, giant weta; excludes species held in captivity;
# animal species in the wild being actively monitored	12	10	11	12	Includes species with ongoing active data collection: rifleman (if transferred), hihi, takahe, bellbird, kiwi, robins, tuatara, giant weta. MI frogs, spotted skink. Saddleback from 2017/18; assumes no further active monitoring of kaka and kakariki ;Observations of other species eg pateke gathered in ad hoc manner;

Measure	2015-16 forecast	2016-17	2017-18	2018-19	Explanation
% transferred animal species regarded as self-sustaining	72%	68%	68%	65%	13/19 species if rifleman transferred in 2016-17 regarded as self-sustaining (assuming ongoing current management); 2 transfers failed (tomtit, weka) and 2 (bellbird, Long-fin eels) not regarded as self-sustaining; Note: it usually takes several breeding seasons before a transfer can be regarded as self-sustaining (successful breeding, population stable or increasing) so % will reduce with new transfers eg to 65% (13/20) after lizard transfer in 2018/19
<b>Maintain or improve the population status of nationally threatened species present</b>					
# threatened species present and breeding successfully	4	4	4	4	Hihi, NI kaka, Maud Island frog, Pied shag; excludes takahe & kakapo held primarily or temporarily for advocacy purposes
<b>Manage species held for captive breeding purposes to ensure they remain healthy and breed successfully</b>					
# species breeding in captivity	2	2	2	2	Maud Island frogs and Barking geckos
<b>Monitor animal pest status, control mice and successfully respond to any incursions</b>					
Mice maintained at levels similar to previous years	<10	<10	<10	<10	The figure gives an abundance index based on the average abundance/100 corrected trap nights
% pest animal incursions successfully eradicated	0	100%	100%	100%	Assumes any incursions successfully eradicated
<b>Monitor plan pest status and reduce distribution of environmental weeds (currently 123) within and near the perimeter fence</b>					
# pest plant species actively controlled or surveyed	37	44	44	44	44 environmental weeds identified as priorities
# pest plant species where control has achieved a decline to low levels of infestation in the sanctuary	49	52	53	53	Control also undertaken outside the perimeter fence for key species to improve feasibility of ongoing suppression inside the fence



**5.5 Conservation Activities**

Activities	2016-17	2017-18	2018-19
<b>Plan and undertake a translocation of rifleman</b>			
- Undertake consultation with GWRC, WCC, iwi and DoC	ongoing		
- Permit application submitted to GWRC & DoC	Aug-16		
- Permits received	Dec-16		December 2018 for (new species)
- Translocation undertaken	Feb-April 2017		Feb-June 2019 (new species)
<b>Monitoring</b>			
- Evaluate the population health and management requirements of saddleback	Ongoing	Ongoing	Ongoing
- Permit obtained to allow collection of samples for genetic analysis		Dec-17	
- Volunteers trained to band and monitor saddleback		Jun-18	ongoing
- Saddleback caught, banded & sampled		Jun-18	ongoing
- Monitoring of breeding success – hatch and fledge rates			ongoing
<b>Begin restoration of the lower valley streams, wetland and lake</b>			
- initiate development and agreement of an overarching multifaceted strategic plan	Jul-16	update	update
- Research underway according to a research plan	Jun-17	ongoing	ongoing
- Develop a fish eradication operational plan		Jun-18	update
- Implementation of integrated plans	ongoing	ongoing	ongoing

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

### **6.1 The Trust Deed**

The Karori Sanctuary Trust (the Trust) is an incorporated society that is governed by a Trust Deed, first executed in 1995 and most recently updated in December 2012.

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

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

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

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

### **6.2 Relationship with Wellington City Council**

The Board of the Trust has two members appointed by the Wellington City Council (including Chair) and three members appointed by the Guardians of the Trust.

The Wellington City Council is a strategic partner, a trustee appointee, a major funder and the landlord of the Trust. A new governance structure for the Trust implemented in December 2012 clarified the relative roles of Council, the Guardians and the Trust Board and strengthened the partnership model.

The Funding Deed between Council and the Trust sets out Council's reporting and monitoring regime and the conditions for major transactions requiring Council approval. The Trust will report quarterly to the Council through the Environment Committee on the agreed measures, which will include a Statement of Financial Performance, Statement of Financial Position and Cash Flow Statement.

The Trust's audited accounts will be presented to the Council by due date. The Trust will continue to recognise Council as a principal funder.

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

- Council will be provided with access to information it requests.
- A "no surprises" approach.

- Work in a collaborative and constructive manner recognising each other's viewpoints and respecting differences.
- Act towards each other honestly and always in good faith.
- Communicate with each other openly, promptly, and in a clear and timely manner.
- Recognise the accountabilities that each has to the other and to those for the benefit of whom services are provided.

### 6.3 Board Membership

The members of the Karori Sanctuary Trust are:

Trustee	Term Expires
Denise Church (Chair), appointed by the Council	December 2018
Phillip Meyer, appointed by the Council	December 2017
Pam Fuller, appointed by the Guardians	June 2017
Steven Thompson, appointed by the Guardians	July 2018
David Bibby, appointed by the Guardians	January 2019
Russell Spratt, co-opted by the Board	June 2018

The revised Karori Sanctuary Trust Deed signed in December 2012 outlines the roles of the Trust and the Guardians. All trustees may receive an honorarium set by the Council and Guardians.

The Trust Board shall meet no less frequently than eight times a year.

The Chief Executive attends all meetings accompanied by their management team as required.

Under the terms of the Trust Deed, the Board is required to have an Audit and Risk Committee. The terms of reference for this committee require that it meets at least four times a year. Members of the Audit and Risk Committee are Denise Church, Phillip Meyer and Iain Craig (an independent member).

The Board may choose to set-up any new committees as deemed necessary in order to maintain an appropriate level of oversight.

Trustees will contribute knowledge and skills across a range of work areas during the 2016/17 year and may from time to time contribute to working groups established by the Chief Executive.

### 6.4 Board Performance

The Chair and the Board as a whole will participate in an annual review of their performance as follows:

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

The method/standards used to assess the performance will be based on the standards issued by the Institute of Directors in New Zealand, adapted for the Trust. From these reviews, development needs

and any other actions required to ensure best practice governance and performance standards will be determined and implemented.

The Board undertook an externally supported review in November 2014 and revisited priority actions from the review in mid-2015.

The Board will undertake an initial review of the Chief Executive's performance in July 2016, and then annually.

#### **6.5 Annual General Meeting**

By established practice the Trust holds each year an Annual General Meeting (AGM) of members to discuss the Annual Report and current strategies. The Board establishes a date for the AGM in consultation with the Guardians.

The 2015 AGM was held on 18 October, and was well attended.

The next AGM will be held on 16 October 2016.

## **7. Organisational Health, Capability and Risk Assessment**

### **7.1 Organisational Health and Capability**

Our aim is deliver our work by attracting and retaining talented and capable staff and through strategic partnerships. Critical to our success is having experienced and motivated staff. Training and professional development for staff will continue to be a priority for 2016/17.

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

### **7.2 Executive Team**

Paul Atkins	Chief Executive Officer (appointed November 2015)
Raewyn Empson	Manager Conservation, Research, Learning and Experience
Ian Phillips	Manager Commercial Development
Russ Drewry	Manager Sanctuary Care and Preservation
Vacant	Manager Corporate Services

### **7.3 Environmental Practices**

The Trust is committed to and incorporates sustainable practices.

ZEALANDIA has been awarded the Qualmark EnviroGold and the EnviroMark carboNZero accreditation.

The Rata Café has been accredited with all Conscious Consumer badges and is in the process to become organic certified as the kitchen garden extends to selling produce as well as providing it for the café business.

### **7.4 Health and Safety**

The Trust has robust health and safety systems in place and a detailed Emergency Procedure Action Plan.

We have reviewed our policies and procedures to ensure that we comply with the Health and Safety at Work Act 2015, which takes effect on 4 April 2016.

#### **Key actions taken or underway**

- Identified the following persons as “officers” of the organisation and made them aware of their due diligence responsibilities under the Act:
  - Trustees
  - CEO
- Changed the reporting information and structure to increase Board involvement and awareness including planned opportunities for the board and CEO to visit areas of the organisation with a view to specifically reviewing health and safety in that area.
- Identified the following as Persons Conducting a Business or Undertaking (PCBU) under the Act, and ensured that they are aware of their due diligence responsibilities:
  - Wellington City Council
  - Conservation Volunteers New Zealand
  - Zero Invasive Predators
  - Visiting Schools
  - Spotless Cleaning services
  - Contractors

- Increased our institutional knowledge in health and safety matters through ongoing training, attendance at seminars, and drills. Current planned or recently completed training includes fire warden training, contractor management training and an increase in qualified first aiders.
- Make sure all volunteers and staff have read and acknowledged the latest versions of the Golden rules and a newly created Code of Conduct outlining the expectations and responsibilities pertaining to the organisation and its people.
- Given employees and volunteers a more inclusive role in the identification and management of health and safety matters; including by convening a new Health and Safety Committee to address the "consultation with workers" requirements of the Act, replacing managers with people from all areas and levels of the organisation.
- Identified those staff and volunteers who need to hold current first aid qualifications to ensure there is reasonable coverage in the valley at all times; arranged first aid training if required; and arranged training for fire wardens.
- Identified an alternative fuel storage solution as recommended in the WCC Hazmat Report.
- Published and displayed a **statement of general policy on health and safety at work** "ZEALANDIA ZERO HARM" setting out our commitment to managing health and safety effectively, and what we are aiming to achieve.

#### Initiatives planned

- Our policies and processes will continue to evolve as WorkSafe publishes new guidelines and requirements become clearer.
- Continue to foster a collaborative and proactive approach within the organisation and with our partners.
- Continue to engage with the PCBUs of other organisations with which the Trust works, partners, or otherwise deals, or is considering dealing with, to require more robust evidence of their suitability and pertinent qualifications before working with them.
- Work with agencies such as the Wellington Regional Emergency Management office, the Rural Fire Authority, Search and Rescue New Zealand, and other Wellington City Council community controlled organisations, to develop relationships and review joint working relationships.
- Engage with WorkSafe with a view to reducing our ACC levy payments by undertaking recommended programmes and assessments.
- Identify and organise ongoing training to reach or exceed best practice levels in all areas.
- Use signage to increase awareness of types and locations of the emergency resources around the site.

#### 7.5 Asset Management Plan

In 2015 the Trust reviewed its asset register and altered depreciation on a number of the assets to more accurately reflect their expected life. In 2016/17 we will continue to improve our asset management systems and explore if there are ways to integrate these with the systems used by WCC.

**7.6 Risk Management**

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

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

The Trust has insurance policies for Material Damage, Business Interruption, Combined Liability (Public, Employer, Statutory, Fidelity Guarantee and Lawsafe) and Trustee Liability.

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

- **Avoidance:** To eliminate the conditions that allow the risk to be present at all, often by changing or stopping the activity.
- **Acceptance:** To acknowledge the risk’s existence, but to take no pre-emptive action to resolve it, except for the possible development of contingency plans should the risk event come to pass.
- **Mitigation:** To minimise the probability of a risk’s occurrence or the impact of the risk should it occur.
- **Deflection:** To transfer the risk (in whole or part to another organisation, individual, or entity – such as through insurance).

A process to review and update the framework for the risks register is currently underway and will be completed and applied during the first quarter of the 2016/17 financial year. The new format will employ a risk matrix similar to that indicated below, with likelihood and consequence tables providing a greater degree of clarity in line with current best-practice. The revised framework will be included in first quarterly report to Council in 2016/17.

Probability of Risk	Impact of Risk					
	7	6	5	4	3	2
1	8	7	6	5	4	3
0	7	6	5	4	3	2
-1	6	5	4	3	2	1
-2	5	4	3	2	1	0
-3	4	3	2	1	0	-1

**8. Additional Information**

**8.1 Response to other specific Letter of Expectation matters (if applicable)**

Council expects that ZEALANDIA will continue to:

- Develop the educational offerings at the sanctuary – covered in section 4.3 (page 18)
- Develop and improve accessibility standards – covered in section 4.5 (page 21)
- Maintain the focus on delivering complementary relationships in science and education – covered in sections 3.2 (page 12), 4.1 (page 16) and 4.3 (page 18)

**8.2 Ratio of Shareholders' Funds to Total Assets**

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

**8.3 Estimate of Amount Intended for Distribution**

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

**8.4 Acquisition Procedures**

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

**8.5 Activities for which the Board seeks Compensation from a Local Authority**

Total funding from Wellington City Council in 2016/17 is \$875,000. The development of the Trust's 10 year sustainable business plan anticipates as a baseline the continuation of the current level of funding.

**8.6 Estimate of Commercial Value of Shareholders' Investment**

Not applicable.



**Appendix A: Accounting Policies**

**i. Basis of reporting**

The financial statements presented here are for the reporting entity, the Karori Sanctuary Trust. The Trust is a charitable trust registered under the Charities Act 2005, established to develop a secure native wildlife sanctuary in the Karori Reservoir valley in the city of Wellington.

The Trust is a qualifying entity within the differential reporting framework issued by the New Zealand Institute of Chartered Accountants. The Trust qualifies on the basis that it has no public accountability (that is: not an issuer as defined under the Financial Reporting Act 2013 nor does it have coercive power to tax, rate or levy to obtain public funds) and is not considered large as defined by the framework. The Trust has taken advantage of all differential reporting concessions available to it except for FRS10 Statement of Cash Flows.

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. The Trust has chosen not to adopt the New Zealand equivalent to International Financial Reporting Standards (NZ IFRS). The decision not to adopt is consistent with the exemption provided by the Accounting Standard Review Board (ASRB) Release 9, issued September 2007. ASRB Release 9 provides a choice to certain qualifying entities to either adopt NZ IFRS or to continue to apply New Zealand Financial Reporting Standards (NZ FRS).

The measurement base adopted is that of historical cost.

Reliance is placed on the assumption that the Trust continues to receive sufficient income to fund ongoing operations.

**ii. Recognition of revenue**

Grants are recognised as revenue when the requirements under the grant agreement have been met. Any grants for which the requirements under the grant agreement have not been completed are carried as liabilities until all the conditions have been fulfilled.

Revenue received from membership subscriptions is allocated proportionally over the period to which they relate. The unearned portion of subscriptions is shown under current liabilities. Prepaid visits are also treated as current liabilities.

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

Interest income is accounted for as earned.

In the financial statements, there is no financial recognition of support given in the form of donated labour and materials.

**iii. Fixed assets**

Fixed assets are recorded at cost less accumulated depreciation and impairment.

The cost of purchased property, plant and equipment is the value of the consideration given to acquire the assets and the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

**iv. Depreciation**

Depreciation of fixed assets is calculated on a straight-line basis so as to allocate the cost of the assets over their useful lives as follows:

Building/Infrastructure	10-100 years
Exhibitions	5-8 years
Leasehold improvements	10-25 years
Predator fence	25-50 years
Fixtures, plant and equipment	5-75 years
Vehicles	5-10 years
Boat	15 years
Other Assets	2.5-50 years

**v. Accounts receivables**

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

**vi. Stock on hand**

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

**vii. Leased assets**

As lessee:

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

**viii. Impairment**

Annually, the management assesses the carrying value of each asset. Where the estimated recoverable amount of the asset is less than its carrying amount, the asset is written down. The impairment loss is recognised in the statement of financial performance.

**ix. Employee entitlements**

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

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

**x. Goods and services tax (GST)**

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

**xi. Income tax**

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

**xii. Statement of cash flows**

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

- (a) Operating activities include all transactions and other events that are not investing or financing activities.
- (b) Investing activities are those activities relating to acquisition, holding and disposal of property, plant and equipment and of investments.

- (c) Financing activities are those activities that result in changes in the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash.
- (d) Cash is considered to be cash on hand and current accounts in banks, net of bank overdrafts.

**xiii. Changes in accounting policies**

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



**Appendix B: ZEALANDIA Budget for 2016/17**

ZEALANDIA will continue to drive revenue and contain costs in 2016/17 and complete the year with a healthy operating surplus.





Forecast 30-Jun-16	STATEMENT OF FINANCIAL POSITION					As at 30-Jun-19
	As at 30-Sep-16	As at 31-Dec-16	As at 31-Mar-17	As at 30-Jun-17	As at 30-Jun-18	As at 30-Jun-19
<b>Equity</b>						
Trust Funds	3,964,000	4,724,000	4,860,000	5,084,000	3,863,000	4,635,000
Current year earnings	(101,000)	136,000	224,000	(279,000)	942,000	(128,000)
<b>Total Shareholder/Trust Funds</b>	<b>3,863,000</b>	<b>4,860,000</b>	<b>5,084,000</b>	<b>4,805,000</b>	<b>4,805,000</b>	<b>4,507,000</b>
<b>Current Assets</b>						
Cash and cash equivalents	816,000	868,000	1,410,750	1,013,000	1,253,000	1,575,000
Accounts receivable	30,000	80,000	55,000	40,000	40,000	50,000
Prepayments						
Inventory	50,000	65,000	50,000	50,000	55,000	60,000
Other current assets						
<b>Total Current Assets</b>	<b>896,000</b>	<b>1,013,000</b>	<b>1,515,750</b>	<b>1,103,000</b>	<b>1,348,000</b>	<b>1,685,000</b>
<b>Investments</b>						
Term deposits						
Other investments						
<b>Total Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non-current Assets</b>						
Fixed assets	14,155,000	4,703,000	4,578,000	4,453,000	4,453,000	3,973,000
Intangible assets						
Other non-current assets						
<b>Total Non-current Assets</b>	<b>14,155,000</b>	<b>4,703,000</b>	<b>4,578,000</b>	<b>4,453,000</b>	<b>4,453,000</b>	<b>3,973,000</b>
<b>Total Assets</b>	<b>15,051,000</b>	<b>5,716,000</b>	<b>6,093,750</b>	<b>5,556,000</b>	<b>5,321,000</b>	<b>5,208,000</b>
<b>Current Liabilities</b>						
Accounts payable	253,000	302,000	274,000	253,000	253,000	288,000
Income in advance	210,000	210,000	428,750	220,000	220,000	216,000
Employee entitlements	100,000	120,000	110,000	100,000	100,000	110,000
Provisions and accruals	0	0	0	0	0	0
Other current liabilities	108,000	54,000	27,000	108,000	108,000	78,000
<b>Total Current Liabilities</b>	<b>671,000</b>	<b>686,000</b>	<b>839,750</b>	<b>681,000</b>	<b>681,000</b>	<b>701,000</b>
<b>Non-current Liabilities</b>						
Shareholder advances	10,347,000	0	0	0	0	0
Other non-current liabilities	170,000	170,000	170,000	70,000	70,000	0
<b>Total Non-current Liabilities</b>	<b>10,517,000</b>	<b>170,000</b>	<b>170,000</b>	<b>70,000</b>	<b>70,000</b>	<b>0</b>
<b>Total Liabilities</b>	<b>11,188,000</b>	<b>856,000</b>	<b>1,009,750</b>	<b>751,000</b>	<b>751,000</b>	<b>701,000</b>
<b>Net Assets</b>	<b>3,863,000</b>	<b>4,860,000</b>	<b>5,084,000</b>	<b>4,805,000</b>	<b>4,635,000</b>	<b>4,507,000</b>

Forecast 30-Jun-16	STATEMENT OF CASH FLOWS						Total YE 30-Jun-18	Total YE 30-Jun-19
	Qtr to 30-Sep-16	Qtr to 31-Dec-16	Qtr to 31-Mar-17	Qtr to 30-Jun-17	Total YE 30-Jun-17	Total YE 30-Jun-18	Total YE 30-Jun-19	
<b>Cash Flows From Operating Activities</b>								
<i>Inflows</i>								
2,824,400	465,750	989,000	1,104,000	465,750	3,024,500	3,105,000	3,198,150	
1,006,250	503,125	0	503,125	0	1,006,250	1,006,250	1,006,250	
395,450	66,362	66,363	66,362	66,363	265,450	282,700	288,450	
<i>Outflows</i>								
1,996,000	515,000	535,000	535,000	515,000	2,100,000	2,150,000	2,200,000	
1,473,650	377,500	400,000	408,550	377,000	1,563,050	1,586,100	1,629,150	
333,450	83,737	83,363	162,937	18,113	348,150	356,850	365,700	
<b>423,000</b>	<b>59,000</b>	<b>37,000</b>	<b>567,000</b>	<b>(378,000)</b>	<b>285,000</b>	<b>291,000</b>	<b>298,000</b>	
<b>Net Cash Flows From (Used In) Operating Activities</b>								
<b>Cash Flows From Investing Activities</b>								
<i>Inflows</i>								
	10,347,000	0	0	0	10,347,000	0	0	
<i>Outflows</i>								
<b>0</b>	<b>10,347,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,347,000</b>	<b>0</b>	<b>0</b>	
<b>Cash Flows From Financing Activities</b>								
<i>Inflows</i>								
27,000	4,500	9,000	4,500	9,000	27,000	27,000	27,000	
<i>Outflows</i>								
230,000	10,372,000	25,000	25,000	25,000	10,447,000	70,000	0	
43,000	3,750	3,750	3,750	3,750	15,000	8,000	3,000	
<b>(246,000)</b>	<b>(10,371,250)</b>	<b>(19,750)</b>	<b>(24,250)</b>	<b>(19,750)</b>	<b>(10,435,000)</b>	<b>(51,000)</b>	<b>24,000</b>	
<b>177,000</b>	<b>34,750</b>	<b>17,250</b>	<b>542,750</b>	<b>(397,750)</b>	<b>197,000</b>	<b>240,000</b>	<b>322,000</b>	
639,000	816,000	850,750	868,000	1,410,750	816,000	1,013,000	1,253,000	
<b>816,000</b>	<b>850,750</b>	<b>868,000</b>	<b>1,410,750</b>	<b>1,013,000</b>	<b>1,013,000</b>	<b>1,253,000</b>	<b>1,575,000</b>	





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## 4. Operational

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# APPROVAL FOR AN EASEMENT OVER RESERVE - WALL PARK, TAWA

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### Purpose

1. To obtain Environment Committee approval for an easement over Council owned reserve land in accordance with Section 48(1) of the Reserves Act 1977.

### Summary

2. In 2014 Council to transfer 2,849m<sup>2</sup> of land (formally part of Wall Park, Tawa) to the New Zealand Transport Agency (NZTA). The land was required for the Transmission Gully Motorway Project (Transmission Gully).
3. NZTA has now advised that the Transmission Gully works will affect existing overhead electricity lines and require installation of a power pole in Wall Park.
4. There are currently power lines along the south-eastern boundary. The proposed works change the route of these lines to bisect a small triangular area of the eastern boundary.
5. Attachment 1 aerial shows:
  - Wall Park outlined white
  - Area marked green showing where the new power pole will be installed and the power lines will cross the park.
6. Relevant internal business units have been consulted and support the easement proposal.
7. The Tawa Community Board endorsed the proposal at its meeting of 12th May 2016.
8. All costs related to the preparation and registration of the proposed registered easement will be borne by CPB Heb JV. CPB Heb JV is the joint venture contracted for Transmission Gully's design and construction design

### Recommendations

That the Environment Committee:

1. Receives the information.
2. Agrees to grant an electricity easement over part of Wall Park, Tawa (Lots 26 CFR WNB1/330 and 27 DP 21093 CFR 689208) to Wellington Electricity Lines Limited pursuant to the Reserves Act 1977.
3. Authorises the Chief Executive Officer to carry out all necessary steps to complete registration of the proposed electricity easement.
4. Notes that any approval to grant the easement (referred to above) is conditional on:

- a. appropriate iwi consultation
  - b. public notification under s 119 and s120 of the Reserves Act 1977
  - c. no sustained objections resulting from the above consultation and notification
  - d. all related costs being met by CPB Heb JV
5. As provided for in the Instrument of Delegation for Territorial Authorities signed by the Minister of Conservation on 12 June 2013 the consent of the Minister of Conservation to this proposal is not required.

## Background

9. Wall Park consists of two lots, Lot 26 and 27 DP 21093. Lot 26 is a large irregular shaped parcel of 4552m<sup>2</sup> held on CFR WNB1/330. Lot 27 is a long thin strip of 452m<sup>2</sup> held on CFR 689208.
10. Lot 27 is classified recreation reserve under the Reserves Act 1977 but Lot 26 is not.
11. Views of the park from Tremewan Street are include as attachment 2.
12. Wall Park is managed under the Northern Reserves Management Plan (the Plan).
13. The Plan requires that only essential utilities - necessary to the normal functioning of the city, and which cannot reasonably be located elsewhere - are installed in reserve land.
14. The Plan sets out the following guidelines:
  - all utility structures must be sited to minimise their impact on existing natural and heritage features, waahi tapu sites, visual amenity, recreational facilities and vegetation.
  - all utility structures (that involve pipes, cables, lines or similar equipment) shall be placed underground except where this is not practicable.
  - the location of utility structures should not unduly compromise recreation uses or future facilities and landscape restoration works.
  - the applicant is responsible for any reinstatement of natural ground, vegetation or infrastructure to the Council's satisfaction.
  - the utility structure must be accurately mapped and documented with plans supplied to the Council.
  - all costs arising from an application for a utility lease or easement are the responsibility of the applicant.
15. CPB Heb JV has confirmed a range of options were investigated. The proposed pole installation and easement corridor was selected as it fulfills the majority of requirements of the Northern Reserves Management Plan, such as:
  - Minimising impacts on the park
  - Minimising issues related to ongoing maintenance
  - Avoiding works in the stream
  - Avoiding works on steep slopes
  - Avoiding the use of extra tall poles

## Discussion

16. Parks, Sport and Recreation support the proposal given the broad compliance with the Northern Reserves Management Plan, minimal proposed change, and minimal affect on Wall Park.
17. The planned physical works would only affect part of Lot 26 and 27. The existing powerpoles and overhead electricity lines currently existing without easement under the Electricity Act 1992.
18. In the interests of consistency it is proposed that the proposed easement will include the existing lines, being part of Lot 26 and all of Lot 27. CPB Heb JV have further agreed to meet related costs.
19. The Tawa Community Board considered this matter at its meeting of 12th May 2016, and endorsed the proposal.

## Conclusion

20. Council has previously approved the transfer of land at Wall Park, Tawa to NZTA for an interchange required as part of Transmission Gully. Officers support the request to install another power pole and related electricity easement after adequate consideration of alternative options.

## Attachments

- Attachment 1. Aerial Page 157  
Attachment 2. View of Wall Park from Tremewan Street Page 158

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Authoriser	Greg Orchard, Chief Operating Officer

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## **SUPPORTING INFORMATION**

### **Consultation and Engagement**

Public consultation will be undertaken as required under the Reserves Act 1977

### **Treaty of Waitangi considerations**

There are no Treaty of Waitangi considerations

### **Financial implications**

All costs incurred relating to registering an easement will be met by CPB Heb JV

### **Policy and legislative implications**

The recommendations of this report are consistent with Council policy

### **Risks / legal**

The proposal is subject to the Reserves Act 1977

### **Climate Change impact and considerations**

There are no climate change impacts

### **Communications Plan**

Not applicable



