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**ORDINARY MEETING  
OF  
PŪRORO TAHUA - FINANCE AND PERFORMANCE  
COMMITTEE  
AGENDA**

Time: 9:30am  
Date: Thursday, 17 June 2021  
Venue: Ngake (16.09)  
Level 16, Tahiwi  
113 The Terrace  
Wellington

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**MEMBERSHIP**

Mayor Foster  
Deputy Mayor Free  
Councillor Calvert (Chair)  
Councillor Condie  
Councillor Day  
Councillor Fitzsimons  
Councillor Foon (Deputy Chair)  
Councillor Matthews  
Councillor Pannett  
Councillor Paul  
Councillor Rush  
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 04-803-8334, emailing [public.participation@wcc.govt.nz](mailto:public.participation@wcc.govt.nz) or writing to Democracy Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number, and the issue you would like to talk about. All Council and committee meetings are livestreamed on our YouTube page. This includes any public participation at the meeting.*

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## **AREA OF FOCUS**

1. The Finance and Performance Committee has the following responsibilities:

- a) Financial oversight
- b) Procurement policy
- c) Financial and non-financial performance oversight in relation to the Long-term Plan and Annual Plan
- d) Health and Safety
- e) Non-strategic asset investment and divestment as provided for through the Long-Term Plan, and recommending to Council for matters not provided for in the Long-Term Plan.
- f) CCO oversight and performance, with the exception of Wellington Water Limited which sits with the Infrastructure Committee
- g) CCO director review and appointments
- h) WellingtonNZ oversight and performance

2. The committee has the responsibility to discuss and approve a forward agenda.

To read the full delegations of this Subcommittee, please visit [wellington.govt.nz/meetings](http://wellington.govt.nz/meetings).

**Quorum:** 9 members.

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## 1. Meeting Conduct

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### 1.1 Karakia

The Chairperson will open the meeting with a karakia.

<b>Whakataka te hau ki te uru, Whakataka te hau ki te tonga. Kia mākinakina ki uta, Kia mātaratara ki tai. E hī ake ana te atākura. He tio, he huka, he hauhū. Tihei Mauri Ora!</b>	Cease oh winds of the west and of the south Let the bracing breezes flow, over the land and the sea. Let the red-tipped dawn come with a sharpened edge, a touch of frost, a promise of a glorious day
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At the appropriate time, the following karakia will be read to close the meeting.

<b>Unuhia, unuhia, unuhia ki te uru tapu nui Kia wātea, kia māmā, te ngākau, te tinana, te wairua I te ara takatū Koia rā e Rongo, whakairia ake ki runga Kia wātea, kia wātea Āe rā, kua wātea!</b>	Draw on, draw on Draw on the supreme sacredness To clear, to free the heart, the body and the spirit of mankind Oh Rongo, above (symbol of peace) Let this all be done in unity
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### 1.2 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.

### 1.3 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.

### 1.4 Confirmation of Minutes

### 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 Pūroro Tahua | Finance and Performance Committee.***

The Chairperson shall state to the meeting:

1. The reason why the item is not on the agenda; and

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2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

The item may be allowed onto the agenda by resolution of the Pūroro Tahua | Finance and Performance Committee.

***Minor Matters relating to the General Business of the Pūroro Tahua | Finance and Performance Committee.***

The Chairperson shall state to the meeting that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Pūroro Tahua | Finance and Performance Committee for further discussion.

## **1.6 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 31.2 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.

Requests for public participation can be sent by email to [public.participation@wcc.govt.nz](mailto:public.participation@wcc.govt.nz), by post to Democracy Services, Wellington City Council, PO Box 2199, Wellington, or by phone at 04 803 8334, giving the requester's name, phone number and the issue to be raised.

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## 2. General Business

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### **REVIEW OF QUARTER THREE REPORTS FOR COUNCIL CONTROLLED ORGANISATIONS FOR THE PERIOD ENDING 31 MARCH 2021**

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#### **Purpose**

1. This report provides the sub-committee with a review of the third quarter reports submitted by Council Controlled Organisations for consideration in accordance with the requirements of the Local Government Act 2002.

#### **Recommendations**

That the Pūroro Tahua | Finance and Performance Committee:

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

#### **Background**

2. The subcommittee is tasked with monitoring the performance of the following entities:
  - Basin Reserve Trust
  - Karori Sanctuary Trust
  - Wellington Cable Car Limited
  - Wellington Museums Trust
  - Wellington Regional Economic Development Agency Limited
  - Wellington Regional Stadium Trust
  - Wellington Zoo Trust
3. Wellington Regional Economic Development Agency Ltd (trading as WellingtonNZ) is jointly owned (80% / 20%) by the Wellington City Council and the Greater Wellington Regional Council respectively. In addition to the monitoring by this subcommittee, the stakeholders jointly monitor the company via the Wellington Regional Strategy Committee.
4. Wellington Water Limited is owned in equal shares with Greater Wellington Regional Council, Lower Hutt City Council, Porirua City Council, Upper Hutt City Council and the South Wairarapa District Council. The shareholders jointly monitor the company via the Wellington Water Committee.

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5. In terms of a Court Of Appeal Judgement (CA164/04) on 6 September 2005 between the Commissioner of Inland Revenue and the Wellington Regional Stadium Trust, it was established that Sections 5 and 6, Schedules 8 and 9 and Part 5 of the Local Government Act 2002 do not apply to the Wellington Regional Stadium Trust and accordingly the Trust is not a CCO.
  6. In recognition of the Council's original investment in the Wellington Regional Stadium Trust and the non-recourse loan from Council to the Trust that was fundamental in the establishment of the Trust and the building of the stadium, the relationship operates as if the Trust was a CCO. This approach is consistent with the Greater Wellington Regional Council's relationship with the Trust. As agreed between the Councils the Trust reports on a six-monthly basis.

## Discussion

7. Quarterly reports have been received from the following entities for consideration by the sub-committee and are attached as appendices:
  - Basin Reserve Trust
  - Karori Sanctuary Trust (trading as ZEALANDIA)
  - Wellington Cable Car Limited
  - Wellington Museums Trust (trading as Experience Wellington)
  - Wellington Regional Economic Development Agency Limited (trading as WellingtonNZ)
  - Wellington Zoo Trust
8. The quarter reports have been reviewed by officers to assess any risks or issues and where any significant issues were identified these have been discussed with the relevant entity.
9. New Zealand's move to COVID-19 Alert Level 4 on Wednesday 25<sup>th</sup> March 2020 impacted the operations of all entities covered in this report to some extent.
10. The impact of COVID-19 on all entities continues to evolve, however the greatest impact to date has been the reduction in third party revenues. This is being closely monitored by the entities and Council officers.
11. Representatives of the entities covered in this report attend the subcommittee meeting to present the quarterly report and answer any questions from the subcommittee. Over the last twelve months there has been a commitment to operate in a more strategic and partnership focussed way, including making the most of the reporting cycle at committee to focus on the key issues and take a forward looking lens as much as possible.



**Basin Reserve Trust (Q3 2020-2021)**

**ACTIVITY SUMMARY**

**Quarter highlights**

The cricket events days target is exceeded as most of the 2020-21 domestic and international cricket fixtures are scheduled during the quarter, making it the main period of cricket activity.

Q3 highlights include

- Completion of Super Smash fixtures
- Hosting of the Super Smash Grand Final Double Header – achieved a record NZ domestic crowd of 5,545
- Provision of training facilities for the rescheduled COVID-19 impacted international series for the Blackcaps and White Ferns in March
- Blackcaps v Bangladesh ODI

The Basin Reserve was used as a training facility for COVID-19 impacted international cricket fixtures held at Sky Stadium.

A partnership with NZ Blood Services saw the Norwood Room used as a blood donation centre. The annual target for function days is exceeded as the venue continues to be used regularly.

The Basin continued to feature a wide range of sporting and community events. Preparations for Peachy Keen concert reduced the venue's capacity to host other sports and community events.

**Redevelopment**

Planning is now underway to deliver projects in the 2021 winter ahead of the 2021-22 season and the Women's Cricket World Cup.

Projects include:

- Media box in the RA Vance stand
- Embankment toilets
- Entrances and perimeter fence
- IT Upgrade (BRT project)

Other key projects planned but are likely to commence in 2022-23 include the picket fence, sight screens, storage upgrade, gatehouses, and ground lighting.

**SUMMARY FINANCIALS (Year-To-Date)**

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

FINANCIAL PERFORMANCE (\$000)	31 Mar 19 Actual	31 Mar 20 Actual	31 Mar 21 Actual	31 Mar 21 Budget	31 Mar 21 Variance	30 Jun 21 Budget
Total Revenue	341	1,230	974	794	180 ✓	813
Total Expenses	231	1,136	652	715	(63) ✓	949
Surplus (Deficit)	110	93	322	78	243 ✓	(137)
<b>FINANCIAL POSITION</b>						
Total Assets	924	945	1,368	779	589 ✓	513
Total Liabilities	138	274	464	173	291 ✗	123
Equity	786	670	904	605	299 ✓	390
<b>CASH FLOWS</b>						

**SUMMARY FINANCIALS (Year-To-Date)**

Total Net Cash Flows	114	238	<b>395</b>	43	352 ✓	(96)
Opening Cash	124	152	<b>223</b>	130	---	130
Closing Cash	238	390	<b>618</b>	173	---	35

The Trust's financial performance to 31 March is mostly above target and maintains a strong cash position with quarter-end closing cash of \$618k. The strong performance is partly due to;

- Ground hire for hosting International Cricket that was previously unbudgeted for due to Covid-19. However, this has also increased expenditure for event running costs.
- Ground hire for hosting the Peachy Keen concert in April.
- Concession income (\$9k) relating to the prior year.
- Expenses lower than budgeted.

The Trust has now secured \$951k in fundraising toward the redevelopment works at the ground.

**COUNCIL SUPPORT FOR COVID-19**

In its 2020/21 annual plan, Council made provision for essential funding support related to COVID-19 of up to \$5.0 million for its CCOs.

The Trust has not received funding support to date and the Trust does not anticipate that it will require funding support to 30 June 2021.

**KPI DASHBOARD (The table contains a selection of KPIs and is not a complete list)**

		Target met or on track		At risk of not achieving target		Will not reach target	
		YTD	YTD	YTD	STATUS		
		31 Mar 19	31 Mar 20	31 Mar 21			
<b>Cricket Event Days</b>	YTD Actual	44	49	<b>50</b>	<b>Target met</b>		
	YTD Target	38	50	33			
	Full Year Target	38	50	33			
Cricket event days have exceeded the full-year target, with most of the 2020-21 domestic and international cricket fixtures scheduled during the quarter, making it the main period of cricket activity.							
<b>Other Sports Event Days</b>	YTD Actual	13	10	<b>0</b>	<b>On target</b>		
	YTD Target	13	13	0			
	Full Year Target	20	25	20			
Junior sports (football and rugby) are currently being played and will meet the full year target (unless COVID-19 intervenes).							
<b>Community Event Days</b>	YTD Actual	15	8	<b>12</b>	<b>Won't achieve</b>		
	YTD Target	9	20	5			
	Full Year Target	13	21	20			
The measure will not achieve the annual target due to the Peachy Keen concert preparations and timing clashing with the community week.							
<b>Function Days</b>	YTD Actual	31	67	<b>77</b>	<b>Target met</b>		
	YTD Target	18	19	10			
	Full Year Target	25	25	15			
Function days exceeds target with Norwood room used for NZ Blood services and other functions.							
<b>Practice Facility Usage (days)</b>	YTD Actual	104	73	<b>111</b>	<b>Target</b>		

**KPI DASHBOARD** *(The table contains a selection of KPIs and is not a complete list)*

	YTD Target			100	met
	Full Year Target	100	100	100	
The provision of training facilities for the rescheduled Covid-19 impacted international series for the Blackcaps and White Ferns in March, and the Basin Reserve used as a training venue for all four teams.					
<b>Ground Hire Income</b>	YTD Actual	\$247,800	\$190,637	<b>\$278,462</b>	Target met
	YTD Target	n/a	n/a	n/a	
	Full Year Target	\$234,800	\$290,200	<b>\$79,100</b>	
International Cricket revenue that was previously unbudgeted for due to Covid-19.					
<b>Numbers Attending Events</b>	Actual	52,200	41,137	<b>52,943</b>	Target met
	YTD Target	n/a	n/a	n/a	
	Full Year Target	41,000	41,000	<b>15,000</b>	
In Q3 hosted Super Smash fixtures, International Cricket fixtures and various community events. The Basin Reserve achieved a New Zealand domestic crowd attendance record of 5,545 at the Super Smash Grand Final in February and a season average of 2,000 attendees at each Super Smash fixture. All tickets were sold out for the One Day International match between the Blackcaps and Bangladesh in March.					
<b>Operating Grant per Attendee</b>	Actual	\$20.87	\$11.91	<b>\$13.12</b>	On target
	YTD Target	n/a	n/a	n/a	
	Full Year Target	\$16.09	\$16.50	<b>\$46.30</b>	

An event diversification strategy (which began in 2017) offers a wide range of opportunities for the public to enjoy the venue. With 100 event days and 100 practise days, the Basin Reserve is currently utilised to its capacity of 200 days a year. In addition, there are approximately 50 functions and over 200 bookings for the indoor training nets, making good use of the Basin Reserve facilities.

**ISSUES & OUTLOOK**

COVID-19 remains an ongoing risk to hosting events at the Basin Reserve, especially the shift in domestic alert levels.

During the quarter in review, there were three incidents at the Basin Reserve. Two assault incidents occurred during events at the Basin and one occurred late at night. In all cases the Trust and Cricket Wellington have cooperated with Police in addressing these incidents.

Key events planned for quarter three are as follows:

- Peachy Keen Concert (held in April)
- Commencement of stage three master plan projects (work in progress)
- Black and Gold conferences and events

**Karori Sanctuary Trust (Q3 2020-2021)**

**ACTIVITY SUMMARY**

**Highlights**

- The bird breeding season is now largely complete, with a successful year for many species.
- ZEALANDIA hosted 29,363 visitors up 21% on budget, but down 35% on the same time last year. The sanctuary hosted approximately 150 international visitors during the March quarter compared to an estimated 20,000 international visitors at the same time last year.
- Membership has increased from 17,966 members at the end of December 2020 to over 18,502 members at the end of March 2021.
- Rātā Café is experiencing an increase in demand for functions from corporates, hosting 15 functions in March 2021.
- CentrePort has formally become a strategic partner in the Sanctuary to Sea Kia Mauriora te Kaiwharawhara project that is focused on the ecological restoration of the Kaiwharawhara Stream catchment, which extends from ZEALANDIA to the Kaiwharawhara estuary within the port.
- Nature at your Place 2021 got underway with outreach visits to 6 schools participating in this year's programme.
- Rāngai Rangatahi – The ZEALANDIA Youth Collective – recruited 12 developing conservationists and began its first full-year programme.
- The project to remove perch from Roto Kawau, the lower reservoir, got underway with the water level in the reservoir being lowered and the stream and wetland in the sanctuary already treated. Rangers relocated native fish from the lower reservoir to the upper reservoir in preparation for the treatment of the reservoir. It will take some time before it is known whether or not the perch have been eradicated.



Rangers Rachel, Tia and Ellen helping to relocate native fish during our Roto Kawau restoration project.

Photo Credit: ZEALANDIA

**SUMMARY FINANCIALS (Year To Date)**

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

FINANCIAL PERFORMANCE (\$000)	31 Mar 19 Actual	31 Mar 20 Actual	31 Mar 21 Actual	31 Mar 21 Budget	31 Mar 21 Variance	30 Jun 21 Budget
Total Revenue	4,506	4,684	<b>4,083</b>	3,386	697 ✓	4,931
Op. Exp. before Depn & Int.	3,674	4,077	<b>3,813</b>	3,651	163 ✗	4,874
Earnings before Depn & Int.	832	607	<b>270</b>	(265)	534 ✓	57
Surplus (Deficit)	586	337	<b>4</b>	(535)	539 ✓	(302)
<b>FINANCIAL POSITION</b>						
Total Assets	6,073	6,754	<b>7,384</b>	5,851	1,533 ✓	5,853
Total Liabilities	1,460	1,244	<b>1,303</b>	815	488 ✗	584
Equity	4,613	5,510	<b>6,081</b>	5,036	1,044 ✓	5,269
<b>CASH FLOWS</b>						
Total Net Cash Flows	975	773	<b>568</b>	N/A	N/A	(560)
Opening Cash	1,637	2,663	<b>3,793</b>	N/A	N/A	1,635
Closing Cash	2,612	3,436	<b>4,361</b>	N/A	N/A	1,074

ZEALANDIA has reported a small YTD surplus and continued to build its cash reserves due to unbudgeted government grants income of \$603k.

The Trust funds are earmarked to support the following key areas.

- Operating activities (working capital) \$1.47m
- Scholarship funding \$312k
- Tanglewood House \$1.3m
- Other capital projects \$95k

**KPI DASHBOARD** (The table contains a selection of KPIs and is not a complete list)

The measure below is a Council metric, it is not controlled by the Trust.

MEASURE	YTD		YTD	
	31 Mar 19	31 Mar 20	31 Mar 21	31 Mar 21
Full costs to Council*	Actual	\$1,288,931 <sup>^</sup>		
	Actual \$/visit	\$12.77		
	Full Year Budget	\$1,497,272	\$1,536,540	\$1,526,833

\* Council operating grant plus property related costs. Figures recognise the operating grant on an accrual basis. This measure includes property costs which the Trust does not control.

<sup>^</sup> Did not include depreciation from Activity 1187.

KPI DASHBOARD <i>(The table contains a selection of KPIs and is not a complete list)</i>					
Target met or on track		At risk of not achieving target		Will not reach target	
MEASURE		YTD 31 Mar 19	YTD 31 Mar 20	YTD 31 Mar 21	STATUS
<b>Council Subsidy (\$/visit)</b> <i>WCC operating grant/visitors</i>	Actual	\$6.37	\$6.00	<b>\$7.26</b>	<b>On track</b>
	Full Year Target	\$8.80	\$8.54	\$12.85	
Tracking comfortably ahead of target due to visitation tracking above target.					
<b>Trading Revenue** (\$/visit)</b> <i>** Revenue per visit excludes interest, Council and other grants.</i>	Actual	\$35.55	\$35.43	<b>\$28.00</b>	<b>On track</b>
	Full Year Target	\$26.48	\$26.74	\$27.01	
Retail sales have been negatively impacted by the loss of international tourists as well as lower spend per visitor. Visitors to ZEALANDIA spent an average of \$2.99 per person on retail, compared to \$4.68 last year. Under the circumstances the performance is still strong.					
<b>Non-Council Funding</b> <i>Donations and other non-council funding</i>	Actual	\$515,572	\$465,535	<b>\$347,932</b>	<b>Target met</b>
	Full Year Target	\$270,000	\$275,000	\$200,000	
The full year target has been achieved.					
<b>Membership Subscription Revenue</b>	Actual	\$264,933	\$304,604	<b>\$360,717</b>	<b>Target met</b>
	Full Year Target	\$312,100	\$318,300	\$324,700	
The successful membership campaign is reflected in this strong performance.					
<b>Individual Members</b>	Actual	10,727	12,573	<b>18,502</b>	<b>Target met</b>
	Full Year Target	10,800	11,000	11,200	
ZEALANDIA received very strong support for its campaign to grow its membership in response to COVID-19.					
<b>Visitors</b>	Actual	101,089	108,342	<b>92,870</b>	<b>On track</b>
	YTD Target	79,244	94,247	55,862	
	Full Year Target	99,300	118,100	70,000	
Despite the lack of international visitors to Wellington that normally make up a large part of ZEALANDIA's visitor base, the underlying support locally and nationally for ZEALANDIA is strongly evident. Visitation from domestic tourism has increased from an estimated 3,800 visitors in the March 2020 quarter to an estimated 7,000 visitors in the March 2021 quarter. The greatest increase has occurred from visitors from Auckland and Christchurch.					
<b>Students &amp; Education Visits</b>	Actual	6,697	7,674	<b>9,015</b>	<b>Target met</b>
	YTD Target	6,566	6,566	6,716	
	Full Year Target	8,800	8,800	9,000	
The Trust has met its full year target.					
ZEALANDIA's overall performance has been much stronger than expected when the SOI targets were set during the early stages of COVID-19.					

#### ISSUES & OUTLOOK

No issues to note.

The design phase of Tanglewood House is on-track for lodging the building consent application in mid-year.

Work is continuing on a long-term volunteer strategy and action plan, as the organisation continues to grow and evolve. In this process there are a number of challenges and opportunities on the horizon, including ensuring the continued renewal of the volunteer base across a broad and diverse demographic; the changing face of volunteering more generally in society; and the recent challenges of COVID-19.

Myrtle rust has unfortunately been detected for the first time in ZEALANDIA sanctuary, specifically, on two ramarama plants in a highly visited location. This was ultimately a matter of time, as the disease had been detected previously at locations around the sanctuary perimeter, and it is spread by wind. Myrtle rust is a fungal disease that affects plants in the myrtle family, such as Northern rātā, swamp maire, and ramarama. It was detected for the first time in New Zealand in 2017, so it is a recent arrival and the full impacts of the disease on the sanctuary's native plants are not yet known.

#### Wellington Cable Car Limited (Q3 2020-2021)

##### ACTIVITY SUMMARY

Passenger numbers are above the company's year-to-date target but well below prior-year figures for the same period due to the lack of cruise ships bringing international visitors to Wellington. The 2020-21 targets are based on a COVID-19 operating environment of closed borders and no international visitors.

January saw relatively strong passenger numbers but this slowed in February when children returned to school.

The Cable Car has developed a strategic marketing plan focussed on domestic tourism and developing new products and promotions with other CCOs. The company has developed and is refining a School Tour product which was tested in 2020 and is selling in 2021, to align with the school terms. The product is offered as a stand-alone ticket or in conjunction with Space Place or the Cable Car Museum driving incremental revenue to the Cable Car.

*Take a Red Rocket to Space*, a joint promotion with Space Place, launched in late 2020. It provides a bundled discounted ticket to both the Cable Car and Space Place and has sold well with 462 tickets sold during Q3.

The Cable Car hosted over a dozen performances of *What if the City was a Theatre?* which was great for exposure and enhancing the commuter experience.

When masks became compulsory for use, to facilitate compliance, the company began selling masks at the ticket box and on the Cable Car (5,200 masks were sold during the quarter).

On 4<sup>th</sup> April, the Cable Car returned to its winter operational hours with closing times on Fridays and Saturdays reduced from 9.00pm to 8.00pm.

**SUMMARY FINANCIALS (Year to Date)**

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

FINANCIAL PERFORMANCE (\$000)	31 Mar 19 Actual	31 Mar 20 Actual	31 Mar 21 Actual	31 Mar 21 Budget	31 Mar 21 Variance	30 Jun 21 Budget
Total Revenue	4,654	2,771	<b>1,318</b>	1,124	194 ✓	1,685
Operating Expenditure	3,553	2,751	<b>2,406</b>	2,660	(254) ✓	3,370
Operating Surplus (Deficit)	n/a	20	<b>(1,088)</b>	(1,536)	448 ✓	(1,685)
Surplus (Deficit) after tax	792	13	<b>(1,061)</b>	(1,536)	475 ✓	(1,685)
<b>FINANCIAL POSITION</b>						
Total Assets	12,704	12,621	<b>10,557</b>	n/a	n/a	9,943
Total Liabilities	1,822	1,732	<b>1,042</b>	n/a	n/a	1,240
Equity	10,882	10,889	<b>9,515</b>	n/a	n/a	8,704
<b>CASH FLOWS</b>						
Total Net Cash Flows	758	(437)	<b>(1,139)</b>	n/a	n/a	(1,296)
Opening Cash	4,097	5,007	<b>3,786</b>	n/a	n/a	3,786
Closing Cash	4,856	4,570	<b>2,646</b>	n/a	n/a	2,490

Revenue is heavily impacted by the absence of international visitors, especially cruise ship passengers to Wellington. The opening of the trans-Tasman bubble in Q4 has not seen a dramatic increase in passenger numbers.

The company is containing its costs as much as possible. However, running the Cable Car has a high fixed operational cost, regardless of passenger numbers, and further cost reduction is challenging. The key to the business returning to profitability lies with increased passenger numbers and visitors to Wellington are an important part of the solution.

**COUNCIL SUPPORT FOR COVID-19**

In its 2020/21 annual plan, the Council made provision for essential funding support related to COVID-19 of up to \$5.0 million for its CCOs.

At the same time, the Council has also provided the company with a Letter of Comfort to acknowledge that financial support may be required and that the Council will provide such support where necessary to maintain financial viability.

The Council's COVID-19 support fund is based upon CCOs first utilising reserves that are not tagged for other purposes (e.g. planned or committed capital expenditure). The fund is not expected to maintain the balance sheets of CCOs (i.e. untagged cash reserves), which may be utilized to support trading through the pandemic.

As noted above, the company owns and operates its assets, including tunnels, bridges, stations and terminals, and cable cars. The service needs to meet regulatory safety standards and maintain a high public safety threshold. Investment in the maintenance and renewal of these assets is critical, and the company's cash reserves are effectively tagged for this work.

To date, the company has received \$533,037 from this reserve, covering the first six months trading to 31 December 2020. The company forecasts that it will need a further \$567,000 from the reserve for the remaining six months to 30 June 2021 – totalling \$1.1m for the 12 months to 30 June 2021.



**KPI DASHBOARD** *(The table contains a selection of KPIs and is not a complete list)*

Target met or on track		At risk of not achieving target		Will not reach target	
MEASURE		YTD	YTD	YTD	STATUS
		31 Mar 19	31 Mar 20	31 Mar 21	
<b>Passenger Trips</b>	Actual	956,187	<b>822,710</b>	<b>417,137</b>	On track
	YTD Target	891,767	<b>964,896</b>	<b>353,462</b>	
	Full Year Target	1,135,246	<b>1,206,633</b>	<b>516,957</b>	
Passenger numbers are above target year-to-date but well below prior-year figures for the same period. This result is due to the lack of international visitors and no cruise ships. The 2020-21 targets are conservative based on a COVID-19 operating environment.					
<b>Fare Income</b>	Actual	\$2,959,340	<b>\$2,681,000</b>	<b>\$1,273,898</b>	On track
	YTD Target	\$2,803,999	<b>\$3,098,000</b>	<b>\$938,420</b>	
	Full Year Target	\$3,520,749	<b>\$3,648,000</b>	<b>\$1,437,987</b>	
This metric is a function of the number of passenger trips which is above target.					

**ISSUES & OUTLOOK**

COVID-19 impacts on international travel (especially on the return of cruise ships) and domestic alert levels pose an ongoing risk to visitor numbers and Cable Car's ability to generate revenue and fund ongoing maintenance and renewals of its asset base.

The Cable Car has exhausted its SuperGold subsidy (funded by the government) which means that SuperGold travellers are now fully subsidised by the company until 30 June 2021.

**Wellington Museums Trust (Q3 2020-2021)**

**ACTIVITY SUMMARY**

In general Experience Wellington has performed better than expected so far this year and is comfortably ahead of its SOI targets which were set in response to COVID-19.

The Trust forecast that total visitation across its activities would be 261,700 for the year to 30 June 2021 and has already welcomed 294,517 visitors to its facilities at 31 March 2021. This result is lower to the same quarter last year (519,854) which was only mildly impacted by COVID-19.

The Trust's overall financial performance also exceeds its SOI budget and it is well positioned to meet most of its KPI targets as at 30 June.

**Programme Highlights**

**Wellington Museum** supported a diverse range of events, including *Women of Significance*, various events supporting *Pride Month*, and the debut of *The Eternal Queers: New Zealand first all-queer, all-people of colour play*.

Planning continues for *Wellington on a Good Day*, the replacement for *Telling Tales*.

**City Gallery Wellington:** *Every Artist*, an exhibition of local, national, and international artists who rethink, remap, queer, and even gamify the history of art opened at City Gallery.

Berlin-based artist Marianna Simnett's *CREATURE* opened in March, her largest solo show to date.

The gallery's new initiative, '*A Curiously Good Art Club*', supported by the Wright Family Trust,

launched on 28 March and was fully subscribed.

**Capital E's** National Theatre for Children's show *The Lost Letter Office* continued its postponed 2020 tour through the North Island during Level's 1 & 2, before ending the tour at Te Papa's Sounding Theatre.

*Children's Day*, supported by Council, featured child-led performances including Virtuoso Strings and Star Jam, MC Hugo Grrrl, and Kozo Kaos for over 3,000 visitors.

The first of the *Baby Rock & Rhyme* programme series was delivered in Capital E's PlayHQ as a part of new weekly Term Time Activities in collaboration with the Wellington City Libraries team.

### **Projects**

**The Navigators:** Space Place's first full production planetarium show will launch during Matariki 2021. Guidance from Pacific and European navigation experts provided a strong foundation for film production. Excellent support and contributions from key Wellington organisations saw the budget stay on track.

**Hilma af Klint:** *The Secret Paintings* is the third in a series of high-value exhibitions that bring the best of international art to New Zealand. The exhibition will be on display between 4 December 2021 – 27 March 2022.

**Future E:** Recent works have included a series of workshops with Wellington City Libraries staff and Athfield Architects to develop the vision for the reimagined Central Library Te Matapihi. The next step is a Heads of Agreement that outlines the obligations of both parties as the co-location plans are advanced into the next stage of planning.



*Hilma af Klint*

**SUMMARY FINANCIALS (Year To Date)**

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

FINANCIAL PERFORMANCE (\$000)	31 Mar 19 Actual	31 Mar 20 Actual	31 Mar 21 Actual	31 Mar 21 Budget	31 Mar 21 Variance*	30 Jun 21 Budget
Revenue	9,377	9,047	<b>10,371</b>	9,181	1,190 ✓	12,234
Opex before Depreciation	9,028	8,770	<b>10,650</b>	10,044	606 ✗	12,942
Depreciation	342	388	<b>374</b>	390	(16) ✓	520
Net Surplus (Loss)	7	(111)	<b>(279)</b>	(863)	584 ✓	(1,228)
<b>FINANCIAL POSITION</b>						
Total Assets	8,381	8,723	<b>8,427</b>	7,649	778 ✓	4,852
Total Liabilities	3,959	4,331	<b>4,258</b>	3,980	278 ✗	1,610
Equity	4,422	4,393	<b>4,169</b>	3,669	500 ✓	3,242
<b>CASH FLOWS</b>						
Total Net Cash Flows	2,581	2,442	1,868	1,570	298 ✓	(1,228)
Opening Cash	944	1,072	1,555	830	--	830
Closing Cash	3,525	3,513	3,423	2,400	--	(398)

Compared to the same period last year, the Trust's revenue is higher partly due to Council's COVID-19 support (\$333,875 to date). This is partially offset by increased operating costs during the same period. In addition, Experience Wellington has altered its retail offerings to cater to local and domestic visitors, so the makeup and margin of its retail offerings have changed.

**Council Support for COVID-19**

In its 2020/21 annual plan, the Council made provision for essential funding support related to COVID-19 of up to \$5.0 million for its CCOs. At the same time, the Council has also provided the Trust with a Letter of Comfort to acknowledge that financial support may be required after 2020/21.

Council's COVID-19 support fund is based upon CCOs first utilising reserves that are not tagged for other purposes (e.g. planned or committed capital expenditure). The fund is not expected to maintain the balance sheets of CCOs (i.e. untagged cash reserves), which may be utilized to support trading through COVID-19.

The Trust is forecasting a net deficit (before depreciation) for the full year to 30 June 2021 of \$576,828. To date, the Trust has received \$333,875 from this reserve covering the six months trading to 31 December 2020.

**KPI DASHBOARD (The table contains a selection of KPIs and is not a complete list)**

The measure below is a Council metric, it is not controlled by the Trust.

MEASURE		YTD	YTD	YTD
		31 Mar 19	31 Mar 20	31 Mar 21
<b>Full Costs to Council*</b>	Actual	\$6,831,248	n/a	<b>\$8,102,299</b>
	Actual \$/visit	\$11.30	n/a	<b>\$27.50</b>
	Full Year Budget	\$10,850,622	\$9,076,386	<b>\$10,842,942</b>

\* Council operating grant plus property related cost (including rental grant paid for Capital E). Figures recognise the gross operating grant, not allocated among the various activities. This measure includes property costs which the Trust does not control.

2021 costs are higher as this includes depreciation of additional property assets not previously identified in the calculation of this metric.

KPI DASHBOARD <i>(The table contains a selection of KPIs and is not a complete list)</i>					
Target met or on track		At risk of not achieving target		Will not reach target	
MEASURE		YTD 31 Mar 19	YTD 31 Mar 20	YTD 31 Mar 21	STATUS
<b>Council Grant (\$/visit)</b>	Actual	\$9.11	\$11.49	<b>\$20.98</b>	<b>On track</b>
	Full Year Target	\$10.05	\$11.24	\$29.47	
Subsidy per Visit forecast is based on the probable percentage of the operating grant received from Council as follows:					
<ul style="list-style-type: none"> <li>• City Gallery – 30%</li> <li>• Museums Wellington (Wellington Museum, Cable Car Museum and Nairn Street Cottage) – 26%</li> <li>• Capital E – 22%</li> <li>• Space Place – 4.9% plus the cash underwrite</li> <li>• Trust's Executive Office – 17.1%</li> </ul>					
<b>City Gallery</b>	Actual	\$14.56	\$18.46	<b>\$28.80</b>	<b>On track</b>
	Full Year Target	\$12.65	\$14.96	\$43.34	
<b>Museums Wellington</b> <i>Wellington Museum, Cable Car Museum &amp; Nairn St Cottage</i>	Actual	\$4.17	\$4.42	<b>\$9.95</b>	<b>On track</b>
	Full Year Target	\$5.00	\$5.01	\$15.52	
<b>Capital E</b>	Actual	\$11.34	\$36.18	<b>\$32.70</b>	<b>On track</b>
	Full Year Target	\$10.76	\$23.35	\$39.26	
<b>Space Place</b>	Actual	\$6.71	\$8.55	<b>\$9.94</b>	<b>On track</b>
	Full Year Target	\$9.72	\$9.48	\$23.56	
These metrics are based on an allocation (as above) of Council's operating grant. Targets are full year figures. The actual subsidy per visit is expected to align with or exceed the full year target by year end.					
MEASURE		YTD 31 Mar 19	YTD 31 Mar 20	YTD 31 Mar 21	STATUS
<b>Average Spend (\$/visit)</b>	Actual	\$3.37	\$3.24	<b>\$3.35</b>	<b>On track</b>
	Full Year Target	\$3.40	\$2.93	\$1.93	
<b>City Gallery</b>	Actual	\$2.28	\$1.53	<b>\$2.45</b>	<b>On track</b>
	Full Year Target	\$1.80	\$1.87	\$1.76	
<b>Museums Wellington</b> <i>Wellington Museum, Cable Car Museum &amp; Nairn St Cottage</i>	Actual	\$2.55	\$2.69	<b>\$2.41</b>	<b>On track</b>
	Full Year Target	\$2.28	\$2.16	\$1.06	
<b>Capital E</b>	Actual	\$4.50	\$4.25	<b>\$2.40</b>	<b>On track</b>
	Full Year Target	\$3.12	\$3.29	\$2.79	
<b>Space Place</b>	Actual	\$10.31	\$12.48	<b>\$11.92</b>	<b>On track</b>
	Full Year Target	\$9.85	\$9.93	\$5.67	
The average visitor spend across the Trust's various activities is relatively static at \$3.35 per visitor. In the current environment this is a strong performance and well above the target figure of \$1.93 per visitor.					
MEASURE		YTD 31 Mar 19	YTD 31 Mar 20	YTD 31 Mar 21	STATUS
<b>Total Non-Council Revenue (\$000s)</b>	Actual	\$3,201	\$3,814	<b>\$2,750</b>	<b>Target met</b>
	Full Year Target	\$3,270	\$3,858	\$2,458	

**KPI DASHBOARD** *(The table contains a selection of KPIs and is not a complete list)*

The full year non-Council revenue target has been achieved already.

... Trading Revenue (\$000s)

<b>City Gallery</b>	Actual	\$258	\$332	<b>\$157</b>	<b>Target met</b>
	<i>Full Year Target</i>	\$307	\$296	\$99	
<b>Museums Wellington</b> <i>Wellington Museum, Cable Car Museum &amp; Nairn St Cottage</i>	Actual	\$874	\$901	<b>\$386</b>	<b>Target met</b>
	<i>Full Year Target</i>	\$845	\$837	\$144	
<b>Capital E</b>	Actual	\$481	\$990	<b>\$99</b>	<b>On track</b>
	<i>Full Year Target</i>	\$509	\$296	\$127	
<b>Space Place</b>	Actual	\$422	\$518	<b>\$343</b>	<b>Target met</b>
	<i>Full Year Target</i>	\$542	\$566	\$136	
<b>Sub-letting, interest &amp; other</b>	Actual	\$153	\$90	<b>\$2</b>	<b>At risk</b>
	<i>Full Year Target</i>	\$275	\$206	\$30	

... Fund Raising Revenue (\$000s)

<b>City Gallery</b>	Actual	\$205	\$101	<b>\$163</b>	<b>At risk</b>
	<i>Full Year Target</i>	\$274	\$574	\$395	
<b>Museums Wellington</b> <i>Wellington Museum, Cable Car Museum &amp; Nairn St Cottage</i>	Actual	\$133	\$119	<b>\$100</b>	<b>Target met</b>
	<i>Full Year Target</i>	\$173	\$158	\$100	
<b>Capital E</b>	Actual	\$609	\$695	<b>\$1,139</b>	<b>Target met</b>
	<i>Full Year Target</i>	\$1,051	\$858	\$942	
<b>Space Place</b>	Actual	\$64	\$68	<b>\$361</b>	<b>On track</b>
	<i>Full Year Target</i>	\$103	\$111	\$485*	

The Trust is increasing its efforts on fund raising as a source of revenue to support its activities.

VISITATION		YTD	YTD	YTD	STATUS
		31 Mar 19	31 Mar 20	31 Mar 21	
<b>Total Visits</b>	Actual	604,318	519,854	<b>294,517</b>	<b>Target met</b>
	<i>YTD Target</i>	554,100	516,971	190,750	
	<i>Full Year Target</i>	753,500	665,500	261,700	

The full-year visitation target has been achieved already (as at 31 March). The targets were based on an operating environment of closed borders and no international visitors in response to COVID-19. The actual results are pleasing under the circumstances.

<b>Cable Car Museum</b>	Actual	238,700	188,651	<b>85,476</b>	<b>Target met</b>
	<i>YTD Target</i>	186,500	207,300	60,500	
	<i>Full Year Target</i>	237,000	256,000	79,000	

While the Cable Car Museum full-year target has been met already, the result is significantly lower than the same period last year due to the absence of international visitors.

<b>City Gallery</b>	Actual	113,449	107,077	<b>63,955</b>	<b>Target met</b>
	<i>YTD Target</i>	125,000	113,000	38,000	
	<i>Full Year Target</i>	170,000	150,000	56,200	

The full year target has been achieved already. Events such as Open Late have contributed to the numbers.

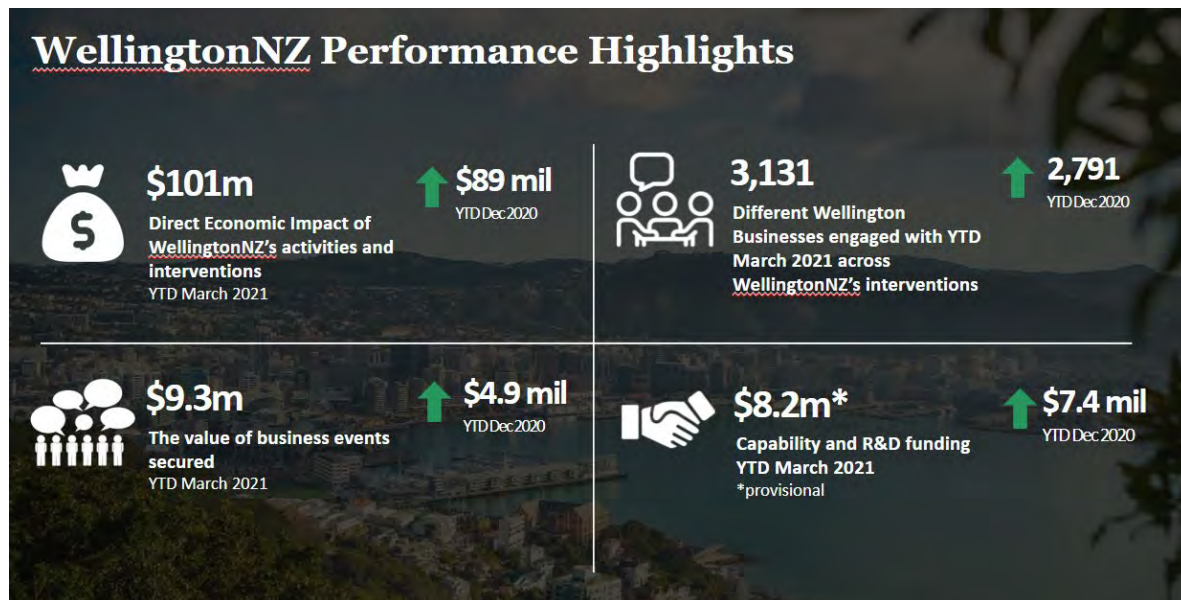
<b>KPI DASHBOARD</b> <i>(The table contains a selection of KPIs and is not a complete list)</i>					
<b>Capital E</b>	Actual	106,811	84,719	<b>41,306</b>	<b>On track</b>
	YTD Target	99,550	52,771	31,500	
	Full Year Target	157,500	70,500	45,500	
School bookings and visits to PlayHQ have been consistent, supported by a high attendance for Children's Day.					
<b>Wellington Museum</b>	Actual	102,983	97,186	<b>74,724</b>	<b>Target met</b>
	YTD Target	102,000	103,000	42,000	
	Full Year Target	132,000	130,000	56,000	
With the full year target met, visitor numbers are still tracking well, assisted by venues hire and a vibrant programme of events.					
<b>Space Place</b>	Actual	40,897	41,515	<b>28,795</b>	<b>Target met</b>
	YTD Target	39,500	39,300	18,000	
	Full Year Target	55,000	57,000	24,000	
Space Place was closed in February for remedial works including refurbishment of the steel windows and painting of the Dome. School bookings have been consistent.					
<b>Nairn Street Cottage</b>	Actual	1,478	706	<b>261</b>	<b>Won't reach</b>
	YTD Target	1,550	1,600	750	
	Full Year Target	2,000	2,000	1,000	
Extra precautions in a COVID-19 environment impacted staffing Museums Wellington sites. As a result, the hours and days of opening Nairn Street Cottage were at times reduced to enable staff to be redeployed to busier sites, affecting visitor numbers.					

<b>ISSUES &amp; OUTLOOK</b>
<p>The risk of COVID-19 impacting international travel and domestic alert levels continues to pose an ongoing threat to visitation and programming scope, as well as the Trust's ability to generate revenue through retail and venue hire.</p> <p>There has been a high level of sector interest in a proposed restructuring of Experience Wellington which involves the City Gallery. The process will conclude in early June with the Trust having considered the feedback and responding accordingly. Council has also received a large amount of sector feedback.</p>

**Wellington Regional Economic Development Agency Limited (Q3 2020-21)**

**EXECUTIVE SUMMARY**

This report includes selected highlights of WellingtonNZ's activity and results across the last quarter. It does not capture all activity.



**Jobs for the Future**

**Hot Lime Labs:** WellingtonNZ has worked with Hot Lime Labs since 2015 with R&D funding and capability development support. With their first local customers signed up and production planned for later this year, the CE is turning his focus to scaling the business to meet demand in NZ and offshore. WellingtonNZ recently provided capability funding to grow the leadership skills of their next tier of leaders to take over management of the operational side of the business. We have provided capability support to the leadership team from the early capital raising and product development phase to customer trials and pre-production.

**STEM Festival at Wings:** WelTec School of Engineering supported an interactive exhibit at the Wings Over Wairarapa event which included hands-on activity and equipment to engage students. The exhibits included engineering componentry, Jacob's ladder, forces and pulleys, solenoids, pneumatic ram display, VR sandbox terrain model and wind tunnel. This was facilitated by WellingtonNZ.

**Results**

- 28 Wairarapa schools brought 4,000 students to the event
- The large volume of attendance means that WelTec can aim to bring more exhibits and engineers to the festival in future
- With WellingtonNZ's partnership, WelTec's exhibit was the most ambitious and varied from a tertiary institution.

**Vocational Education:** WellingtonNZ provides expertise and facilitation so the Elite Management School could deliver events for Wellington students.

- A recent event connected local students with one of Wellington region's largest employers, government agencies. The event was attended by 15 agencies and the 12 schools assigned to Elite. Each attending student identified their top five agencies and had meaningful conversations with employees from these.

- The next event is with Wellington City Council.

### **Placemaking**

**Homegrown:** The Major Events team worked with the promoter to help navigate challenges to increase capacity to 25,000. The additional tickets sold out, resulting in the biggest Homegrown to date.

### **Results**

- Sold out with more than 25,000 music fans in attendance
- 50 bands and DJs across 6 stages
- 1,500 people employed during the event
- 19 local companies engaged
- Extensive media coverage for Wellington

**Summer Events Marketing:** Ran a Live in WLG marketing campaign, selecting a range of events to excite target audiences and drive ticket sales. The campaign ran for three weeks from 18 Jan – 7 Feb with street posters (150 spots across the city and region), online videos across TVNZ On Demand, YouTube, Facebook, Instagram and social media.

378,000 completed video views and 2.04 million digital impressions, which supported:

- 32,000 tickets sold to Six60
- 35,000 tickets sold to World of WearableArt Up Close
- 80,000 tickets to Van Gogh Alive
- Synthony, Crowded House, Sol3 Mio and Bill Bailey all selling to max capacity
- Yotam Ottolenghi sold out and Jersey Boys is on the trajectory to sell more tickets than previous theatre seasons.

### **Collaboration and Engagement**

**Creative HQ + Hutt City Council:** A community approach to climate change. Creative HQ worked with HCC to establish a Lead Group of community wide representatives and conducted codesign workshops with the group. A pathway forward for iterative community engagement on climate change mitigation and adaptation issues was identified. This led to engagement with mana whenua and community influencers through the rest of 2021.

## **VENUES WELLINGTON**

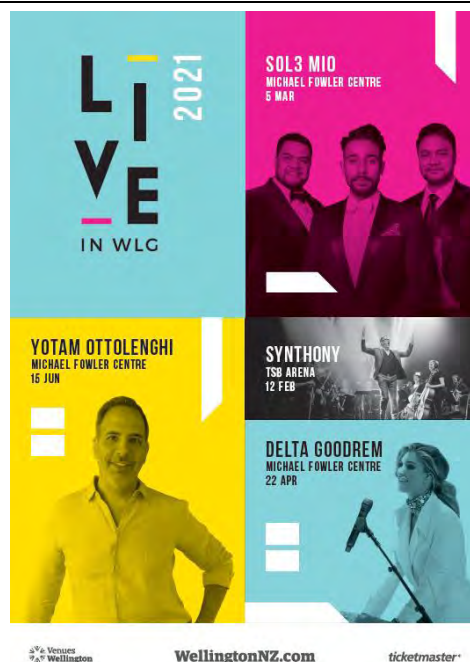
The first week of March saw the busiest week in over a year regarding events delivery. Overall, Q3 saw numerous sold-out events such as Russell Howard, Bill Bailey, Breaking Beats Andy C, Marlon Williams, Crowded House and Netsky.

Venues Wellington also presented Orchestra Wellington's- *A Superhero Experience* - attracting new audiences to the Orchestra. Over the period, the venues hosted large scale community events, including the Chinese New Year celebrations and He Tangata and Out in the City events as part of the Wellington Pride Festival.

### **Results**

- 31 performance events were delivered in the period
- 106,798 people enjoyed a wide variety of events
- 42,300 people visited Van Gogh Alive in the TSB Arena
- 35 business events attended by more than 12,000 delegates





**SUMMARY FINANCIALS** (include CreativeHQ but does not include Venues Wellington).

The financial results for Venues Wellington are reported within Council's financial position.

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

FINANCIAL PERFORMANCE	31 Mar 19	31 Mar 20	31 Mar 21	31 Mar 21	31 Mar 21	30 Jun 21
(\$000)	Actual	Actual	Actual	Budget	Variance	Budget
Total Revenue	24,415	23,267	<b>22,459</b>	21,591	869 ✓	27,045
Total Expenses	22,335	20,095	<b>19,555</b>	20,330	775 ✓	27,545
Net Surplus (Deficit)	2,080	3,172	<b>3,179</b>	1,492	1,687 ✓	(500)
Comp. Surplus (Deficit) <sup>^</sup>	1,851	2,884	<b>2,904</b>	1,260	1,644 ✓	(500)
<b>FINANCIAL POSITION</b>						
Total Assets	7,918	10,046	<b>12,645</b>	n/a	n/a	6,632
Total Liabilities	3,799	3,813	<b>6,388</b>	n/a	n/a	4,094
Equity	4,119	6,233	<b>6,257</b>	n/a	n/a	2,538
<b>CASH FLOWS</b>						
Total Net Cash Flows	n/a	n/a	<b>n/a</b>	n/a	n/a	560
Opening Cash	n/a	n/a	<b>n/a</b>	n/a	n/a	2,443
Closing Cash	n/a	n/a	<b>n/a</b>	n/a	n/a	3,003

<sup>^</sup> Comprehensive Surplus (Deficit) after tax, depreciation and movements in the value of investments.

The favourable revenue variance to budget is a result of unbudgeted revenue received from the Central Government COVID-19 response work. There is strong commercial revenue from CreativeHQ and lower revenue from the i-SITE.

WellingtonNZ is also holding income in advance for some activities in the future financial year, which puts the company in a solid financial position to undertake planned and new activity programmes. It has sufficient funds and there are no issues with debt control.

**KPI DASHBOARD** *(The table contains a selection of KPIs and is not a complete list)*

**KEY PERFORMANCE INDICATORS**

Target met or on track	At risk of not achieving target	Will not reach target			
		YTD	YTD	YTD	
KEY PERFORMANCE MEASURES		31 Mar 19	31 Mar 20	31 Mar 21	STATUS
<b>Delivering direct value / ROI to shareholders</b>					
<b>Direct economic impact from WellingtonNZ's activities and interventions</b>	Actual	n/a	\$113m	<b>\$121m</b>	<b>Achieved</b>
	Full Year Target	n/a	New	<b>\$86m</b>	
<i>Estimate with available data only, will need to be revised at a later date.</i>					
<b>Shaping &amp; amplifying the regional destination / brand story</b>					
<b>Equivalent Advertising Value (EAV) from media activity</b>	Actual	n/a	\$24.6m	<b>\$15m</b>	<b>Achieved</b>
	Full Year Target	n/a	\$25.0m	<b>\$10.0m</b>	
<i>2021 data includes Q1 only. Q2 have data source issues, and Q3 not available.</i>					
<b>Value of out of region venue and event expenditure</b>	Actual	\$52.3m	\$56.3m	<b>\$42m</b>	<b>On track</b>
	Full Year Target	\$58m	\$125.0m	<b>\$40m</b>	
<b>Number of Wellington region residents that attend events</b>	Actual	n/a	n/a	<b>318,420</b>	<b>On track</b>
	Full Year Target	n/a	n/a	<b>475,000</b>	
<b>Supporting businesses to upskill and grow</b>					
<b>Number of different business engagements in WellingtonNZ programmes</b>	Actual	n/a	n/a	<b>3,131</b>	<b>On track</b>
	Full Year Target	n/a	New	<b>3,789</b>	
<b>Financial health</b>					
<b>Budget on track – income, expenditure and surplus</b>	Actual	Achieved	Achieved	<b>Achieved</b>	<b>On track</b>
	Full Year Target	To budget	To budget	<b>To budget</b>	
<b>Percentage revenue from commercial / non-Council funding &amp; commercial activity</b>	Actual	n/a	25.4%	<b>30.4%</b>	<b>On track</b>
	Full Year Target	n/a	30.0%	<b>30.0%</b>	

**INDIRECT MEASURES OF IMPACT**

Target met or on track	At risk of not achieving target	Will not reach target			
		YTD	YTD	YTD	
INDIRECT MEASURES OF IMPACT		31 Mar 19	31 Mar 20	31 Mar 21	STATUS
<b>Number of international visitors</b>	Actual	n/a	668,129	n/a	<b>No data</b>
	Full Year Target	n/a	824,382	100,000	
<i>Data not available as IVS is not captured currently due to the absence of international visitors.</i>					
<b>International visitor arrivals through Wellington International Airport - from Australia</b>	Actual	118,885	114,336	<b>2</b>	<b>On track</b>
	Full Year Target	New	153,000	40,000	
<i>NZ Australia travel bubble began on 19<sup>th</sup> April.</i>					
<b>International visitor arrivals through Wellington International Airport - International (exc. Australia)</b>	Actual	n/a	n/a	<b>4</b>	<b>Won't reach</b>
	Full Year Target	New	New	10,000	
<b>Visitor nights recorded in the Accommodation Data Programme</b>	Actual	n/a	n/a	<b>1,540,700</b>	<b>On track</b>
	Full Year Target	New	New	1,832,261	
<i>Data are available up to February year-to-date only.</i>					
<b>Visitor spend - domestic</b>	Actual	\$735m	\$724m	<b>\$785m</b>	<b>On track</b>
	Full Year Target	New	New	\$1,453m	
<i>The data set is new and accounts for spending on electronic card data only.</i>					
<b>Visitor spend – Australian</b>	Actual	\$71m	\$81m	<b>\$27m</b>	<b>No data</b>
	Full Year Target	New	New	\$60m	
<i>Data are available from July to October, and prior years are the same period for comparison. The dataset that recorded international spending by country was disestablished in October 2020 and can no longer get updated figures beyond that point.</i>					
<b>Visitor spend – International (incl. Australia)</b>	Actual	\$221m	\$250m	<b>\$125m</b>	<b>No data</b>
	Full Year Target	\$2,640m	\$2,755m	\$86m	
<i>Data are available from July to October, and prior years are the same period for comparison. The dataset that recorded international spending by country was disestablished in October 2020 and can no longer get updated figures beyond that point.</i>					
<b>Share of NZ multi-day conferences in the Wellington region</b>	Actual	22%	n/a	<b>21%</b>	<b>On track</b>
	Full Year Target	19%	19%	22%	
<i>Current year data available up to December year-to-date only.</i>					
<b>Population growth due to migration to the Wellington region</b>	Actual	n/a	n/a	<b>Annual</b>	<b>No data</b>
	Full Year Target	New	New	1,500	
<b>Share of NZ international students reported in the Wellington region</b>	Actual	Annual	Annual	<b>Annual</b>	<b>No data</b>
	Full Year Target	7%	7%	7.2%	

<b>Wellington region GDP growth</b>	Actual	n/a	n/a	<b>-2%</b>	<b>On track</b>
	<i>Full Year Target</i>	<i>New</i>	<i>New</i>	<i>-2.5%</i>	
<i>Provisional figure only for the December year-to-date.</i>					
<b>Total number of work ready job seekers in Wellington region</b>	Actual	n/a	9,718	<b>13,374</b>	<b>On track</b>
	<i>Full Year Target</i>	<i>New</i>	<i>New</i>	<i>29,000</i>	
<i>Work-Ready Job Seekers only. Total on Job-seeker benefit was 19,689.</i>					
<b>Total consumer spending in Wellington region through electronic card data - total</b>	Actual	n/a	n/a	<b>\$4,789m</b>	<b>On track</b>
	<i>Full Year Target</i>	<i>New</i>	<i>New</i>	<i>\$5,415m</i>	
<i>Data are available up to February year-to-date only.</i>					
<b>Total consumer spending in Wellington region through electronic card data – retail</b>	Actual	n/a	n/a	<b>\$1,592m</b>	<b>On track</b>
	<i>Full Year Target</i>	<i>New</i>	<i>New</i>	<i>\$1,389m</i>	
<i>Data are available up to February year-to-date only.</i>					
<b>Total consumer spending in Wellington region through electronic card data – hospitality</b>	Actual	n/a	n/a	<b>\$778m</b>	<b>On track</b>
	<i>Full Year Target</i>	<i>New</i>	<i>New</i>	<i>\$846m</i>	
<i>Data are available up to February year-to-date only.</i>					

## ISSUES & OUTLOOK

COVID-19 remains an ongoing risk particularly to the Venues Wellington business.

Upcoming focus of activities.

<b>JOBS FOR THE FUTURE</b>	<b>PLACEMAKING</b>	<b>COLLABORATION &amp; ENGAGEMENT</b>
<b>Support businesses to grow, innovate and meet future workforce needs</b>	<b>Enhance Wellington's reputation as New Zealand's creative heart</b>	<b>Working in partnership to support investment in the region to unlock opportunities</b>
<ul style="list-style-type: none"> <li>Demand for business support and capability services across the region remains high</li> <li>Workforce Development Plan as part of the Regional Skills Leadership Group coupled with development of detailed sector plans for Wairarapa communities</li> <li>Carbon Neutral Tourism small business pilot programme</li> <li>Creative HQ Climate Response Accelerator</li> <li>Venture Up pathway programme for Y13 High School students focused on Porirua</li> <li>Pop-Up Business School – Kāpiti</li> </ul>	<ul style="list-style-type: none"> <li>A diverse Major Events programme, including the Wellington Jazz Festival, Surrealist Art He Toi Pohewa exhibition, Kia Mau Festival, Wellington on a Plate, Beervana, the return of the World of WearableArt and the Guns 'N Roses concert at Sky Stadium</li> <li>A new visitor attraction campaign in Australia targeting the eastern seaboard</li> <li>A regional domestic visitor attraction marketing campaign targeting winter travel</li> </ul>	<ul style="list-style-type: none"> <li>The first phase of the development of a new Wellington Regional Economic Development Strategy is underway</li> <li>Publication of Destination Management Plans for the different parts of the region to be followed by an 'umbrella' Wellington regional Plan</li> <li>Development of a Wellington Region Screen Sector strategy</li> <li>Detailed planning for 2021-22 with key tourism partners re activity for the year ahead</li> </ul>

**Wellington Zoo Trust (Q3 2020-21)**

**ACTIVITY SUMMARY**

Wellington Zoo welcomed 172,058 visitors in the quarter ending 31 March 2021. The result is about one percent higher than the same quarter last year of 169,581 visits. The Trust is well on track to achieve its full-year visitation target of 173,882 (reduced from 254,000 due to COVID-19).

Student and education visits exceeded their target at 16,531 year-to-date (YTD) against the full-year target (14,645).

The quarter included the January School Holiday programme, the delayed Zoofari schools (from last year), “Late Fridays” in March attracted 1,870 visitors — which on a per-day basis was the best result to date. The winner for the “biggest fan in Jan” competition for Zoo Crew members visited the Zoo 25 times in January while the second biggest fan visited 24 times.

The ongoing impacts of Covid-19 posed some challenges for the quarter that include venues bookings and animal close encounters revenue falling behind, and the effects of having few international tourists during the summer months. The business community is reluctant to book functions in advance or book large-scale events. Close Encounters are also behind due to moving between Alert Levels (Close Encounters cannot run between Alert Levels 2-4) and the discontinuation of Cheetah Close Encounters due to their retirement.

Despite some challenges, the Trust’s overall financial performance exceeds its budget and KPIs have mostly been met or are positioned well to meet full year targets at 30 June.

**Highlights for the quarter**

The increasing popularity of Valentine’s Night (the only time of the year when the Zoo is for adults only) drew 1,343 guests (Q3 2020: 929). The event earned \$28,118.

Retail sales have done very well with a purchasing capture rate for visitors (not including school children) of 10.4% as of March. The retail space has been re-positioned to allow more room for the bestselling ranges and to introduce new products.

Other highlights for the quarter include:

- Opening of two new/refurbished habitats, Te Hononga Tuatara Management Area and Giraffe House and Savannah redevelopments.
- The Zoo launched the Kāhori Kitea Te Ao Māori programme, with a staff-wide survey, to assess where staff sat on the continuum of bicultural competency, which will provide a learning baseline. The next stage will be staff workshops rolled out in May and June.
- Embarked on the accreditation process to achieve the Rainbow Tick over the next 12 months to show employees, customers, and the wider world that the organisation is progressive, inclusive and dynamic.
- Conservation Manager appointed as representative to the International Union for Conservation of Nature (IUCN) NZ Committee.
- Senior Veterinarian, Dr Baukje Lenting, was part of a group (Wildbase Research Centre Team) awarded the Massey University Team Research Medal 2020. The award acknowledges this team as a “world-class grouping of researchers” with an outstanding portfolio of scientific investigations and research communications that have set the standard for wildlife management, care, and rehabilitation.
- The Zoo will open the Ring-tailed Lemur habitat in June. This will focus on Madagascar Fauna and Flora Group as one of the Zoo’s strategic conservation partners.
- Completed the Pygmy Marmoset habitat renovation in Mojo Café and launched the Sun Bear Behind-the-Scenes Experience, where pre-sold vouchers showed a steady level of interest. Ten percent of this revenue will go to the Wellington Zoo Conservation Fund.

- On a sombre note, elderly lionesses Djane and Zhara passed away in April, leaving the Zoo with no lions for the first time in its history.



### SUMMARY FINANCIALS (Year To Date)

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

FINANCIAL PERFORMANCE (\$000)	31 Mar 19 Actual	31 Mar 20 Actual	31 Mar 21 Actual	31 Mar 21 Budget	31 Mar 21 Variance	30 Jun 21 Budget
Total Revenue	6,018	6,178	<b>6,853</b>	4,997	1,856 ✓	6,736
Total Expenses	5,850	6,335	<b>6,136</b>	6,229	(93) ✓	8,311
Operating Surplus (Deficit)	149	(157)	<b>662</b>	(1,232)	1,894 ✓	(1,575)
Net Surplus (Loss)	168	374	<b>717</b>	(1,232)	1,949 ✓	(1,575)
<b>FINANCIAL POSITION</b>						
Total Assets	5,016	4,201	<b>4,870</b>	1,511	3,359 ✓	293
Total Liabilities	2,807	2,257	<b>2,687</b>	1,882	805 ✗	1,008
Equity	2,209	1,944	<b>2,183</b>	(371)	2,554 ✓	(715)
<b>CASH FLOWS</b>						
Total Net Cash Flows	836	(353)	<b>1,528</b>	(571)	2,099 ✓	(1,789)
Opening Cash	3,668	3,890	<b>2,912</b>	1,832	--	1,832
Closing Cash	4,504	3,537	<b>4,440</b>	1,261	--	43

The Trust's financial performance to 31 March is above target and comparable (if not stronger) than its performance prior to COVID-19, largely due to the government's support for businesses impacted by the pandemic. The Trust continues to maintain a strong cash position with quarter-end closing cash of \$4.4m.

#### COUNCIL SUPPORT FOR COVID-19

In its 2020/21 annual plan, Council made provision for essential funding support related to COVID-19 of up to \$5.0 million for its CCOs. The Trust has not received funding support to date and is not expecting to require support for the year ended 30 June 2021.

**KPI DASHBOARD** (The table contains a selection of KPIs and is not a complete list)

The measure below is a Council metric, it is not controlled by the Trust.

MEASURE		YTD	YTD	YTD
		31 Mar 19	31 Mar 20	31 Mar 21
Full costs to Council*	Actual	\$3,976,776	n/a	<b>\$4,269,678</b>
	Actual \$/visit	\$21.04	n/a	<b>\$24.70</b>
	Full Year Budget	\$5,331,512	\$5,390,598	\$5,940,879

\* Council operating grant plus property related costs. Figures recognise the operating grant on an accrued (not payment) basis. This measure includes property costs which the Trust does not control.

Target met or on track		At risk of not achieving target			Will not reach target	
MEASURE		YTD	YTD	YTD	STATUS	
		31 Mar 19	31 Mar 20	31 Mar 21		
Council Subsidy (\$/visit)	Actual	\$13.17	\$15.06	<b>\$15.16</b>	On track	
	Full Year Target	\$13.58	\$13.41	\$20.10		
Council subsidy (\$/visit) is ahead of target due to visitor numbers exceeding target for the same period.						
Trading Revenue** (\$/visit)	Actual	\$18.57	\$20.42	<b>\$19.17</b>	On track	
	Full Year Target	\$17.21	\$19.56	\$18.63		
** Revenue per visit excludes interest, Council grants and other grants.						
Non-council donations & funding	Actual	\$274,000	\$272,000	<b>\$854,000</b>	Target met	
	Full Year Target	\$154,000	\$155,000	\$222,000		
Excludes capital grants.						
Non-council donations and funding includes government fund in response to COVID-19.						
Percentage Operating Costs Generated by the Trust	Actual	60%	54%	<b>54%</b>	On track	
	Full Year Target	56%	59%	39%		
The result reflects the Trust's strong YTD financial performance.						
Trust Generated Income as Percentage of the Council's grant	Actual	141%	136%	<b>126%</b>	On track	
	Full Year Target	127%	146%	93%		
The result is also representative of the Trust's strong YTD financial performance.						
Percentage of native patient successfully released to the wild after treatment in the Nest Te Kōhanga	Actual	64.5%	69%	<b>70%</b>	On track	
	Full Year Target	70%	50%	50%		

The Nest Te Kōhanga team assisted with blood/faecal testing of Kiwi in Zealandia to help research ongoing issues with Toxoplasmosis that are prevalent in some Kiwi — also treated and nurtured back to health a very unwell female Hihi (Stitchbird) that will add to the vulnerable population of ~25 females. The reduced number of cases in 2020 was due to COVID restrictions

**KPI DASHBOARD** *(The table contains a selection of KPIs and is not a complete list)*

The Nest Te Kōhanga Wildlife Admissions	2015	2016	2017	2018	2019	2020	2021
January	63	67	76	54	78	84	38
February	51	41	52	70	57	55	51
March	60	39	33	57	51	44	43
April	30	28	22	37	36	0	
May	37	33	47	33	34	2	
June	34	23	21	38	24	28	
July	33	17	20	36	18	39	
August	26	15	24	25	23	25	
September	25	24	22	30	30	19	
October	19	43	28	40	30	93	
November	33	41	37	44	44	36	
December	67	58	61	48	58	47	
	<b>478</b>	<b>429</b>	<b>443</b>	<b>512</b>	<b>483</b>	<b>277</b>	

<b>Student &amp; Education Visits</b>	Actual	9,104	8,059	<b>16,531</b>	<b>Target met</b>
	Full Year Target	10,500	10,500	14,645	

The Zoo-led conservation education programmes and student self-guided visits track well ahead against the annual target (which was reduced from 20,000 due to COVID-19).

<b>Visitors</b>	Actual	189,005	169,581	<b>172,838</b>	<b>On track</b>
	YTD Target	177,412	184,381	N/A	
	Full Year Target	244,420	254,000	173,882	

The Trust is well on track to achieve its full-year visitation target (which was reduced from 254,000 due to COVID-19). Creative marketing ideas to attract visitor numbers received strong support from the public.

**ISSUES & OUTLOOK**

There are no issues to note.

The impact of COVID-19 is ongoing and the Trust anticipates a weaker financial performance for 2021/22 without central government funding in the new financial year.

**Attachments**

Attachment 1.	Basin Reserve Trust Q3 report	Page 34
Attachment 2.	Karori Sanctuary Trust Q3 report	Page 49
Attachment 3.	Wellington Cable Car Ltd Q3 report	Page 66
Attachment 4.	Wellington Museums Trust Q3 report	Page 72
Attachment 5.	Wellington Regional Economic Development Agency Ltd Q3 report	Page 89
Attachment 6.	Wellington Zoo Trust Q3 report	Page 105

Author	Warwick Hayes, Project Manager Economic & Commercial
Authoriser	Claire Richardson, Chief Operating Officer



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## **SUPPORTING INFORMATION**

### **Engagement and Consultation**

Not applicable.

### **Treaty of Waitangi considerations**

Not applicable.

### **Financial implications**

The CCOs work within the confines of the Council's overall Long-term Plan and Annual Plan framework.

### **Policy and legislative implications**

Not relevant.

### **Risks / legal**

Not relevant.

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

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

### **Communications Plan**

Officers will incorporate feedback from the Committee into the Letters of Expectation that will be sent to the chair of the relevant CCO.

### **Health and Safety Impact considered**

Not relevant.



**Basin Reserve Trust**  
**Report to the Wellington City Council**  
**CCO Committee**

Third Quarter ending 31 March 2021



## 1. Highlights

Quarter Three highlights are outlined below:

- Completion of Super Smash fixtures
- Hosting of the Super Smash Grand Final Double Header – achieved a record NZ domestic crowd of 5,545
- Provision of training facilities for the rescheduled Covid-19 impacted international series for the Blackcaps and White Ferns in March
- Blackcaps v Bangladesh ODI

## 2. Statement of Intent KPI Performance

Quarter Three sees the continuation of the domestic and international cricket season. The table below outlines quarter three's actuals vs targets, as well as year to date performance vs the BRT's annual targets.

Measure	Measurement	Annual Target	YTD	Q3 Target	Q3 Actual	Comments
• Cricket Events	Cricket days	33	50	10	24	Exceeded
• Other Sports Events	Sports days	20	0	0	0	Winter sports commences May 8
• Community Events	Event days	20	12	3	8	Will not achieve target due to Q4 concert clashing with the community week.
• Practice facility usage	Practice days	100	111	40	45	Exceeded
• Functions	Function days	15	77	5	10	Significant increase due to Blood Donor Service and other functions

### Cricket Events and Practise Facility Usage

Quarter three is the main period of cricket activity, with the majority of the 2020-21 domestic and international cricket fixtures scheduled during January, February, and March at the Basin Reserve. In January, the venue hosted four regular season Super Smash (T20 competition) doubleheader games for the Firebirds and Blaze with strong attendance from local fans, averaging 2,646 per game across the entire season. The Super Smash Grand Final doubleheader was held on Saturday 13<sup>th</sup> February, with a national domestic record of 5,545 attendees filling the Basin Reserve to watch the Canterbury Magicians and Wellington Firebirds crowned champions.

The domestic season continued throughout February and March, with the Firebirds playing four Ford Trophy fixtures during February and the Blaze concluding their Hallyburton Johnstone Shield season



with a round against Otago in March. The domestic season concluded when the Firebirds played their final round of the Plunket Shield competition at the end of March.

The ongoing effects of Covid-19 had a significant impact on the T20 international fixtures for the Blackcaps and White Ferns respective series against Australia and England in March, with games rescheduled at Sky Stadium and the Basin Reserve utilised as a training venue for all four teams. The international season concluded with the Blackcaps v Bangladesh One Day International held at the Basin Reserve on Friday 26<sup>th</sup> March, with a sold-out crowd in attendance.

#### **Other Sports and Community Events**

The Basin continues to feature a wide range of sporting and community events, with the facilitation of corporate and community cricket fixtures held in February and March. However, there has been a reduction in the venue's capacity to host other sports and community events due to preparations for the quarter four concert impacting availability. The concert brings in significant revenue for the Basin Reserve Trust and scheduling conflicts were unavoidable, therefore, the annual target will not be achieved.

#### **Functions**

The annual target for functions and conferences has already been exceeded thanks to the NZ Blood Services utilisation of the venue throughout November. The venue continues to be utilised regularly, with quarter three targets exceeded too.

### **3. Master Plan Redevelopment**

The Trust continues to work with Council in progressing the vision of the Masterplan. With the completion of the Old Pavilion redevelopment, planning is now underway to deliver the following projects in the 2021 winter ahead of the 2021-22 season and the Women's Cricket World Cup.

Key remaining priority projects with committed investment include;

- Media Box in the RA Vance Stand
- Embankment Toilets
- Entrances and Perimeter Fence
- IT Upgrade

Other key projects that are planned, but are likely to commence in 2022-23 include;

- Picket Fence
- Sight Screens
- Storage Upgrade
- Gate Houses
- Ground Lighting



#### 4. Fundraising

To date the BRT has secured \$951,000 in fundraising, with the Lotteries accountability for toilet grade upgrade pending approval.

#### 5. Basin Reserve Trust Meetings

The BRT Trustees met on the 26<sup>th</sup> of March. The meeting schedule for the remainder of this reporting year is outlined in the table below:

Friday 25 June 2021	10.00am	Library, Old Pavilion, Basin Reserve
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#### 6. Financial Performance

A year-to-date summary of financial performance is outlined below (Please refer to the attached Statement of Financial Performance for the period ending 31 March 2021 for further information)

FINANCIAL PERFORMANCE (\$000)	31 Mar 21 Actual	31 Mar 21 Budget	31 Mar 21 Variance	30 Jun 21 Budget	30 Jun 21 Reforecast
Total Revenue	974	794	180	813	1,005
Total Expenses	652	715	63	949	947
Surplus (Deficit)	322	79	243	(136)	58
<b>FINANCIAL POSITION</b>					
Total Assets	1,368	779	589	513	774
Total Liabilities	464	173	(290)	123	134
Equity	904	605	299	390	640
<b>CASH FLOWS</b>					
Total Net Cash Flows	395	43	353	(96)	46
Opening Cash	223	130	93	130	223
Closing Cash	618	173	446	34	269

Quarter Three reflects the key variances that were not budgeted for previously due to Covid-19, which include increased ground hire for hosting International Cricket and an additional increase in revenue for securing ground hire for hosting rights for the Peachy Keen concert in April. There was an additional \$9k of concession income secured relating to the last financial year. Expenditure has also been lower than budgeted.



## **7. Outlook**

Key events planned for quarter four are as follows:

- Peachy Keen Concert
- Commencement of stage three master plan projects
- Black and Gold conferences and events

## **8. Issues / Risks**

- N/A

**BASIN RESERVE TRUST**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
For the quarter ended: 31 March 2021

Forecast FYE 30-Jun-21		Actual Qtr to 31-Mar-21	Budget Qtr to 31-Mar-21	Variance Qtr to 31-Mar-21	Budget FYE 30-Jun-21
\$		\$	\$	\$	\$
	<b>Revenue</b>				
694,659	Council funding	694,659	694,659		694,659
700	Grants other	700	-	700	-
309,200	Sale of goods and services	278,462	99,350	179,112	117,700
255	Interest revenue	195	270	(75)	360
<b>1,004,814</b>	<b>Total Revenue</b>	<b>974,016</b>	<b>794,279</b>	<b>179,737</b>	<b>812,719</b>
	<b>Expenses</b>				
76,900	Depreciation of property, plant and equipment	56,734	88,500	31,766	118,000
732,830	Costs related to providing goods and services	609,191	627,550	18,359	684,200
137,320	Other expenses	86,455	99,435	12,980	147,080
<b>947,050</b>	<b>Total Expenses</b>	<b>652,380</b>	<b>715,485</b>	<b>63,105</b>	<b>949,280</b>
<b>57,764</b>	<b>Surplus/(Deficit) for the Year</b>	<b>321,636</b>	<b>78,794</b>	<b>242,842</b>	<b>(136,561)</b>

**BASIN RESERVE TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**As at: 31 March 2021**

Forecast As at 30-Jun-21		Actual As at 31-Mar-21	Budget As at 31-Mar-21	Variance As at 31-Mar-21	Budget As at 30-Jun-21
\$		\$	\$	\$	\$
	<b>Assets</b>				
	<b>Current Assets</b>				
269,493	Bank accounts and cash	618,454	172,716	445,738	34,506
82,000	Debtors and prepayments	324,914	98,500	226,414	35,200
351,493	<b>Total Current Assets</b>	943,368	271,216	672,152	69,706
	<b>Non-Current Assets</b>				
423,174	Property, plant and equipment	424,628	507,440	(82,812)	442,940
423,174	<b>Total Non-Current Assets</b>	424,628	507,440	(82,812)	442,940
774,667	<b>Total Assets</b>	1,367,996	778,656	589,340	512,646
	<b>Liabilities</b>				
	<b>Current Liabilities</b>				
122,785	Creditors and accrued expenses	232,642	173,362	(59,280)	110,707
11,400	Income received in advance	231,000		(231,000)	12,000
134,185	<b>Total Current Liabilities</b>	463,642	173,362	(290,280)	122,707
134,185	<b>Total Liabilities</b>	463,642	173,362	(290,280)	122,707



**BASIN RESERVE TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**As at: 31 March 2021**

Forecast As at 30-Jun-21		Actual As at 31-Mar-21	Budget As at 31-Mar-21	Variance As at 31-Mar-21	Budget As at 30-Jun-21
\$		\$	\$	\$	\$
640,482	<b>Total Assets less Total Liabilities</b>	904,354	605,294	299,060	389,939
	<b>Trust Equity</b>				
100	Contributed capital	100	100		100
582,618	Accumulated surpluses	582,618	526,400	56,218	526,400
57,764	Current period earnings	321,636	78,794	242,842	(136,561)
640,482	<b>Total Trust Equity</b>	904,354	605,294	299,060	389,939

**BASIN RESERVE TRUST**  
**STATEMENT OF CASH FLOWS**  
For the quarter ended: 31 March 2021

Forecast FYE 30-Jun-21		Actual Qtr to 31-Mar-21	Budget Qtr to 31-Mar-21	Variance Qtr to 31-Mar-21	Budget FYE 30-Jun-21
\$		\$	\$	\$	\$
	<b>Cash Flows from Operating Activities</b>				
694,659	Receipts of council funding	694,659	692,659	2,000	692,659
700	Receipts of grants other	700	-	700	-
285,500	Receipts from sale of goods and services	180,710	129,350	51,360	147,700
255	Interest receipts	195	270	(75)	360
(841,280)	Payments to suppliers and employees	(556,071)	(694,630)	138,559	(841,280)
(60,000)	GST (net)	88,409	(10,000)	98,409	(20,000)
79,834	<b>Net Cash Flows from Operating Activities</b>	408,802	117,649	290,953	(20,561)
	<b>Cash Flows from Investing and Financing Activities</b>				
(33,600)	Payments to acquire property, plant and equipment	(13,407)	(75,000)	61,593	(75,000)
(33,600)	<b>Net Cash Flows from Financing Activities</b>	(13,407)	(75,000)	61,593	(75,000)
46,234	<b>Net Increase/(Decrease) in Cash for the Year</b>	395,195	42,649	362,546	(95,561)
223,259	Add opening bank accounts and cash	223,259	130,067	93,192	130,067
269,493	<b>Closing Bank Accounts and Cash</b>	618,454	172,716	445,738	34,506

**BASIN RESERVE TRUST  
CASH FLOW PROJECTION**  
For the quarter ended: 31 March 2021

Forecast FYE 30-Jun-21		Actual Qtr to 31-Mar-21	Budget Qtr to 31-Mar-21	Variance Qtr to 31-Mar-21	Budget FYE 30-Jun-21
\$		\$	\$	\$	\$
	<b>Current Assets</b>				
269,493	Bank accounts and cash	618,454	172,716	445,738	34,506
82,000	Debtors	324,914	98,500	226,414	35,200
351,493		943,368	271,216	672,152	69,706
	<b>To Be Applied As Follows:</b>				
122,785	Creditors and accrued expenses	232,842	173,362	(59,280)	110,707
11,400	Income received in advance	231,000		(231,000)	12,000
134,185		463,842	173,362	(290,280)	122,707
217,308		479,726	97,854	381,872	(53,001)
	<b>Commitments</b>				
	Net Turf Management 2020/21	98,800	98,800	-	
	Capital Additions	78,869		(78,869)	
		177,669	98,800	78,869	
217,308	<b>Funds Available (Deficit)</b>	302,057	(946)	303,003	(53,001)

**BASIN RESERVE TRUST  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE QUARTER ENDED 31 MARCH 2021**

<b>Forecast FYE 30-Jun-21</b>	<b>Income</b>	<b>Note</b>	<b>Actual Qtr to 31-Mar-21</b>	<b>Budget Qtr to 31-Mar-21</b>	<b>Variance Qtr to 31-Mar-21</b>	<b>Budget FYE 30-Jun-21</b>
	<b>Grant Income</b>					
694,659	Grant Wellington City Council		694,659	694,659	-	694,659
700	Grant Other		700	-	700	
<u>695,359</u>			<u>695,359</u>	<u>694,659</u>	<u>700</u>	<u>694,659</u>
	<b>Ground Hire Income</b>					
129,144	Ground Hire International Cricket		87,479	-	87,479	-
65,000	Ground Hire Domestic Cricket		65,000	57,500	7,500	57,500
3,600	Ground Hire Winter Sports		-	-	-	1,200
68,440	Ground Hire Other Events		82,422	11,400	71,022	18,400
<u>266,184</u>			<u>234,901</u>	<u>68,900</u>	<u>166,001</u>	<u>77,100</u>
	<b>Other Income</b>					
30,000	Concession Income		31,545	22,500	9,045	30,000
10,000	Rent		10,000	7,500	2,500	10,000
3,016	Picket Fence Income		2,016	450	1,568	600
<u>43,016</u>			<u>43,561</u>	<u>30,450</u>	<u>13,111</u>	<u>40,600</u>
	<b>Interest Income</b>					
255	Interest income		195	270	(75)	360
<u>1,004,814</u>	<b>Total Income</b>		<u>974,016</u>	<u>794,279</u>	<u>179,737</u>	<u>812,719</u>

**BASIN RESERVE TRUST  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE QUARTER ENDED 31 MARCH 2021**

<b>Forecast FYE 30-Jun-21</b>	<b>Expenditure</b>	<b>Actual Qtr to 31-Mar-21</b>	<b>Budget Qtr to 31-Mar-21</b>	<b>Variance Qtr to 31-Mar-21</b>	<b>Budget FYE 30-Jun-21</b>
	<b>Building Expenses</b>				
8,000	Repairs & Maintenance	2,327	10,000	7,673	12,000
12,000	Cleaning	7,286	7,875	589	10,500
10,800	Electrical Services	7,751	5,400	(2,351)	7,000
12,000	Fire System	10,224	5,250	(4,974)	7,000
2,500	Painting	85	3,500	3,415	5,000
11,200	Pest Control	8,085	7,875	(210)	10,500
1,500	Plumbing	810	1,500	690	1,500
1,200	Other	913	400	(513)	400
<u>59,200</u>		<u>37,481</u>	<u>41,800</u>	<u>4,319</u>	<u>53,900</u>
	<b>Ground Expenses</b>				
1,000	Electrical Services		2,000	2,000	2,000
-	Equipment Hire		1,500	1,500	1,500
2,000	Cleaning	63	1,500	1,437	2,000
	Irrigation		2,000	2,000	2,000
3,500	Painting	2,208	3,050	842	3,500
2,000	Plumbing	530	1,875	1,345	2,500
12,500	Rubbish Removal	9,816	10,000	184	13,000
8,000	Structures Repairs & Maintenance	4,694	13,500	8,806	18,000
390,000	Turf	262,282	320,000	57,718	418,800
<u>419,000</u>		<u>279,593</u>	<u>355,425</u>	<u>75,832</u>	<u>463,300</u>

Note 1: Includes an accrual for the third quarter of \$122,500.

**BASIN RESERVE TRUST  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE QUARTER ENDED 31 MARCH 2021**

<b>Forecast FYE 30-Jun-21</b>		<b>Actual Qtr to 31-Mar-21</b>	<b>Budget Qtr to 31-Mar-21</b>	<b>Variance Qtr to 31-Mar-21</b>	<b>Budget FYE 30-Jun-21</b>
	<b>Occupancy Expenses</b>				
7,000	Gas	4,915	6,375	1,460	8,500
24,300	Electricity	18,179	20,250	2,071	27,000
40,900	Rates	30,620	30,000	(620)	40,000
13,500	Security	11,254	12,000	746	16,000
6,000	Telephones & Internet	3,819	6,750	2,931	9,000
20,000	Water Rates	25,719	12,500	(13,219)	16,500
4,600	Television	710		(710)	2,600
1,200	Insurance	1,205	1,300	95	1,300
25,000	Consumables Laundry & Toilet	20,002	15,000	(5,002)	20,000
<u>142,500</u>		<u>116,423</u>	<u>104,175</u>	<u>(12,248)</u>	<u>140,800</u>
	<b>Event Running Expenses</b>				
108,830	Event Running	74,060	20,000	(54,060)	20,000
<u>108,830</u>		<u>74,060</u>	<u>20,000</u>	<u>(54,060)</u>	<u>20,000</u>
	<b>Administration Expenses</b>				
14,200	Audit	(276)		276	14,500
12,000	Accounting	9,000	9,000		12,000
120	Bank Fees	72	60	(12)	80
8,500	Consultants	1,127	15,000	13,873	20,000
100,000	Management Fee	75,000	75,000		100,000
<u>134,820</u>		<u>84,923</u>	<u>99,060</u>	<u>14,137</u>	<u>146,580</u>

Note 2

Includes an accrual for \$24,500

**BASIN RESERVE TRUST  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE QUARTER ENDED 31 MARCH 2021**

<b>Forecast FYE 30-Jun-21</b>		<b>Actual Qtr to 31-Mar-21</b>	<b>Budget Qtr to 31-Mar-21</b>	<b>Variance Qtr to 31-Mar-21</b>	<b>Budget FYE 30-Jun-21</b>
	<b>Other Expenses</b>				
	Interest Expense	-			
2,500	Marketing	777	6,000	5,223	6,000
2,500	Miscellaneous	1,532	375	(1,157)	500
800	Picket Fence Expenses	857	150	(707)	200
-	Grant Wellington City Council				
<u>5,800</u>		<u>3,166</u>	<u>6,525</u>	<u>3,359</u>	<u>6,700</u>
	<b>Depreciation Expense</b>				
76,900	Depreciation Expense	56,734	88,500	31,766	118,000
<u>76,900</u>		<u>56,734</u>	<u>88,500</u>	<u>31,766</u>	<u>118,000</u>
<u>947,050</u>	<b>Total Expenditure</b>	<u>652,380</u>	<u>715,485</u>	<u>63,105</u>	<u>949,280</u>
<u>57,764</u>	<b>Net Surplus (Deficit) for the Period</b>	<u>321,636</u>	<u>78,794</u>	<u>242,842</u>	<u>(136,561)</u>

**BASIN RESERVE TRUST  
MANAGEMENT ACCOUNTS COMMENTARY  
FOR THE QUARTER ENDED 31 MARCH 2021**

**Income**

1. Ground Hire International Cricket - Didn't budget for any International Cricket hosting due to Covid-19.
2. Ground Hire Other Events - Didn't budget for any Other Event hosting due to Covid-19.
3. Concession Income - Received an extra amount of \$9,000 relating to the last financial year.

**Expenditure**

1. Building Repairs & Maintenance - Having spent as much as was budgetted for.
2. Ground Structures Repairs & Maintenance - Having spent as much as budgetted for.
3. Ground Turf - First and second quarters costs were lower than budgetted for, mainly due to the wage subsidy.
4. Occupancy Water Rates - Have accrued \$24,500 for this, but don't really know what the actual cost will be.
5. Event Running - Didn't budget for any International Cricket hosting due to Covid 19.
6. Consultants - Having spent as much as was budgetted for.
7. Marketing - Having spent as much as was budgetted for.
8. Depreciation - Opening balance of depreciable property was less than anticipated.



**ZEALANDIA**

TE MĀRA A TĀNE

## Report to the Wellington City Council CCO Performance Committee Third Quarter ending 31 March 2021.

**LIVING WITH NATURE**



A PLACE THAT TREASURES  
HE WĀHI TAONGA



A PLACE THAT ENGAGES  
HE WĀHI HUIHUIHANGA



A PLACE FOR LEARNING  
HE WĀHI MĀTAURANGA



A PLACE THAT EMPOWERS  
HE WĀHI WHAKAMANA

### Highlights

- Visitation to ZEALANDIA during the March quarter has tracked above budget. ZEALANDIA hosted 29,363 visitors up 21% on budget, but down 35% on the same time last year.
- ZEALANDIA's membership has increased from 17,966 members at the end of December 2020 to over 18,502 members at the end of March 2021.
- Nature at your Place 2021 got underway with outreach visits to 6 schools participating in this year's programme.
- Rāngai Rangatahi – The ZEALANDIA Youth Collective – recruited 12 developing conservationists and began its first full-year programme.
- Our public programme for 2021 started with the world premiere of Alison Isadora's choral work Sounding the Tūi - Together #9. Not only did attendees get to listen to Wellington's Baroque Choir sing, performing a piece based on the call of the tūi, they got to learn some of the calls themselves and add their voices to the final collaborative performance.
- The project to remove perch from Roto Kawau, the lower reservoir, is well underway with the water level in the reservoir currently being lowered and the stream and wetland in the sanctuary already treated.
- The bird breeding season is now largely complete, with a successful year for many species.



Rangers Rachel, Tia and Ellen helping to relocate native fish during our Roto Kawau restoration project. Photo Credit: ZEALANDIA

## VISITORS

During the March quarter, ZEALANDIA hosted 29,363 visitors, up 27% on the SOI target and down 35% on last year. ZEALANDIA hosted approximately 150 international visitors during the March quarter compared to an estimated 20,000 international visitors at the same time last year. Visitation to ZEALANDIA from domestic tourism has increased from an estimated 3,800 visitors in the March 2020 quarter to an estimated 7,000 visitors in the March 2021 quarter. The greatest increase has occurred from visitors from Auckland and Christchurch.



A PLACE THAT ENGAGES  
 HE WĀHI HUNUIRANGA

### Visitor Comments

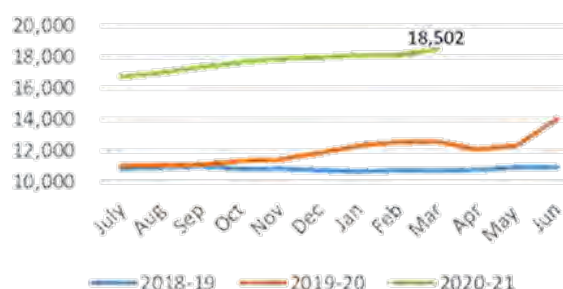
*"This place is awesome, there's a reason it's on the top 10 things to do in Wellington list, great value for money, reasonable price, the 2-hour day tour is highly recommended and after that you can spend more time in the park if you want. You will see a Tuatara and an amazing array of New Zealand native birds." – ZEALANDIA visitor 2021.*

*"A great Wellington asset and magic attraction. The Wellington suburbs have benefited in a magic way with birds we have never seen recent decades. Easy access and kids love it." – ZEALANDIA visitor Feb 2021.*

Visitor Numbers



Total Members



Visitor Demographics Q3	2020	2021
Local	30%	46%
Rest of North Island	11%	38%
South Island	5%	15%
Australia	12%	0%
Rest of the world	42%	1%

### Membership

ZEALANDIA continues to experience strong growth in memberships, with the number of members increasing from 17,966 in December 2020 to 18,502 at March 2021. Visits to ZEALANDIA from members has correspondingly increased by 25% to 10,724 visits in the March 2021 quarter.

## MEDIA

### Increasing the impact of our work beyond the fence

Te Ao with Moana is a weekly current affairs programme that examines national and international stories through a Māori lens, screening on Māori Television. In February, ZEALANDIA's Terese McLeod and Victoria University Law School Professor Catherine Iorns Magallanes (environmental, climate change and indigenous people's rights lawyer) were featured discussing the Kia Mouriora te Kaiwharawhara Sanctuary to Sea project, particularly the value of moving the Kaiwharawhara water catchment into legal personhood. This is the first time that personhood has been investigated for an urban waterway and would have national and international impact.

Other stories have also focused on the birdlife expanding beyond the fence, with stories featuring our positive impact on kārearea in downtown Wellington, and tūi and kererū populations significantly increasing in recent years.

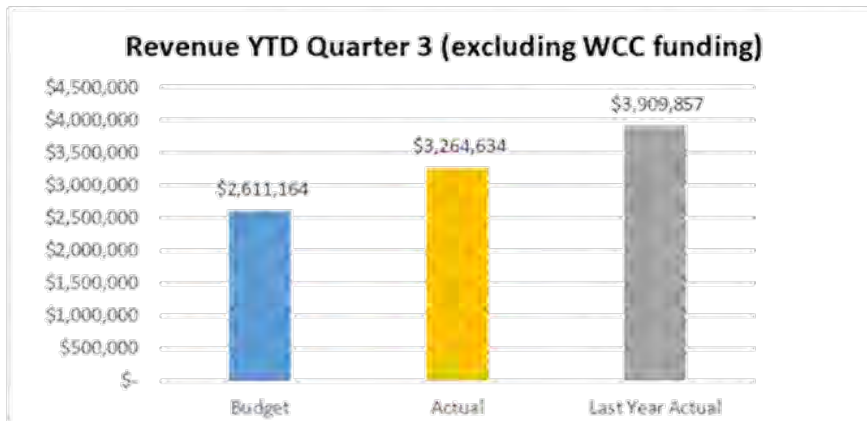
**FINANCIAL SUSTAINABILITY**



**A PLACE THAT TREASURES  
 HE WĀHI TAONGA**

**Revenue**

Overall, revenue performance (excluding the WCC funding) is \$3,264,634 against a budget of \$2,611,164. Revenue YTD is \$645,223 (17%) lower than last year at the end of quarter three.



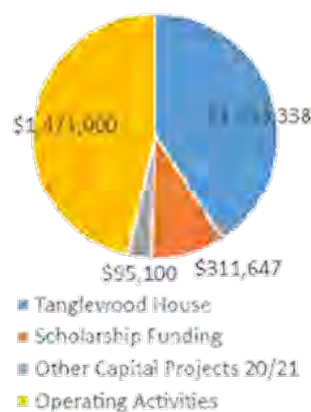
**Operating Surplus (Deficit)**

The quarter three YTD result for net operating surplus (deficit) before depreciation is tracking favourably by \$514,065 mainly due to unbudgeted government grants income of \$603,000.

**Working Capital**

As at 31 March, we have a working capital balance of \$3.17m and these funds are earmarked to support the following key areas.

Allocation of Working Capital Balance of \$3.17m



Our policy is to retain a minimum of 12 weeks' working capital (\$1.2m) for operational activities, we are currently tracking above this target with a balance of \$1.47m as at 31 March 2021.

**Retail**

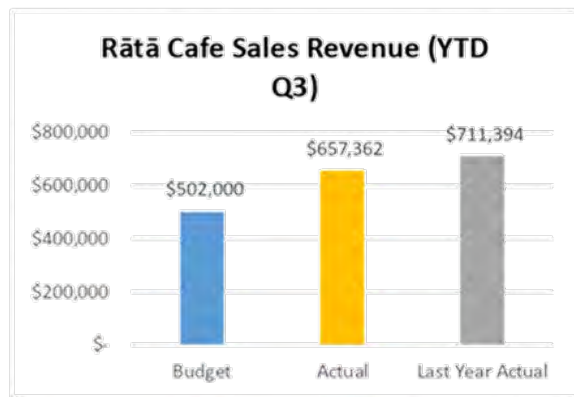
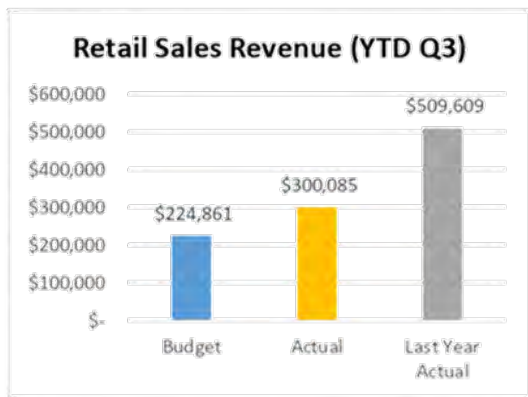
Retail sales in the ZEALANDIA’s gift shop totalled \$82,460 for the quarter, down 59% on the same time last year. Sales have been negatively impacted by the loss of international tourists as well as lower spend per visitor. Visitors to ZEALANDIA spent an average of \$2.99 per person on retail, compared to \$4.68 last year.

**Rātā Café**

Rātā Café continues to be a popular destination for visitors to ZEALANDIA. Total revenue for the March 2021 quarter was \$238,711, down 8% on the same time last year. Rātā Café is experiencing an increase in demand for functions from corporates, hosting 15 functions in March 2021.



**A PLACE THAT TREASURES  
 HE WAHI TAONGA**



Breakfast on the balcony of Rātā Café Photo credit: ZEALANDIA

## STRATEGY & GOVERNANCE

### Tanglewood House

The detailed design phase of Tanglewood House continues to progress well and we are on-track to making a formal building consent application in mid-year.

### MoU with CentrePort

CentrePort has formally become a strategic partner in the Sanctuary to Sea Kia Mauriora te Kaiwharawhara project that is focused on the ecological restoration of the Kaiwharawhara Stream catchment, which extends from ZEALANDIA to the Kaiwharawhara estuary within the port.



## VOLUNTEERS

### Volunteer Strategy and Action Plan

Work continues on a long-term volunteer strategy and action plan, as our organisation continues to grow and evolve. In this process there are a number of challenges and opportunities on the horizon, including ensuring the continued renewal of our volunteer base across a broad and diverse demographic; the changing face of volunteering more generally in society; and the recent challenges of COVID-19. Research shows that environmental volunteering provides health and wellbeing benefits including psychological wellbeing, cognitive ability and social cohesion, as well as providing opportunities for families to take environmental action together. In the contemporary context, volunteers are faced with a plethora of opportunities with many organisations competing for their support. Our strategic goal is to provide opportunities no matter where a volunteer is on the commitment continuum – volunteering for a single, one-off event, or looking for a long-term commitment, either as an individual or as part of a group or workplace activity.



**A PLACE THAT EMPOWERS**  
**HE WAHI WHAKAMANA**

### New opportunities for student volunteering

We again participated at the Victoria University Welcome Festival for first year students in February. The students were invited to come along to a follow-up volunteer “taster” event. It was an opportunity for them to meet others and socialise, while supporting our conservation work. We are looking to develop a programme of similar events in the future, as part of our volunteering strategy to connect more people with nature through conservation volunteering.



## VISITOR AND PUBLIC PROGRAMMES

Finding new ways to connect people with nature is key to our re-energised visitor and public programming activity. This supports our Learning and Engagement strategic outcomes and the intent our Living with Nature long-term strategy. In the latter half of January 2021, we again delivered the ‘Summer in the Sanctuary’ public programme. Timed to coincide with the back end of the summer school holidays, Summer in the Sanctuary comprised of conservation/nature focused puppetry, storytelling, taxidermy, and a family event to celebrate World Wetlands Day. The programme ran until January 31 with approximately 450 visitors participating in the

various activities. Sitting alongside this was our school holiday programme where 145 young people from Wellington-wide school holiday programme providers visited.

We are currently developing the Public Programme for the remainder of the 2021 year. The first 6 months will focus on Freshwater to complement the Lower Lake restoration project with the second 6 months designed to explore the health benefits of nature. Among the programme, we will continue to support Easter, Matariki, Conservation Week and Te Wiki o te Reo Māori. The programme will comprise of workshops, classes, seminars, symposiums and more.

Around 50 hardy souls braved a stormy March Wednesday evening to take part in the world premiere of composer Alison Isadora's *Sounding the Tūi - Together #9*. Not only did they get to listen to Wellington's Baroque Choir sing, performing a piece based on the call of the tūi, they got to learn some of the calls themselves and add their voices to the final collaborative performance.

## LEARNING

While we were expecting a slow start to the financial year as schools tentatively began to re-book external activities in the light of COVID uncertainties, demand for nature experiences for our learners has been keen, and bookings are well ahead of target. While this raises its own challenges for scheduling and staffing, it has been rewarding to see so many young people engaging with the sanctuary and taking conservation action in their own spaces.



**A PLACE FOR LEARNING**  
HE WĀHI MĀTAURANGA

### Rāngai Rangatahi/Youth Collective 2021

The Rāngai Rangatahi/Youth Collective, ZEALANDIA's flagship programme for young people has kicked off for 2021. This year's programme builds on the success of the 2020 start-up project, using the kaupapa and identity created by the original rōpū. The 2021 Collective consists of 12 rangatahi, aged 15-18, from across the Wellington region. Six are returning from the 2020 programme with the remaining six spots filled by rangatahi who were selected from over 20 applicants.

The 2021 programme shape has been developed in partnership with the rangatahi. As a youth-led programme, the rangatahi are empowered to steer the focus of the content, as well as the methods they choose to achieve the shared kaupapa of inspiring others to connect with nature. Across the three terms, rangatahi will develop their knowledge of mātauranga Māori, conservation, and grow their personal strengths as they collaborate on a final shareable outcome.



Community Engagement ranger Cal Ayres with members of the Rāngai Rangatahi 2021 collective. Photo: ZEALANDIA

## TE AO AND MĀTAURANGA MĀORI

### ZEALANDIA Mātauranga Māori Summer Scholarship

The ZEALANDIA Mātauranga Māori Summer Scholarship programme began in the summer of 2019/2020 to provide the sanctuary a mātauranga Māori perspective into areas of sanctuary relevance. Mātauranga and maramataka/lunar calendar for kākā and kererū was the focus for ZEALANDIA's inaugural mātauranga Māori summer researcher Juniper Sanson (Tainui).

Juniper researched the existing mātauranga for these two species in the Wellington region and explored integrating maramataka research and behavioural observations of manu/birds at ZEALANDIA and Ōtari. This summer, Juniper expanded on her previous research with a focus on kākā. She used the national library and

archives to research existing literature, looking into stories and whakatauki/proverbs to better understand past kākā behaviour and how it might have changed over time.

Joining and complementing Juniper’s research this summer was Fin Johnson (Ngāti Kahungunu ki Heretaunga) who looked at how representative current kākā populations compare in relation to past populations. This research will allow for a more holistic view into the interconnectedness of the environment. Western science normally trains scientists to observe the world through a singular lens, through the field of science they specialise in. However, it is important to understand how all things are connected as nothing exists in isolation and mātauranga Māori provides a lens which shows the whole picture. To fully understand the ngāhere/forest, it requires us to understand the many connections involved in these ecosystems.

### **Te Tiriti Commitments and Responsibilities**

Under the leadership of our internal Kaupapa Māori group, our commitment and action towards integrating te ao and mātauranga Māori into our work continues to increase. In February, the KST Board approved a new Te Tiriti Commitments and Responsibilities Policy, with a consequent action plan, Māori Language Plan and internal capability-building programme.

## **CONSERVATION**

### **Roto Kawau restoration**

This year our key focus is the complete removal of introduced perch from Roto Kawau, the lower reservoir. This work is one of the last major restoration projects that we need to complete in the sanctuary and is the culmination of more than 6 years of preparation. The removal of perch is key to our restoration efforts as this species predated on our native fish, and they also remove large numbers of invertebrates, contributing to algal blooms we experience each year.

The first step in the project this year was to remove as many native fish as possible to minimise the impacts of our perch control efforts. Over 2,500 banded kōkopu, and 150 tuna/eels, were moved to either the upper catchment or further downstream, and many animals will be moved back again after the project to start the breeding cycle again.

The second phase of our project was to treat the Te Māhanga Stream and wetland with rotenone, a substance that prevents fish from effectively metabolizing oxygen but has no impacts on people, birds or mammals. This substance is also in a familiar product that many people use in their gardens, Derris Dust. This phase was completed in March.

The third phase will involve treating the reservoir itself in May. We are currently lowering the level of the reservoir by 5-6 metres, which will make this exercise much easier and eliminate the possibility of impacts downstream.

Finally, we will be able to restock our stream, wetland and reservoir with native species again.

This project has been made possible by a generous donation from the Holdsworth Charitable Trust, the Wellington Community Trust, and other private donors.



**A PLACE THAT TREASURES  
HE WĀHI TAONGA**



ZEALANDIA staff transferring banded kōkopu. Photo Credit: ZEALANDIA.

**Myrtle rust discovered in the sanctuary for the first time**

Myrtle rust has unfortunately been detected for the first time in ZEALANDIA sanctuary, specifically, on two ramarama plants in a highly visited location. This was ultimately a matter of time, as the disease has been detected previously at locations around the sanctuary perimeter, and it is spread by wind. Myrtle rust is a fungal disease that affects plants in the myrtle family, such as Northern rātā, swamp maire, and ramarama. It was detected for the first time in New Zealand in 2017, so it is a recent arrival and the full impacts of the disease on our native plants are not yet unknown.

Our team received advice from the Department of Conservation about our next steps, and while there is very limited meaningful action that can be taken in a forest setting we will remove the ramarama in the very publicly accessible location where we found it. This is to reduce the chance of spread by visitors brushing up against it. We have a long-term monitoring plan already in place. This is how we detected the disease, but it will also give us information about impacts over time.

**Titipounamu breeding season**

There have been over 100 titipounamu fledglings produced this season, 58 of which were banded as nestlings, and later confirmed as safely fledged in follow up monitoring (the others were in natural nests, which are much more difficult to count and monitor). With more fledglings able to be banded this season, this allowed for some interesting behavioural observations, including seeing some juveniles being fostered by an unrelated adult pair, who at the same time were caring for four of their own fledglings. Excitingly, some fledglings already appear to be pairing up, settling deeper into the south of the valley.



**Hihi in the valley**

Last year was a very poor year for one of our most endangered species, the hihi or stitchbird. This season has been much more productive. After the latest start ever to their season (possibly due to the cold, wet spring), there were 24 successful nests plus potentially 1-2 natural nests which produced over 60 fledglings. In addition, 86% of juveniles from last year are still alive, which is very high.

**RISK MANAGEMENT**

We regularly monitor our known and potential risks using the standard risk methodology, as detailed in the following table.

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

Of our major risks, we have identified 0 low risks, 0 medium risks and 4 high risks. All high risks have been mitigated.



## MEASUREMENT AGAINST TARGETS IN THE SOI 2020/21

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

Measure	2020/21 Quarter 3		2020/21 Annual	
	Actual	Target	Actual (YTD)	Target (YTD)
Visitation	29,363	23,038	92,870	55,862
Education Visits <sup>1</sup>	1,849	1,244	9,015	6,716

<sup>1</sup>Education visits are also included in total visitation numbers above.

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

Measure	Actual YTD	Annual Target 2020/21
Individual Members	18,502	11,200
Number of Volunteers	530	>490
Volunteer Satisfaction Survey	88%	> 80%
Percentage of Satisfied Visitors	94%	>95%

### Financial Performance Measures

Measure	Actual YTD	Annual Target 2020/21
Full cost per visitor (including WCC costs) <sup>2</sup>	TBC	\$15.29
Average subsidy per visit (Total WCC operating grant/all visitors)	\$7.26	\$12.85
Average revenue per visitation (excludes Council & Government grants)	\$28.00	\$27.01
Non-Council donations/funding	\$347,932	\$200,000
Net surplus (deficit) before depreciation and tax	\$271,749	\$57,320
Non-WCC grant revenues as a % of overall revenue	83%	>75%
Membership subscription revenue	\$360,717	\$324,700

<sup>2</sup>Awaiting YTD full cost (including WCC costs) figure from WCC.

## MEASUREMENT AGAINST TARGETS IN THE SOI 2020/21

### Conservation Programme (Annual Targets)

Measure	Target	YTD Actual	Comment
<b>Manawaroa. We actively restore ecosystem function to foster resilience</b>			
Number of fauna or flora species transferred into or out of the sanctuary, or 'topped up'	1	1	Target achieved. Pua o te Reinga, <i>Dactylanthus taylorii</i> , was translocated from Pureora in the first quarter
Percentage of the bird community that is native	80%	94%	Target met. Measured in October.
<b>Kaitiakitanga. We look after what we have alongside our many partners.</b>			
% of incursions into the mouse-free area eradicated, or under active response	100%	100%	Achieved. Mouse prints were found in October and later a mouse was trapped. Further mouse prints were found in December and the intruders were trapped. No indication since.
Mice maintained to target level	<10	1	On track. Mouse operation completed in July 2020, and index continues to be well below target level.
% pest animal incursions successfully eradicated, or under active response	100%	100%	On track. After some precautionary incursion responses and a pest audit there has been no indication of intruders so far this year.

Measures against Strategy Areas

Strategic Initiatives	Key performance indicators for 2020/21	Tracking 2020/21
<b>A place that treasures - He Wāhi Taonga</b>		
Implement the Sanctuary to Sea strategy with partners to achieve tangible outcomes for people, the forest and the water.	Removal of perch from the lower reservoir on track according to project plan.	On track.
Carry out perch removal in the lower lake, and progress key wetland restoration initiatives.	Partnerships with at least 10 community groups are active in the Sanctuary to Sea project.	On track.
Building our organisation's capacity to drive transformation.	A net surplus before depreciation and tax of \$57,320	On track. The quarter three YTD result for net operating surplus (deficit) before depreciation is tracking favourably by \$514,065 mainly due to unbudgeted government grants income of \$603,000.
Support ongoing cultural health monitoring carried out by mana whenua.	Non-WCC grant revenues equating to >75% of overall income	On track. We currently have Non-WCC grant revenues equating to 83% as at end of quarter three.
Develop smart initiatives to grow our people (staff, volunteers and interns), support systems and enduring financial vitality.	Membership subscriptions of \$324,700	Achieved. YTD income of \$360,717 as at 31 March 2021.
Continue to identify and implement opportunities to reduce waste through initiatives to reduce, reuse and recycle and to reduce our carbon footprint in line with the WCC's Te Atakura First to Zero Policy.	Full cost per visitor (including WCC costs) TBC	Awaiting YTD full cost (including WCC costs) figure from WCC.
Maintain our Carbon Zero accreditation and deliver good sustainability practices across the whole of the organisation.	Average WCC subsidy per visitor of no more than \$12.85	On track. Tracking favourably to target at \$7.26 as at 31 March.
Redevelop the ZEALANDIA website to provide a more relevant and integrated user experience across all aspects of our work including visitation, education, research, members and supporters. (On hold)	Average revenue per visitor of no less than \$27.01	On track. Tracking favourably to target at \$28.00 as at 31 March.

Strategic Initiatives	Key performance indicators for 2020/21	Tracking 2020/21
<p>Improve the facilities of the Pāteke Room conference facilities by installing sound proofing and conference lighting. (On hold)</p> <p>Improve the dining experience in Rātā Café by converting the balcony into a year-round facility and undertaking a refresh of furniture and décor.</p>	Non-Council donations/funding of \$200,000.	Achieved. YTD income of \$347,932 as at 31 March.
<b>A place that engages - He Wāhi Huihuinga</b>		
Continue development and delivery of signage and interpretation upgrades alongside overall visitor experience planning.	Visitor numbers – 70,000 separate visitations with breakdown of visitor demographics.	Achieved. ZEALANDIA has hosted 92,870 visitors as at 31 March.
Continue to provide activities and experiences for young people and families.	ZEALANDIA achieves a visitor satisfaction rating of 95% or greater.	On track. ZEALANDIA visitor satisfaction rating was 97% as measured from Trip Advisor and Google reviews feedback and 91% as measured by GetSmart.
Continue to grow our range of programmes and offerings to reach a wider cross-section of Wellington's diverse communities.	9,000 education engagements	Achieved with 9,015 education engagements as at 31 March 2021
Increase engagement opportunities for those with differing accessibility needs in line with the WCC Accessible Wellington Action Plan 2019.	11,200 members.	On track. ZEALANDIA had 18,502 members as at 31 March 2021.
We will participate in international research gatherings (e.g. workshops) to share our knowledge and solidify partnerships. (On hold)	Maintain > 490 volunteers and the range of avenues for people to volunteer.	Achieved. 530 volunteers currently in system across wide range of ages and backgrounds.
We will grow our corporate and philanthropic partnerships through key initiatives such as the Centre for People and Nature.	> 80% of volunteers are satisfied with their relationship with ZEALANDIA.	Achieved. 88% satisfaction in 2020 survey. 2021 survey now in planning.
<b>A place for learning - He Wāhi Mātauranga</b>		
Continue to grow and integrate Mātauranga Māori perspectives into all elements of ZEALANDIA project and programme development processes.	Deliver visitor, staff and volunteer programmes and activities for Matariki and Māori Language Week.	Achieved.
	Deliver activities and opportunities for staff and volunteers to increase their knowledge and confidence in te reo and te ao Māori.	On track. Internal development tools and processes being rolled out.

Strategic Initiatives	Key performance indicators for 2020/21	Tracking 2020/21
<p>Develop and grow relationships that enable closer partnerships with iwi and integration of Mātauranga Māori.</p> <p>Continue research focussed on understanding how changes to Wellington's biodiversity is affecting people, and how community-led conservation can gain environmental outcomes.</p> <p>Raise funds to support and expand our formal and informal education programmes, with a focus on opportunities for those less able to access conservation experiences and learning.</p>	<p>Incorporate bicultural and bilingual content in all new permanent signage and interpretation materials.</p> <p>Research programme on the relationship between people and nature in Wellington continues, with significant outputs in support of Predator Free Wellington and Wellington City Council.</p> <p>Continue to deliver valley-based and outreach learning programmes under our Ministry of Education LEOTC contract.</p>	<p>On track</p> <p>On track</p> <p>On track</p>
<p><b>A place that empowers - He Wāhi Whakamana</b></p>		
<p>Extend the reach of ZEALANDIA'S work and impact through partnerships and participation in community awareness and engagement programmes and projects beyond the fence.</p> <p>Provide learning and development opportunities for volunteers that are applicable both inside and outside the sanctuary.</p> <p>Increase the diversity of ZEALANDIA's partners and volunteers by working with and through a wider variety of community organisations.</p>	<p>Continue to expand the range of programmes and activities offered to schools and young people.</p>	<p>On track. 2021's inaugural Rāngai Rangatahi Youth Collective participants recruited and now beginning their programme</p>

**FINANCIAL PERFORMANCE**

Detailed financials are attached.

## Profit and Loss

**Karori Sanctuary Trust Inc.  
For the 3 months ended 31 March 2021**

	JAN-MAR 2021	OCT-DEC 2020	JUL-SEP 2020
<b>Income</b>			
<b>Trading Income</b>			
Admissions	186,487	191,514	100,856
Membership	117,947	129,907	112,863
Other trading revenue	486,976	528,465	384,644
Bad and Doubtful Debts Recovered	-	-	2,139
<b>Total Trading Income</b>	<b>791,410</b>	<b>849,886</b>	<b>600,502</b>
<b>Other Operating Income</b>			
WCC Grant	224,800	224,800	224,800
Living Wage WCC Funding	48,637	48,637	48,637
Sponsorships, grants and donations	358,181	501,256	152,965
<b>Total Other Operating Income</b>	<b>631,618</b>	<b>774,693</b>	<b>426,402</b>
<b>Non-Operating Income</b>			
Interest Income	371	5,321	4,741
<b>Total Non-Operating Income</b>	<b>371</b>	<b>5,321</b>	<b>4,741</b>
<b>Total Income</b>	<b>1,423,399</b>	<b>1,629,900</b>	<b>1,031,645</b>
<b>Operating Expenses</b>			
Salaries and Wages	989,177	901,430	810,693
Cost of Goods Sold	128,494	145,327	97,610
Other Operating Expenses	194,849	153,979	94,606
Trustee Expenses	32,994	32,986	32,724
Administration Costs	72,795	76,198	49,333
<b>Total Operating Expenses</b>	<b>1,418,309</b>	<b>1,309,920</b>	<b>1,084,966</b>
<b>Net Surplus/(Deficit) before Depreciation and Tax</b>	<b>5,089</b>	<b>319,980</b>	<b>(53,321)</b>
<b>Other Expenses</b>			
Depreciation Expense	87,808	88,773	88,862
<b>Total Other Expenses</b>	<b>87,808</b>	<b>88,773</b>	<b>88,862</b>
<b>Net Profit</b>	<b>(82,719)</b>	<b>231,207</b>	<b>(142,183)</b>

## Balance Sheet

Karori Sanctuary Trust Inc.

As at 31 March 2021

31 MAR 2021

Assets	
<b>Current Assets</b>	
Bank	4,362,822.84
Accounts Receivable	17,799.82
Prepayments	38,273.07
Stock on Hand	55,477.76
<b>Total Current Assets</b>	<b>4,474,373.49</b>
Fixed Assets	2,909,813.28
<b>Total Assets</b>	<b>7,384,186.77</b>
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable and Accruals	286,298.38
GST	12,188.75
Holiday Pay Accrued	128,792.60
Income in Advance	876,124.49
<b>Total Current Liabilities</b>	<b>1,303,404.22</b>
<b>Total Liabilities</b>	<b>1,303,404.22</b>
<b>Net Assets</b>	<b>6,080,782.55</b>
<b>Equity</b>	
Accumulated Funds	6,080,782.55
<b>Total Equity</b>	<b>6,080,782.55</b>



## Statement of Cash Flows

**Karori Sanctuary Trust Inc.  
For the 3 months ended 31 March 2021**

	JAN-MAR 2021	OCT-DEC 2020	JUL-SEP 2020
<b>Operating Activities</b>			
Receipts from customers	1,885,246	1,400,681	1,645,088
Payments to suppliers and employees	(1,417,159)	(1,331,704)	(1,286,093)
Interest received	371	5,321	4,741
Cash receipts from other operating activities	(108,497)	(54,978)	(76,684)
<b>Net Cash Flows from Operating Activities</b>	<b>359,961</b>	<b>19,320</b>	<b>287,051</b>
<b>Investing Activities</b>			
Payment for property, plant and equipment	(28,201)	(14,525)	(55,457)
<b>Net Cash Flows from Investing Activities</b>	<b>(28,201)</b>	<b>(14,525)</b>	<b>(55,457)</b>
<b>Net Cash Flows</b>	<b>331,760</b>	<b>4,795</b>	<b>231,594</b>
<b>Cash and Cash Equivalents</b>			
Cash and cash equivalents at beginning of period	4,029,245	4,024,450	3,792,856
Cash and cash equivalents at end of period	4,361,005	4,029,245	4,024,450
<b>Net change in cash for period</b>	<b>331,760</b>	<b>4,795</b>	<b>231,594</b>



**WELLINGTON CABLE CAR LIMITED**

PO Box 25094, Wellington 6140  
276 Lambton Quay, Wellington 6011  
Phone: +64 (4) 473 2721

Thursday, 08 April 2021

Council Controlled Organisations Sub-Committee  
Wellington City Council

**WCCL QUARTERLY REPORT (FY 2020-21 Q3)**

Dear Cllr Condie & Committee,

Below you'll find our Revenue, Passenger Numbers and Reliability targets with some commentary to support variances to budgets.

**SOI / Business Plan Targets**

Revenue	January	February	March	Q3 Total
SOI Target	\$ 151,442	\$ 136,918	\$ 151,694	\$ 440,051
Actual	\$ 194,998	\$ 135,678	\$ 127,761	\$ 458,436
<b>Q2 Variance</b>	<b>\$ 43,557</b>	<b>-\$ 1,240</b>	<b>-\$ 23,932</b>	<b>\$ 18,384</b>

Passenger Numbers	January	February	March	Q3 Total
SOI Target	59,307	50,900	56,401	163,614
Actual	67,033	49,174	39,910	156,117
<b>Q2 Variance</b>	<b>10,725</b>	<b>-1,732</b>	<b>-16,491</b>	<b>-7,497</b>

Reliability	January	February	March	Q3 Total
SOI Target	99.00%	99.00%	99.00%	99.00%
Actual	99.66%	99.82%	100.00%	99.83%
<b>Q2 Variance</b>	<b>0.66%</b>	<b>0.82%</b>	<b>1.00%</b>	<b>0.83%</b>

- Strong visitation in January to finish off a better than expected summer holiday period
- As expected, visitation slowed in February when kids returned to school
- Auckland returned to Level 3 lockdown (and Wellington to AL2) on the 28<sup>th</sup> of February and remained there until the 7<sup>th</sup> of March. The shut down impacted visitation (this is consistent with trends observed during previous lockdowns) and is clearly reflected in revenue.
- Cable Car considered whether it was eligible to apply for a wage subsidy, however the revenue drop was just under the qualifying threshold.
- Masks became compulsory on the Cable Car and from 28<sup>th</sup> of February. To facilitate compliance, we began to sell mask at the Ticket box & on the Cable Car. During Q3 we sold a total of 5200 masks.



Absolutely Positively  
**Wellington City Council**  
Me Heke Ki Pōneke

Fax+64 (04) 473 2710  
Email: [info@wellingtoncablecar.co.nz](mailto:info@wellingtoncablecar.co.nz)  
Web: [www.wellingtoncablecar.co.nz](http://www.wellingtoncablecar.co.nz)

WCCL Third Quarterly Report 2018/19

- The Q2 report discussed launching the **Take a Red Rocket to Space** combo in conjunction with Space Place. A targeted discounted product, which has proven to be a great success. In Q3, the promotion sold a further 462 tickets
- During February – March, the Cable Car hosted over a dozen performances of **WHAT IF THE CITY WAS A THEATRE?** This had an incremental upside on ticket sales, but great for exposure and injecting a different aspect to commuters journey
- We have almost exhausted our SuperGold subsidy, which means SuperGold travel is subsidised by the Cable Car until the 30th of June 2021

**Cesar Piotto**  
Chief Executive

Wellington Cable Car Limited  
Profit and Loss for the Period Ended 31 March 2021

**WELLINGTON CABLE CAR**

	Actual 2021 - Qtr 3 \$000	Budget 2021 - Qtr 3 \$000	Variance 2021 - Qtr 3 \$000	Actual 2020 - YTD \$000	Budget 2020 - YTD \$000	Variance 2020 - YTD \$000
Cable Car Income	455	436	19	1,241	938	302
Cable Car Operations	69	107	38	196	321	125
Cable Car Maintenance	18	34	16	282	315	33
Cable Car Wages	333	344	11	981	1,032	51
Depreciation	73	75	2	220	225	5
	493	560	68	1,679	1,893	214
<b>Operating Surplus / (Loss)</b>	<b>(38)</b>	<b>(124)</b>	<b>86</b>	<b>(438)</b>	<b>(954)</b>	<b>516</b>
Sundry Income	4	62	(58)	77	185	(108)
<b>External Activities Operating Contribution Surplus / (Loss)</b>	<b>4</b>	<b>62</b>	<b>(58)</b>	<b>77</b>	<b>185</b>	<b>(108)</b>
<b>Total Operating Contribution Surplus / (Loss)</b>	<b>(34)</b>	<b>(62)</b>	<b>28</b>	<b>(361)</b>	<b>(769)</b>	<b>408</b>
Administration Expenses	237	256	18	727	767	40
<b>WELLINGTON CABLE CAR - TOTAL SURPLUS / (LOSS) BEFORE TAX</b>	<b>(271)</b>	<b>(318)</b>	<b>47</b>	<b>(1,088)</b>	<b>(1,536)</b>	<b>448</b>
Tax Expense	201	0	201	(27)	0	(27)
<b>WELLINGTON CABLE CAR - TOTAL SURPLUS / (LOSS) AFTER TAX</b>	<b>(472)</b>	<b>(318)</b>	<b>(154)</b>	<b>(1,061)</b>	<b>(1,536)</b>	<b>476</b>
<b>The Total Surplus / (Loss) After Tax Consists of:</b>						
Total Income	458	498	(39)	1,318	1,123	195
Total Expenditure	(930)	(817)	(113)	(2,378)	(2,660)	282
	(472)	(318)	(154)	(1,061)	(1,536)	476

**Wellington Cable Car Limited  
Statement of Financial Position  
As at 31 March 2021**

	2021		2020	
	\$	\$	\$	\$
<b>ASSETS</b>				
<b>Current Assets</b>				
Bank Accounts Total	2,646,475		4,569,638	
Inventory	293,696		212,551	
Accounts Receivable less Provision	28,618		34,606	
Sundry Debtors & Prepayments	139,938		119,499	
RWT Deductions	49,906		31,948	
<b>Total Current Assets</b>		3,158,636		4,968,241
<b>Fixed Assets</b>				
Cable Car & Civil Works				
Cable Car Equipment (2%)	7,541,365		7,735,304	
Cable Car Equipment (10%)	884,222		872,905	
Cable Car Tracks & Wires	1,474,548		1,467,684	
Furniture & Fittings	45,053		85,186	
Computer Equipment	83,589		311,390	
Computer Software	34,900		217,712	
Overhead Equipment			79,506	
Overhead Wire System				
Motor Vehicles	68,851		228,907	
Fixed Asset Clearing Account	190,382		162,719	
Accumulated Depreciation	(2,923,899)		(3,527,481)	
<b>Total Fixed Assets</b>		7,399,009		7,633,833
<b>TOTAL ASSETS</b>		10,557,644		12,602,073
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	46,540		68,535	
Accruals	257,986		229,836	
GST TOTAL	4,471		28,477	
PAYE Suspense	23,473		13,876	
Prebilled charges TOTAL	825		413,575	
Credit Card	5,245		2,985	
Covid-19 Wage Subsidy				
<b>Total Current Liabilities</b>		338,539		757,285
<b>Non Current Liabilities</b>				
Provision for Income Tax	(0)		(68,379)	
Deferred Tax Liability	703,587		1,024,366	
Sundry Creditors	186			
Telecom Lease/Rentals				
<b>Total Non Current Liabilities</b>		703,773		955,988
<b>TOTAL LIABILITIES</b>		1,042,312		1,713,273
<b>NET ASSETS</b>		9,515,332		10,888,801
<b>SHAREHOLDER'S FUNDS</b>				
Ordinary Shares	7,434,846		7,434,846	
Retained Earnings	3,235,366		3,535,002	
Revaluation Reserve				
Tax on Equity Items				
<b>Less: Dividend Paid</b>	(94,306)		(94,306)	
Current Year Earnings	(1,060,574)		13,259	
<b>TOTAL SHAREHOLDER'S FUNDS</b>		9,515,332		10,888,801

**Wellington Cable Car Limited**  
**Statement of Cashflows**  
**For the Period Ended 31 March 2021**

	<b>Period Ended 31 March 2021</b>
<b>Cash flows from operating activities</b>	
<u>Cash was received from:</u>	
Operating receipts	1,577
<u>Cash was disbursed to:</u>	
Payments to suppliers and employees	(2,845)
Payment of Tax	81
Subvention Payment	-
GST	86
Net cash inflow / (outflow) from operating activities	<b>(1,100)</b>
<b>Cash flows from investing activities</b>	
<u>Cash was received from:</u>	
Investments	
Interest received	39
Sale of Fixed Assets	
<u>Cash was applied to:</u>	
Purchase of fixed assets	(77)
Net cash inflow / (outflow) from investing activities	<b>(39)</b>
<b>Cash flows from financing activities</b>	
<u>Cash was received from:</u>	
Term Loan	
<u>Cash was applied to:</u>	
Payment of Dividend	(0)
Term Loan	-
Net cash inflow/(outflow) from financing activities	<b>(0)</b>
Net Increase/(decrease) in Cash held	<b>(1,139)</b>
Opening Cash Balance	3,786
Closing Cash Balance	<b>2,646</b>

**Wellington Cable Car Limited  
Cashflow Reconciliation Statement  
For the Period Ended 31 March 2021**

	Period Ended 31 March 2021
Net Profit/(Loss) before tax	(1,088)
<b>Add non cash items:</b>	
Movement in provision for impairment of doubtful debts	-
Depreciation	220
Impairment/revaluation	-
(Gain)/Loss on Assets sold/disused	-
	(868)
<b>Add / (deduct) movements in Working Capital:</b>	
(Increase) / Decrease in accounts receivable & other assets	291
Increase / (Decrease) in accounts payable & other accruals	(614)
(Increase) / Decrease in inventory	37
<b>Add / (deduct) investing activities:</b>	
Net (gain) / loss on sale of assets	3
Net (receipt) / payment interest income	(30)
Net receipt / (payment) withholding tax	81
Net receipt / (payment) Subvention Payment	-
Net (receipt) / payment Income Tax	-
<b>Add / (deduct) Financing activities:</b>	
Net receipt / (payment) of Dividend	-
Net (receipt) / payment of Finance Leases	-
Net cash inflow from operating activities	(1,100)

**Experience Wellington 2020-21**

**Quarter Three Visitor Numbers & Highlights Report to Council**

as at 31 March 2021



**Visitor Numbers**

Institution	2020-21 Target	YTD Visitor Numbers	% of Annual Target	Q3 Target	Q3 Visitor Numbers Achieved	% of Q3 Target
City Gallery Wellington	56,200	63,955	114%	13,400	19,177	143%
Wellington Museum	56,000	74,724	133%	20,500	26,355	129%
Capital E	45,500	41,306	91%	9,750	13,976	143%
Cable Car Museum	79,000	85,476	108%	25,500	28,490	112%
Space Place	24,000	28,795	120%	8,000	7,313	91%
Nairn Street Cottage	1,000	261	26%	500	154	31%
<b>TOTAL</b>	<b>261,700</b>	<b>294,517</b>	<b>113%</b>	<b>77,850</b>	<b>95,465</b>	<b>123%</b>

NB. All sites, with the exception of Nairn Street Cottage, fully reopened under normal operating hours from 6 July 2020. Our 2020-21 targets are based on a COVID-19 operating environment of closed borders and no international visitors.

**QUARTER THREE – JANUARY, FEBRUARY, MARCH 2021**

**Commentary on Variation Against Target:**

123% of the Q3 target (95,465) was achieved with 77,650 visits. As at quarter-end we have received a total of 294,517 visitors, a total of 113% of the annual target for 2020-21. This compares to Q3 of 2019-20 with 519,854 visits or 78% of the 2019-20 annual target (noting some impact from COVID-19 in Q3 of 2019-2020).

- **City Gallery Wellington:** 112% of Q3 target was achieved, with events such as Open Late contributing to the numbers.
- **Wellington Museum:** Visitor numbers are tracking well, with 129% of the Q3 target achieved, assisted by venues hire and a vibrant programme of events.
- **Capital E:** 143% of Q3 target achieved. School bookings, as well as visitation to PlayHQ have been consistent, supported by high attendance for Children’s Day.
- **Cable Car Museum:** While better than forecast, this is significantly lower than 2019-20 due to the absence of international visitors.
- **Space Place:** Closed during February while remedial work, including refurbishment of the steel windows and painting of the Dome was undertaken by Council contractors. School bookings have been consistent.
- **Nairn Street Cottage:** Extra precautions in a Covid-19 environment have had an impact on staffing Museums Wellington sites. As a result, the hours and days of opening Nairn Street Cottage were at times reduced to enable staff to be redeployed to busier sites, affecting visitor numbers.

**Programme Highlights:**

- **Wellington Museum** proudly supported a diverse range events this quarter, including *Women of Significance*, various events supporting *Pride Month*, and the debut of *The Eternal Queens*: New Zealand first all-queer, all-people of colour play. Planning continues for *Wellington on a Good Day*, the replacement for *Telling Tales*.
- **Space Place:** During the closure period, the Space Place team were able to pilot new tools and processes with our new business systems rollout.
- **City Gallery Wellington:** *Every Artist* opened at City Gallery Wellington: an exhibition of local, national, and international artists who rethink, remap, queer, and even gamify the history of art. Berlin-based artist Marianna Simnett’s *CREATURE* opened in March, her largest solo show to date. The gallery’s new initiative, ‘*A Curiously Good Art Club*’, supported by the Wright Family Trust launched on 28 March and was fully subscribed.
- **Capital E’s** National Theatre for Children’s show *The Lost Letter Office* continued its postponed 2020 tour through the North Island during Level’s 1 & 2, before ending the tour at Te Papa’s Sounding Theatre. Supported by Council, *Children’s Day* provided a vibrant programme for over 3000 visitors and featured child-led performances including Virtuoso Strings and Star Jam, as well as MC Hugo Grrrl, and Kozo Kaos. The first of the *Baby Rock & Rhyme* programme series was delivered in Capital E’s PlayHQ as a part of new weekly Term Time Activities in collaboration with the Wellington City Libraries team.

**Priority Projects:**

- **The Navigators:** Guidance from Pacific and European navigation experts has provided a strong foundation as we move forward into film production. Excellent support and contributions from key Wellington organisations has seen the budget has stay on track with no additional or unexpected costs. We are planning for the official launch of the film in



late June 2021, alongside additional complimentary activities including educational resources, short 'behind the scenes' film clips, panel talks with the creators, celestial navigation expert talks and a whānau open day. These will be featured over the six months post-launch to maintain profile and awareness, as well as offering unique programming for our Wellington audiences.

- The announcement for **City Gallery Wellington's next high value international art exhibition** was made public on 30 March. *Hilma af Klint: The Secret Paintings* is set to be on display between 4 December 2021 – 27 March 2022 and these dates will let us scoop up the Christmas holidays, the Arts Festival, and Women's Cricket World Cup. Strong media coverage has assisted in over 1300 email registrations. Discussions continue with potential sponsors, alongside planning with Council and Wellington NZ.
- A temporary solution has been put in place to address **staff accommodation** issues, with the Corporate Services Team, including the Chief Executive, now co-locating with Wellington Cable Car at 276 Lambton Quay. This provides us with a short-term solution to address issues highlighted in our staff engagement survey.
- **Wellington Museum Development:** Councillors have reviewed project recommendations and progressed the 'staged' (above ground works) option in the draft Long-Term Plan. This option will improve building resilience to approximately 45% NBS costing \$20.92m and includes Museum decant and reinstate. With visitor experience work (exhibitions/fit-out) costs of \$6.6m to be funded by Experience Wellington, the staged project total cost is \$27.52m. Spend to date encompasses the design team consultants and staff resource to be capitalised. Management continues to consult Council about recouping work in progress costs to date.

The project start date will be determined by the LTP process. Council has indicated project funding availability from Year 2 (2022-23 FY). If funding is approved and consents granted, Museum decant would likely occur in April 2023 (Q4 FY 2022-23), with construction commencing in July 2023 (Q1 of FY 2023-24). The staged option includes building closure of approximately 21 months with the Museum reopening in January 2025 (Q3 FY 2024-25).

- **Future E:** The Head of Children & Young People and the Chief Executive attended a series of workshops with Wellington City Libraries staff and Athfield Architects to develop the vision for the reimagined Central Library Te Matapihi. In addition, they visited Tūranga, the new library in Christchurch and Christchurch Art Gallery to explore the spaces and the impact of Tūranga on existing cultural institutions. The next steps are to develop a Heads of Agreement that outlines the obligations of both parties as the co-location plans are advanced into the next stage of planning by Athfields.
- **Business System Review** The staged rollout of our new tools and systems has begun, with Space Place being the first institution to pilot the infrastructure. The team are meeting regularly to iron out implementation snags and build processes that provide a consistent approach across Experience Wellington. Roll out across all sites aims to be complete by 30 June 2021.

**December - January School Holidays:**

School holiday programmes and a number of family friendly workshops were provided at our sites over the summer period.

**Dr Sarah Rusholme**  
Chief Executive

## Key Result Indicators 2020-21

Update on Progress against Targets, as at 31 March 2021 (Q3)



### OUR CITY

**City Residents' Awareness:** The number of Wellingtonians who know about our institutions as assessed through the Annual Residents' Survey conducted by Council.

Residents' Awareness	2020-2021 Target	2020-2021 Result
City Gallery Wellington	95%	
Wellington Museum	95%	
Capital E	90%	
Cable Car Museum	95%	
Space Place	92%	
Nairn Street Cottage	54%	

### OUR VISITORS

**Physical Visitation:** The total number of visits to institutions including general public, education and function attendees. The annual target is reviewed each year and benchmarked against the average visitation for the institution during the previous three years.

Visitor Numbers	2020-21 Target	2020-21 YTD Result	H1 Target	H1 Result	H2 Target	H2 Result	Q3 Target	Q3 Result	H3 Target	H3 Result
City Gallery Wellington	56,200	63,955	11,200	20,451	13,400	24,327	13,400	19,177	18,200	
Wellington Museum	56,000	74,724	9,000	22,314	12,500	26,055	20,500	26,355	14,000	
Capital E	45,500	41,306	9,250	10,785	12,500	16,545	9,750	13,976	14,000	
Cable Car Museum	79,000	85,476	17,500	21,954	17,500	35,032	25,500	28,490	18,500	
Space Place	24,000	28,795	4,000	10,183	6,000	11,299	8,000	7,313	6,000	
Nairn Street Cottage	1,000	261	0	0	250	107	500	154	250	
<b>Experience Wellington Total</b>	<b>261,700</b>	<b>294,517</b>	<b>50,950</b>	<b>85,678</b>	<b>62,150</b>	<b>113,365</b>	<b>77,650</b>	<b>95,465</b>	<b>70,950</b>	

*City Gallery visitation may be affected by earthquake strengthening of the Town Hall.  
Targets reflect the current COVID-19 environment of closed borders and no international visitors.*

## Key Result Indicators 2020-21

Update on Progress against Targets, as at 31 March 2021 (Q3)



**Virtual Visitation:** The total number of unique user visits to institutional web/mobile sites.

Virtual Visitation	2020-21 Target	2020-21 YTD Result	Q1 Result	Q2 Result	Q3 Result	YTD Result
City Gallery Wellington	78,000	66,372	20,115	22,285	23,972	
Museums Wellington	110,000	99,684	38,090	31,456	30,138	
Capital E	35,000	40,299	15,227	12,982	12,090	
<b>Experience Wellington Total</b>	<b>223,000</b>	<b>206,355</b>	<b>73,432</b>	<b>66,723</b>	<b>66,200</b>	

**Social Media Profile:** A snapshot of Facebook friends, Instagram and Twitter followers.

Social Media Profile	2020-21 Target	Q1 Snapshot	Q2 Snapshot	Q3 Snapshot	YTD Snapshot
City Gallery Wellington	41,500	41,744	42,125	42,914	
Museums Wellington	13,500	13,902	14,468	14,915	
Capital E	9,500	9,395	9,521	9,665	
Space Place	10,800	10,376	10,502	10,541	
Nairn Street Cottage (FB page only)	-	549	562	565	
<b>Experience Wellington Total</b>	<b>75,300</b>	<b>75,966</b>	<b>77,178</b>	<b>78,600</b>	

The target for Museums Wellington and Nairn Street Cottage is a combined target of 13,500

**Repeat Visitation:** the number of visitors who have visited the institution at least once in the previous twelve months.

Repeat Visitation	Q1 Result	Q2 Result	Q3 Result	Q4 Result
City Gallery Wellington	50%	20%	76%	
Wellington Museum	35%	78%	53%	
Capital E	80%	58%	49%	
Cable Car Museum	31%	43%	25%	
Space Place	31%	46%	23%	

NOTE: This KRI is not included in the 2020-21 SOI but we will continue to monitor repeat visitation internally as a management tool.

## Key Result Indicators 2020-21

Update on Progress against Targets, as at 31 March 2021 (Q3)



**Quality of Visit:** Visitor feedback based on comfort, access, experience, knowledge gained, the friendliness of staff, the length of visit and overall enjoyment.

Quality of the Visitor Experience	2020-21 Target	2020-21 Result	Q1 Result	Q2 Result	Q3 Result	YTD Result
City Gallery Wellington	88%		83%*	88%	86%	
Wellington Museum	90%		88%	86%	89%	
Capital E	90%		93%	97%	96%	
Cable Car Museum	80%		83%	81%	80%	
Space Place	90%		88%	91%	90%	
Nairn Street Cottage	90%		N/A	-	-	

\*Over this quarter very little visitor data (43 surveys) was collected at City Gallery Wellington due to a combination of lower attendance and higher repeat visitation.

**Children & Young People Visiting for a Learning Experience:** The number of students as part of a booked group visiting institutions for learning experiences. The delivery of LEOTC is part-funded by the Ministry of Education.

Learning Experience Visitors	2020-21 Target	2020-21 YTD Result	Q1 Result	Q2 Result	Q3 Result	YTD Result
City Gallery Wellington	4,500	1,852	467	933	452	
Museums Wellington	3,500	2,795	629	1,464	702	
Capital E	10,000	9,604	1,664	5,823	2,117	
Space Place	3,000	2,776	948	1,716	112	
<b>Experience Wellington Total</b>	<b>21,000</b>	<b>17,027</b>	<b>3,708</b>	<b>9,936</b>	<b>3,383</b>	

Museums Wellington includes the Wellington Museum, Cable Car Museum and Nairn Street Cottage.

Please note that the Capital E numbers for the table Children & Young People Visiting for a Learning Experience include our education experiences (Digital offerings are funded by LEOTC, National Theatre for Children is funded by Creative New Zealand).

## Key Result Indicators 2020-21

Update on Progress against Targets, as at 31 March 2021 (Q3)



### OUR SUSTAINABILITY

**Non-Council Revenue:** The total amount of revenue generated from non-Council sources.

Trading (\$'000)	2020-21 Target	2020-21 Result	Q1 Result	Q2 Result	Q3 Result	Q3 % Result
City Gallery Wellington	99	157	37	83	37	
Museums Wellington	144	386	128	139	119	
Capital E	127	99	28	46	25	
Space Place	136	343	104	141	98	
<b>Sub Total</b>	<b>506</b>	<b>985</b>	<b>297</b>	<b>409</b>	<b>279</b>	
Sub-letting, Interest & Other	30	2.3	0.7	0.8	0.8	
<b>Experience Wellington Total</b>	<b>536</b>	<b>987</b>	<b>298</b>	<b>409</b>	<b>280</b>	
Fundraising (\$'000)	2020-21 Target	2020-21 Result	Q1 Result	Q2 Result	Q3 Result	Q3 % Result
City Gallery Wellington	395	163	115	98	(50)	
Museums Wellington	100	100	45	32	23	
Capital E	942	1139	153	225	761	
Space Place	485	361	26	28	306	
<b>Experience Wellington Total</b>	<b>1921</b>	<b>1763</b>	<b>339</b>	<b>425</b>	<b>1,040</b>	

Museums Wellington includes the Wellington Museum, Cable Car Museum and Nairn Street Cottage.

\*\*A number of projects scheduled for FY2019-20 were postponed due to COVID-19 restrictions and have been rolled over into FY2020-21.

**Spend per Visitor:** Visitor related revenue (admissions and sales).

Spend per Visitor (\$)	2020-21 Target	2020-21 Result	Q1 Result	Q2 Result	Q3 Result	Q3 % Result
City Gallery Wellington	1.76	2.45	1.83	3.40	1.92	
Museums Wellington	1.06	2.41	2.89	2.27	2.17	
Capital E	2.79	2.40	2.60	2.75	1.82	
Space Place	5.67	11.92	10.24	12.48	13.38	
<b>Experience Wellington Total</b>	<b>1.93</b>	<b>3.35</b>	<b>3.48</b>	<b>3.60</b>	<b>2.94</b>	

Museums Wellington includes Wellington Museum, Cable Car Museum and Nairn Street Cottage.

## Key Result Indicators 2020-21

Update on Progress against Targets, as at 31 March 2021 (Q3)



### OUR PEOPLE

	2020-21 Target	2020-21 Result
Health and Safety	No preventable serious harm incidents involving workers or visitors as defined by the Health and Safety at Work Act 2015.	

	2020-21 Target	2020-21 Result
Staff Satisfaction	At least 77% of staff are engaged with the organisation as indicated through the annual Staff Engagement Survey.	

### OUR HERITAGE

**Collection Development:** Our Heritage Collections contribute to our understanding of Wellington's identity; its history, art and creativity which include visitors to some of Wellington's most important heritage sites (see visitor number KRI).

	2020-21 Target	2020-21 Result
New to the Collection	200	
Collection Assessment	800	
Collection Accessibility	10%	

*New to the Collection: Commissions, acquisitions or donations of an item or a collection of items that have been accessioned into the collection.*

*Collection Assessment: The number of items (individual or type e.g. lifebuoys) that are reviewed for retention or disposal.*

*Collection Accessibility: The % of the Collection that is on display, on loan, used for research purposes or accessed through other mediums such as online.*

## Key Result Indicators 2020-21

Update on Progress against Targets, as at 31 March 2021 (Q3)



### COUNCIL'S SUBSIDY PER VISIT

The Council subsidy per physical visitor is calculated first by dividing the number of forecast visits into the operating grant received from Council (Table 1). Council's ownership costs such as insurance, maintenance and depreciation are then added (Table 2) to provide an estimate of the full subsidy per visit. The information regarding ownership costs is supplied by Council.

Table 1: Operating subsidy per visit

Subsidy per Visit (\$)	2020-21 Target	2020-21 Result	Q1 Result	Q2 Result	Q3 Result	Q3 Result
City Gallery Wellington	43.34	28.80	28.30	25.50	35.68	
Museums Wellington	15.52	9.95	11.33	8.79	10.78	
Capital E	39.26	32.70	39.36	32.63	35.90	
Space Place	23.56	9.94	9.37	8.44	13.05	
<b>Experience Wellington Total</b>	<b>29.47</b>	<b>20.98</b>	<b>22.53</b>	<b>17.35</b>	<b>23.91</b>	

Subsidy per Visit forecast is based on the probable percentage of the operating grant received from Council as follows:

City Gallery Wellington – 30%

Museums Wellington (Wellington Museum, Cable Car Museum and Nairn Street Cottage) – 26%

Capital E – 22%

Space Place – 4.9% plus the cash underwrite

Central services provided through the Executive Office – 17.1%

Table 2: Full subsidy per visit inclusive of Council's ownership costs

Full Subsidy per Visit (\$)	2020-21 Target	2020-21 Result
City Gallery Wellington	46.87	
Museums Wellington	16.79	
Capital E	42.46	
Space Place	23.56	
<b>Experience Wellington Total</b>	<b>31.93</b>	

Council's estimated ownership costs are supplied by Council.

## Statement of Financial Performance

### Experience Wellington

For the 3 months ended 31 March 2021

	MARCH QTR ACT	MARCH QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	2019 YTD
<b>Trading Income</b>						
Trading Income	280,208	262,821	986,850	550,554	775,478	1,759,347
WCC Operating Grant	1,930,377	1,930,215	5,791,132	5,790,645	7,720,868	5,618,160
WCC Rental Subsidy	442,245	442,251	1,326,735	1,326,753	1,769,004	1,326,735
Sponsorship and Donations	(54,620)	15,999	68,557	110,497	276,496	63,932
Grants Other	1,140,767	673,475	1,781,389	1,298,654	1,644,737	967,939
Investment Income	892	10,720	2,379	25,720	30,000	21,889
Other Income	412,102	25,864	414,008	77,694	287,758	68,842
<b>Total Revenue</b>	<b>4,151,972</b>	<b>3,361,345</b>	<b>10,371,049</b>	<b>9,180,517</b>	<b>12,504,341</b>	<b>9,826,844</b>
<b>Cost of Sales</b>						
Cost of Sales (Trading Income)	47,108	102,485	267,814	216,161	270,397	542,893
Openings - Exhibitions & Programmes	259	-	1,348	20,000	21,290	12,291
<b>Total Cost of Sales</b>	<b>47,367</b>	<b>102,485</b>	<b>269,161</b>	<b>236,161</b>	<b>291,687</b>	<b>555,185</b>
<b>Net Revenue</b>	<b>4,104,605</b>	<b>3,258,860</b>	<b>10,101,888</b>	<b>8,944,356</b>	<b>12,212,654</b>	<b>9,271,660</b>
<b>Operating Expenses</b>						
Employee Costs	2,043,120	1,681,158	5,438,710	5,036,201	6,717,529	4,875,801
Council Rent	334,621	334,707	1,003,864	1,004,121	1,338,828	1,003,864
Exhibitions & Programmes	770,905	542,046	1,797,626	1,375,880	2,210,543	1,316,320
Marketing & Promotions	106,991	157,511	280,613	475,272	633,459	392,726
Occupancy Costs	281,827	296,766	898,508	897,783	1,188,918	864,811
Communication Costs	22,137	25,258	72,736	75,054	101,114	97,970
Trustee Fees and Expenses	24,000	23,550	72,000	70,650	94,200	71,030
Technology Costs	88,358	38,239	192,094	128,374	168,381	144,013
Professional Fees	78,568	63,740	119,844	191,217	254,967	48,800
Administration Fees	46,905	51,944	131,313	163,061	212,688	162,520
Depreciation	117,836	129,950	373,791	389,852	519,800	392,329
Bad Debts	112	-	112	-	-	-
<b>Total Operating Expenses</b>	<b>3,915,382</b>	<b>3,344,869</b>	<b>10,381,211</b>	<b>9,807,465</b>	<b>13,440,427</b>	<b>9,370,183</b>
<b>Net Surplus/(Deficit)</b>	<b>189,223</b>	<b>(86,009)</b>	<b>(279,322)</b>	<b>(863,109)</b>	<b>(1,227,773)</b>	<b>(98,523)</b>



## Statement of Financial Performance (Executive Office)

Experience Wellington  
For the 3 months ended 31 March 2021

Institution is 10 Trust Office.

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2019
<b>Trading Income</b>						
Trading Income	(1,137)	-	(833)	-	-	2,038
WCC Operating Grant	1,834,963	1,834,875	5,504,888	5,504,625	7,339,508	5,337,748
Sponsorship and Donations	50	-	130	-	-	35
Grants Other	27,000	-	32,000	-	-	10,000
Investment Income	892	10,720	2,379	25,720	30,000	21,889
Other Income	18,278	-	19,778	-	-	-
Grants - Living Wage	18,070	-	54,210	-	-	40,000
<b>Total Revenue</b>	<b>1,898,117</b>	<b>1,845,595</b>	<b>5,612,553</b>	<b>5,530,345</b>	<b>7,369,508</b>	<b>5,411,710</b>
<b>Cost of Sales</b>						
Cost of Sales	705	-	1,095	-	-	4,631
<b>Total Cost of Sales</b>	<b>705</b>	<b>-</b>	<b>1,095</b>	<b>-</b>	<b>-</b>	<b>4,631</b>
<b>Net Revenue</b>	<b>1,897,412</b>	<b>1,845,595</b>	<b>5,611,457</b>	<b>5,530,345</b>	<b>7,369,508</b>	<b>5,407,079</b>
<b>Other Income</b>						
WCC Underwrite	333,875	-	333,875	-	-	-
<b>Total Other Income</b>	<b>333,875</b>	<b>-</b>	<b>333,875</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operating Expenses</b>						
Employee Costs	740,937	468,996	1,789,068	1,406,988	1,875,989	608,358
Exhibitions & Programmes	200	-	400	-	-	525
Marketing & Promotions	102,519	146,730	262,253	440,179	586,915	22,418
Occupancy Costs	32,839	20,250	70,234	60,750	81,000	63,116
Communication Costs	9,427	7,200	20,962	21,600	28,800	24,494
Trustee Fees and Expenses	24,000	23,550	72,000	70,650	94,200	71,030
Technology Costs	71,854	27,750	168,358	83,250	111,000	120,959
Professional Fees	57,428	23,700	74,895	71,100	94,800	32,907
Administration Fees	3,613	3,390	11,241	10,670	14,510	13,382
Depreciation	21,379	27,000	79,945	81,000	108,000	86,913
Bad Debts	112	-	112	-	-	-
<b>Total Operating Expenses</b>	<b>1,064,308</b>	<b>748,566</b>	<b>2,549,469</b>	<b>2,246,187</b>	<b>2,995,214</b>	<b>1,044,103</b>
<b>Net Surplus/(Deficit)</b>	<b>1,166,978</b>	<b>1,097,029</b>	<b>3,395,863</b>	<b>3,284,158</b>	<b>4,374,294</b>	<b>4,362,976</b>

## Statement of Financial Performance (Museums Wellington)

Experience Wellington  
For the 3 months ended 31 March 2021

Institution is 20 Museum, 22 Naim St, 21 Cable Car.

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2019
<b>Trading Income</b>						
<b>Trading Income</b>						
Admissions	10,886	-	23,505	-	-	37,023
Bar	2,064	-	3,811	-	-	4,062
Membership	-	-	-	-	-	197
Retail Sales	51,708	86,310	230,572	184,949	246,599	633,941
Royalty/Production/Tour fees	6,000	-	6,000	-	-	-
Venue Hire	48,832	17,499	122,141	37,499	50,000	107,223
<b>Total Trading Income</b>	<b>119,490</b>	<b>103,809</b>	<b>386,028</b>	<b>222,448</b>	<b>296,599</b>	<b>782,446</b>
WCC Rental Subsidy	175,456	175,455	526,369	526,365	701,820	526,369
Sponsorship and Donations	6,700	-	21,724	-	-	34,405
Grants	16,438	25,107	78,471	75,321	100,432	83,834
Other Income	3,921	-	5,814	-	-	4,209
Contractors fees On-charged	-	-	153	-	-	-
<b>Total Revenue</b>	<b>322,005</b>	<b>304,371</b>	<b>1,018,559</b>	<b>824,134</b>	<b>1,098,851</b>	<b>1,431,262</b>
<b>Cost of Sales</b>						
Cost of Sales	4,168	67,212	146,918	127,583	152,962	324,119
Openings - Exhibitions & Programmes	128	-	248	-	-	1,032
<b>Total Cost of Sales</b>	<b>4,296</b>	<b>67,212</b>	<b>147,167</b>	<b>127,583</b>	<b>152,962</b>	<b>325,151</b>
<b>Net Revenue</b>	<b>317,709</b>	<b>237,159</b>	<b>871,392</b>	<b>696,551</b>	<b>945,889</b>	<b>1,106,111</b>
<b>Operating Expenses</b>						
Employee Costs	505,475	359,849	1,224,796	1,075,479	1,436,510	1,236,189
Council Rent	175,456	175,458	526,369	526,374	701,832	526,369
Exhibitions & Programmes	238,321	49,992	298,549	143,536	206,301	107,042
Marketing & Promotions	1,383	4,187	2,179	12,826	17,101	78,182
Occupancy Costs	76,858	85,728	242,895	257,593	341,732	249,025
Communication Costs	8,793	6,396	33,921	19,080	26,336	38,287
Technology Costs	1,739	3,051	5,174	9,978	11,886	5,422
Professional Fees	-	125	5,651	375	510	1,151
Administration Fees	9,639	13,901	29,113	41,693	54,707	50,323
Depreciation	74,218	82,500	222,230	247,500	330,000	233,147
<b>Total Operating Expenses</b>	<b>1,091,883</b>	<b>781,187</b>	<b>2,590,877</b>	<b>2,334,434</b>	<b>3,126,915</b>	<b>2,525,138</b>
<b>Net Surplus/(Deficit)</b>	<b>(774,174)</b>	<b>(544,028)</b>	<b>(1,719,485)</b>	<b>(1,637,883)</b>	<b>(2,181,026)</b>	<b>(1,419,026)</b>

## Statement of Financial Performance ( Space Place)

### Experience Wellington

For the 3 months ended 31 March 2021

Institution is 26 Space Place.

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2019
<b>Trading Income</b>						
<b>Trading Income</b>						
Admissions	57,711	2,100	208,746	75,000	99,999	270,813
Bar	2,921	3,000	11,348	-	-	12,752
Membership	976	900	3,804	-	-	4,322
Retail Sales	16,670	29,901	60,585	18,751	25,000	76,758
Royalty/Production/Tour fees	-	11,500	-	-	-	-
Venue Hire	19,595	13,800	58,667	22,500	30,000	85,227
<b>Total Trading Income</b>	<b>97,873</b>	<b>61,201</b>	<b>343,150</b>	<b>116,251</b>	<b>154,999</b>	<b>449,872</b>
WCC Operating Grant	95,414	-	286,243	286,020	381,360	280,411
WCC Rental Subsidy	-	159,165	-	-	-	-
Sponsorship and Donations	157	15,000	286	-	-	1,558
Grants	306,129	20,520	360,391	461,520	484,698	66,319
Other Income	-	21,540	-	-	184,000	-
Wages On-charged	-	400	-	-	-	-
Contractors fees On-charged	-	300	-	-	-	-
<b>Total Revenue</b>	<b>499,573</b>	<b>278,126</b>	<b>990,071</b>	<b>863,791</b>	<b>1,205,057</b>	<b>798,160</b>
<b>Cost of Sales</b>						
Cost of Sales	11,685	17,674	44,341	14,251	19,000	34,299
Openings - Exhibitions & Programmes	-	-	-	-	-	347
<b>Total Cost of Sales</b>	<b>11,685</b>	<b>17,674</b>	<b>44,341</b>	<b>14,251</b>	<b>19,000</b>	<b>34,646</b>
<b>Net Revenue</b>	<b>487,888</b>	<b>260,452</b>	<b>945,730</b>	<b>849,540</b>	<b>1,186,057</b>	<b>763,514</b>
<b>Other Income</b>						
WCC Underwrite	-	-	2,336	-	-	988
<b>Total Other Income</b>	<b>-</b>	<b>-</b>	<b>2,336</b>	<b>-</b>	<b>-</b>	<b>988</b>
<b>Operating Expenses</b>						
Employee Costs	153,286	409,395	504,815	588,565	784,772	501,857
Exhibitions & Programmes	194,011	174,465	400,828	78,652	130,756	106,819
Marketing & Promotions	527	7,950	666	43,835	59,703	50,956
Occupancy Costs	12,941	220,899	47,963	64,276	85,224	52,516
Communication Costs	190	5,850	3,945	7,770	10,322	7,984
Technology Costs	13,479	4,200	15,524	1,800	2,497	6,771
Professional Fees	-	900	373	-	-	-
Administration Fees	6,282	19,410	13,556	14,801	19,654	17,909
Depreciation	1,003	8,700	2,525	8,252	11,000	4,259
<b>Total Operating Expenses</b>	<b>381,718</b>	<b>851,769</b>	<b>990,194</b>	<b>807,951</b>	<b>1,103,928</b>	<b>749,070</b>

Statement of Financial Performance (Space Place)

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2019
<b>Net Surplus/(Deficit)</b>	106,170	(591,317)	(42,128)	41,589	82,129	15,432

## Capital E

### Experience Wellington For the 3 months ended 31 March 2021

Institution is 30 Capital E.

	QTR ACT	QTR BUDGET	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2019
<b>Trading Income</b>						
<b>Trading Income</b>						
Admissions	19,660	39,308	79,395	69,674	139,908	117,734
Retail Sales	2,751	1,754	8,337	4,384	6,000	9,279
Royalty/Production/Tour fees	202	-	550	-	-	88
Venue Hire	2,804	2,500	10,686	5,500	7,500	16,392
<b>Total Trading Income</b>	<b>25,417</b>	<b>43,562</b>	<b>98,967</b>	<b>79,558</b>	<b>153,408</b>	<b>143,493</b>
WCC Rental Subsidy	107,624	-	322,871	-	-	322,871
Sponsorship and Donations	2,158	999	10,752	2,997	3,996	7,678
Grants	759,330	211,633	1,128,607	670,252	937,526	686,238
Other Income	522	3,624	2,222	10,872	14,496	18,842
<b>Total Revenue</b>	<b>895,051</b>	<b>259,818</b>	<b>1,563,419</b>	<b>763,679</b>	<b>1,109,426</b>	<b>1,179,122</b>
<b>Cost of Sales</b>						
Cost of Sales	3,029	10,950	15,867	20,607	26,891	30,468
Openings - Exhibitions & Programmes	131	-	741	-	1,290	1,695
<b>Total Cost of Sales</b>	<b>3,160</b>	<b>10,950</b>	<b>16,608</b>	<b>20,607</b>	<b>28,181</b>	<b>32,164</b>
<b>Net Revenue</b>	<b>891,891</b>	<b>248,868</b>	<b>1,546,811</b>	<b>743,072</b>	<b>1,081,245</b>	<b>1,146,959</b>
<b>Operating Expenses</b>						
Employee Costs	212,704	285,434	673,338	854,606	1,140,400	977,556
Exhibitions & Programmes	169,349	291,126	664,386	652,691	1,010,109	515,918
Marketing & Promotions	167	3,405	907	10,419	15,200	123,173
Occupancy Costs	104,694	107,334	320,243	321,314	426,913	302,911
Communication Costs	(133)	3,102	1,167	9,054	12,256	6,789
Technology Costs	240	2,638	476	6,046	11,498	3,980
Professional Fees	16,531	500	25,239	500	1,000	2,419
Administration Fees	11,253	10,770	31,858	36,967	45,757	34,784
Depreciation	9,058	9,000	27,705	27,000	36,000	25,772
Digital-Marketing & Communications	40	-	40	-	-	-
<b>Total Operating Expenses</b>	<b>523,904</b>	<b>713,309</b>	<b>1,745,361</b>	<b>1,918,597</b>	<b>2,699,133</b>	<b>1,993,302</b>
<b>Net Surplus/(Deficit)</b>	<b>367,987</b>	<b>(464,441)</b>	<b>(198,550)</b>	<b>(1,175,525)</b>	<b>(1,617,888)</b>	<b>(846,343)</b>

## Statement of Financial Performance ( City Gallery )

### Experience Wellington

For the 3 months ended 31 March 2021

Institution is 40 City Gallery.

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2019
<b>Trading Income</b>						
<b>Trading Income</b>						
Admissions	7,756	2,100	24,355	8,800	11,400	18,801
Bar	2,607	3,000	9,343	9,000	12,000	9,543
Membership	876	900	1,550	2,700	3,600	1,709
Retail Sales	18,691	29,901	90,708	58,899	76,773	119,015
Royalty/Production/Tour fees	2,000	11,500	2,000	11,500	11,500	19,569
Venue Hire	4,940	13,800	28,986	41,400	55,200	60,150
<b>Total Trading Income</b>	<b>36,870</b>	<b>61,201</b>	<b>156,942</b>	<b>132,299</b>	<b>170,473</b>	<b>228,786</b>
WCC Rental Subsidy	159,165	159,165	477,495	477,495	636,660	477,495
Sponsorship and Donations	(63,686)	15,000	35,666	107,500	272,500	19,397
Grants	13,800	20,520	127,710	91,560	122,080	81,548
Other Income	54,787	21,540	55,544	64,422	85,962	42,522
Wages On-charged	720	400	1,946	1,500	2,100	2,386
Contractors fees On-charged	-	300	-	900	1,200	-
<b>Total Revenue</b>	<b>201,656</b>	<b>278,126</b>	<b>855,302</b>	<b>875,676</b>	<b>1,290,975</b>	<b>852,134</b>
<b>Cost of Sales</b>						
Cost of Sales	23,226	17,674	55,273	53,722	71,546	102,193
Openings - Exhibitions & Programmes	-	-	358	20,000	20,000	9,217
<b>Total Cost of Sales</b>	<b>23,226</b>	<b>17,674</b>	<b>55,631</b>	<b>73,722</b>	<b>91,546</b>	<b>111,410</b>
<b>Net Revenue</b>	<b>178,429</b>	<b>260,452</b>	<b>799,671</b>	<b>801,954</b>	<b>1,199,429</b>	<b>740,724</b>
<b>Operating Expenses</b>						
Employee Costs	430,322	409,395	1,246,297	1,226,850	1,634,910	1,348,868
Exhibitions & Programmes	168,989	174,465	433,428	501,005	863,380	584,822
Marketing & Promotions	2,354	7,950	14,307	26,450	114,600	112,319
Occupancy Costs	213,661	220,899	694,667	671,297	890,746	645,598
Communication Costs	3,860	5,850	12,740	17,550	23,400	15,570
Technology Costs	1,047	4,200	2,562	27,300	31,500	6,364
Professional Fees	106	900	535	2,700	3,600	5,933
Administration Fees	16,118	19,410	45,179	58,930	78,060	40,141
Depreciation	10,898	8,700	37,547	26,100	34,800	40,079
<b>Total Operating Expenses</b>	<b>847,355</b>	<b>851,769</b>	<b>2,487,262</b>	<b>2,558,182</b>	<b>3,674,996</b>	<b>2,799,694</b>
<b>Net Surplus/(Deficit)</b>	<b>(668,925)</b>	<b>(591,317)</b>	<b>(1,687,592)</b>	<b>(1,756,228)</b>	<b>(2,475,567)</b>	<b>(2,058,969)</b>

## Statement of Financial Position

Experience Wellington  
As at 31 March 2021

	31 MAR 2021	30 JUN 2020
<b>Assets</b>		
<b>Fixed Assets</b>		
Property, plant and equipment	1,816,575	2,120,232
Collections and Artefacts	2,338,816	2,338,816
Intangible assets	43,415	63,754
<b>Total Fixed Assets</b>	<b>4,198,806</b>	<b>4,522,803</b>
<b>Non-Current Asset</b>		
Legacy Investment with Nikau Foundation	259,528	259,528
<b>Total Non-Current Asset</b>	<b>259,528</b>	<b>259,528</b>
<b>Current Assets</b>		
Inventory	170,828	195,443
Trade and other receivables	353,767	321,674
Cash and Cash equivalents	3,437,763	1,553,484
<b>Total Current Assets</b>	<b>3,962,358</b>	<b>2,070,602</b>
Debit Card - CGW	500	-
Debit Card - Wellington Museum	337	-
Debit Card - Trust Office	217	-
Debit Card - Capital E	820	-
Credit Card - Carolyn Mettrick	4,820	-
<b>Total Assets</b>	<b>8,427,386</b>	<b>6,852,932</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables	3,940,870	2,089,708
Employee benefits	317,555	317,401
<b>Total Current Liabilities</b>	<b>4,258,424</b>	<b>2,407,109</b>
<b>Total Liabilities</b>	<b>4,258,424</b>	<b>2,407,109</b>
<b>Net Assets</b>	<b>4,168,962</b>	<b>4,445,823</b>
<b>Equity</b>		
Reserves	2,567,237	2,564,776
Retained earnings	1,601,725	1,881,047
<b>Total Equity</b>	<b>4,168,962</b>	<b>4,445,823</b>

## Statement of Cash Flows

Experience Wellington

For the 3 months ended 31 March 2021

	JAN-MAR 2021	YTD
<b>Operating Activities</b>		
<b>Cash was provided from:</b>		
Receipts from customers	2,503,565	4,333,169
Receipts from related parties	2,724,567	7,500,628
<b>Total Cash was provided from:</b>	<b>5,228,132</b>	<b>11,833,797</b>
<b>Cash was applied to:</b>		
Payments to suppliers and employees	(3,083,197)	(9,125,014)
Payments to related parties	(334,621)	(892,323)
Net GST received/(paid)	(10,257)	116,595
<b>Total Cash was applied to:</b>	<b>(3,428,075)</b>	<b>(9,900,742)</b>
<b>Net Cash Flows from Operating Activities</b>	<b>1,800,057</b>	<b>1,933,055</b>
<b>Investing Activities</b>		
Interest received	911	2,398
Payment for property, plant and equipment	(15,220)	(67,757)
<b>Net Cash Flows from Investing Activities</b>	<b>(14,308)</b>	<b>(65,359)</b>
<b>Net Cash Flows</b>	<b>1,785,748</b>	<b>1,867,695</b>
<b>Cash and Cash Equivalents</b>		
Cash and cash equivalents at beginning of period	1,637,343	1,555,396
Cash and cash equivalents at end of period	3,423,091	3,423,091
<b>Net change in cash for period</b>	<b>1,785,748</b>	<b>1,867,695</b>





## About this report

This report includes selected highlights of WellingtonNZ's activity and results across the last quarter. It does not capture all activity. Reported activity aligns to our strategic framework.



## How our region is performing



**-2.0%**

GDP, YE Dec 2020\*  
(Provisional Growth)

\*March quarter not available yet



**-2.5%**

YE SEP 2020  
(Provisional)



**249,185**

Jobs filled in Wellington  
Region as of February 2021



**246,450**

February 2020



**252,376**

December 2020



**13,374**

Number of work-ready Job  
Seekers in Wellington Region  
As of end of March 2021



**10,530**

March 2020



**14,619**

December 2020



**\$4.8b**

All consumer spend in  
Wellington Region recorded on  
Electronic Card during  
Jul 20 to Feb 21



**1.5%**

Compared to  
Jul 19 to Feb 20

# WellingtonNZ Performance Highlights



**\$101m**

Direct Economic Impact of WellingtonNZ's activities and interventions  
YTD March 2021

↑ **\$89 mil**  
YTD Dec 2020



**3,131**

Different Wellington Businesses engaged with YTD March 2021 across WellingtonNZ's interventions

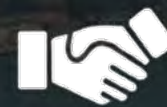
↑ **2,791**  
YTD Dec 2020



**\$9.3m**

The value of business events secured  
YTD March 2021

↑ **\$4.9 mil**  
YTD Dec 2020



**\$8.2m\***

Capability and R&D funding  
YTD March 2021  
\*provisional

↑ **\$7.4 mil**  
YTD Dec 2020

# Homegrown 2021

## Opportunity

The Homegrown festival has been held in Wellington since 2008.

The attendance has steadily grown from 12,000 in 2008 to 22,000 in 2019. More than 65 per cent of attendees are from outside the Wellington region.

In 2020, the event site build was fully completed just prior to the country going into lockdown. The outlay of significant costs to build the site, and the subsequent cancellation put Homegrown in a challenging financial position.

## Outcome

The Major Events team worked with the promoter to help navigate their challenges to ensure the event would return. To drive additional revenue for the 2021 event an extra stage was added in the TSB Arena. This increased capacity to 25,000. The additional tickets sold out, resulting in the biggest Homegrown to date.

## Results

- Sold out with more than 25,000 music fans in attendance
- 50 bands and DJs across 6 stages
- 1,500 people employed during the event
- 19 local companies engaged
- Extensive media coverage for Wellington



## Venues Wellington

### Opportunity

Reinforce Wellington's reputation as the creative capital by connecting audiences with inspiring live experiences and informative events, and providing the venues, spaces and event experience so these events can occur.

### Outcome

Q3 saw numerous sold-out events such as Russell Howard, Bill Bailey, Breaking Beats Andy C, Marlon Williams, Crowded House and Netsky.

The first week of March saw the busiest week we've had in over a year in terms of delivery events in our Venues. It took a supreme team effort to deliver on behalf of our clients, delegates and patrons.

We also presented Orchestra Wellington's - A Superhero Experience - attracting new audiences to the Orchestra. Over the period we hosted large scale community events, the including the Chinese New Year celebrations and He Tangata and Out in the City events as part of the Wellington Pride Festival.

### Results

- 31 performance events were delivered in the period
- 106,798 people enjoyed a wide variety of events
- 42,300 people visited Van Gogh Alive in the TSB Arena
- 35 business events attended by more than 12,000 delegates

## PLACEMAKING



## Summer events marketing

### Opportunity

Ticket sales for major and performance events slowed substantially as people went on summer holidays, resulting in many events in need of promotion.

### Outcome

We ran a Live in WLG marketing campaign, selecting a range of events to excite our target audiences and drive ticket sales. The campaign ran for three weeks from 18 Jan – 7 Feb with street posters (150 spots across the city and region), online videos across TVNZ On Demand, YouTube, Facebook, Instagram and social media.

### Results

378,000 completed video views and 2.04 million digital impressions, which supported:

- 32,000 tickets sold to Six60
- 35,000 tickets sold to World of WearableArt – Up Close
- 80,000 tickets to Van Gogh Alive
- Synthony, Crowded House, Sol3 Mio and Bill Bailey all selling to max capacity
- Yotam Ottolenghi (in June) has already sold out and Jersey Boys is on the trajectory to sell more tickets than previous theatre seasons.



## Vocational education

### Opportunity

The Education to Employment programme is part of ROVE – Review of Vocational Education. The aim of ROVE is to raise high school students' awareness of opportunities in the workplace and vocational options.

### Outcomes

WellingtonNZ provides expertise and facilitation so the Elite Management School, the E2E Broker in Wellington, could deliver events for Wellington students. A recent event connected local students with one of Wellington region's largest employers, government agencies. The event was attended by 15 agencies and the 12 schools assigned to Elite. Each attending student identified their top five agencies and had meaningful conversations with employees from these.

The next event is with Wellington City Council.

### Results

- 15 government agencies (including MoE, MBIE, MSD, MPP, TEC, The Treasury, MC&H, NZDF, NZ Police, Government Legal Network, MFAT, Fire & Emergency, Electoral Commission)
- 46 government employees
- 12 high schools (every school in the Wellington EEBS remit)
- 300+ senior students attended
- A range of roles were discussed including policy analysts, advisors, legal roles, technicians, case managers, liaison officers, HR, marketing, information analysts and many more

### JOBS FOR THE FUTURE





## Hot Lime Labs

### Opportunity

There is a global trend towards greenhouse food production as producers look to satisfy the growing need for greener food. Hot Lime Labs, an R&D company based in Gracefield, has developed a system – reusing waste wood from forestry - to deliver clean CO2 into large commercial greenhouses. The system increases crop yield and grower revenue and profits.

### Outcome

WellingtonNZ has worked with Hot Lime Labs since 2015 with R&D funding and capability development support. With their first local customers signed up and production planned for later this year, the CE is turning his focus to scaling the business to meet demand in NZ and offshore. WellingtonNZ recently provided capability funding to grow the leadership skills of their next tier of leaders to take over management of the operational side of the business. We have provided capability support to the leadership team from early capital raising and product development phase through to customer trials and pre-production.

### Results

- Innovative growing company, which has benefitted from WNZ support, including: 2021/22
- Project grant of \$227k plus an R&D loan of \$400k to support them through Covid so they could continue with R&D work.
- 3 people through leadership training
- Media coverage on One News and Stuff

#### Previously:

- Total R&D support of \$1,103,400
- 5 people upskilled through leadership capability funding worth \$16,500



## STEM Festival at Wings

### Opportunity

The Scientific, Tech and Engineering Sectors are very important to the regional economy. WellingtonNZ partnered with the STEM Festival held as part of Wings Over Wairarapa to support Wairarapa students to discover opportunities to pursue careers in STEM.

### Outcome

WellingtonNZ presented the opportunity to WelTec, introduced WelTec to STEM organisers, and contributed to sponsorship. The outcome was a WelTec School of Engineering interactive exhibit at the event, which included hands-on activity and equipment to engage students. It was so successful that WelTec has expressed a strong desire to be involved in future events. The exhibits included engineering componentry, Jacob's ladder, forces and pulleys, solenoids, pneumatic ram display, VR sandbox terrain model and wind tunnel. Presenting career pathways to young learners helps broaden their horizons, and address unconscious biases that can limit their potential.

### Results

- 28 Wairarapa schools brought 4,000 students in total to the event
- WellingtonNZ engaged with professionals in the sector who then participated in the festival
- The large volume of attendance means that WelTec can confidently look to bring more exhibits and engineers to the festival in future
- With WellingtonNZ's partnership, WelTec's exhibit was by far the most ambitious and varied from a tertiary institution.



## Creative HQ + Hutt City Council

### A community approach to climate change

#### Opportunity

Starting in 2019, HCC initiated a process to engage the Hutt Valley community in how we, as a community, tackle the climate change challenge. HCC has been committed to understanding how perceptions of climate change differ across the diverse groups represented in Lower Hutt.

#### Outcome

Creative HQ worked with HCC to establish a Lead Group of community wide representatives and conducted codesign workshops with the group. Through these we identified a pathway forward for iterative community engagement on climate change mitigation and adaptation issues. This led to engagement with mana whenua and community influencers through the rest of 2021.

#### Results

- Creating the environment, networks, awareness, connections and alignment for HCC to form a more cohesive response and help nudge collective activity in a common direction.
- Coordinating a city-wide view of all actions currently underway will help create the right social change landscape and motivation for others to join the movement.
- Determining the purpose and functions Council can contribute to a community response programme – and what role the Council needs to play to enable and facilitate future activity.

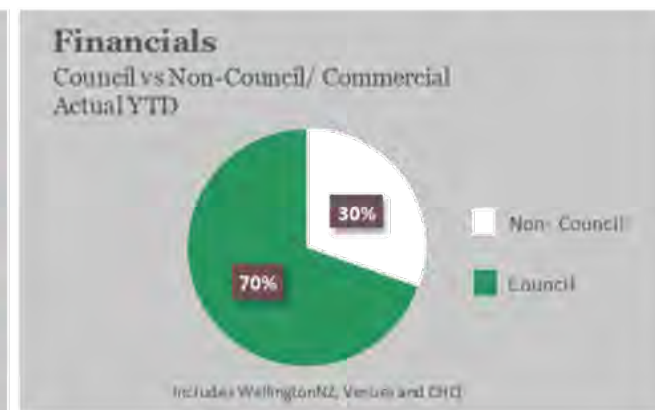
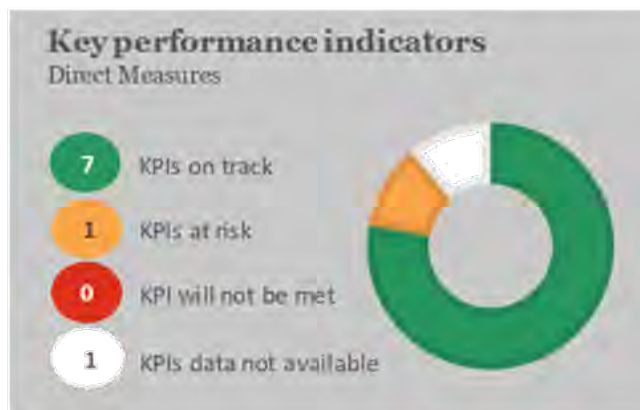
#### COLLABORATION & ENGAGEMENT



## What's coming up

<b>JOBS FOR THE FUTURE</b>	<b>PLACEMAKING</b>	<b>COLLABORATION &amp; ENGAGEMENT</b>
<p><b>Support businesses to grow, innovate and meet future workforce needs</b></p>	<p><b>Enhance Wellington's reputation as New Zealand's creative heart</b></p>	<p><b>Working in partnership to support investment in the region to unlock opportunities</b></p>
<ul style="list-style-type: none"> <li>• Demand for business support and capability services across the region remains high</li> <li>• Workforce Development Plan as part of the Regional Skills Leadership Group coupled with development of detailed sector plans for Wairarapa communities</li> <li>• Carbon Neutral Tourism small business pilot programme</li> <li>• Creative HQ Climate Response Accelerator</li> <li>• Venture Up pathway programme for Y13 High School students focused on Porirua</li> <li>• Pop-Up Business School – Kāpiti</li> </ul>	<ul style="list-style-type: none"> <li>• A diverse Major Events programme, including the Wellington Jazz Festival, Surrealist Art He Toi Pohewa exhibition, Kia Mau Festival, Wellington on a Plate, Beervana, the return of the World of WearableArt and the Guns 'N Roses concert at Sky Stadium</li> <li>• A new visitor attraction campaign in Australia targeting the eastern seaboard</li> <li>• A regional domestic visitor attraction marketing campaign targeting winter travel</li> </ul>	<ul style="list-style-type: none"> <li>• The first phase of the development of a new Wellington Regional Economic Development Strategy is underway</li> <li>• Publication of Destination Management Plans for the different parts of the region to be followed by an 'umbrella' Wellington regional Plan</li> <li>• Development of a Wellington Region Screen Sector Strategy</li> <li>• Detailed planning for 2021-22 with key tourism partners re activity for the year ahead</li> </ul>

# WellingtonNZ Service Performance – YTD March 2021



## Indirect Measures of Impact

	YTD	Target 2020/21
Number of International Visitors (1)	N/A	100,000
Australian visitors through WIAL (2)	2	40,000
International Visitors through WIAL (3)	4	10,000
Visitor Nights recorded in the Accommodation Data Programme (4)	1,540,700	1,832,261
Domestic Visitor Spend (5)	\$699 M	\$1,453 Million
Australian Visitor Spend (6)	\$27 M	\$60 Million
International Visitor Spend (7)	\$125 M	\$86 Million
NZ Multi-Day conference in Wellington Region (8)	21%	22%
Population Growth due to Migration to Wellington Region (9)	Annual	1,500
Share of NZ International Students reported in Wellington Region (10)	Annual	7.2%
Wellington GDP Growth (11)	-2.0%	-2.5%
Total Number of Work Ready Job Seekers in Wellington Region (12)	13,374	29,000
Total Consumer spending in Wellington Region – Total (13)	\$4,789 M	\$5,415 Million
Total Consumer spending in Wellington Region – Retail (14)	\$1,592 M	\$1,389 Million
Total Consumer spending in Wellington Region – Hospitality (15)	\$778 M	\$846 Million

## Comments on measures

- (1) Data not available as IVS is not currently being captured due to the absence of international visitors to survey.
- (2) On Track as we forecasted 0 visitors for Q1– Q3
- (3) On Track as we forecasted 0 visitors for Q1– Q4
- (4) YTD Feb only. March data not available.
- (5) Jul 20 to Feb 21 only and ONLY Electronic card.
- (6) Months of July to October only.
- (7) International spend modelling is currently being impacted by a new modelling method, figures will need to be revised.
- (8) Dec quarter figure only. Mar quarter not available.
- (9)
- (10)
- (11) Provisional figure only for YTD December 2020
- (12) Work-Ready Job Seekers only. Total on Job-seeker benefit was 19,689
- (13) YTD to Feb 21 only. March data not available.
- (14) YTD to Feb 21 only. March data not available.
- (15) YTD to Feb 21 only. March data not available.

## WellingtonNZ Service Performance – YTD March 2021

WellingtonNZ is delivering direct value/ROI on our shareholders investment	YTD	Target 2020/21	Comments on measures
Direct Economic Impact of WellingtonNZ's activities and interventions (1)	\$121 M	\$86 Million	(1) Estimate with available data only. Will need to be revised at a later date.
<b>WellingtonNZ is shaping and amplifying the regional destination/brand story</b>			
Equivalent Advertising Value (EAV) from media activity (2)	\$15 M	\$10 Million	(2) Only includes Q1, Q2 figure disrupted by data source issues. Q3 not available.
Value of expenditure generated from events (including business, performance and major events)(3)	\$42M	\$ 40 Million	(3)
The number of Wellington Region Residents that attend events (4)	318,420	475,000	(4) (5) (6) (7)
<b>WellingtonNZ is supporting businesses to upskill and grow</b>			
Number of different business engagements in WellingtonNZ programmes (5)	3,131	3789	(8) Q1 Actual from Engagement and Wellbeing Pulse Survey
<b>Internal – Financial Health</b>			
Budget on track – income, expenditure and surplus (6)	To Budget	To Budget	
% of Revenue from commercial/non council funding and commercial activity (combined WellingtonNZ and CHQ) (7)	30.4%	30%	
<b>Internal – Employee Health</b>			
Employee Engagement (8)	66%	70%	
<b>Internal – Stakeholder Relation Health</b>			
Stakeholder Satisfaction (9)	Annual	80%	

**Traffic Light Key**

- KPI on track
- KPI at risk of not meeting target
- KPI not meeting minimum target
- KPI data not available

## WellingtonNZ Statement of Financial Performance

For the 9 months ended 31 March 2021, including Creative HQ but excluding the Venues Project

STATEMENT OF FINANCIAL PERFORMANCE	YTD Actual 31-Mar-21	YTD Budget 31-Mar-21	Variance YTD	FY Forecast 30-Jun-21	FY Budget 30-Jun-21	Variance 30-Jun-21
<b>Revenue</b>						
Event revenue	0	0	0	0	0	0
Shareholder grants	15,731,613	15,754,151	(23,196)	30,309,156	29,350,560	1,218,999
Government grants	1,527,027	1,314,358	212,689	1,815,155	1,698,994	116,151
Partner revenue	1,536,164	1,658,100	(101,936)	1,593,465	1,426,100	266,265
Commercial/Service	2,088,871	2,713,571	(375,300)	3,252,759	2,259,249	1,491,510
Sub-lease and carpark revenue	0	0	0	0	0	0
Interest income	20,820	50,625	(29,805)	28,523	61,500	(32,977)
Other income	1,555,236	1,119,756	435,480	1,692,516	2,367,756	(675,240)
<b>Total Revenue</b>	<b>21,459,184</b>	<b>21,590,541</b>	<b>868,193</b>	<b>39,251,556</b>	<b>27,183,149</b>	<b>2,088,407</b>
<b>Total Direct Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating Expenses (overheads)</b>						
Salaries and wages	6,773,962	9,128,438	(354,476)	10,025,671	11,704,160	(1,678,489)
Other employment costs	145,469	(94,736)	(50,731)	729,991	518,734	288,743
Occupancy costs	430,552	446,607	(16,055)	572,170	588,640	(16,470)
Marketing & activity expenses	8,879,116	9,254,940	(377,797)	14,082,447	11,950,335	2,132,112
Utilities	18,958	17,850	(1,108)	15,702	24,006	(8,304)
IT and communications	178,708	429,004	(250,296)	482,102	554,231	(72,129)
Insurance	15,459	15,609	(150)	15,459	15,000	(559)
Administration costs	197,972	172,811	25,161	343,614	358,258	(14,644)
Vehicle expenses	34,998	34,649	(349)	47,906	46,200	(1,706)
Travel costs	63,001	47,359	(15,642)	87,617	62,780	(24,837)
Professional fees	119,832	117,827	(2,005)	212,278	235,398	(23,120)
Director fees	197,083	199,170	(2,087)	271,250	266,672	(4,578)
Other operating expenses	24,164	37,772	(13,608)	91,430	41,918	49,512
<b>Total Operating Expenditure</b>	<b>19,279,339</b>	<b>20,098,167</b>	<b>818,828</b>	<b>28,429,628</b>	<b>27,366,619</b>	<b>1,063,009</b>
<b>Total Expenditure</b>	<b>19,279,339</b>	<b>20,098,167</b>	<b>818,828</b>	<b>28,429,628</b>	<b>27,366,619</b>	<b>1,063,009</b>
<b>Net Surplus/(Deficit) before Depreciation and Tax</b>	<b>2,179,795</b>	<b>1,492,374</b>	<b>1,687,420</b>	<b>821,928</b>	<b>(203,470)</b>	<b>1,025,398</b>
Interest expense	10,056	16,981	(6,925)	13,377	16,000	(2,623)
Depreciation	214,767	205,360	(9,407)	277,930	269,156	(8,774)
Movement in investment valuation	0	0	0	0	0	0
Taxation expense	51,115	0	(51,115)	72,115	0	72,115
<b>Net Surplus/(Deficit)</b>	<b>1,903,876</b>	<b>1,266,033</b>	<b>1,643,843</b>	<b>458,506</b>	<b>(488,636)</b>	<b>943,933</b>

Forecasted surplus being driven by both the parent and CreativeHQ but likely to fall as activities post trans-Tasman bubble opening are further refined.

Increased activity in Venues than budgeted resulting in higher waged cost, offset by strong control in salaried costs, including some unfilled roles. Q4 will see the wage growth continuing. Salaries and wages in the Venues are matched by a management fee, driving higher Shareholder revenue.

Additional central government funding received from Covid response work than anticipated.

Strong commercial revenue originating from CHQ, but lower revenue from the i-SITE.

Good cost control occurring, and a strong programme of activity work forecasted for Q4.

# WellingtonNZ Statement of Financial Position

As at 31 March 2021, including Creative HQ and excluding Venues Project

Adequate cash holdings due to significant income in advance for some activities that will occur in the future financial year.

Increase in assets fully depreciated during period, a programme of renewal will occur in next financial year.

Organisation has sufficient funds to meet all liabilities as due. No issues with debt control.

STATEMENT OF FINANCIAL POSITION	As at 31-Mar-21	As at 31-Dec-20	As at 30-Jun-20
<b>Shareholders Equity</b>			
Paid up capital			
Retained earnings	6,445,721	7,307,177	3,541,845
<b>Total Shareholder/Trust Funds</b>	<b>6,445,721</b>	<b>7,307,177</b>	<b>3,541,845</b>
<b>Current Assets</b>			
Cash and cash equivalents	9,254,115	10,131,644	4,673,728
Other current assets	1,150,232	1,460,911	1,511,876
<b>Total Current Assets</b>	<b>10,404,347</b>	<b>11,592,556</b>	<b>6,185,604</b>
<b>Investments</b>	<b>1,569,540</b>	<b>1,569,540</b>	<b>1,569,540</b>
<b>Non-current Assets</b>			
Fixed assets	677,442	763,317	815,316
Other non-current assets	(6,132)	88,311	(94,444)
<b>Total Non-current Assets</b>	<b>671,310</b>	<b>851,629</b>	<b>720,872</b>
<b>Total Assets</b>	<b>12,645,198</b>	<b>14,013,725</b>	<b>8,476,017</b>
<b>Current Liabilities</b>			
Accounts payable	606,412	362,912	1,156,329
Other current liabilities	5,754,537	6,003,811	3,918,404
<b>Total Current Liabilities</b>	<b>6,360,949</b>	<b>6,366,723</b>	<b>5,074,733</b>
<b>Non-current Liabilities</b>	<b>27,415</b>	<b>339,825</b>	<b>48,326</b>
<b>Total Liabilities</b>	<b>6,388,364</b>	<b>6,706,548</b>	<b>5,123,059</b>
<b>Net Assets</b>	<b>6,256,834</b>	<b>7,307,177</b>	<b>3,352,958</b>



**To:** Wellington City Council  
**From:** Wellington Zoo Trust  
**Date:** 31 March 2021



**Third Quarter Report 2020/21 Financial Year**

**Highlights**

- Senior Veterinarian, Dr Baukje Lenting, was part of the Wildbase Research Centre Team which was awarded the Massey University Team Research Medal 2020. The award acknowledges this team as a "world class grouping of researchers" with an outstanding portfolio of scientific investigations and research communications that have set the standard for wildlife management, care and rehabilitation.
- WZT formally celebrated the opening of two new/refurbished habitats in January and February:
  - Te Hononga Tuatara Management Area with representatives from Ngāti Koata, as Tuatara kaitiaki, who travelled to Wellington to assist with the relocation of 16 Tuatara from Te Piringa Iiti; and
  - Giraffe Housewarming celebrating the Giraffe House and Savannah redevelopments.
- We had our best numbers ever for Valentine's Night on 14 February with 1,343 guests welcomed on the evening. The Sales team worked on new ways to increase revenue and profitability of the event, including pre-selling tickets online. The Valentine's Night event contributed \$28,118 financially.
- We had several high-profile guests visit Wellington Zoo during the quarter:
  - Hon Grant Robertson, Deputy Prime Minister;
  - Hon Ayesha Verrall, Minister for Seniors and Food Safety; and
  - Hon Eugenie Sage, past Conservation Minister.
- WZT's Kanohi Kitea Te Ao Māori programme launched with a staff-wide survey to assess where staff sat on the continuum of bicultural competency, which will provide a learning baseline. The next stage will be staff workshops rolled out over two consecutive days during May and June.
- We embarked on the first stage of our journey to achieve Rainbow Tick accreditation over the next 12 months. Achieving the Rainbow Tick will allow us to celebrate with pride that we are a progressive, inclusive and dynamic organisation that authentically reflects our rainbow community.
- WZT's Conservation Manager has been appointed as a WAZA representative on the IUCN<sup>1</sup> NZ Committee.
- Retail Sales have done very well YTD with a purchasing capture rate for Visitors (not including school children) of 10.4% as at 31 March 2021. The retail space has been re-positioned to allow more room for our bestselling ranges, and new products have been introduced.

**Challenges this Quarter**

- Venues revenue is significantly behind budget as there is a reluctance in the business community to book functions in advance and/or to book large-scale functions such as full Zoo hires which are large revenue drivers.
- Close Encounters revenue is also behind year to date due to moving between Alert Levels (Encounters cannot be run between Alert Levels 2-4) and the discontinuation of Cheetah Close Encounters because of their retirement.
- The impact of less international tourists (typically during summer months) is now being experienced.

**Visitor Attendance as at 31 March 2021:**

	Current YTD 2020/21		Annual Target	Current YTD 2020/21
Actual	172,838	Student and Education Visits	20,000	16,531
Annual Target	254,000			

<sup>1</sup> International Union for Conservation of Nature



# IHI – H&S Reporting Portal

## Quick “how to get started” Guide



### Sustain a safety conscious culture

- The new Health & Safety reporting system IHI<sup>2</sup> (“shining a light on the issues”) was loaded with four years of historical WZT data which will enable long-term trends to be viewed and used for reporting. The programme was fully trialled by our Safety Improvement Team (SIT) during March which involved performing a variety of actions at different levels and testing reporting methods. IHI will be rolled out to staff via learning sessions.
- The General Manager Safety, Assets and Sustainability, presented on WZT’s Emergency Response Team training for a not-for-profit, Global Animal Disaster Management Conference, featuring speakers from around the world.
- WZT’s Strategic Management Team and the Board separately participated in Health & Safety site visits to the Sun Bear habitat and the new Snow Leopard habitat (old Sun Bear dens).
- Staff participated in a fire warden refresh training session in March to ensure everyone at the Zoo knew where the evacuation points were for each of the large buildings.
- In late 2020 the Health & Safety Advisor attended a WorkSafe workshop session designed to better understand the role of Health and Safety Reps in New Zealand, what their motivations were in becoming reps and what some of the common challenges were in a variety of workplaces. WorkSafe followed up this workshop with a secondary interview with GM Safety, Assets and Sustainability in March.

### Improve and maintain the physical assets

- A Renewals Programme Manager joined the team on a year’s fixed term contract. Their role will be to oversee existing renewal projects and to start early planning for the 2021/22 financial year.

<sup>2</sup> WZT’s name for the eco-Portal platform for H&S incident reporting

#### **Model values aligned behaviours**

- Staff are again competing in the Aotearoa Bike Challenge 2021 and as at the end of Quarter 3, the team had collectively cycled over 1600km and were currently running second in the non-for-profit category.

#### **Embed wellbeing for our people**

- WZT will manage mental health incidents through our well-established Code Blue or Code Purple protocols. We will continue to provide St John's Mental Health Training refresher courses annually which will provide us with another aid in the Mental Health awareness raising toolbox.
- Wellington Zoo is about to embark on an exciting journey over the next 12 months to achieve Rainbow Tick accreditation. Rainbow Tick will allow us to celebrate with pride that we are a progressive, inclusive and dynamic organisation that authentically reflects our rainbow community.

#### **Meet all legal and compliance requirements**

- WZT's draft Statement of Intent 2022/23 was submitted to WCC's CCO Sub Committee on 26 March. The Sol was discussed as part of WZT's Strategic Management Team's annual planning day, as was WCC's Letter of Expectation, capital projects, renewals plan and revenue opportunities. The overarching theme of the planning day was designing the Zoo's future beyond COVID-19.
- The Contract for Services agreement between Wellington City Council and the Trust was reviewed and signed under seal at the Board's March meeting. This is still to be signed by WCC. Implementation is due by 1 July 2021.

#### **Sustain financial success by data driven decision making**

- WZT Board approved the Operating Budget 2021/22 noting that prudent decisions had been made to balance the Trust's intent to strive for growth and development while looking ahead to a year which will see our community and business in transition through the COVID-19 Recovery. COVID-19 presented challenges across the 2019/20 and 2020/21 Financial Years and will continue to do so through the 2021/22 Financial Year.
- Retail sales have done very well year to date. The retail space has been re-merchandised to allow more space for our bestselling ranges and some new products have been introduced. Capture rate statistics for Visitor (not including school children) purchasing retail sat at 10.4% as at 31 March 2021.

#### **Commit to outstanding daily visitor care**

- Two very successful events were held during the quarter:
  - we had our best numbers ever for Valentine's Night on 14 February with 1,343 guests welcomed contributing \$28,118 to the coffers. The Sales team had worked on some new ways to increase revenue and the profitability of the event, including pre-selling tickets online which had obviously paid dividends; and
  - our 16<sup>th</sup> Neighbour's Night in January with volunteer help from Wellington City Council's Social Housing team and New World Newtown. Despite the horrendous weather conditions, we still had 600 visitors over the evening.
- A new monkey talk was introduced which included the Capuchins and Spider Monkeys, however primarily focussed on the Squirrel Monkeys.

#### **Grow our people through learning and development**

- The first six monthly assessments for the new Keeper Development Programme were submitted by the five Keepers undertaking the programme.

**Grow our people through learning and development cont.**

- Tick Box was launched to all staff and Board trustees in March 2021. This is an automated, paper-free online induction process which reduces administration time by more efficiently organising, delivering and auditing workplace inductions, and it will be beneficial in ensuring staff's employment journey within Wellington Zoo is a positive one.
- Emeritus Professor David Mellor (co-author of the Five Domains Model for Animal Welfare) was the keynote speaker at an Animal Care and Science team workshop on euthanasia in February 2021.
- Staff attended the following:
  - a workshop on Tiriti o Waitangi facilitated by WREEF<sup>3</sup> looking specifically at content from the Treaty education programme; and
  - Learning Sessions:
    - developing molecular barcoding of archival mosquitos at the National History Museum in London; and
    - studying mitigation translocations (translocations of animals away from human developments) for conservation of New Zealand skinks.

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<sup>3</sup> Wellington Regional Environmental Educators Forum

## Safe Cat, Safe Wildlife

Love your cat? Get free expert advice, exclusive discounts and the latest information to give your cat the best life.



### Integrating the United Nations Sustainable Development Goals

- A Zoo submission was made on He Pou a Rangī's draft advice to government around reducing emissions in Aotearoa which is relevant to Climate Action SDG 13.
- The Zoo provided input for Wellington City Council's draft Children and Young Person's strategy highlighting the Zoo's contribution to this target group in Wellington, especially for Quality Education SDG 4, Good Health and Wellbeing SDG 3 and Reduced Inequalities SDG 10.

### Developing initiatives for social, environmental and economic sustainability

- Management continues to work with Tourism Industry Aotearoa and WellingtonNZ on a sustainable tourism programme (New Zealand Tourism Sustainability Commitment - <https://www.sustainabletourism.nz/>) which included participating in panel interviews with selected providers during March 2021. This initiative focusses on restoring, protecting and enhancing our natural environment to create a high-quality destination of choice for domestic and international travellers.
- WZT continue to be fully involved in rolling out the Safe Cat Safe Wildlife (<https://www.safecat.org.au/>) project in the community and recently installed informative signage in relevant places around the Zoo. This project aims to build a community of cat owners who have the tools to provide their cat with the longest and happiest lives possible by keeping them safe and enriched at home, which in turn protects wildlife.
- Wellington Zoo Trust recently partnered with Kathmandu to provide all staff with new long-sleeved shirts as sun protection (provision of which is in line with our Sun Smart Policy). Kathmandu's philosophy aligns well with that of WZT as both organisations innovate across all areas of business to make a positive social and environmental impact.
- WZT's Conservation Manager, Dr Ox Lennon, was appointed as a WAZA representative on the IUCN NZ Committee and invited to join the NZ Restoration Day Committee, which is a collaboration with GWRC, DOC and local restorationist and conservationists

<sup>4</sup> Climate Change Commission



Photo: Works in new Ring-Tailed Lemur habitat (S Page)

**Science based animal welfare practices so the animals are happy**

- A Zoo Monitor<sup>5</sup> project has commenced to continue the PhD research completed by Samantha Chiew on whether the presence of Zoo visitors on the pier might impact on the use of the pond by the Little Blue Penguins (Kōrora).
- Cheetahs, Cango and Kunjuka, completed their last Close Encounter in February 2021 before their retirement. Cango and Kunjuka have been incredible ambassadors for their species over the last seven years and we will continue to support our conservation partner Cheetah Outreach.

**Strategic species planning for our site and staff expertise**

- Celeste and Soto produced a Critically Endangered baby Cotton-top Tamarin in February which had not yet been sexed.

Departure

Species	Gender		Date
1 Tasmanian Devil	Female	To Auckland Zoo	27.01.21

Arrivals

Species	Gender		Date
2 Wellington Green Geckos	Male & Female	From a private breeder	14.01.21
2 Ostriches	Female	From a private breeder	17.02.21
1 Emperor Scorpion	Male	Returned from Auckland Zoo	25.02.21
1 Pygmy Marmoset	Male	From Natureland	16.03.21

<sup>5</sup> Zoo Monitor is animal behavioural monitoring equipment

**World leading animal care so the animals live their best lives**

- Construction began on the new habitat works for the critically endangered Ring-tailed Lemurs in mid-January. This included the removal of the old fencing and glazing and re-sculpting the area to improve visitor viewing and to meet MPI containment requirements. The Lemurs are scheduled to arrive late-April from Hamilton Zoo.
- The renovation of the Pygmy Marmoset habitat in Mojo Café was completed during the quarter. A new male, Tunche, has arrived and introductions with female Maya have gone well.
- On 5 February we welcomed major funders and supporters to our Giraffe Housewarming event where we officially celebrated the redevelopments of the Giraffe House and surrounding Savannah. Those attending were taken on tours of the facility and our resident Giraffe – Zahara, Zuri and Sunny – enjoyed the extra browsing treats.

<b>The Nest Te Kōhanga Wildlife Admissions</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
January	63	67	76	54	78	84	38
February	51	41	52	70	57	55	51
March	60	39	33	57	51	44	43
April	30	28	22	37	36	0	
May	37	33	47	33	34	2	
June	34	23	21	38	24	28	
July	33	17	20	36	18	39	
August	26	15	24	25	23	25	
September	25	24	22	30	30	19	
October	19	43	28	40	30	93	
November	33	41	37	44	44	36	
December	67	58	61	48	58	47	
	<b>478</b>	<b>429</b>	<b>443</b>	<b>512</b>	<b>483</b>	<b>277</b>	



Photo: Ngāti Koata relocating Tuatara into Te Hononga (A Howell)

#### Recognition and involvement of the Zoo's conservation expertise

- Te Hononga Tuatara Management Area was formally opened on 22 January 2021 with representatives from Ngāti Koata as Tuatara kaitiaki and Taranaki Whānui as mana whenua travelling to Wellington Zoo to assist with the relocation of our 16 Tuatara from Te Piringa Iti. Major stakeholders, funders and supporters attended the event and the Tuatara have since settled well into their new homes.
- The Nest Te Kōhanga team assisted Zealandia with:
  - blood/faecal testing of Kiwi in Zealandia to help research ongoing issues with Toxoplasmosis that are becoming more prevalent in some Kiwi; and
  - treating a very unwell Hihī (Stitchbird) and nurturing it back to health for release back into Zealandia. Now confirmed as a female, they will be an invaluable addition to the vulnerable population of ~25 females.
- During the quarter the:
  - Conservation Manager gave a lecture around Zoos and Conservation to Victoria University of Wellington students;
  - Animal Care Manager did a podcast, to a global audience, with Sabrina Brando of Animal Concepts and PAWS<sup>6</sup> on the Five Domains of Animal Welfare at Wellington Zoo; and
  - Conservation Manager addressed the Society for Research on Amphibians and Reptiles New Zealand.
- Senior Veterinarian, Dr Baukje Lenting, was part of the Wildbase Research Centre Team which was awarded the Massey University Team Research Medal 2020. The award acknowledges this team as a "world class grouping of researchers" with an outstanding portfolio of scientific investigations and research communications that have set the standard for wildlife management, care and rehabilitation.

<sup>6</sup> Practical Animal Welfare Science



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**Effective field partnerships for long term conservation outcomes**

- Conservation Partner collaboration included:
  - re-signing a five-year Memorandum of Understanding with Fauna and Flora International Vietnam which works towards conserving two critically endangered species, the northern white-cheeked gibbon and the Saola; and
  - as part of our MoU we forwarded Cheetah Outreach Trust's annual grant which will be used for the Trust's Livestock Guarding Dog Project. This project places Anatolian Shepherd dogs with South African farmers to protect livestock from cheetah attack, which in turn reduces conflict between humans and cheetah.

**Focused investment in conservation innovations**

- Local Conservation Grants final reports were received from:
  - Kapiti Coast Biodiversity Project (new management tools for small scale lizard conservation);
  - Otari Wilton's Bush (Ex situ conservation of *Dactylopsilus taylorii*);
  - Makara Peak Supporters (Kōhanga o Porokapa); and
  - Trent Bell and Yachal Upson (trailing the world's first "no dig" live capture trap for lizards).



*Photo: Sasa Sun Bear, new Behind the Scenes Experience*

#### **Integrating Te Ao Māori within the Zoo**

- Work on WZT's Te Ao Māori project, Kanohi Kitea continued with staff completing a survey to assess where we sat on the continuum of bicultural competency. These results will inform the basis of the Kanohi Kitea project and the next step will be full day workshops in May and June.

#### **Maintaining lasting partnerships for community support and conservation outcomes**

- During the quarter we hosted:
  - the Deputy Prime Minister, Hon Grant Robertson;
  - Minister of Food Safety Hon Ayesha Verrall;
  - Hon Eugenie Sage, past Conservation Minister.
  - Jacquelyn Shannon, new Deputy Director General, Biodiversity and Engagement, DOC;
  - WCC's Executive Leadership Team and WCC's Governance & Strategy senior leadership team; and
  - 30 delegates from the Federated Farmers Dairy Council where we discussed animal welfare practice.
- Wellington Zoo attended a meeting at WellingtonNZ looking at the Education sector, Civics and Nationhood to understand the market for out of town schools coming to Wellington and how we could more easily facilitate their experiences.
- Visitors included:
  - January School Holiday programme sold out with 360 attending (greater than 2019 stats);
  - The delayed Zoofari schools (from last year) visited in February and March; and
  - "Late Fridays" in March proved popular and a total of 1,870 visitors came through the doors which on a per-day basis was the best result we have had to date.
- We again ran our "biggest fan in Jan" competition for Zoo Crew members. The winner visited the Zoo 25 times in January (they were the runner up last year) and the next most frequent visitor came 24 times during the month.

**Maintaining lasting partnerships for community support and conservation outcomes Cont.**

- The Sun Bear Behind the Scenes Experience was launched and pre-sold vouchers showed a steady level of interest. Ten percent of this revenue will go to the Wellington Zoo Conservation Fund.
- Wellington Zoo enjoyed wide-ranging media coverage over the quarter including:
  - Stuff and TVNZ ran stories about TNTK treating the Red Billed Gull that had been shot and the Albatross with plastic ingestion;
  - TVNZ, story focused on hooks and twine left by fishermen and the subsequent impact on wildlife;
  - Wellington City Council site put up a story about Neighbour's Night and Te Hononga;
  - TV3's The Project crossed live for Valentine's Night;
  - TV1's Seven Sharp, "Wild Weekend" in the Capital competition;
  - TVNZ On Demand, "Ad on Pause"; and
  - NZ Herald, launch of Sun Bear Behind the Scenes
- Social Media stats for the quarter: Facebook Followers (52,718) and Users (1,030); Instagram Followers (15,616) and Engagement (1,085); Twitter Followers (9,472) and Engagement (585); and LinkedIn Followers (1,353) and Engagement (47). There were an impressive 109,400 Facebook (February) engaged user hits around a video of a Capybara getting scratched during a Close Encounter.

**Engaging, message driven experiences to build community environmental action**

- Overall, 25 staff participated in two "Weedingsdays" (held on a Wednesday) where weeding work was undertaken on WZT's restoration site off Manchester Street to free the native plants previously planted to give them room to grow. Conservation Volunteers NZ and 13 Scots College boarding house students also separately helped weed this site during the quarter.
- Staff separately presented to Upper Hutt Grey Power and Over 60's Moonshine Upper Hutt group on the Zoo's conservation and sustainability journey:



Craig Ellison  
Board Chair, Wellington Zoo Trust

Appendix 1 – Wellington Zoo Strategy Framework 2020/21

Required WCC Performance Measures	Pre COVID-19 Target 20-21	Tracking YTD 31.03.21		Comments as at 31.03.21
		#	%	
Visitors	254,000	172,838	68%	📉
Student and education visits	20,000	16,531	83%	📉
Council operating grant per visitor	\$13.16	\$15.16	NA	📈
Full cost to Council	\$21.77	Annual Measure	NA	📉
Trading Revenue per visit (excl. grants & interest)	\$17.77	\$19.17	NA	📈
Non-Council donations and funding	\$324k	Annual Measure	NA	📉
Percentage of operating costs generated by Trust	59%	NA	54%	📉
Trust generated income as percentage of the Council grant	144%	NA	126%	📉
<b>Additional WZT Performance Measures</b>				
Measure visitor feedback and satisfaction	8.5	8.8	NA	📈
Number of vulnerable, endangered or critically endangered species (IUCN Red List and DOC National list) at the Zoo	25	30	120%	📈
Percentage of native animals released to the wild after triage and treatment by the Nest Te Kōhanga (TNTK)	50%	NA	70%	📈
% of OPEX directly contributed to field conservation	7%	NA	Annual Measure	📉
Number of field conservation projects supported for threatened (NZ) and vulnerable, endangered or critically endangered (global) species	12	12	100%	📈
Participate in zoo-based research projects, scientific papers and presentations	10	11	110%	📈
Maintain Zoo and Aquarium Association Animal Welfare Accreditation	Achieved	Annual Measure		📉
Maintain Toitū carbonzero certification	Achieved	Annual Measure		📉
Safety Improvement Team meeting attendance	80%	5	95%	📈
Successful emergency drill/incident debriefs held	8	3	38%	📉
Volunteer engagement survey	1	Annual Measure		📉
Staff recognition programme	1	Annual Measure linked to Gold Acoult Awards		📈
Staff learning and development sessions held	10	4	30%	📉

Appendix 2 – Financial Statements

<b>CCO: Wellington Zoo Trust</b>			
<b>Quarter Three 2020/21</b>			
<b>\$NZ000's</b>			
<b>Actual 30-Jun-20</b>	<b>EARNINGS STATEMENT</b>	<b>Actual 31-Mar-21</b>	<b>Budget 31-Mar-21</b>
	<b>Revenue</b>		
3178	Trading Income	3217	2137
3680	WCC Grants	2635	2621
665	Other Grants	609	81
237	Sponsorships and Donations-Operational	245	80
269	Sponsorships and Donations-Capital	55	0
27	Investment Income	6	8
207	Other Income	86	70
<b>8,263</b>	<b>Total Revenue</b>	<b>6,853</b>	<b>4,997</b>
	<b>Expenditure</b>		
6,101	Employee Costs	4,424	4491
2,327	Other Operating Expenses	1,712	1738
5	Depreciation	0	0
174	Interest		
174	Vested Assets		
<b>8,607</b>	<b>Total Expenditure</b>	<b>6,136</b>	<b>6,229</b>
<b>(344)</b>	<b>Net Surplus/(Deficit) before Taxation</b>	<b>717</b>	<b>(1,232)</b>
0	Taxation Expense		
<b>(713)</b>	<b>Operating Surplus (Deficit)</b>	<b>662</b>	<b>(1,232)</b>
<b>(344)</b>	<b>Net Surplus/(Deficit)</b>	<b>717</b>	<b>(1,232)</b>
<b>-8.6%</b>	<b>Operating Margin</b>	<b>9.7%</b>	<b>-24.7%</b>

<b>Actual 30-Jun-20</b>	<b>STATEMENT OF FINANCIAL POSITION</b>	<b>Actual 31-Mar-21</b>	<b>Budget 31-Mar-21</b>
	<b>Shareholder/Trust Funds</b>		
0	Share Capital/Settled Funds	0	0
0	Revaluation Reserves	0	0
1,280	Restricted Funds	1,224	1322
242	Retained Earnings	959	-1693
<u>1,522</u>	<b>Total Shareholder/Trust Funds</b>	<u>2,183</u>	<u>(371)</u>
	<b>Current Assets</b>		
2,912	Cash and Bank	4,440	1261
300	Accounts Receivable	311	150
87	Other Current Assets	119	100
<u>3,299</u>	<b>Total Current Assets</b>	<u>4,870</u>	<u>1,511</u>
	<b>Investments</b>		
0	Deposits on Call	0	0
0	Other Investments	0	0
<u>0</u>	<b>Total Investments</b>	<u>0</u>	<u>0</u>
	<b>Non-Current Assets</b>		
0	Fixed Assets	0	0
0	Other Non-current Assets	0	0
<u>0</u>	<b>Total Non-current Assets</b>	<u>0</u>	<u>0</u>
<u>3,299</u>	<b>Total Assets</b>	<u>4,870</u>	<u>1,511</u>
	<b>Current Liabilities</b>		
545	Accounts Payable and Accruals	518	600
	Provisions		0
1,232	Other Current Liabilities	2,169	1282
<u>1,777</u>	<b>Total Current Liabilities</b>	<u>2,687</u>	<u>1,882</u>
	<b>Non-Current Liabilities</b>		
0	Loans - WCC	0	0
0	Loans - Other	0	0
0	Other Non-Current Liabilities	0	0
<u>0</u>	<b>Total Non-Current Liabilities</b>	<u>0</u>	<u>0</u>
<u>1,522</u>	<b>Net Assets</b>	<u>2,183</u>	<u>(371)</u>
<u>1.9</u>	<b>Current Ratio</b>	<u>1.8</u>	<u>0.8</u>
<u>46.1%</u>	<b>Equity Ratio</b>	<u>44.8%</u>	<u>-24.6%</u>

Actual 30-Jun-20	STATEMENT OF CASH FLOWS	Actual Mar-21	Budget Mar-21
	<i>Cash provided from:</i>		
3178	Trading Receipts	3,217	2,137
3680	WCC Grants	2635	3,282
665	Other Grants	609	81
506	Sponsorships and Donations	300	80
27	Investment Income	6	8
268	Other Income	3,954	70
8324		10,721	5,658
	<i>Cash applied to:</i>		
5,801	Payments to Employees	4,396	4,491
3,501	Payments to Suppliers	4,797	1,738
0	Net GST Cashflow		0
0	Other Operating Costs (VESTING)		0
	Interest Paid	0	0
9302		9,193	6,229
-978	<b>Total Operating Cash Flow</b>	1,528	(571)
	<b>Investing Cash Flow</b>		
	<i>Cash provided from:</i>		
0	Sale of Fixed Assets		0
	Other		
0		0	0
	<i>Cash applied to:</i>		
	Purchase of Fixed Assets		0
	Other -vesting Cash for Capital Projects	0	0
0		0	0
0	<b>Total Investing Cash Flow</b>	0	0

Actual 30-Jun-20	STATEMENT OF CASH FLOWS (CONT)	Actual 31-Mar-21	Budget 31-Mar-21
	<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
(978)	<b>Net Increase/(Decrease) in Cash Held</b>	1,528	(571)
3,890	<b>Opening Cash Equivalents</b>	2,912	1,832
2,912	<b>Closing Cash Equivalents</b>	4,440	1,261

<b>Actual 30-Jun-20</b>	<b>CASH FLOW RECONCILIATION</b>	<b>Actual 31-Mar-21</b>	<b>Budget 31-Mar-21</b>
(344)	<b>Operating Surplus/(Deficit) for the Year</b>	717	(1,232)
	Add Non Cash Items		
5	Depreciation	0	0
	Other (movement restricted funds)	-56	
(339)		661	(1,232)
	<b>Movements in Working Capital</b>		
168	(Increase)/Decrease in Receivables	(11)	0
5	(Increase)/Decrease in Other Current Assets	(32)	2
(849)	Increase/(Decrease) in Accounts Payable	(27)	49
37	Increase/(Decrease) in Other Current Liabilities	937	610
(639)		867	661
	<b>Net Gain/(Loss) on Sale:</b>		
0	Fixed Assets	0	0
	Investments	0	0
0		0	0
(978)	<b>Net Cash Flow from Operations</b>	1,528	(571)







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## **FINAL STATEMENTS OF INTENT FOR COUNCIL CONTROLLED ORGANISATIONS**

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### **Purpose**

1. To receive the final 2021-22 Statement of Intent (SOI) for the following Council Controlled Organisations (CCOs).
  - Basin Reserve Trust
  - Karori Sanctuary Trust
  - Wellington Cable Car Limited
  - Wellington Museums Trust
  - Wellington Regional Economic Development Agency Ltd
  - Wellington Regional Stadium Trust (not a Council Controlled Organisation)
  - Wellington Zoo Trust

### **Summary**

2. Officers received draft SOIs and reported on these at the CCO Subcommittee meeting on 7 April 2021. The report included any issues with the draft SOIs that were expected to be addressed in the final SOIs.
3. The Strategy & Policy Committee considered the draft SOIs at its meeting on 15 April 2021.
4. Officers highlighted the relevant issues and recommendations of the committees to the CCOs and requested that they be addressed in the final SOI.
5. Officers have reviewed the final SOI for each CCO and confirm that each SOI has addressed the issues raised.

### **Recommendations**

That the Pūroro Tahua - Finance and Performance Committee:

1. Receive the information.
2. Note that following the Council Controlled Organisations Subcommittee meeting on 7 April 2021 and the subsequent Strategy and Policy Committee meeting held on 15 April 2021, officers requested changes to be made to the Statements of Intent and that these changes have been included in the final Statements of Intent.

### **Background**

6. As the key accountability document between the Council and the Board of each entity the SOI is important in confirming the strategic direction and accountability to Council of each organisation.

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7. Under the Local Government Act 2002 (LGA), 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.
  8. Under Schedule 8 Part 1 of the LGA, CCOs must deliver to the Council a final SOI before the commencement of the financial year to which it relates.
  9. The 2021-22 SOI for Wellington Water Limited will be considered by the Wellington Water Committee.

### **Discussion**

10. Officers have reviewed the SOI received from each entity and acknowledge that they respond to the comments from the Subcommittee and the Strategy and Policy Committee.
11. Final SOIs are appended to this report.

### **Basin Reserve Trust**

12. The Basin Reserve Trust's SOI identifies a list of upgrade projects which Council intends to complete subject to planning and budget prioritisation.
13. The Trust's SOI commits to adding bicycle storage facilities at the venue to support the cycling to events held at the Basin Reserve. It will also promote scooters and e-bikes when marketing its events as practical forms of transport to reach the venue.
14. The SOI recognises the development of Council's strategies in the areas of economic development, arts and culture and children and young people and will support the Council in their development and implementation.
15. The Trust has acknowledged the need for professional development opportunities for its board of trustees and will encourage specialist training for identified needs and supply Council annually with a skills matrix of the board.
16. The SOI contains target utilisation figures for all three years of its tenure.

### **Karori Sanctuary Trust**

17. The Trust's SOI has been updated to acknowledge that funding of future Living Wage increases is a financial risk to the Trust.

### **Wellington Cable Car Limited**

18. Council has communicated with the Wellington Cable Car Ltd regarding its forecast deficits and acknowledged that it remains Council's intention to continue to support the company as needed during FY 2021/2022, from the unutilised balance of its CCO COVID Response Support fund.

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### **Wellington Museums Trust**

19. The CCO subcommittee chair has communicated with the Wellington Museums Trust regarding its forecast deficit in 2021/22 and confirmed that it remains the Council's expectation that the Trust will continue to refine its operations to reduce the Trust's reliance on additional financial support (over and above its operating grant) in 2021/22 and return to breakeven in 2022/23.

### **Wellington Regional Economic Development Agency Ltd**

20. The company's SOI makes note that it will include comparative historical data, where available, in its reporting framework to maintain visibility of trends.

### **Wellington Regional Stadium Trust**

21. The Trust's financial projections are based on New Zealand maintaining COVID-19 Alert Level 1 and the trans-Tasman bubble staying intact. Under these circumstances, the Trust's operating cash flows will remain positive, however depreciation causes net deficits year on year in the SOI, meaning the Trust will need to increase borrowings to fund its capital expenditure programme.
22. The projections indicate an increase in the Trust's net debt of \$16.3m over the next 5 years (to 2026) if the Stadium is to be maintained in a competitive, vibrant, and safe condition to meet the demands which are expected by its hirers and by fans. The financial forecasts acknowledge the Council's \$2.3m support for seismic strengthening works which is included in the 2021-31 Long Term Plan.

### **Wellington Zoo Trust**

23. The Trust's draft SOI did not require amendment.

### **Attachments**

Attachment 1.	Basin Reserve Trust SOI 2021-22	Page 127
Attachment 2.	Karori Sanctuary Trust SOI 2021-22	Page 144
Attachment 3.	Wellington Cable Car Ltd SOI 2021-22	Page 180
Attachment 4.	Wellington Museums Trust SOI 2021-22	Page 210
Attachment 5.	Wellington Regional Economic Development Agency Ltd SOI 2021-22	Page 247
Attachment 6.	Wellington Regional Stadium Trust SOI 2021-22	Page 269
Attachment 7.	Wellington Zoo Trust SOI 2021-22	Page 294

Author	Warwick Hayes, Project Manager Economic & Commercial
Authoriser	Claire Richardson, Chief Operating Officer

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## **SUPPORTING INFORMATION**

### **Engagement and Consultation**

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

### **Treaty of Waitangi considerations**

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

### **Financial implications**

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

### **Policy and legislative implications**

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

### **Risks / legal**

Not applicable.

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

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

### **Communications Plan**

Not applicable.

### **Health and Safety Impact considered**

Not relevant.



**Basin Reserve Trust**  
**2021-22 Statement of Intent**



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## **1. Introduction**

The iconic Basin Reserve has a rich history. The first game of cricket was played at the Basin on 11 January 1868, making it the oldest cricket ground in New Zealand. The ground not only hosts cricket games, but sporting fixtures of every variety. It has hosted national events and competitions including VE Day celebrations, Royal Tours, exhibitions, Scout jamborees, concerts and festivals. In 1998, the Basin Reserve was listed as a Heritage Area, becoming the first sports ground to receive such a designation and further enhancing its heritage significance. The Basin is also home to the William Wakefield Memorial that was erected in 1882 and commemorates one of Wellington's founders, William Wakefield.

The Basin Reserve plays a role in assisting Wellington City Council to achieve the recreation and leisure participation aims signalled in the 2018-28 Ten Year Plan and the "Living WELL" Wellington Sport and Active Recreation Strategy. The ongoing redevelopment repositions the Basin as New Zealand's premier cricket venue and help attract national and international events to Wellington.

The Statement of Intent outlines the activities and intentions of the Basin Reserve Trust (BRT) for the three-year period from 1 July 2021 to 30 June 2024, with a particular focus on the first twelve months to 30 June 2022. It details the BRT's approach to governance and contains financial information, including the annual budget.

## **2. Objectives**

The objectives of the trust are stated in the Trust Deed are highlighted below:

1. to manage, administer, plan, develop, maintain, promote and operate the Basin Reserve for recreation and leisure activities and for the playing of cricket for the benefit of the inhabitants of Wellington
2. to establish a long-term policy for the further development of the Basin Reserve as a recreational facility and as a facility for the playing of cricket, other sports and as a venue for other community-based activities;
3. to enter into management agreements and other contracts that are necessary or desirable to achieve the objects of the Trust;
4. to promote and co-ordinate the raising of funds to assist the management, administration, maintenance planning, promotion and further development of the Basin Reserve;
5. generally, to do all acts, matters and things that the Trustees consider necessary or conducive to further or attain the objects of the Trust set out above for the benefit of the public of Wellington;
6. to operate as a successful undertaking, managed on a not-for-profit basis;
7. to preserve and enhance the significant and recognised heritage value of the Basin Reserve;
8. to comply with all legislative and regulatory provisions relating to its operation and performance including statutory and general Council objectives for Council controlled organisations, and to acknowledge the Council's contribution where appropriate;

## **3. COVID-19 Planning**

The BRT is committed to the ongoing management and evaluation of risks associated with the enduring COVID-19 global pandemic. The Trust will be working to ensure robust and innovative plans



are in place to respond effectively if, and when, alert levels shift. This includes our continued acknowledgement of the responsibility we have for the social wellbeing of Wellingtonians, finding new ways to operate more efficiently and improving our ability to diversify engagement with local audiences. The key risk identified for the BRT is the financial impact from lost events that generate a large proportion of the BRT's annual event revenue. The strained economic climate has also impacted the BRT's ability to secure a naming rights partner to date.

Organisations that have vigorous plans in place will respond to COVID-19 more successfully than those who neglect the continued need for impetus in this space. The BRT is dedicated to ensuring our plans are continually reviewed and updated to ensure we are in the best possible position to respond.

#### **4. 2021-22 Activities**

In-line with the objectives of the Trust Deed, the BRT will focus on the following initiatives in 2021-22;

##### **Events and Functions**

The event and function calendar will have a domestic and community focus for the 2021-22 reporting cycle. The Basin will aim to deliver 78 event days, 100 practice days and 40 functions.

An overview of the wide range of events that are planned for 2021-22 are outlined below:

##### Community and other Sport Events:

The BRT is proud to be a venue for everyone and key events for 2021-22 include;

- Rugby and Football – partnerships with Wellington Rugby and Capital Football and now well established with the Basin Reserve serving to provide these two codes with three well used junior rugby and girls' junior football fields.
- Beers at the Basin – the popular festival that showcases Wellington's craft beer industry will continue to be a summer feature on the Basin's busy event calendar
- Music Concert – the BRT will gauge feasibility of hosting an annual concert at the Basin based on the review of the Peachy Keen concert in April 2021
- Ethnic Community Festival – the BRT will engage with Cricket Wellington regarding the feasibility of hosting an Ethnic Community Festival in October

It is important to note that due to the Basin Reserve being a host venue for the ICC Women's World Cup 2022, the ability to host community event days and a concert will be significantly reduced due to the venue exclusivity period commencing 21 days prior to the date of the first match at the Basin Reserve and ending ten days following the conclusion of the last match at the Basin Reserve. Therefore, the exclusivity period will commence from Sunday 20 February 2022 and ending 9 April 2022. The Basin Reserve turf renovation period will commence at the conclusion of this period. The Trust remains committed to increasing and diversifying the utilisation of the Basin Reserve and will continue to seek opportunities to increase usage of the venue by community, other sports organisations and to drive the utilisation of the Basin Reserve as a function venue.



### Functions

The BRT has contracted Black and Gold Events to manage and promote the Norwood Room and Long Room in the RA Vance Stand as a venue for conferences, meetings, weddings, celebrations, Christmas functions or team building workshops. In total, 40 functions are planned for 2021-22, with an expected average increase in the first quarter due to another venue undergoing refurbishments, but a reduction in the third quarter due to the ICC Women's World Cup.

### Domestic Cricket

The Basin is the home of Cricket Wellington and the home ground of the Wellington Firebirds in the Plunket Shield, Ford Trophy and Men's Super Smash, as well as the Wellington Blaze in the Hallyburton Johnston Shield and Women's Super Smash. The Basin also accommodates Cricket Wellington development teams. The Basin is planning to host 55 days of cricket events, with 100 days of use planned for the practice facilities.

### ICC Women's Cricket World Cup 2022

New Zealand is hosting the ICC Women's Cricket World Cup in 2022. Eight nations are competing across 31 matches in six host cities around the country from 4 March – 3 April 2022. The tournament was previously scheduled to be hosted in 2021, but due to the ongoing global pandemic, it was postponed enabling all qualifying teams the opportunity to participate and ensuring a safer tournament could be held. The Basin Reserve is selected as one of the six host venues and have secured the following fixtures:

- New Zealand v Australia, Sunday 13 March
- Australia v Qualifier, Tuesday 15 March
- Australia v South Africa, Tuesday 22 March
- South Africa v Qualifier, Thursday 24 March
- Australia v Qualifier, Friday 25 March
- England v Qualifier, Sunday 27 March
- Semi Final, Wednesday 30 March

### International Cricket [Other]

The BRT is holding discussions with New Zealand Cricket regarding opportunities to host a Blackcaps v South Africa Test Match in February 2022. There are no other international cricket fixtures forecasted for the 2021-22 reporting cycle due to the Basin Reserve being a host venue for the ICC Women's Cricket World Cup.

### **Redevelopment**

The Old Pavilion Stand was completed in June 2020 and the BRT's focus is committed to working with the Wellington City Council on the redevelopment of the Basin Reserve and its infrastructure.

Key projects that the BRT are working with WCC to complete are as follows:

- Embankment toilet upgrade
- Perimeter fence and gate upgrades



- Media box extension
- Picket fence upgrade
- Permanent camera stands and sightscreens upgrades
- Ground lighting to support 24x7 access
- Additional groundsman storage (between practice cage and Old Pavilion)

The BRT will continue to present the ground to a high standard throughout the year, driving a comprehensive maintenance programme. The Trust is also committed to providing access to the ground 24 hours a day once acceptable and safe levels of lighting have been installed (outside of its normal operational closures).

#### **Sponsorship and Fundraising**

The BRT remains committed to assisting with fundraising and sponsorship. To date the Trust has raised \$951k of funding towards various projects at the venue, with an additional \$175k of approved funding withdrawn due to Covid-19. We remain dedicated to exploring further funding opportunities.

Key opportunities that the BRT are progressing:

- Class 4 Gaming – the Trustees have established positive relationships with numerous leading community funding trusts and will continue to build on these relationships to aid future projects
- New Zealand Lotteries Commission – this presents another key funding vehicle for the BRT
- Naming Right Sponsor and Signage Partners – a continued focus is being placed on securing a naming right sponsor and signage partners
- Digital Billboards – the Trust are also investigating digital billboard opportunities at the Basin Reserve to grow a more sustainable revenue base that would provide the BRT with additional income to support the redevelopment and on-going maintenance

The Trust will report on progress each quarter.

#### **Cricket Wellington and The New Zealand Cricket Museum**

The Basin Reserve is the home of Cricket Wellington, the Regional Sports Organisation for cricket in Wellington and the New Zealand Cricket Museum. The Old Pavilion is now home to the Cricket Wellington offices and the national Cricket Museum, which is due to reopen its doors to the public in October 2021. The New Zealand Cricket Museum records the history of cricket and will tell the story of the Basin Reserve through its newly developed and modernised storytelling and displays.

#### **Wellington Regional Stadium Trust (WRST) Turf Services Partnership**

The BRT will continue to work in partnership with the WRST to ensure that the Basin reserve outfield, wicket blocks and practice wickets. A significant proportion of the operating grant provided to the BRT from Wellington City Council covers the costs associated with the Turf Services Agreement between the BRT and WRST which are costs that continue to increase year on year.



#### **William Wakefield Memorial**

The BRT will work with the William Wakefield Memorial Trust to ensure that the William Wakefield Memorial is maintained.

#### **Bilingual Venue**

The BRT will work with the Wellington City Council and other entities/community groups where appropriate to include bilingual signage around the venue, so the Basin Reserve is a welcoming and inclusive venue for everyone. This will align with the Te Tauihu – te reo Maori Policy and the Council's vision for the city to be bilingual by 2040.

#### **Harassment Policies**

The BRT is committed to promoting a safe and harassment-free environment for all staff, contractors and attendees at all sporting fixtures and events. In 2019-20 the BRT conducted a review of the event terms and conditions and have not had any incidents reported during the 2020-21 SOI period. The BRT will continue to adopt best practise in this area.

#### **Other**

As a leading CCO, the BRT will work closely with Wellington City Council to support the vision for Wellington 2040: *An inclusive, creative capital where people like to live – inclusively and sustainably*, with the following initiatives:

- The BRT will identify ways the Trust can appropriately support Wellington City Councils, Te Tauihu Te Reo Maori Policy and Mana whenua (as outlined above – Bilingual Venue)
- The BRT will ensure that the Te Mapihi Maurea Naming Policy is adhered to at all times
- Te Atakura First to Zero strategy - the BRT was awarded the Toitu Carbon Zero status on 19 December 2019 and will ensure that we remain a carbon zero footprint venue to contribute to the Council's aim of being a zero carbon capital by 2050. This includes the introduction of bike storage areas at the venue, promotion of scooters and e-bikes as a form of transport to events, and being an advocate for key actions within the Te Atakura First to Zero plan
- The BRT will continue to support the Wellington Region Waste Management and Minimisation Plan in conjunction with venue caterers and hirers. This includes utilising specific bins throughout the venue for recycling, glass and general waste, as well as using a specific bin for grass waste. For events, we will continue to align with Black and Gold to minimise waste, which has seen a significant reduction in plastic waste due to vendors using compostable packaging and the introduction of goblets to replace plastic cups at events
- The BRT will continue to support the Accessible Wellington, The Accessible Journey Action Plan 2019 and continue to allow free lounge access to the Basin Reserve Long Room on match days
- The Trust will support the Council regarding the development and implementation of new strategies in the areas of economic development, arts and culture, and children and young people.



## 5. Performance Targets

In-line with Wellington City Councils 2018-28 Ten Year Plan, the BRT aims to deliver the following performance measures for 2021-22:

Measure	2020-21 Forecast	2021-22 Q1	2021-22 Q2	2021-22 Q3	2021-22 Q4	2021-22 Total	2023 Forecast	2024 Forecast
<b>Quarterly Targets</b>								
Community Events Days*	21	1	1	0	1	3	30	35
Cricket Events Days	50	3	30	22	0	55	50	55
Other Sports Events Days	25	6	0	0	14	20	25	25
Practice facility usage (Days)	100	15	45	40	0	100	100	100
Functions	76	15	10	5	10	40	40	50

\*Reduction due to ICC Women's World Cup hosting and venue exclusivity restrictions

Measure	2020-21 Forecast	2021-22 Forecast	2022-23 Forecast	2023-24 Forecast
Numbers attending events*	55,000	74,150	41,000	41,000
Event Income (\$)	309,200	1,127,340	350,000	420,000
Council Operating Grant ^ (\$)	694,659	718,040	735,000	754,000
Cash Subsidy (grant) per attendance (\$)	12.63	9.68	17.93	18.39

^includes turf management fee

\*excludes 'open to public' events

## 6. Governance

The Trust Deed establishes the BRT under the Charitable Trusts Act 1957 for the purposes of managing and administering the Basin Reserve. Wellington City Council has appointed the BRT to manage the Basin Reserve under a Management Deed (relating to the Basin Reserve). These two key documents set out how the BRT will govern the Basin Reserve.

The BRT is governed by a Board comprising four Trustees, two appointed by Cricket Wellington and two by Wellington City Council. The Board meet at least four times a year and appoint subcommittees as it deems appropriate to fulfil its obligations. The Trustees set the strategic direction for the BRT and approve the Statement of Intent and Annual Business Plan. The Trustees monitor the organisational performance and ensure that the Trust has appropriate policies and procedures to mitigate its risks (including compliance with the Health and Safety at Work Act 2015).

### Trust Membership

- Alan Isaac (Chair) (appointed by Wellington City Council)



- Mike Horsley (appointed by Cricket Wellington)
- Councillor Sean Rush (appointed by Wellington City Council)
- Mr John Greenwood (appointed by Cricket Wellington)

#### Performance Management

The performance of the Trust is measured in part by achievement of agreed KPI's, with regards to operational activities. The Chair of the Board will undertake an annual evaluation of Trustee performance and will provide an update to Council by 30 September 2021. Further, the individual performance of Trustees is monitored by the Wellington City Council (in respect of the two Council-appointed Trustees), and Cricket Wellington (with regards to the two Cricket Wellington-appointed Trustees). Additionally, the Trust Board will supply the Council with a skills matrix in July 2021 and this will be updated annually thereafter.

The Trust acknowledges the need for ongoing professional development opportunities for Trustees and encourages the undertaking of specialist training for identified needs. The Board will, on an annual basis, implement a programme that supports the identified needs. This may include programmes such as that offered by the NZ Institute of Directors (or similar) or specialist knowledge building from appropriate agencies.

#### 7. Finance

The budget for 2021-22 has been developed on the basis of breaking even. The budget is generally conservative and in line with the activity outlined in this document.

##### Analysis

The following are the key details and assumptions for the budget that results in a budgeted surplus of \$26,340

Revenue - \$1,845,640

Revenue	Forecast 2020-21*	Forecast 2021-22	% Change	Comment
Council Funding	694,659	718,040	3.3%	Inflation Adjustment
Sale of goods and services	309,900	1,127,340	264%	Significant revenue generated by hosting rights for the ICC Women's World Cup
Interest	255	260	N/A	N/A
<b>Total</b>	<b>1,004,814</b>	<b>1,845,640</b>		

\*Forecast until end of FY 2020-21



Expenses - \$1,819,300

Expenses	Forecast* 2020-21	Forecast 2021-22	% Change	Comment
Depreciation	76,900	64,750	-15%	Lower Asset Base
Costs relating to providing goods and services	732,830	1,615,400	120%	Reflects ICC Women's World Cup hosting expenditure
Other expenses	137,320	139,150	N/A	N/A
<b>Total</b>	<b>947,050</b>	<b>1,819,300</b>		

\*Forecast until end of FY 2020-21

The expense side of the budget has been developed based on business as usual and a realistic estimate of the costs associated with operating the BRT.

#### Capital Expenditure

Capital expenditure of \$35k is included within the budget.

#### Cashflow

Cashflow varies throughout the year as key revenues from grants are received quarterly.

#### Risks

The main financial risks are as follows:

- The ICC Women's World Cup does not proceed as planned
- Concession agreement with Black and Gold is terminated
- The domestic cricket season doesn't proceed as planned
- Inability to secure and host a concert
- Increased repairs and maintenance are required

#### Estimate of amount intended for distribution

There is no intention to pay out reserves to stakeholders.

#### Acquisition procedures

There is no intention to make any acquisitions.

#### Estimate of commercial value of stakeholder's investment

N/A





Appendix A

- 2021-22 Statement of Financial Performance

**ACCOUNTING POLICIES**

**BASIN RESERVE TRUST  
STATEMENT OF ACCOUNTING POLICIES  
FOR THE YEAR ENDED 30 JUNE 2022**

**ACCOUNTING POLICIES APPLIED**

**BASIS OF PREPARATION**

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future. To support this assumption, the Trust has relied on a Letter of Comfort received from the WCC, stating that "the Council will provide such support where necessary to maintain financial viability".

**GOODS AND SERVICES TAX**

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

**INCOME TAX**

The Trust is registered with the Charities Commission and is thus exempt from income tax under the Income Tax Act. The Trust is not exempt from the need to comply with indirect tax obligations such as Goods and Services, Fringe Benefit and Entertainment and accordingly complies with those obligations that are applicable.

**SIGNIFICANT ACCOUNTING POLICIES**

**Revenue**

**Grants**

Council and other grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if the conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

**Sale of goods**

Revenue from the sale of goods is recognised when the goods are sold to the customer.

**Sale of services**

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

**BASIN RESERVE TRUST  
STATEMENT OF ACCOUNTING POLICIES  
FOR THE YEAR ENDED 30 JUNE 2022**

- Donated Assets**  
Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant.
- Interest revenue**  
Interest revenue is recorded as it is earned during the year.
- Administration and overhead costs**  
These are expensed when the related service has been received.
- Bank accounts and cash**  
Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.
- Debtors**  
Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.
- Property, plant and equipment**  
Property, plant and equipment is recorded at cost, less accumulated depreciation and impairment losses.
- Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.
- For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amounts.
- For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.
- Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:
- |                        |                  |                    |
|------------------------|------------------|--------------------|
| Leasehold improvements | 4 to 45.5 years  | (2.20% to 25.20%)  |
| Drainage works         | 14 to 18 years   | (5.50% to 7.20%)   |
| Furniture & fittings   | 2.5 to 8.5 years | (12.00% to 48.00%) |
| Plant                  | 3 to 6.5 years   | (16.20% to 33.00%) |
- Creditors and accrued expenses**  
Creditors and accrued expenses are measured at the amount owed.

**BASIN RESERVE TRUST  
STATEMENT OF ACCOUNTING POLICIES  
FOR THE YEAR ENDED 30 JUNE 2022**

**Budget figures**

The budget figures are derived from the statement of intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

**Tier 2 PBE Accounting Standards applied**

The Trust has not applied any Tier 2 Accounting Standards in preparing its financial statements.

**CHANGES IN ACCOUNTING POLICIES**

There have been no changes in accounting policies from those used in the previous financial year.

**FORECAST FINANCIAL STATEMENTS**

**BASIN RESERVE TRUST  
 STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIODS ENDING**

	FYE 30-Jun-21	Qtr to 30-Sep-21	Qtr to 31-Dec-21	Qtr to 31-Mar-22	Qtr to 30-Jun-22	FYE 30-Jun-22	FYE 30-Jun-23	FYE 30-Jun-24
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenue</b>								
Council funding	694,659	359,020	-	359,020	-	718,040	735,000	754,000
Grants other	700	-	-	-	-	-	-	-
Sale of goods and services	309,200	34,550	83,650	966,950	42,190	1,127,340	350,000	420,000
Interest revenue	255	65	65	65	65	250	300	300
<b>Total Revenue</b>	<b>1,004,814</b>	<b>393,635</b>	<b>83,715</b>	<b>1,326,035</b>	<b>42,255</b>	<b>1,846,640</b>	<b>1,085,300</b>	<b>1,174,300</b>
<b>Expenses</b>								
Depreciation of property, plant and equipment	76,900	14,625	15,875	17,125	17,125	64,750	58,500	50,000
Costs related to providing goods and services	732,830	168,225	216,875	1,072,175	158,325	1,615,400	876,600	929,500
Other expenses	137,320	31,020	31,025	31,025	46,080	139,150	143,000	185,000
<b>Total Expenses</b>	<b>947,050</b>	<b>213,870</b>	<b>263,575</b>	<b>1,120,325</b>	<b>221,530</b>	<b>1,819,300</b>	<b>1,078,100</b>	<b>1,164,500</b>
<b>Surplus/(Deficit) for the Year</b>	<b>57,764</b>	<b>179,765</b>	<b>(179,860)</b>	<b>205,710</b>	<b>(179,275)</b>	<b>26,340</b>	<b>7,200</b>	<b>9,800</b>

**BASIN RESERVE TRUST  
STATEMENT OF FINANCIAL POSITION**

	As at 30-Jun-21 \$	As at 30-Sep-21 \$	As at 31-Dec-21 \$	As at 31-Mar-22 \$	As at 30-Jun-22 \$	As at 30-Jun-22 \$	As at 30-Jun-23 \$	As at 30-Jun-24 \$
<b>Assets</b>								
<b>Current Assets</b>								
Bank accounts and cash	269,493	420,878	241,943	411,028	241,093	241,093	191,193	169,893
Debtors and prepayments	82,000	85,000	65,000	215,600	96,200	96,200	98,200	96,200
<b>Total Current Assets</b>	<b>351,493</b>	<b>505,878</b>	<b>306,943</b>	<b>626,628</b>	<b>337,293</b>	<b>337,293</b>	<b>289,393</b>	<b>266,093</b>
<b>Non-Current Assets</b>								
Property, plant and equipment	423,174	433,549	442,674	450,549	458,424	458,424	499,924	549,924
<b>Total Non-Current Assets</b>	<b>423,174</b>	<b>433,549</b>	<b>442,674</b>	<b>450,549</b>	<b>458,424</b>	<b>458,424</b>	<b>499,924</b>	<b>549,924</b>
<b>Total Assets</b>	<b>774,667</b>	<b>939,427</b>	<b>749,617</b>	<b>1,077,177</b>	<b>795,717</b>	<b>795,717</b>	<b>789,317</b>	<b>816,017</b>
<b>Liabilities</b>								
<b>Current Liabilities</b>								
Creditors and accrued expenses	122,785	119,180	109,230	231,080	117,495	117,495	103,295	120,195
Income received in advance	11,400	-	-	-	11,400	11,400	12,000	12,000
<b>Total Current Liabilities</b>	<b>134,185</b>	<b>119,180</b>	<b>109,230</b>	<b>231,080</b>	<b>128,895</b>	<b>128,895</b>	<b>115,295</b>	<b>132,195</b>
<b>Total Liabilities</b>	<b>134,185</b>	<b>119,180</b>	<b>109,230</b>	<b>231,080</b>	<b>128,895</b>	<b>128,895</b>	<b>115,295</b>	<b>132,195</b>
<b>Total Assets less Total Liabilities</b>	<b>640,482</b>	<b>820,247</b>	<b>640,387</b>	<b>846,097</b>	<b>666,822</b>	<b>666,822</b>	<b>674,022</b>	<b>683,822</b>
<b>Trust Equity</b>								
Contributed capital	100	100	100	100	100	100	100	100
Accumulated surpluses	582,618	640,382	820,147	640,287	845,997	640,382	666,722	673,922
Current period earnings	57,764	179,765	(179,860)	205,710	(179,275)	28,340	7,200	9,800
<b>Total Trust Equity</b>	<b>640,482</b>	<b>820,247</b>	<b>640,387</b>	<b>846,097</b>	<b>666,822</b>	<b>666,822</b>	<b>674,022</b>	<b>683,822</b>

**BASIN RESERVE TRUST  
STATEMENT OF CASH FLOWS FOR THE PERIODS ENDING**

	FYE 30-Jun-21 \$	Qtr to 30-Sep-21 \$	Qtr to 31-Dec-21 \$	Qtr to 31-Mar-22 \$	Qtr to 30-Jun-22 \$	FYE 30-Jun-22 \$	FYE 30-Jun-23 \$	FYE 30-Jun-24 \$
Cash Flows from Operating Activities								
Receipts of council funding	694,559	359,020	-	359,020	-	718,040	735,000	754,000
Receipts of grants other than services	700	-	-	-	-	-	-	-
Receipts from sale of goods and services	285,500	20,000	45,000	865,000	85,000	1,015,000	320,000	385,000
Interest receipts	255	65	65	65	65	260	300	300
Payments to suppliers and employees	(841,280)	(187,700)	(189,000)	(1,050,000)	(185,000)	(1,621,700)	(965,200)	(1,025,600)
GST (net)	(60,000)	(5,000)	(10,000)	20,000	(45,000)	(40,000)	(40,000)	(35,000)
<b>Net Cash Flows from Operating Activities</b>	<b>79,834</b>	<b>176,385</b>	<b>(153,935)</b>	<b>194,085</b>	<b>(144,935)</b>	<b>71,600</b>	<b>50,100</b>	<b>78,700</b>
Cash Flows from Investing and Financing Activities								
Payments to acquire property, plant and equipment	(33,600)	(25,000)	(25,000)	(25,000)	(25,000)	(100,000)	(100,000)	(100,000)
<b>Net Cash Flows from Financing Activities</b>	<b>(33,600)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(100,000)</b>	<b>(100,000)</b>	<b>(100,000)</b>
<b>Net Increase/(Decrease) in Cash for the Year</b>	<b>46,234</b>	<b>151,385</b>	<b>(178,935)</b>	<b>169,085</b>	<b>(169,935)</b>	<b>(28,400)</b>	<b>(49,900)</b>	<b>(21,300)</b>
Add opening bank accounts and cash	223,259	269,493	420,878	241,943	411,028	269,493	241,093	191,193
<b>Closing Bank Accounts and Cash</b>	<b>269,493</b>	<b>420,878</b>	<b>241,943</b>	<b>411,028</b>	<b>241,093</b>	<b>241,093</b>	<b>191,193</b>	<b>169,893</b>

## Statement of Intent 2021-2022 Karori Sanctuary Trust

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



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## 1. Introduction

The significant level of uncertainty surrounding our operating environment as a consequence of the COVID-19 pandemic continues. At the time of writing, ZEALANDIA is experiencing the benefits from a resurgence of domestic tourism. Whilst this is far from fully compensating for the loss of the international tourist market, it does mean that performance to-date is achieving the revised targets we set in our 2020/21 SOI, giving us confidence that our business assumptions and revised performance targets remain valid.

In light of the continued uncertainty and following a range of discussions with colleagues in other CCOs, we have based our planning for 2021/22 on the same assumptions as for 2020/21, most notably, no international tourism of any significant scale during the year apart from visitors from Australia through the trans-Tasman travel bubble starting on the 19 April 2021.

That said, our ambition to continue having a positive and transformative impact for our city (and beyond) remains as strong as ever.

Our 2019/20 Annual Report records the significant impacts we achieved across the financial, social, environmental, and human capitals despite the impacts of a pandemic-related lockdown. Our economic value to Wellington alone was estimated at \$29.5m, a continued increase year-on-year over the past five years. We continue to have strong and positive social and human capital impacts through, for example, community engagement and volunteering, and of course our environmental and conservation impacts all continue to flourish. The research conducted by Dr Danielle Shanahan into aspects of the human health and wellbeing impacts on the Wellington community has been world-leading and startling in the clarity of what the data is indicating. The realisation of just how the biodiversity of our city has been transformed was particularly evident during lockdown, as reported by many media channels.

Our partnership with Wellington City Council remains pivotal and this SOI documents our plans for how ZEALANDIA will continue to add value to Wellington and meet Council's goals as set out in the letter of expectations.

Our vision for nature-rich communities remains a central theme, with the wider Wellington region being internationally recognised as the most nature connected urban area in the world. This vision, and the plans we have that underpin it, is entirely consistent with, and supportive of, Council's four wellbeing goals as indicated in the letter of expectations.

As highlighted in previous SOIs, the majority of our work is long-term and so many of the approaches and actions articulated in this SOI describe a continuation, or further development, of existing programmes and projects that have been described in previous SOI documents. Our 20-year strategy document, *Living with Nature: Tiaki Taiao, Tiaki Taonga – our strategy for 2016-2035*, remains the key touch-stone document for all this work.

### Next steps in 2021/22

Section 2 of this document outlines the close strategic alignment of ZEALANDIA's plans with Council's environmentally focussed strategies. Taking one example, our work remains closely aligned to Council's Te Atakura First to Zero strategy. We have been Toitū Envirocare carboNZero certified for six years and have been leaders in the city with exemplary initiatives such as the early installation of car charging stations and PV technologies, and the deployment of New Zealand's first EV passenger shuttles. We continue to target waste minimisation having made

significant advances in this area through, for example, the reduction in use of plastics across our operations.

We look forward to working with Council colleagues on the development of new strategies as mentioned in the letter of expectations.

Our investment in all areas of our operations including key areas of impact: conservation and restoration, research, education and learning, visitor engagement, outreach and major ongoing projects such as Sanctuary to Sea, will continue. Our engagement with mana whenua will remain a central tenet of what we do and how we do it, increasingly weaving te ao Māori and mātauranga Māori throughout our work. Relationships with other key partner entities such as Predator Free Wellington, the Zoo, Victoria University of Wellington, and the Biological Heritage National Science Challenge (to name a few) will also remain close and strong.

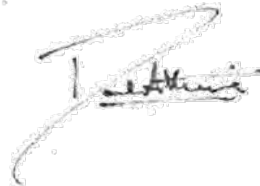
The detailed design phase of Tanglewood House is due to be completed in 2020/21 and we are, therefore, planning to commence the building phase of this Centre for People and Nature during the period covered by this SOI. Full details and timelines will be available when the detailed design and building consent stages are completed.

The financial context of Council is fully understood and the plans within this SOI are based on an inflation indexed increase in the operating grant only. It should be noted that ZEALANDIA has not requested any additional financial support from Council.

The following sections of this SOI provide a detailed view of our plan for 2021/22. They address all the specific areas highlighted in the letter of expectations and, overall, describe how we will continue to make a significant contribution to our city and the vision for *Wellington 2040: An inclusive, creative capital where people like to live – inclusively and sustainably*.



Phillip Meyer  
Chairman, Karori Sanctuary Trust



Paul Atkins  
Chief Executive, Karori Sanctuary Trust

## 2. The Strategic Partnership with Wellington City Council

Wellington City Council (Council) remains a key strategic partner and principal funder of the Trust and we will continue to align our priorities with the Council's strategic direction and make a strong contribution towards advancing the Council's aims as signalled through a range of strategy documents including the 2021-31 Long Term Plan.

Our 2019/20 Annual Report highlighted once again our significant impact as a high performing contributor to the liveability of our city and the wider Wellington region, working effectively with partner organisations to drive Wellington's position as a unique natural capital. We are grateful for the Council's continuing support for our operations and vision.

Despite the challenging operating environment in the last quarter of 2019/20, ZEALANDIA completed the financial year with only a small operating deficit of \$100,000 (after adjusting for one-off income items) as declared in our annual report, a healthy balance sheet and a clear plan for tackling the challenges of 2020/21. At the end of 2019/20, our operating working capital balance was \$2,959,381 including \$1.8m of commitments for our Tanglewood House build and scholarship funding. The balance of \$1.2m is the working capital reserve agreed with the Board to cover a potential 2020/21 budget deficit; it includes at least three months of operating expenses in line with financial management good practice.

We are committed to the delivery of the Council's vision for *Wellington 2040: An inclusive, creative capital where people like to live – inclusively and sustainably* by contributing towards the following community outcomes for the City.

- Environmental wellbeing: We will continue to progress our work to add value to Wellington and the wider region through environmental restoration and transforming how we value and live with nature.
- Social wellbeing: We will continue to deliver social capital value for the common good in Wellington and beyond, especially by building community connection and capability. We are committed to Te Tiriti o Waitangi, and the growth of our foundation in te ao Māori. Our volunteer programme continues to flourish with over 500 volunteers currently supporting our work.
- Cultural wellbeing: We will continue to contribute to the restoration of New Zealand's natural heritage.
- Economic wellbeing: We will continue to contribute positively to the regional economy by employing people and providing training opportunities to volunteers and interns. In 2019/20, ZEALANDIA contributed \$29.5m of economic value to the Wellington region through capital investment, job creation, training and other local spending.

In response to the letter of expectations, during the year we will:

- continue to contribute to the goals outlined in Te Atakura, the First to Zero strategy through our continued commitment to being an environmentally responsible organisation. ZEALANDIA aims to enable and empower employees, volunteers, visitors, and the community to act sustainably. ZEALANDIA has been Toitū Envirocare carboNZero certified for the last six

consecutive years and our Green team will continue working with staff to improve our sustainability practices.

- work with the Council on the development of the new strategies in the areas of economic development, arts and culture, and children and young people.
- improve accessibility at ZEALANDIA where possible in line with the goals outlined in Accessible Action Plan 2019-22.

In 2021/22 we will continue to implement the Council's Living Wage Policy for our employees as required by Council. The 2021-31 Long Term Plan does not include a budget provision to fund future costs associated with maintaining the policy. This will have a significant impact on our salary costs if future annual living wage increments are above the Council grant funding we receive and represents an area of considerable risk for ZEALANDIA.

### **2.1 Wellington City Long Term Plan 2021-31**

We look forward to contributing to the successful delivery of the new Wellington City Long Term Plan for 2021-31 when finalised.

### **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.

We make 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:

- **Learning:** Our education resources and programmes are used by schools nationwide, increasing the impact of our education work far beyond the sanctuary fence. Our community and youth programmes seek to connect New Zealanders of all ages and experience levels with the value and importance of nature engagement.
- **Research:** ZEALANDIA is continuing to contribute cutting edge and internationally recognised research through our multi-disciplinary, long-term programme. The ZEALANDIA Centre for People and Nature will continue to support capability growth in socio-ecological research through the Future Leaders Fund, and the research and community engagement will support the ongoing transformation in how people live with nature.

### **2.3 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 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.

#### **2.4 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.

#### **2.5 The Wellington Regional Economic Growth Agenda**

WellingtonNZ's vision for Wellington is that, by 2025, Wellington will be the most prosperous, liveable and vibrant region in Australasia.

WellingtonNZ remains a key partner and in 2021/22 we will continue to advance this increasingly close relationship.

In 2019/20, ZEALANDIA not only benefited Wellington's environment but also contributed positively to its regional economy by:

- providing over 400 training opportunities to volunteers and interns to learn new skills and further their careers.
- employing over 100 people
- adding \$29.5m of economic value to Wellington.

In 2019/20, ZEALANDIA hosted over 143,000 visitors, up 4% on 2018/19. With the closure of New Zealand's international borders in March 2020 in response to the COVID-19 pandemic and through offering free entry from 16 May to 30 June, the number of Wellingtonians visiting ZEALANDIA this year has increased to 57% of all visitors, up from 49% last year. Correspondingly, the number of international visitors has dropped from 39% to 30% in 2019/20. Looking forward,

we will work closely with WellingtonNZ to position Wellington as an attractive destination for New Zealand domestic tourists.

#### **2.6 Predator Free Wellington**

Our close relationship with Predator Free Wellington continues, with exchange of information, advice, and other forms of support being provided on an ongoing basis. This relationship forms a crucial element of our work beyond the ZEALANDIA fence, and the ability to extend the halo significantly across Wellington.



**3. Strategic Direction for 2021/22 and beyond**

ZEALANDIA's 20-year strategy, Living with Nature: Our strategy for 2016-2035 / Tiaki Taiao, Tiaki Tangata: Te Rautaki 2016-2035, was published in 2016 and we continue to drive all our activity and programmes in support of the key themes as below:



#### **4. The nature and scope of our activities in 2021/22**

The following sections set-out our high-level objectives, scope of business and key performance indicators under our four strategic themes outlined in our Living with Nature - Tiaki Taiao, Tiaki Tangata. It will be supported by our business plan for 2021/22 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 Council to focus on the most important measures of success for 2021/22.

##### **4.1 Objectives**

The 2021/22 work programme is presented in line with our four strategic themes from our 20-year strategy, Living with Nature - Tiaki Taiao, Tiaki Tangata:

- A place that treasures.
- A place that engages.
- A place for learning.
- A place that empowers.

##### **4.2 A place that treasures**

The conservation and restoration activities in the sanctuary continue to be central to all our work. As set out in our ZEALANDIA Te Māra a Tāne Māra a Tāne Conservation and Restoration Strategy 2018-2038, this work involves restoring our wetlands, monitoring and managing threats to species, carrying out active reintroductions and planting, and working beyond the fence to create safe places for wildlife.



We are committed to being an environmentally responsible organisation and taking a proactive approach to sustainability issues and reducing our carbon footprint in line with the Council's Te Atakura First to Zero Policy.

We have successfully achieved Toitū Envirocare carboNZero certification for the sixth consecutive year. Our emissions in 2019/20 were 66.35 tCO<sub>2</sub>e, which is 26% lower than last year's total of 89.29 tCO<sub>2</sub>e and 38% lower than the base year total of 107.31 tCO<sub>2</sub>e. The high reduction in emissions this year is due to our two electric passenger buses and the impact of closing the sanctuary for seven weeks due to the COVID-19 lockdown.

As mentioned in the previous SOI, we are already an internationally recognised, world-class site, as indicated by our success in attracting increasing numbers of visitors, volunteers, researchers and interns, and the next 10 years will see us working hard to become an exemplar of a fully integrated, world leading conservation organisation offering outstanding opportunities for cutting-edge research, education, visitor experience, interpretation, and outreach.

We will build on our continuous improvement culture which has been pivotal in driving recent successes. We care for our people by providing support to enable everybody to contribute to our nature-rich vision and realise their full potential. We remain committed to developing our staff and volunteers in ways that contribute to our goals. In 2019/20 we invested over \$24,000 in staff training to ensure that we continue to support the professional development of our people.

We conducted our latest biennial staff survey in late 2020 to gather feedback and the data will provide insight into where we can improve engagement and organisational performance.

We continue to pay close attention to carefully managing our working capital as it is this that enables us to manage future financial risk in these uncertain times and invest in our infrastructure, including the development of Tanglewood House.

#### **Development of Tanglewood House**

The resource consent and preliminary design phases of the project have been completed. In response to the global pandemic, the detailed design phase of the project was put on hold in early 2020/21 as we went through a process of cost analysis to ensure the project was achievable within budget. A contract has now been signed with a Wellington-based architect company, working alongside a local construction company, to complete the detailed design and building consent stages. It is anticipated these will be completed by early 2021/22 and we will move directly into construction at that point.

Full details of timelines and completion date will be determined and agreed as soon as practicable in 2021.

As indicated in our 2020/21 SOI, the Board has approved funding for the development of Tanglewood House and this funding has been secured and ring-fenced in our budgets. The funding includes the contribution from Council as agreed and confirmed in the 2017 Long Term Plan.

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

- Maintain the perimeter fence so that it ensures the area within the fence is secure from mammalian threats.
- Coordinate with other groups beyond the fence to mitigate and minimise threats to dispersing wildlife.
- 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.
- Invest in the professional development of our people.
- Maintain volunteer satisfaction with their experience at ZEALANDIA.
- Measure staff satisfaction through our engagement survey.

#### **Strategic Initiatives**

- Implement the Sanctuary to Sea Kia Mouriora te Kaiwharawhara strategy with partners to achieve tangible outcomes for people, the forest and the water.
- Progress key sanctuary-based freshwater restoration initiatives.

- Support mana whenua aspirations through the Sanctuary to Sea Kia Mouriora te Kaiwharawhara. project, support of key projects and close partnership in areas of interest.
- Develop smart initiatives to grow our people, and support systems to deliver enduring financial vitality.
- Continue to identify and implement opportunities to reduce waste through initiatives to reduce, reuse and recycle and to reduce our carbon footprint in line with the Council's Te Atakura First to Zero Policy.
- Maintain our Toitū Envirocare carbonZero accreditation and deliver good sustainability practices across the whole of the organisation.
- Redevelop the ZEALANDIA website to provide a more relevant and integrated user experience across all aspects of our work including visitation, education, research, members and supporters.
- Improve the functionality of the pāteke room conference facilities by installing sound proofing and conference lighting.

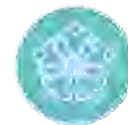
#### **Key performance indicators for 2021/22**

- Partnerships with at least 10 community groups are active in the Sanctuary to Sea project.
- A net breakeven before depreciation and tax.
- Non-WCC grant revenues equating to >75% of overall income.
- Membership subscriptions of \$324,700.
- Full cost per visitor (including WCC costs) TBC.
- Average WCC subsidy per visitor of no more than \$13.04.
- Average revenue per visitor of no less than \$27.28.
- Non-Council donations/funding of \$200,000.

#### **4.3 A place that engages**

Our unique opportunity is to connect our audiences with the value and benefits of a healthy, robust native environment, and to encourage conservation action within Wellington and beyond. We want all our audiences, whether they are internal or external, visitors or volunteers, to build strong and enduring connections with nature and translate that connection into conservation advocacy and action. We will continue to develop the range of experiences that we can offer to meet the needs of all our audiences. Our goal is that all visitors have opportunities to experience ZEALANDIA regardless of accessibility needs.

Our day and night tours will continue to be a key focus for enriching the visitor experience through providing visitors with a deeper understanding of our native flora and fauna and our cultural history and to encourage conservation action when they return home. This year we will continue the development of our products by introducing an enhanced te ao Māori perspective



**A PLACE THAT ENGAGES  
TE WĀHI KŪHUNGA**

into our tours and to alter the content of the tours to have greater appeal to the domestic market.

We work with a wide range of partners, Council is our principal funder and key strategic partner, and we have close partnerships with mana whenua (Taranaki Whānui ki Te Upoko o Te Ika and Ngāti Toa Rangatira), Greater Wellington Regional Council and the Department of Conservation. We have strong and enduring strategic relationships with Embassy of the United Arab Emirates, the Holdsworth Charitable Trust, Manaaki Whenua Landcare Research, Meridian, Morphum Environmental Ltd, Port Nicholson Block Settlement Trust, Predator Free Wellington, Russell McVeagh, the Tanglewood Foundation NZ, Victoria University of Wellington, Wellington Water, Wellington Zoo, the Tenth Trust, and the Woodlands and Wetlands Trust.

#### **Current programmes**

- Provide formal and informal education and visitor experiences that increase people's understanding and connection with nature.
- Continue to reshape and expand our communications channels so that we are actively promoting our conservation and research programmes, visitor experiences and activities, our programmes, partnerships and positive conservation impacts.
- Continue to grow our range of programmes and offerings to reach a wider cross-section of Wellington's diverse communities including those with accessibility needs.
- Provide a diverse and engaging range of experiences for visitors, members and volunteers; researchers and academics; community and corporate groups.
- Continue to offer visitor programmes and experiences for those with accessibility needs.
- We will continue to provide high quality opportunities and services that connect visitors with nature through:
  - Highly attractive visitor experiences.
  - Premium and custom tours.
  - Annual membership.
  - Exhibitions and events.
- Continue to recognise the strategic priorities of Council as an important part of the strategic context for ZEALANDIA, and to align our strategies and priorities closely with those of the Council (see Section 2: The Strategic Partnership with Wellington City Council).
- Continue to work with key partners and grow the community involvement for the delivery of our Sanctuary to Sea Kia Mouriora te Kaiwharawhara project.
- Continue to work closely with our many research partners to develop evidence-based practice across our organisation and further afield.
- Identify keyways through which our partnership with Council can deliver greater gains for biodiversity across the region.

#### **Strategic Initiatives**

- Continue to provide activities and experiences for young people and families.

- Increase engagement opportunities for those with differing accessibility needs in line with the Council's Accessible Wellington Action Plan 2019.
- Participate in research gatherings (e.g. workshops) to share our knowledge and solidify partnerships, and support emerging research leaders through supervision, mentoring and employment.
- Grow our corporate and philanthropic partnerships through key initiatives such as the Centre for People and Nature.

#### **Key performance indicators for 2021/22**

- Visitor numbers – 70,000 separate visitations with breakdown of visitor demographics.
- ZEALANDIA achieves a visitor satisfaction rating of 95% or greater.
- 9,000 education engagements.
- 15,000 members.
- Maintain > 500 volunteers and the range of avenues for people to volunteer.
- > 80% of volunteers are satisfied with their relationship with ZEALANDIA.

#### **4.4 A place for learning**

The inclusion and involvement of mana whenua is key to our integration of mātauranga and te reo Māori into our practices, processes and programmes. Our relationship with mana whenua, Taranaki Whānui ki Te Upoko o Te Ika and Ngāti Toa Rangatira as key strategic partners continue to grow and strengthen, and we will maintain and build partnerships with the many iwi who maintain kaitiakitanga for the species that have now found a home in the sanctuary. These relationships are a source of pride as we continue to integrate mātauranga Māori into our restoration, conservation, storytelling and 'beyond the fence' work. We continue to provide opportunities for staff and volunteers to grow their confidence and capability in te reo and tikanga Māori, aligned to Council's Te Tauihu Te Reo Māori policy. We will continue to develop and deliver public content and activities that bring te ao Māori into our work and programmes.

Our programme of research has grown significantly over the past year, with ZEALANDIA researchers publishing a number of articles while also supporting people from other organisations in generating new knowledge. This year key focus will be the Centre for People and Nature, which now has funding for a physical hub (Tanglewood House, see page 12 for further information) and is growing in terms of content and influence. The key focus of this Centre is generating the knowledge to support a nature rich future. This includes interdisciplinary research and discovery to inform policy, business, and conservation management.

We continue to deliver against our Learning Experiences Outside of the Classroom (LEOTC) contract and other education programmes enabling schools to experience ZEALANDIA's variety of ecosystems and species, empower them to explore the wildlife in their own environments and start their own environmental and conservation activities. We will continue to test, evaluate and



**A PLACE FOR LEARNING**  
HE WĀHI MĀTAURANGA

grow our programmes and initiatives to connect with young people, families and other community groups and inspire them towards a nature-rich future.

#### **Current programmes**

- Continue to deliver activities and events aimed at increasing competency and capability in te reo and te ao Māori amongst staff and volunteers, including targeted learning and upskilling opportunities.
- Continue to develop and deliver public programmes, activities, signage and storytelling that incorporate mātauranga, te reo and te ao Māori.
- Continue to deliver visitor, staff and volunteer programmes and activities for Matariki and Māori Language Week.
- Continue our ongoing and growing iwi engagement work including consultation on our conservation and restoration strategies and key restoration activities (eg. species translocations).
- Continue to work with mana whenua to develop a cultural health indicator project.
- Continue to grow the accessibility of ZEALANDIA to mana whenua through a cohesive programme that cuts across ZEALANDIA operations.
- Deliver formal education programmes to schools under our LEOTC contract with the Ministry of Education, nature connection programmes for low decile and low engagement schools.
- 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.
- Create a supportive environment for staff, volunteers and researchers to ensure research and learning are encouraged and embraced.
- 

#### **Strategic Initiatives**

- Continue to grow and integrate te ao Māori into ZEALANDIA projects and programme development processes.
- Develop and grow partnerships with iwi through key projects of interest to mana whenua.
- Continue research focussed on understanding how changes to Wellington's biodiversity is affecting people, and how community-led conservation can gain environmental outcomes.
- Raise funds to support and expand our formal and informal education programmes, with a focus on opportunities for those less able to access conservation experiences and learning.

#### **Key performance indicators for 2021/22**

- Deliver activities and opportunities for staff and volunteers to increase their knowledge and confidence in te reo Māori and te ao Māori.

- Continue to deliver valley-based and outreach learning programmes under our Ministry of Education LEOTC contract.

#### **4.5 A place that empowers.**

ZEALANDIA does not work in isolation. We are part of the conservation ecosystem alongside Council and many other organisations and individuals in our community, all working towards a common goal of a protected, supported and nature-rich Wellington. Our goal is to be a model of a rich and biodiverse ecosystem, and a place where people can discover the value and importance of nature.



We will continue to work with and through others to expand community knowledge and engagement in conservation and restoration, and to share our vision of a nature-rich future.

Through volunteering opportunities, public programmes, community partnerships and joint initiatives, we will provide or facilitate opportunities to learn from and participate in research projects, connect with community restoration and environmental groups, and learn new skills in restoration and sustainability.

#### **Current programmes**

- Provide learning experiences, tour products, and visitor experiences that help people increase their connection with nature and understand and value New Zealand's natural heritage.
- Provide high quality volunteering experiences that enable volunteers to increase their connections with nature and further ZEALANDIA's conservation, restoration, and engagement objectives.
- Provide activities, information and materials that enable schools and communities to learn about and actively contribute towards nature-rich communities.

#### **Strategic initiatives**

- Extend the reach of ZEALANDIA'S work and impact through partnerships, engagement activities and projects beyond the fence.
- Increase the diversity of ZEALANDIA's partners and volunteers by working with and through a wider variety of community organisations.

#### **Key performance indicators for 2021/22**

- Continue to expand the range of programmes and activities offered to learners and communities.



## 5. Performance Measurements

### 5.1 KPI Scorecard 2021/22

A place that treasures (4.2)	A place that engages (4.3)
<ul style="list-style-type: none"> <li>▪ Partnerships with at least 10 community groups are active in the Sanctuary to Sea project.</li> <li>▪ A net breakeven before depreciation and tax.</li> <li>▪ Non-WCC grant revenues equating to &gt;75% of overall income.</li> <li>▪ Membership subscriptions of \$324,700.</li> <li>▪ Full cost per visitor (including WCC costs) TBC.</li> <li>▪ Average WCC subsidy per visitor of no more than \$13.04.</li> <li>▪ Average revenue per visitor of no less than \$27.28.</li> <li>▪ Non-Council donations/funding of \$200,000.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Visitor numbers – 70,000 separate visitations with breakdown of visitor demographics.</li> <li>▪ ZEALANDIA achieves a visitor satisfaction rating of 95% or greater.</li> <li>▪ 9,000 education engagements.</li> <li>▪ 15,000 members.</li> <li>▪ Maintain &gt; 500 volunteers and the range of avenues for people to volunteer.</li> <li>▪ &gt; 80% of volunteers are satisfied with their relationship with ZEALANDIA.</li> </ul>
A place for learning (4.4)	A place that empowers (4.5)
<ul style="list-style-type: none"> <li>▪ Deliver activities and opportunities for staff and volunteers to increase their knowledge and confidence in te reo Māori and te ao Māori.</li> <li>▪ Continue to deliver valley-based and outreach learning programmes under our Ministry of Education LEOTC contract.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continue to expand the range of programmes and activities offered to learners and communities</li> </ul>

### 5.2 Non-financial Performance Measures

Measure	2020/21 forecast	2021/22	2022/23	2023/24
Visitation	100,713	70,000	91,000	95,000
Members (Individuals)	17,892	15,000	15,200	15,400
Volunteers	>500	>500	>500	>500
Percentage of Satisfied Visitors	>95% <sup>1</sup>	>95%	>95%	>95%

<sup>1</sup>The measure is in line with standard sector benchmarking.

Measure	2020/21 forecast	Q1	Q2	Q3	Q4	2021/22	2022/23	2023/24
Visitation	100,713	10,093	22,701	23,068	14,138	70,000	91,000	95,000
Education visits <sup>2</sup>	7,227	1,925	3,547	1,244	2,284	9,000	9,000	9,000

<sup>2</sup> (LEOTC, tertiary, early childhood, school holiday programme, and outreach).

In the quarterly performance reports for the Council, we will continue to provide a geographical breakdown on visitors to ZEALANDIA and a summary of visitor feedback from GetSmart, Trip Advisor and Google Reviews.

### 5.3 Financial Performance Measures

Measure	2020/21 forecast	2021/22	2022/23	2023/24
Full cost per visitor (including WCC costs)	TBC by WCC	TBC by WCC	TBC by WCC	TBC by WCC
Average subsidy per visit (total WCC operating grant/all visitors)	\$12.85	\$13.04	\$10.18	\$9.90
Average revenue per visit (excludes Council & Government grants)	\$27.01	\$27.28	\$27.55	\$27.83
Non-Council donations/funding	\$235,506	\$200,000	\$200,000	\$200,000

#### 5.4 Conservation Measures

Note, the new measures provided in this SOI reflect the ZEALANDIA Te Māra a Tāne conservation and restoration strategy 2018-2038. These build on and extend previous work to further conservation outcomes within ZEALANDIA and beyond.

Measure	2020/21 forecast	2021/22	2022/23	2023/24	Explanation
<b>Manawaroa. We actively restore ecosystem function to foster resilience</b>					
Number of fauna or flora species transferred into or out of the sanctuary, or 'topped up'.	1	1	1	1	This indicates active effort to enhance biodiversity outcomes inside ZEALANDIA and beyond. Transfers over the coming years are likely to include the release of Wellington barking gecko, a top up of tieke, and propagation of Dactylanthus plant.
Percentage of the bird community that is native.	80%	80%	80%	80%	This is an indicator of the proportion of our bird community that is indigenous and is measured through annual 5 minute bird counts. The target is to maintain the level at or above 80%.
<b>Kaitiakitanga. We look after what we have alongside our many partners.</b>					
% of incursions into the mouse-free area eradicated, or under active response.	100%	100%	100%	100%	The mouse free area is critical for lizard reintroductions, and for research into the effect of mice on species. This target will ensure we maintain those values.
Mice maintained to target level.	<10	<10	<10	<10	The figure gives an abundance index based on the average abundance/100 corrected trap nights.
% pest animal incursions successfully eradicated, or under active response.	100%	100%	100%	100%	The goal is to actively and responsively control incursions if they occur. The target reflects the uncertainty involved in the outcomes of these responses, and the commitment to continue the response until eradication has occurred.

**5.5 Conservation Activities**

Activities [note, some activities are dependent on successful permits and translocation operations]	2021/22	2022/23	2023/24
<b>Continue restoration of the lower valley streams, wetland and lake</b>			
- Implement an overarching multifaceted strategic plan	Ongoing	Ongoing	Ongoing
- Research underway according to a research plan	Ongoing	Ongoing	Ongoing
- Implementation of plans	Ongoing	Ongoing	Ongoing
<b>Translocations (including top-ups)</b>			
Dactylanthus	Implement	-	Implement
Common bullies	Implement	-	-
Tieke (saddleback)	-	Plan	Implement
Kiwi pukupuku	Implement (potential translocation out)	-	-
Activities	2021/22	2022/23	2023/24
<b>Post-release monitoring for translocated species</b>			
Spotted skink monitoring	Complete	-	-
Kākahi (freshwater mussel, depending on completion of 2018 translocation)	Ongoing	-	-
<i>Bracyglottis kirkii var. kirkii</i>	Ongoing	Ongoing	Ongoing
Green mistletoe	Ongoing	Ongoing	Ongoing
Titipounamu (rifleman)	Ongoing	-	-
Common bullies	-	Implement	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 October 2016.

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 Trust became a Council Controlled Organisation in October 2016 with the transfer of the ZEALANDIA Visitors Centre to the Council and the repayment of the loan on the building. The new Deed of Variation of Trust signed in October 2016 sets out the new requirement for the Trust Board to consist of a minimum of five persons and a maximum of up to seven persons. The Council can appoint a maximum of six persons following nominations from the Guardians, and the Trust's Board can appoint up to two persons following consultation with the Guardians and approval of the Council.

The Wellington City Council is a strategic partner, a trustee appointee, a principal funder and the landlord of the Trust.

The Trust will report quarterly to the Council through the Council Controlled Organisations Subcommittee 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 for 2021/22 will be presented to the Council by the 30 September 2022. The Trust will continue to recognise Council as a principal funder and a strategic partner.

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:

<b>Trustee</b>	<b>Term Expires</b>
<b>Phillip Meyer</b> (Chairman), appointed by the Council	December 2023
<b>Pete Monk</b> , appointed by the Council	June 2023
<b>David Bibby</b> , appointed by the Council	December 2021
<b>Russell Spratt</b> , co-opted by the Board	December 2021
<b>Jo Breese</b> , appointed by the Council	June 2021
<b>Dr Libby Harrison</b> , appointed by the Council	December 2021

- The Deed of Variation of Trust signed in October 2016 outlines the roles of the Trust and the Guardians. All trustees may receive an honorarium.
- 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 that includes a person who is not a member of the Trust Board who has the knowledge that will assist the work of the committee. The Committee’s Charter is reviewed annually and requires the committee to meet at least four times a year. Members of the Audit and Risk Committee for the 2021 calendar year are Pete Monk (Chair), Libby Harrison (Trustee), Iain Craig (independent member) and Phillip Meyer (ex-officio).
- 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 2021/22 year and may from time to time contribute to working groups established by the Chief Executive, such as the Tanglewood House steering group.

#### 6.4 Board Performance

The Chair and the Board as a whole will participate in regular reviews 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 will undertake a review of the Chief Executive's performance in July 2021.

#### 6.5 Board Skills Matrix

The Board skills matrix below outlines trustees' key skills that are considered essential in the delivery of our strategic objectives. Consideration is given to any skills gap when there is a vacancy on the Board. The matrix will be reviewed annually.

Key skill	Phillip Meyer (Chairman)	Pete Monk	David Bibby	Russell Spratt	Jo Breese	Dr Libby Harrison
Research and conservation			✓	✓	✓	✓
Financial	✓	✓		✓		
Information technology	✓	✓	✓			
Strategy development	✓	✓	✓	✓	✓	✓
Marketing	✓	✓		✓	✓	
Legal/regulatory	✓				✓	✓
Corporate governance	✓	✓	✓	✓	✓	✓
Ambassadorial	✓			✓	✓	✓
Risk management	✓	✓	✓	✓		✓
Fundraising				✓	✓	✓
Mātauranga Māori/te ao Māori				✓	✓	

### **6.6 Annual General Meeting**

The Trust holds an Annual General Meeting (AGM) each year for members to discuss the annual report and financial statements and hear from the team activities for the coming year.

The AGM for 2021 will be held on Thursday 28 October 2021.

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

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

Our aim is to 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 2021/22.

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
Danielle Shanahan,	Director, Centre for People and Nature
Chris Fitzgerald,	Manager Commercial Development
Anastasia Turnbull,	Manager Learning and Engagement
Matthew Valentine,	Manager Corporate Services

### **7.3 Environmental Practices**

The Trust is committed to and incorporates sustainable practices.

ZEALANDIA has been awarded the Qualmark Gold and the Toitū Envirocare carboNZero accreditation.

An across-organisation group (the Green Team) has been established to monitor ZEALANDIA's sustainability practices and suggest and implement new approaches wherever practicable.

## **8. Health and Safety**

The Trust has robust Health and Safety systems in place and a detailed Emergency Procedure Action Plan that complies with the Health and Safety at Work Act 2015.

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

- Incidents and hazards are recorded on-line and this reporting allows mitigations to be applied in a timely manner.
- Incident reports are reviewed regularly and our updated procedures of sign-off that ensures the officers are satisfied with the investigations and outcomes has been implemented and is working well.



- The Chief Executive continues to be a member of the “Business Leaders Health and Safety Forum” and uses this to inform and keep abreast of good practice models.
- We continue to ensure employees and volunteers have an inclusive role in the identification and management of health and safety matters; including using the Health and Safety Committee to give a direct line of communication and ownership around health and safety matter across all areas of the organisation.
- We maintain a training regime that ensures there is a good level of coverage of personnel who can confidently deal with first responder medical and emergency situations throughout the site at all times.
- We continue to maintain an Employee Support Programme through EAP Services which provides free and confidential support to all employees.
- Our Health and Safety dashboard provides our Board an important view of key data trends year-on-year.

#### **Initiatives planned**

We will continue to:

- evolve our policies and processes as WorkSafe publishes new guidelines and requirements become clearer.
- foster a collaborative and proactive approach within the organisation and with our partners.
- 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 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.

#### **8.1 Asset Management Plan**

In 2020/21 we will develop an asset management strategy that sets out our long-term approach to asset management, including key principles and how we manage our infrastructure going forward.

An audit of the fence was completed in 2019/20 and the results will enable a section of the Asset Management Plan to be updated in 2020/21.

Tanglewood House will also be added to the Asset Management Plan when the details of the building are confirmed.

We will also continue to improve our asset management systems and explore if there are ways to integrate these with the systems used by Council.

We will keep the Council updated on developing business cases for future capital programmes.

**8.2 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, Motor Vehicle, Combined Liability (Public, Employer, Statutory, Crime, Employers Disputes, Cyber and Trustee) and Marine Hull.

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, as required. 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).

The process to review and update the framework for the risks register was completed in 2019/20. The new format employs 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 is now included in our quarterly reports to Council.

Probability of Risk	Impact of Risk				
	Minor	Moderate	Significant	Major	Severe
Almost Certain	Low	Medium	High	Very High	Very High
Likely	Low	Medium	High	Very High	Very High
Possible	Low	Medium	Medium	High	Very High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Medium	Medium

The ZEALANDIA risk register is updated annually in May as part of our planning cycle and is available to Council to view on request.

## **9. Additional Information**

### **9.1 Response to other specific letter of expectation matters (if applicable)**

None

### **9.2 Ratio of Shareholders' Funds to Total Assets**

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

### **9.3 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.

### **9.4 Acquisition Procedures**

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

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

Total funding from Wellington City Council in 2019/20 was \$1,262,124 (including living wage and support of free admissions). The development of the Trust's three year rolling business plan anticipates as a baseline the continuation of the current level of funding.

### **9.6 Estimate of Commercial Value of Shareholders' Investment**

Not applicable.

## Appendices

### Appendix A: Accounting Policies

#### i. Statement of compliance and basis of preparation

##### *Statement of compliance*

The financial statements presented here are for the reporting entity, Karori Sanctuary Trust. The Trust is a charitable trust registered under the Charities Act 2005.

As the primary objective of the Trust is to develop a secure native wildlife sanctuary which benefits the community, rather than making a financial return, the Trust is a public benefit entity for the purpose of financial reporting.

These financial statements were authorised for issue by the Board of Trustees on 27 August 2020.

##### *Basis of preparation*

The financial statements are prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entities Standards Reduced Disclosure Regime (PBE Standards RDR) and authoritative notices that are applicable to entities that apply PBE standards.

The Trust applies Tier 2 PBE Standards and disclosure concessions. The Trust is eligible to report in accordance with Tier 2 PBE Standards RDR because it does not have public accountability and it is not large.

Management has applied judgement in determining whether revenue streams have been appropriately classified as exchange or non-exchange in nature.

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

##### *Measurement base*

The financial statements have been prepared on a historical cost basis.

The financial report is measured in New Zealand dollars and all values are rounded to the nearest dollar (\$) unless otherwise stated.

**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.

Exchange revenue is defined as transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services or use of assets) to another entity in exchange. Revenue streams defined as exchange are membership subscriptions, admissions, sales of goods, certain other Statement of accounting policies grants (where there is an exchange obligation) and certain items of other revenue.

Non-exchange transactions arise where an entity receives value from another entity without giving approximately equal value in exchange. Revenue streams defined as non-exchange are the Wellington City Council grant as well as other grants and donations and items of other revenue that are not included under exchange transactions.

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. Cost of goods sold**

Cost of goods sold comprises the purchase of stock items and other directly attributable costs relating to the Café, Retail, Functions and Education services.

**iv. Property, plant and equipment and intangible assets**

Property, plant and equipment and intangible assets are measured initially at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item is recognised only when it is probable that future economic benefit or service potential associated with the item will flow to the entity.

Subsequent costs that meet the recognition criteria above are recognised in the carrying value of the item of the fixed asset or intangible asset. Such cost includes the cost of replacing part of the asset if the recognition criteria are met. When significant parts of the asset are required to be replaced at intervals, the entity recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the fixed asset as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in surplus or deficit as incurred.

Measurement subsequent to initial recognition:

Subsequent to initial recognition, Property, plant and equipment and intangible assets are measured using the cost model.

**v. Depreciation and amortisation**

Depreciation of Property, plant and equipment and amortisation of intangible 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	5-100 years
Exhibitions	2-20 years
Leasehold improvements	10-25 years
Predator fence	25-50 years
Fixtures, Plant and Equipment	2-25 years
Vehicles	5-14 years
Other Assets	3-25 years
Computer Software	3 years

**vi. Cash and Bank**

Cash and bank includes bank balances, funds held at call with financial institutions and other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**vii. Accounts and Sundry Receivables**

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

**viii. Stock on Hand**

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

**ix. Leased Assets**

*As Lessee:*

*Operating leases*

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

*Finance leases*

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases where the Trust is the lessee are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**x. Impairment**

Property, plant and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount.

The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use. If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

**xi. 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.

**xii. 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.

**xiii. Income Tax**

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

**xiv. 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.

**xv. Changes in accounting policies**

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

Comparative figures have been reclassified where applicable to conform with current year classifications.

**Appendix B: ZEALANDIA Budget for 2021/22**

As in past years, ZEALANDIA will continue to drive revenue and contain costs in 2021/22 and will aim to complete the year with a breakeven position before depreciation and tax.





**ZEALANDIA - KARORI SANCTUARY TRUST**

Accurate forecasting in Y2 and Y3 is not possible under the current levels of uncertainty, but we will manage the business to at least a break-even position.

Forecast 30-Jun-21	STATEMENT OF COMPREHENSIVE INCOME	Qtr to 30-Sep-21	Qtr to 31-Dec-21	Qtr to 31-Mar-22	Qtr to 30-Jun-22	FYE 30-Jun-22	FYE 30-Jun-23	FYE 30-Jun-24
	<b>Trading Revenue</b>							
584,370	Admissions	133,000	200,000	223,000	170,000	726,000	871,000	888,000
478,770	Membership Subscriptions	133,000	133,000	141,000	141,000	548,000	559,000	570,000
	Other Operating Revenue							
	Sales of Goods							
1,844,121	Other trading revenue	317,048	570,548	552,998	413,048	1,853,642	2,410,000	2,458,000
	<b>Other Operating Revenue</b>							
899,193	Shareholder grants	232,911	232,911	232,911	232,915	931,648	954,008	976,904
194,546	Living wage fund from WCC	40,446	40,446	40,446	40,444	161,782	165,665	169,641
393,216	WCC Funding for Tanglewood House				393,216	393,216		
1,468,867	Sponsorships, grants and donations	102,516	158,066	113,616	391,012	765,210	781,000	797,000
	Other operating income							
	<b>Non-operating Revenue</b>							
	Sub-lease and other non-operating income							
43,103	Interest income	5,001	5,001	5,001	4,997	20,000		
<b>5,906,186</b>	<b>Total Revenue</b>	<b>963,922</b>	<b>1,339,972</b>	<b>1,308,972</b>	<b>1,786,632</b>	<b>5,399,498</b>	<b>5,740,672</b>	<b>5,859,544</b>
	<b>Operating Expenses (overheads)</b>							
3,771,778	Salaries and wages	929,181	1,017,811	989,721	999,445	3,936,159	4,166,672	4,253,544
487,037	Cost of goods sold	73,150	154,350	123,550	97,950	449,000	539,000	550,000
777,805	Other operating expenses	180,173	117,274	119,539	125,447	542,433	553,000	564,000
131,210	Trustee expenses	32,749	32,749	32,749	32,753	131,000	134,000	137,000
472,922	Administration costs	79,531	98,319	86,564	76,493	340,907	348,000	355,000
<b>5,640,752</b>	<b>Total Operating Expenditure</b>	<b>1,294,784</b>	<b>1,420,503</b>	<b>1,352,123</b>	<b>1,332,088</b>	<b>5,399,498</b>	<b>5,740,672</b>	<b>5,859,544</b>
<b>265,434</b>	<b>Net Surplus/(Deficit) before Depreciation and Tax</b>	<b>(330,862)</b>	<b>(80,531)</b>	<b>(43,151)</b>	<b>454,544</b>	<b>(0)</b>	<b>0</b>	<b>0</b>
	<b>Other Revenue</b>							
	Exceptional Items							
	<b>Other Expenses</b>							
	Interest expense							
	Loss on Visitor Centre transfer to WCC							
359,250	Depreciation	100,000	100,000	100,000	100,000	400,000	500,000	500,000
<b>(93,816)</b>	<b>Net Surplus/(Deficit)</b>	<b>(430,862)</b>	<b>(180,531)</b>	<b>(143,151)</b>	<b>354,544</b>	<b>(400,000)</b>	<b>(500,000)</b>	<b>(500,000)</b>

### ZEALANDIA - KARORI SANCTUARY TRUST

Accurate forecasting in Y2 and Y3 is not possible under the current levels of uncertainty, but we will manage the business to at least a break-even position.

Forecast 30-Jun-21	STATEMENT OF FINANCIAL POSITION	As at 30-Sep-21	As at 31-Dec-21	As at 31-Mar-22	As at 30-Jun-22	As at 30-Jun-22	As at 30-Jun-23	As at 30-Jun-24
<b>Equity</b>								
6,074,480	Trust Funds	5,980,664	5,549,802	5,369,271	5,226,120	5,980,664	5,580,664	5,080,664
(93,816)	Current year earnings	(430,862)	(180,531)	(143,151)	354,544	(400,000)	(500,000)	(500,000)
5,980,664	<b>Total Shareholder/Trust Funds</b>	5,549,802	5,369,271	5,226,120	5,580,664	5,580,664	5,080,664	4,580,665
<b>Current Assets</b>								
3,638,475	Cash and cash equivalents	2,925,453	2,234,922	1,631,771	1,436,315	1,436,315	1,336,315	1,296,316
45,000	Accounts receivable	45,000	45,000	45,000	45,000	45,000	45,000	45,000
15,000	Prepayments	15,000	15,000	15,000	15,000	15,000	15,000	15,000
60,000	Inventory	60,000	60,000	60,000	60,000	60,000	60,000	60,000
	Other current assets							
3,758,475	<b>Total Current Assets</b>	3,045,453	2,354,922	1,751,771	1,556,315	1,556,315	1,456,315	1,416,316
<b>Investments</b>								
	Term deposits							
	Other investments							
	<b>Total Investments</b>							
<b>Non-current Assets</b>								
2,944,349	Fixed assets	3,394,349	3,844,349	4,294,349	4,744,349	4,744,349	4,294,349	3,844,349
	Intangible assets							
	Other non-current assets							
2,944,349	<b>Total Non-current Assets</b>	3,394,349	3,844,349	4,294,349	4,744,349	4,744,349	4,294,349	3,844,349
6,702,824	<b>Total Assets</b>	6,439,802	6,199,271	6,046,120	6,300,664	6,300,664	5,750,664	5,260,665
<b>Current Liabilities</b>								
180,000	Accounts payable	120,000	200,000	150,000	180,000	180,000	150,000	150,000
192,160	Income in advance	500,000	280,000	410,000	190,000	190,000	230,000	240,000
150,000	Employee entitlements	150,000	150,000	130,000	150,000	150,000	140,000	140,000
200,000	Provisions and accruals	120,000	200,000	130,000	200,000	200,000	150,000	150,000
	Other current liabilities							
722,160	<b>Total Current Liabilities</b>	890,000	830,000	820,000	720,000	720,000	670,000	680,000
<b>Non-current Liabilities</b>								
	Shareholder advances							
	Other non-current liabilities							
	<b>Total Non-current Liabilities</b>							
722,160	<b>Total Liabilities</b>	890,000	830,000	820,000	720,000	720,000	670,000	680,000
5,980,664	<b>Net Assets</b>	5,549,802	5,369,271	5,226,120	5,580,664	5,580,664	5,080,664	4,580,665

### ZEALANDIA - KARORI SANCTUARY TRUST

Accurate forecasting in Y2 and Y3 is not possible under the current levels of uncertainty, but we will manage the business to at least a break-even position.

Forecast 30-Jun-21	STATEMENT OF CASH FLOWS	Qtr to 30-Sep-21	Qtr to 31-Dec-21	Qtr to 31-Mar-22	Qtr to 30-Jun-22	Total YE 30-Jun-22	Total YE 30-Jun-23	Total YE 30-Jun-24
	<b>Cash Flows From Operating Activities</b>							
	<i>Inflows</i>							
2,901,069	Trading Receipts	617,531	956,905	773,639	777,407	3,125,482	3,880,000	3,926,000
899,193	Shareholder grants	465,822		465,826		931,648	954,008	976,904
194,546	Living wage fund	80,892		80,890		161,782	165,665	169,641
393,216	WCC Funding for Centre for Tanglewood House				393,216	393,216		
1,468,867	Sponsorships and donations	102,516	158,066	113,616	391,012	765,210	781,000	797,000
	Other Income							
	<i>Outflows</i>							
3,772,224	Payments to Employees	929,181	1,017,811	1,009,721	979,445	3,936,159	4,176,672	4,253,544
1,691,974	Payments to Suppliers	505,603	242,692	482,402	232,643	1,463,340	1,654,000	1,606,000
	Net GST Cashflow							
	Other Operating Costs							
392,693	<b>Net Cash Flows From (Used In) Operating Activities</b>	(168,023)	(145,532)	(58,152)	349,547	(22,160)	(50,000)	10,000
	<b>Cash Flows From (Used In) Investing Activities</b>							
	<i>Inflows</i>							
	Sale of fixed assets							
	Sale of investment assets							
	Exceptional items							
2,000,000	Other - Term Deposit cash-out							
	<i>Outflows</i>							
595,978	Purchase of fixed assets	550,000	550,000	550,000	550,000	2,200,000	50,000	50,000
	Purchase of investments							
	Other - Term Deposit cash-in							
1,404,022	<b>Total Investing Cash Flow</b>	(550,000)	(550,000)	(550,000)	(550,000)	(2,200,000)	(50,000)	(50,000)
	<b>Cash Flows From (Used In) Financing Activities</b>							
	<i>Inflows</i>							
	Drawdown of loans							
43,103	Investment income	5,001	5,001	5,001	4,997	20,000		
	Other							
	<i>Outflows</i>							
	Repayment of loans							
	Interest paid							
	Other							
43,103	<b>Total Financing Cash Flow</b>	5,001	5,001	5,001	4,997	20,000		
1,839,818	<b>Net Increase/(Decrease) in Cash Held</b>	(713,022)	(690,531)	(603,151)	(195,456)	(2,202,160)	(100,000)	(40,000)
1,798,657	<b>Opening Cash Equivalents</b>	3,638,475	2,925,453	2,234,922	1,631,771	3,638,475	1,436,315	1,336,315
	Adjustments (rounding)							
3,638,475	<b>Closing Cash Equivalents</b>	2,925,453	2,234,922	1,631,771	1,436,315	1,436,315	1,336,315	1,296,316



# **Wellington Cable Car Limited Statement of Intent FY2021/22**

Presented to  
Wellington City Council  
in line with the Local Government Act (2002)

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This Statement of Intent (SOI) is presented to the Wellington City Council (Council) in line with the Local Government Act 2002. It reflects the special interest that the Council has in Wellington Cable Car Limited (WCCL) as a Council Controlled Organisation (CCO) and the Cable Car as an iconic city attraction.

This Statement of Intent includes the objectives, governance structure, activities, and performance targets of WCCL. It responds to the Letter of Expectation and aims to ensure ongoing alignment with the Council's plans, policies, and strategies.

It is also influenced by the:

- operating environment
- age and condition of our infrastructure and assets
- users and community expectations

Performance targets are included for the next three years, with a detailed focus on the period from 1 July 2021 to 30 June 2022.

## **EXECUTIVE SUMMARY**

For many years, Wellington Cable Car Limited (WCCL) has been a profitable Council Controlled Organisation (CCO), with the autonomy not to require funding assistance from Wellington City Council (WCC) and the ability to fund its ongoing maintenance, CAPEX, and asset renewals.

In FY 2018/19 (considered a baseline year), WCCL hosted 1.17M trips. In FY 2019/20, that number decreased to 862k and expected to drop further FY 2020/21 to 517k. This equates to a 55% drop in visitation from 18/19 to 20/21. The end of year financial result across the same three years shows similar trends. In FY 2018/19 WCCL posted a pre-tax profit of \$930k, and this changed significantly in FY 2019/20 where WCCL posted a pre-tax deficit and current forecasts suggesting that the FY 2020/21 deficit will increase to (\$1.46M).

The Cable Car is destined to remain in survival mode until international borders re-open and high yielding visitors return in greater volumes. Businesses across Aotearoa are facing these challenges, including our CCO whānau. However, given that the Cable Car is fully exposed to fare revenue and owning and managing all its aging assets, it means that WCCL is acutely exposed.

The Cable Car Board and management appreciated the support by Council through the inclusion of the COVID-19 response budget to assist CCO's in its 2020/21 Annual Plan. Given the forecasts losses in 2022, advocates the carrying forward of any remaining budget to assist, should it be required in 2021/22.

At the time of writing, a free-flowing trans-Tasman bubble with Australia is not expected before 2022, with other air routes following depending on vaccination schedules, demand. The current assumption is that even when international travel resumes, Cruise Ships will not return to Wellington at the frequency or volume once seen. This continues to represent a significant risk for the Cable Car as it aims to fill the void.

In response to the current environment, WCCL has reviewed its business model, reorganised itself in a leaner, more innovative & efficient team. These initiatives have significantly reduced operational costs, slowing the erosion of cash reserves.

Whilst we have used these reserves for more than 12 months, it has become clear that without international visitation, the Cable Car will continue to deplete its reserves for the next two years, including funds set aside for asset replacement. The support provided by WCC in FY 2020/21 and inclusion of the Cable Car tunnel strengthening in the Council's 2021-31 LTP is critical to managing WCCL's future capital funding requirements.

## **I. COVID-19 IMPACT, ACTIONS & INTENT**

From May 2020, as NZ came out of Alert Level 4, and with the gravity of the situation facing the Cable Car, a comprehensive review of its entire operation started with the aim to survive the pandemic, became more agile, reduce costs, and right sized itself in preparation for future operations.

The process that continues has transformed this business and continues to evolve as our operating environment changes. Below, some of the significant actions (both cost-saving and revenue-generating) undertaken are highlighted, and where appropriate, more details are referenced further in the SOI.

### **I.I. MITIGATING ACTIONS**

**Reviewing Service Levels** – In pre-COVID-19 times, the Cable Car had operated till 10pm Monday to Saturday (Sunday & Public Holidays 9pm). Analysis indicated that the service from 8pm was poorly utilised and seldomly profitable; however, pre COVID-19, it was acceptable to maintain longer hours as a community service and absorb this cost. Hours of operation have been reduced to match visitation demand and shortened to 8pm Monday to Saturday, with a 7pm closing on Sundays & Public Holidays.

**Reducing costs** – Commercial contracts have been reviewed and renegotiated with suppliers to meet current operational needs. Partnerships with other CCOs continue to be explored for mutual benefit, such as working with Experience Wellington to share underutilised commercial office space for mutual benefit.

Significant insurance premium increases have annulled various cost savings initiatives. WCCLs premium increase by \$142k in FY 2020/21 representing a 34% increase in a single year.

Given the fixed cost nature of the business, there are limited opportunities to rationalise costs further without discussing a significant reduction in operating hours, increasing risk exposure, or hibernating the business for periods.

**Structure review** – WCCL was structured and staffed to meet <1.1M passengers per year. In 2020, the organisation went through a review and subsequently re-structure to ensure the appropriate functions were in place to support the survival in a COVID-19 world with the correct number of staff. WCCL went from a headcount of 24 to 19, a 20% reduction in staff numbers (a combination of FT, PT, Fixed term, and Casual roles).

**CAPEX & Maintenance** – All CAPEX and maintenance items were scrutinised, and all non-critical spend has been and continues to be deferred to future years. Items that remain fall into three broad categories.

- Maintaining critical assets for a safe and reliable operation
- H&S Critical
- Revenue Generating initiatives

Approximately \$3M of spending has been deferred thus far, including seismic strengthening of tunnels and key investigative work on various other assets. Further information on WCCL Assets can be found in section five.

**Government Assistance & relief funding** – WCCL applied and received two out of the three COVID-19 subsidies offered by the central government. We remain vigilant for any available funding and apply where appropriate.

**Website and eCommerce** – In September 2020, WCCL partnered with a local development team and launched a new website focused on eCommerce. This has enabled us to drive more online promotions and discounts for local commuters.

**Marketing initiatives** – New marketing initiatives, messaging, and comms have been developed to appeal to and attract local and domestic customers. Product combos, specialty offering and collaborations and with other CCOs are being released to attract new customers. Further information on Marketing is contained in section four.

**Product development & New channels** – As part of the re-structure, a Business Development role was established and focuses on opening new channels and identifying new products. Thus far, a new tour product was developed, tested, and now on offer to school groups visiting the Cable Car and several Experience Wellington venues.

**Pricing** – To date we have not materially adjusted pricing. There is research to suggest that there is limited price elasticity with the local commuter market. With rising operational costs, price increases will need to be considered to ensure that additional burden is not going to be placed on the operation.

## 1.2. CABLE CAR FINANCIAL AND COMMERCIAL LENS

From a period of sustained profits prior to the impact of COVID-19, the Cable Car, since February 2020, has incurred significant reductions in passenger numbers, primarily because of a decline in international visits. Despite cost-saving & efficiency initiatives, this has and will continue to have a significant impact on the Company's profitability, to a point where forecasts show significant losses for the next two years at least.

	2018/19 Actual	2019/20 Actual	2020/21 Forecast	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast
Passenger numbers	1,170,392	862,487	516,957	602,490	843,486	1,096,532
TOTAL Expenditure	\$ (4,690)	\$ (3,964)	\$ (3,179)	\$ (3,219)	\$ (3,273)	\$ (5,537)
Total Income	\$ 5,304	\$ 3,049	\$ 1,719	\$ 1,839	\$ 2,587	\$ 5,400
Profit/(Loss) Before Depn & Tax	\$ 614	\$ (915)	\$ (1,752)	\$ (1,680)	\$ (986)	\$ (437)
Depreciation (DPN)	\$ 316	\$ (294)	\$ (293)	\$ (300)	\$ (300)	\$ (300)
Profit/(Loss) after tax	\$ 930	\$ (621)	\$ (1,459)	\$ (1,380)	\$ (686)	\$ (137)
Operating Cash Position	\$ 5,007	\$ 4,097	\$ 2,688	\$ 1,603	\$ 1,239	\$ 1,413

**NOTES:**

1 – 2019/20 Includes COVID-19 subsidy revenue

2 –2020/21 revenue forecast is prior to accounting for any COVID-19 response funding support that may be provided as part of WCC's COVID-19 support budget.

Should international tourism not return in the next 18 months, the Cable Car will continue to post deficits eroding its cash reserves and constrain its ability to fund ongoing maintenance and future asset renewal programmes.

The WCCL board have considered several different scenarios, however it is noted that these would have potentially significant impacts on the community and the vibrancy of the City.

These options include

- 1) Operating the Cable Car during peak commuter service only until demand increases to profitable levels
- 2) Rolling stops during the day to achieve worker break requirements as an alternative to additional staff to cover rest and meal breaks
- 3) Hibernate the service through winter or until international borders re-open and tourists



return

- 4) Reduce the number of assets insured (e.g., not insure the intermittent stations) to reduce increasing premiums

It is appreciated that Council and the Wellington public may consider some or all these untenable. Accordingly, this Statement of Intent is predicated on continuing to operate the Cable Car as outlined in the SOI and continue to seek efficiencies, driving new business and increasing utilisation.

The Board is happy to maintain the course that has been charted and given the changing environment, will closely monitor progress. The Cable Car is appreciative of the support from Council through 2020/21 from the \$5M set aside in the Council budget for CCO's, this has been a good initiative and depending on how the drawdown of this occurs across the year if there are any unallocated funds we would recommend retaining to provide similar support in 21/22 should trading conditions not improve.

### **I.3. FUNDING FOR ASSET RENEWAL & MAINTENANCE**

Given the current financial environment and an aging asset base, WCCL continues to explore options to fund asset renewal, deferred maintenance, and seismic strengthening through various means.

As part of the LTP process, WCCL updated its Asset Management Plan (AMP) and applied for \$4.5M over six years for Seismic Strengthening and Assessments of the Cable Car Tunnels, Bridges and Lambton Terminal. Concurrently through the Regional Land Transport Programme (RLTP), \$2.4M over the next three years, was applied to invest in the same body of work. The total costs for this work are \$6.9m over six years (\$4.5M from WCC via the LTP and \$2.4M from Waka Kotahi RLTP).

The Board supports the initiative to include the provision of funding for the strengthening of Cable Car tunnels in the Council's 2021-2031, as the sustained operating losses forecast from 2020-2023 mean the Cable Car will no longer be building cash reserves for capital replacement and is unlikely to be able to fund these works as initially envisaged.

**I.4. OUR INTENT FOR FY 2021/22**

WCCLs vision for 2021/22 remains to *host uniquely Wellington experiences that locals are proud of and visitors remember & share*. Our focus is to ensure that the Wellington Cable car provides safe, reliable, and efficient service to commuters and visitors alike.

Having made significant losses in FY 2019/20 & 2020/21, all non-essential CAPEX and maintenance work remains deferred due to lack of funding. We acknowledge the councils support in maintain some critical works in the LTP programme and await the decision.

Given our broad and varied asset base, WCCL aims to increase its understanding of our asset base by continuing exploratory work on bridges, terminals, stations, and track where possible. Having a deep understanding of all assets will allow WCCL to make educated decisions on prioritising maintenance work.

WCCL will continue to ensure that financial discipline is maintained to minimise the draw on cash reserves to ensure financial sustainability is returned as soon as possible.

We will continue developing and refining new products, especially those that open new revenue streams and attract new and emergent markets. We will continue to develop collaborations with our CCO whānau for mutual benefit.



Any price increase was deferred for the summer period; however, it will need to be considered soon. Casual Fares' last price adjustment was July 2018, with adjustments to Family and Multi-Trip in February 2020. In 2021 a price adjustment will be required to keep in step with rising operational, insurance and maintenance costs.

Finally, WCCL is committed to looking after its staff, who have continued to perform admirably in the face of extremely challenging and uncertain times. Without them, the operation is nothing, and it is because of them, the Cable Car looks forward to its 120<sup>th</sup> birthday in 2022.

## 2. FY 2021-22 PERFORMANCE MEASURES

WCCL monitors our performance over the following seven categories

- |                             |                           |
|-----------------------------|---------------------------|
| 1. Health & Safety          | 5. Visitation             |
| 2. Environmental            | 6. Revenue                |
| 3. Quality                  | 7. Financial independence |
| 4. Reliability / Timeliness |                           |

We have developed a performance framework and performance measure to track our performance over these critical areas.

### 2.1. HEALTH & SAFETY

Performance Indicator	How will it be measured	Target/Result
Cable Cars, track, tunnels, bridges, buildings, and equipment are maintained to the required standard.	Required inspections and tests will be satisfactorily completed. Recommendations will be actioned.	Rail safety licence maintained.
Wellington Cable Car has a robust Asset Management Plan (AMP).	The Asset Management Plan will be updated in 2021/22 and approved by the Board.	Asset Management Plan will be approved and implemented.
Health and Safety is actively managed and systematically improved.	Risk register reviewed at each H&S meeting, with mitigation and minimisation options discussed and, where possible, implemented.	Improved infrastructure, equipment, tools, processes, and training.

### 2.2. ENVIRONMENTAL

Performance Indicator	How will it be measured	Target/Result
Cable Car Sustainability	Develop an Emissions Reduction plan.	The Emissions Reduction plan is approved and implemented.

### 2.3. QUALITY

Performance Indicator	How will it be measured	Target/Result
Cable Car User Satisfaction	User Satisfaction Survey administered and analysed by independent research specialist.	Maintain Net Promoter Score equal to or better than CXI Benchmark.
	Trip Advisor and Google ranking	Maintain a rating of 4.2 or higher for both platforms
The service level meets established tourism standards.	Annual Qualmark assessment.	Qualmark GOLD standard reached and maintained.

**2.4. RELIABILITY/TIMELINESS**

Performance Indicator	How will it be measured	Target/Result
Cable Car Service Reliability	Percentage Reliability	Greater than 99.0%

**2.5. VISITATION**

Estimated Cable Car Passenger Trips					
	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Total
2021/22 Trips	114,469	172,881	183,809	131,331	602,490

**2.6. REVENUE**

Estimated Cable Car Passenger Revenue					
	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Total
2021/22 Revenue	\$364,269	\$545,306	\$521,061	\$407,968	\$1,838,604

**2.7. FINANCIAL DISCIPLINE**

Performance Indicator	Measure	Target/Result
Board delegations are adhered to	Board and leadership team approvals of financial and contractual commitments and expenditure	All approvals of financial and contractual commitments and expenditure are following the delegations' policy

**2.8. COUNCILS EXPECTATIONS**

Wellington Cable Car will continue to remain aligned with the Council’s plans, policies, and strategies. Below is a list of specific items raised in the letter of expectation and Wellington Cable Car’s response to each of these:

<b>Council’s Expectations</b>	<b>Wellington Cable Car’s Response</b>
<b>Te Atakura First to Zero Policy</b>	<p>The Cable Car is fully electric with a carrying capacity of 100 pax on a motor about the same size as a Ute. WCCL prides itself on being one of the most efficient modes of transport in Wellington.</p> <p>In 2020, we commissioned and received a report that included several recommendations for improving electricity use and CO<sub>2</sub> emissions. Several recommendations have already been implemented, and we are continuously looking for opportunities to improve our performance.</p>
<b>Support Council’s Te Tauihu Te Reo Maori Policy</b>	Wellington Cable Car publishes an information brochure in Te Reo Maori and has a Maori language option on the Cable Car website.
<b>Support Te Mapihi Maurea Naming Policy</b>	As Wellington Cable Car facilities are progressively upgraded, we will seek ways to incorporate Te Reo into wayfinding and other signage where appropriate.
<b>Accessible Wellington</b>	In 2018, Wellington Cable Car achieved the first Platinum Accessibility Rating of any organisation in Wellington. We remain focussed on maintaining and, where possible, working with interested groups to improve the experience and accessibility for all visitors.
<b>An innovative, inclusive quirky city</b>	<p>Wellington Cable Car supports local artists wherever possible and will continue to look for ways to use local artwork to enhance the Cable Car visitor experience.</p> <p>We will continue to work with artists to provide them with a platform to show their arts and support other initiatives such as, “<i>What if the city was a Theatre?</i>”</p>
<b>An accessible capital city</b>	<p>Wellington Cable Car supports the Council’s commitment to the Living Wage. All Wellington Cable Car employees are paid at or above the Living Wage.</p> <p>We will continue to find opportunities to improve signage and wayfinding at both the Lambton Quay and Kelburn terminal areas</p>

<b>Council' s Expectations</b>	<b>Wellington Cable Car' s Response</b>
<b>Kelburn precinct</b>	<p>In 2020 the Cable Car reinitiated a korero which involves all stakeholders around the Kelburn precinct, whether they be CCOs or local businesses.</p> <p>This collaborative approach was focused on driving visitation and improving the visitor experience to the precinct. In 2021/22, the Cable Car will continue to lead in that space and facilitate further discussion for mutual benefit.</p>
<b>Health and Safety at Work Act 2015.</b>	<p>Wellington Cable Car is acutely aware of its obligations under the Health and Safety at Work Act 2015. We are always looking for opportunities to improve worker safety and have recently finalised a new Safety Management System. We have regular health and safety meetings to discuss opportunities to assess, eliminate and reduce risks.</p>
<b>Provide an update on significant upgrade and renewal projects over the next three years</b>	<p>Details on the age and condition of assets are included in section 5. Next year we plan to complete track maintenance work, detailed bridge inspections and planning for seismic improvements of the tunnels.</p>
<b>Provide an update on the proposed Car replacement</b>	<p>2021/22 will see the replacement and refurbishment of the 4<sup>th</sup> and 5<sup>th</sup> bogies, respectively. After the final refurbishment, and in consultation with manufactures and technical experts, we will be able to make an informed decision about the condition and the remaining life. At this stage, it is not believed that replacement will occur in this LTP cycle.</p>
<b>Provide an update on Asset Management Planning.</b>	<p>We now have comprehensive and detailed seismic performance information on our tunnels, tracks, and sleepers.</p> <p>Further investigation needs to be conducted on bridges, terminals, and stations, which will be used to update our Asset Management Plan in 2021/22.</p>

### **3. ABOUT THE WELLINGTON CABLE CAR**

#### **3.1. WCCL HISTORY**

The Wellington Cable Car is one of the City's best-known tourist attractions. It is a funicular railway with a track length of 609 meters which climbs 120 metres from the Lambton Terminal at the end of Cable Car Lane through to the Kelburn Terminal on Upland Road. The route includes three tunnels and three bridges. The Wellington Cable Car opened in February 1902, and the Cable Car Route is now a Heritage Area.

<sup>1</sup>There have been several equipment upgrades and improvements over time. The most significant of these was the almost complete replacement in 1978/79. This included replacing the original wooden Cars with steel-framed Cars, replacing the drive system, replacing the original double tracks with a single track and a passing loop. The original wooden viaducts were also replaced in the 1930s with the current hot riveted steel rail beams supported by concrete pillars. More recently, the Kelburn terminal was replaced in 2013, and the drive and control systems were replaced in 2016.



<sup>2</sup>The Cable Car was developed initially to provide convenient public transport between the village suburb of Kelburn and the city centre. The Cable Car continues to provide a public transport function; however, it has been adopted as an iconic symbol of Wellington, and in pre-COVID-19 times, was the second most visited tourist attraction in the City, welcoming 1.1 million passengers per year.

The Cable Car is well maintained, but as a high use public transport asset, it now requires more comprehensive maintenance and inspections and forward-looking planning and asset management to ensure that it can continue to provide reliable and safe travel in the future.

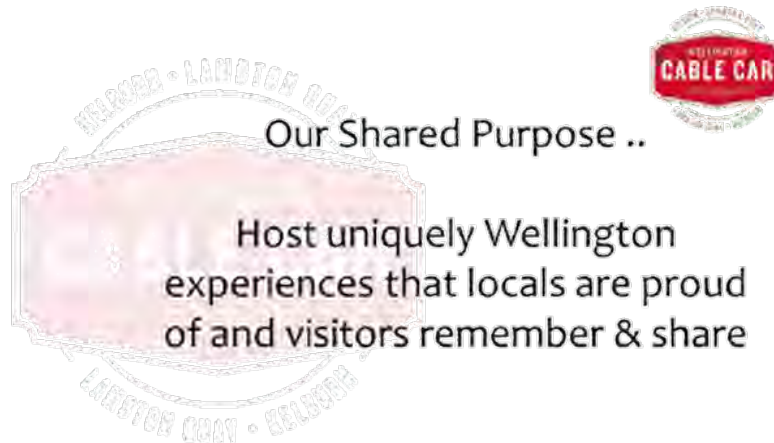
In recent times, the Cable Car has been solely by passenger revenue and does not receive any other central or local government funding to subsidise it.

<sup>1</sup> 1957 Evening Post - <https://tiaki.natlib.govt.nz/#details=ecatalogue.208556>

<sup>2</sup> 1957 Evening Post - <https://tiaki.natlib.govt.nz/#details=ecatalogue.459563>

### 3.2. SHARED PURPOSE

In 2020, with a relatively new board of directors, the appointment of a new Chief Executive and having to re-evaluate its business model due to the COVID-19 pandemic, the Cable Car developed its Shared Purpose and Values to help guide it through its next phase of operation.



### 3.3. VALUES



### 3.4. APPROACHES TO GOVERNANCE

WCCL is a Council Controlled Organisation (CCO) incorporated in 1991 to manage the Wellington Cable Car and the Overhead Trolley Bus network. The Company's constitution requires that the Board has a minimum of two Directors. The Directors are currently members of the WCC executive appointed by Wellington City Council delegated to its Chief Executive.

The Board meets regularly, and formal Board meetings are held quarterly, with additional meetings scheduled as required. The Board are responsible for guiding the strategic direction and approving the Statement of Intent. The Board monitors the organisations performance and the performance of the Chief Executive. They also monitor the policies and practices of Wellington Cable Car to ensure that they are aligned with the Council and other stakeholders' expectations.



### **3.5. MANAGEMENT & STRUCTURE**

During 2020/21, WCCL undertook a full review of its size and structure to ensure that the organisation fit for efficient operations in a post COVID world.

Reporting to the Chief Executive, the Asset & Engineering Manager, Operations Team Leader, Company Accountant and Sales & Marketing Executive form a small but agile group with complementary skills sets to continue to ensure the Cable Car operates safely, efficiently, and effectively.

The Ops TL looks after a team of skilled and engaged Drivers who ensure the safe and timely operation of the Cable Car.

### **3.6. PEOPLE**

We recognise that our people are at the core of our business. We are committed to creating a positive environment that allows our people to thrive personally and professionally, enabling them to bring their whole selves to the workplace.

Key initiatives which have started in 2020/21 and will continue into 2021/22 include:

- Ensuring staff wellbeing is monitored given the current and ongoing challenges
- Using our Shared Purpose to guide business decision making
- Embedding our values into Day-to-Day operations:
- Continued focus on Personal & Professional development
- Focus on career development and progression
- Collaborative approach to problem-solving, including the development of SOPs to support training

#### **3.6.1 HARASSMENT**

WCCL is committed to maintaining a safe and discrimination-free environment that encourages respect for the dignity of everyone. We endeavour to maintain an environment free from harassment based on gender, race, colour, religion, national origin, ancestry, age, marital status, sexual orientation, pregnancy, physical or mental disability, or citizenship.

### **3.7. ENVIRONMENT**

The Cable Car is electric and is a very energy efficient mode of transport because it is a funicular the Cars are virtually weightless. The motor to drive the Cable Car is less than 200kW (smaller than a Ford Ranger) with a carrying capacity of 200 pax (100 in each car).

The Cable Car also has regenerative braking, so the energy to slow and stop the Cars under normal operation is fed back into the local electricity network. Because of this, we are described as a distributed generator.

In 2020 WCCL commissioned an Energy Emissions Profile and a type 1 Energy Audit. We have implemented several recommendations and continuously looking for opportunities to improve our performance.



We continue to provide our emissions data to WCC as part of its emission inventory process.

WCCL remains focused on reducing energy consumption and minimising our footprint wherever possible. Our goal is to work with Councils Climate Change Response Team to develop an emissions reduction plan.

### **3.8. OPERATIONAL HOURS**

In response to COVID-19 and with the aim of looking at how to operate more efficiently and effectively, hours of service were reviewed.

Historically the Cable Car had operated till 10pm Monday to Saturday (Sunday & Public Holidays 9pm). Analysis indicated that the service from 8pm was seldomly profitable.

WCCL moved to a Summer / Winter timetable, with the changes aligned to daylight savings.

Hours of operation were reduced to match visitation demand and shortened to 8pm Monday to Saturday, with a 7pm closing on Sundays & Public Holidays.

We continue to reflect on usage needs and adjust timings to suit seasonality and forecast demand.



### **3.9. OPERATIONAL EFFICIENCIES**

WCCL strives for continuous improvement in its operational management. Systems and Processes are continuously reviewed with a focus on ensuring we operate in the most effective manner. Where possible, we are using applications to automate repetitive tasks to minimize processing time and removing human errors.

### **3.10. DATA SECURITY & IT**

During 2020/21, WCCL migrated all its data systems and storage to a cloud-based system, enabling the organisation to work remotely much more quickly and efficiently should the need arise. This migration also ensures that our security systems were reviewed and 2FA introduced to ensure we meet the industry standard for data security.



**4. SALES & MARKETING**

**4.1. MARKETING STRATEGY**

WCCL has taken time to review and reflect on its operational model, customers, products, and services. Through this, 6 main Market origin categories were identified.



In 2020/21, WCCL developed a new Strategic Marketing plan and established key focus areas.

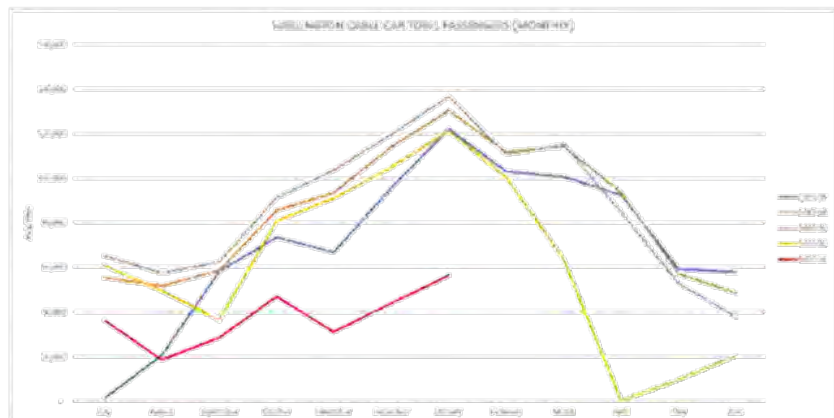
These included

- Campaigns targeting
  - Friends and Family visit Wellingtonias
  - Domestic tourist aligned with city and partner events
- Develop greater penetration in the School / Education market
- Partnership with CCOs to appeal to new audiences with a specific family focus
- Maintain connection with wholesalers / ITOs to capitalise when border re-open
- Continue to be a leader in the revitalisation of the Kelburn precinct at the top of the Cable Car

**4.2. MARKET CONDITIONS**

For several years, the Cable Car enjoyed substantial year on year growth thanks to growth in international tourism and cruise ship berth during the summer months.

As a result of the COVID-19 pandemic, visitation has been hit incredibly hard, with an <55% loss in passengers when compared to FY 2018/19.



The loss of high yielding international visitation coupled with flexible working patterns where fewer people are coming into the CBD daily and the increase in operational costs are increasing proves to be a challenging time for the Cable Car. Like many other businesses in Wellington, the Cable Car has refocussed its offering to a predominantly domestic market, choosing to target a family-friendly offering and collaboration with other CCOs and businesses around Kelburn such as Space Pace, Cable Car Museum, Zealandia, and the Botanic Gardens.

The Cable Car is more reliant than ever on events in Wellington to attract customers, especially domestic tourists. WOW, Music Concerts, Festivals, and sporting fixtures will help bring Kiwis into the CBD and ride the Cable Car.

With new strains emerging, uncertainty around travel bubbles (a likely hood the pacific will open before Australia causing a negative impact on domestic tourism in NZ) and uncertainty around vaccination programs, the Cable Car is planning on another year with only domestic visitation. In the longer term, there is consideration being given to the possibility that we may never see the volume of cruise ships arriving in Wellington, which highlights the importance of efficient operation and appropriate market appeal.

#### **4.3. PRICING**

Our aim with pricing is to maximise profit and passenger numbers. It is always a balance to set prices that represent value for all customers; typically, tourists have different expectations than local commuters. The last price adjustment for Casual Fares was July 2018, and Family and Multi-Trip passes had a price adjustment in February 2020. In 2021 a price adjustment will need to be made to keep in step with rising operational and employment costs.

##### **6.3.1 SuperGold**

When the SuperGold scheme was introduced, WCCL received 75% of the adult passenger fare which quickly reduced to 65%. Since 2016 the funding has been capped and in 2021 remains at \$91k. The current reimbursement rate (2020/21) is \$2.26 (ex GST) per trip, and at the time of writing, it is expected funding to be reached in March 2021.

We will seek to secure increased funding for the SuperGold Scheme to reflect the increased demand and improve the financial position of the Company.

#### **4.4. CUSTOMER EXPERIENCE**

We are continuously investigating options to enhance the visitor experience. Options actively being considered include.

- Improved signage on Lambton Quay to guide people down Cable Car lane
- Curating the Customer Journey from Lambton Quay, through Cable Car lane, Lambton Terminal to Kelburn
- Wayfinding and directional signage at both Terminals, including deployment of further digital screens
- Upgrade of the Lambton Terminal
- Replacement and upgrade of the display lights in the upper two tunnels.

Over time, other work will also be required to upgrade, replace and improve retaining walls near the track, fencing and security.

#### **4.5. EVENTS**

Events continue to be a great way to attract customers to the cable car and make the precinct more vibrant. We have developed a full calendar for the coming year, which includes participating in WCC initiatives such as "What if the City was a theatre?". We have hosted our own such as Fairy Trina kids' events, Halloween and continue to work with other community groups such as China Cultural center Wellington for mid-autumn, Speed Dating and utilising the event as a venue.

## **5. NATURE AND SCOPE OF ACTIVITIES**

As Kaitiaki of this Taonga, all our activities support our shared purpose to operate, maintain, promote, and improve the iconic Wellington Cable Car for future generations.

### **5.1. LEGISLATIVE REQUIREMENTS**

Legal requirements continue to evolve and become more robust. Examples of this are the Health and Safety in Employment Act, 2005, the Local Government Act, Building Act, Railways Act, Passenger Ropeways Regulations, and others. We will continue to improve our infrastructure, systems, and processes to meet these evolving legislative requirements.

### **5.2. ASSETS**

The Cable Car owns and maintains a range of infrastructure assets, with a broad range of complexity, age, and condition. Most of the simple maintenance is completed in house with overflow work being outsourced out. More complex and require specialist skills to inspect, test, access and maintain. We partner with a range of technical specialists where specialised skills and/or tools/instruments are required.

Our oldest assets are our three tunnels. Construction of these began in 1898 and over the last few years, investigations into the seismic performance of the tunnels have been undertaken to give us an excellent understanding of the condition and the risks.

The three steel bridges were constructed in the 1930s, to replace the original wooden bridges. We have a good understanding of the maintenance requirements of Salamanca Bridge, with some more investigation to be complete at Rawhiti and Talavera. Further seismic assessments need to be carried out at all three bridges.

The existing track was installed in 1979. Pre-used rail was used, with a mix of new treated pine and hardwood sleepers. The rail is generally in good condition and is expected to be serviceable for another 40-50 years.

The steel-framed Cars date back to 1979. They are in very good condition but are showing signs of their age. The motor, drive and control system were replaced in 2016 and remains compliant with current European Standards. This equipment and these systems are regularly maintained following the manufacturer's recommendations.

The complexity and range of assets means that it is extremely expensive to maintain. The Cable Car has applied for Waka Kotahi and LTP funding to assist with the investigative costs to better understand works required to ensure the Cable Car runs safely and reliability for future generations.

#### **9.2.1 TUNNELS**

We have been working with WSP to assess the Seismic performance of the Cable Car tunnels. The tunnels were constructed back in 1902 and are an essential heritage feature of the Cable Car.

While there are no immediate safety concerns, several options to improve seismic resilience have been identified. Resource Consent was issued for remediation work on the Upper Portal of the middle tunnel, which allows the following steps to be undertaken when finances allow.



These improvements will be undertaken over time to improve the seismic resilience of the tunnels steadily.

### **9.2.2 BRIDGES**

In 2019/20, we responded to a recommendation to treat areas of rust on the longest bridge at Salamanca station. This work evolved into a complete repaint. The work also prompted investigation into the condition of the roller bearings and the fixing of these to the concrete piers. Approximately one-third of the fixings were replaced, and the roller bearings were refilled with oil.

We will washdown and inspect the other two bridges (at Rawhiti and Everton Terrace) in 2020. This will allow us to assess the condition and plan any painting and repair work that may be needed in future years.

We also plan to begin work to update the seismic assessment of the bridges in 2020/21.

### **9.2.3 TRACK**



The track was installed in 1979, using second-hand rail supported by a mix of treated pine and hardwood sleepers. The sleepers are now over 40 years old, and the ones in exposed areas are due for replacement. This work will be prioritised and scheduled to be completed during our usual annual shutdown.

During the 2020 shutdown, ten sleepers were replaced with new composite sleepers.

Given the uniqueness of the rail, we have had to look internationally to be able to source replacement sections. Work on the track will be ongoing and will be scheduled to take place during our annual shutdowns.

#### **9.2.4 CARS/BOGIES**

Following advice from the original equipment manufacturer, we completed a comprehensive maintenance and inspection on the Cars in 2019. This work was done in partnership with Doppelmayr/Garaventa Group and local engineers from ACME Engineering. Similar work will also be completed in 2020 on the two lower bogies.

We have four bogies in use (two in each car) and one spare. The bogies (chassis under the Cars) are progressively being reconditioned by specialist engineers at ACME engineering, based on technical advice from Garaventa in Switzerland. When this work is completed, we will have a better



understanding of the condition and remaining service life of all the bogies. During this process, all safety systems are tested to the appropriate standards to ensure that they continue to meet their original performance requirements.

This will allow us to make an evidence-based decision about the condition and the expected remaining operating life of the Cars and therefore plan for replacement of the rolling stock.

#### **9.2.5 TERMINALS & STATIONS**

We have recently completed a high-level seismic assessment of our Lambton Terminal and will continue to plan for more detailed assessments and improvements (where necessary) to all our infrastructure.

The intermediate stations are serviceable, but the stations at Talavera and Salamanca may require improvements to meet current safety standards.



## **6. HEALTH, SAFETY & WELLBEING**

WCCL is committed to developing and maintaining an enduring and resilient approach to Health, Safety and Wellbeing that embeds a culture of zero harm within the Company, adhere to legislative requirements and ensures that staff, contractors, and the public are not exposed to unnecessary risk or harm in their dealings with WCCL.

This is reflected in the following policy statement.

*We are committed to creating a work environment that supports and grows our people and enables them to go home healthy and safe every day.*

We must build a workplace environment that encourages and supports our people to take responsibility for their Health, Safety and Wellbeing as well as supporting others that they are working and engaging with (including passengers and contractors).

The following approaches and organisational procedures are in place or are being developed to ensure that WCCL meets its obligations to the Council and the Wellington public as required by the Health and Safety at Work Act 2015, the Railways Act 2005, Local Government Act 2002, and other pertinent legislation:

### **6.1. RISK MANAGEMENT**

The Company's Risk Management Policy is to actively manage risk by assessing risks on at least an annual basis, using the methodologies and practices laid down in AS/NZS ISO 31000:2009 (Risk Management). These risks are identified and actively managed under the following categories:

In each category, the effect of a risk on the business has been considered, and the level of risk assessed, considering any controls that have been put in place. Risk mitigation actions and controls are determined such that the level of risk is As Low as Reasonably Practicable (ALARP) using the principles of eliminate, substitute, isolate or engineering controls.

WCCL has no risks that have an Extreme assessment.

WCCL regularly reviews and updates its WCCL Risk Register, and the latest version containing all the high risks is included in Appendix One.

At a governance level, Health & Safety reporting is a standing item at all Board meetings, ensuring that Directors remain across of current statistics and any developments arising.

As a result, WCCL has in place appropriate Health and Safety policies, practices, and procedures to meet its responsibilities covering hazard identification and management, emergency planning, accident reporting, investigation management, contractor management and safe work procedures (incorporating appropriate Safe Systems of Work).

## **6.2. INSURANCE PROGRAMME**

The placement was made with Lloyds through an introduction by WCC on the best terms that could be achieved, but not for complete replacement. WCCL has continued this approach in the subsequent years based on advice from its insurance broker AON and does not expect this to change in the period relating to this statement of intent.

The amount of cover necessary has been calculated on the basis of Probable Maximum Loss, as advised by the structure and earthquake engineering consultant.

In FY 2019/20, WCCL insurance cost were \$415k compare to \$557k in FY 2020/21. A \$142k or 34% increase in a single year negates most of the operational savings made through various initiatives.

At the time of writing, WCCL has not completed its insurance renewal regarding the 2021/22 year; however, we are preparing for another significant premium increase.

**7. APPENDIX ONE – WCCL RISK REGISTER (High Risks)**

**7.1. RISK MATRIX**

**WELLINGTON CABLE CAR RISK MATRIX**



Impact			Frequency / Likelihood
People	Business	Environment	
1 Insignificant Minor bumps, bruises or abrasions possible.	Insignificant Minor impact on business operations \$100 > COST < \$1,000	Insignificant Negligible environmental impact	1 Rare Not observed in 10 years and very unlikely
2 Minor First Aid or minor medical treatment is required.	Minor Minor impact, minimal reputational damage \$1,000 > COST < \$10,000	Minor Minor environmental impact to be resolved without external assistance	2 Unlikely Occurred maybe once in last 10 years but still unlikely
3 Significant Incident requiring treatment by a qualified practitioner	Significant Significant reputational damage, possibility of closing Operation for short period of time \$10,000 > COST < \$100,000	Significant Significant environmental impact requiring outside assistance to resolve	3 Possible Occurred once in the last 5 years and occurrence is always possible
4 Serious Life or limb threatening injuries	Serious Serious reputational damage, possibility of closing Operation for extended period of time \$100,000 > COST < \$200,000	Serious Serious environmental impact requiring outside assistance to resolve, long term effects on environment	4 Strong Possibility Occurred once in the last year and occurrence is probable
5 Severe Fatalities are possible.	Severe Severe reputational damage, possibility of closing Operation for indefinitely \$200,000 > COST	Severe Widespread contamination/damage, serious long term threat to environment. Requires significant outside agency assistance to resolve.	5 Almost Certain Monthly occurrence is probable

**7.2. HEAT MAP**

**WELLINGTON CABLE CAR RISK MATRIX - HEAT MAP**



<b>Impact</b>	Severe	5	5	7.5	10	12.5	15	17.5	20	22.5	25
		4.5	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5
	Serious	4	4	6	8	10	12	14	16	18	20
		3.5	3.5	5.25	7	8.75	10.5	12.25	14	15.75	17.5
	Significant	3	3	4.5	6	7.5	9	10.5	12	13.5	15
		2.5	2.5	3.75	5	6.25	7.5	8.75	10	11.25	12.5
	Minor	2	2	3	4	5	6	7	8	9	10
		1.5	1.5	2.25	3	3.75	4.5	5.25	6	6.75	7.5
	Insignificant	1	1	1.5	2	2.5	3	3.5	4	4.5	5
		0.5	0.5	0.75	1	1.25	1.5	1.75	2	2.25	2.5
		1	1.5	2	2.5	3	3.5	4	4.5	5	
		Rare		Unlikely		Possible		Strong Possibility		Almost Certain	
<b>Frequency / Likelihood</b>											

**7.3. HIGH RISKS**

**Business & Strategic Risks**

Risk/Hazard Identified	Pre-controls			Mitigation/Controls	Post Controls		
	Impact	Frequency / Likelihood	Rating		Impact	Frequency / Likelihood	Rating
Cruise Ships do not return to Wellington	5	3	15	Ensure alternate market segments are identified and part of Strategic Marketing plan Differential pricing for International Casual passengers Work with Wholesaler / Trade to ensure we have reach into internet and channels Maintain relationship with WCC	4	3	12
Closed International Borders	5	3	15	Maintain close relationships with Local Stakeholders (i.e.: Students (Rite of Residence, VUWQA), Kaitiaki residents) Encourage domestic tourism as part of Marketing efforts to mitigate risk of lack of international tourism. Maintain relationship with WCC	4	3	12
Operational risk	3	5	15	Clearly defined SOPs for known events and how to address them Regular staff training and competency checks Constant review to ensure learning are captured and new events incorporated into training	2	4	8

**Maintenance Risks**

Risk/Hazard Identified	Pre-controls			Mitigation/Controls	Post Controls		
	Impact	Frequency / Likelihood	Rating		Impact	Frequency / Likelihood	Rating
Damage to the cable car by the general public after business hours	3.5	3.5	12.25	Security cameras at Kaitiaki and Lambton, and inside the Cars. Intruder alarm at Lambton and Kaitiaki Terminal which is monitored and alerts are sent if the alarm is triggered. Sprinkler system at the Kaitiaki Terminal to discourage trespassers. Some sections of the track are fenced to minimize access, together with signage to discourage trespassers. Smoke detectors at Lambton Terminal and in the winding room. Sprinkler system at the Lambton Terminal.	2.5	2.5	6.25
Slippery workplace and wet floor areas (leading to a risk of slip, trip or fall)	3	4	12	Tidy workplace - spills managed, floor clear of objects and oil & water spills cleaned up	3	2	6
Moving Rope	4	3	12	Workers given HSE induction training via ZMR Workers do not cross track when Hoist Rope is moving Drivers notified before work commences on hoist (Start time & Location) & high visit placed at Lambton Quay terminal Track workers must carry radio and maintain contact with Drivers Drivers instructed not to start until clearance is given by track worker	3	2	6
Pin work - Slips trips and falls - Fractures - Head injury	4	3	12	Restricted access (trained staff only) Chicken mesh used on deck surrounding pits to provide non-slip surface Pit is stopped and free draining Oil spills are cleaned up immediately Appropriate PPE is available and used	3	2	6
Extreme Weather Events (winds/gales)	3	4	12	Wires and drums kept clear Wind speed monitored Drivers monitor weather and report any damage or extreme weather.	3	2	6
Fire (e.g. where on Cable Car premises)	4	3	12	Fire hoses at all intermediate stations. Fire extinguishers in both Cable Cars, control room, winding room and hoist box. Lambton and Kaitiaki Terminal has fire alarm call points and lines connected to fire service and monitoring NZ. Employees are trained in evacuation procedures. Drivers are trained to use fire fighting equipment. All fire fighting equipment is inspected regularly and well maintained. Fire alarm and gas alarm system are checked regularly as part of Building Maintenance of Fitness process. Fire sprinkler system in Lambton Terminal. Smoke detectors connected to fire alarm system in the Kaitiaki Terminal and winding room. Exit signs and emergency lighting provided in Lambton and Kaitiaki Terminal. Passenger entry and exit gates all open on activation of fire alarm (this is tested regularly as part of BVOF tests). Secondary fire egress in the Lambton Terminal, for use if main egress is unable.	3	2	6
Hazardous Substance Use and Storage - Liquid - Gas	4	3	12	Hazardous Substance Register (and listed on Data Form) Follow MSDS recommendations Correct Storage (separation and safety storage cabinets in winding room and garage) Spill kits available Eye wash stations in winding room and dung bin and running water available at intermediate stations and Terminals Appropriate PPE is available and used	2	2	4

Drivers & Ticket Booth								
Risk/Hazard Identified	Pre-control:			Mitigation/Controls:	Post Control:			
	Impact	Frequency / Likelihood	Rating		Impact	Frequency / Likelihood	Rating	
Emergency Situations - Extreme Weather Events (wets/wind) - Fire (Station) - Fire (Car)	5	3	High	Fire warden to clear zones Evacuation training to all staff Fire Extinguisher training Wind speed monitor programmed to decrease car speed to creep and stop at the next station if activated above 33 kph/wind	5	3	High	
Earthquake	5	3	High	Earthquake sensor in control room Earthquake SOP Staff Training	4	3	High	
Slipping & Tripping Stairs Uneven surfaces Wet Floors	3.5	4	High	Slippery footwear No running / pushing Mopping up wet floors "Slippery When Wet" signs available at both Terminals Non-slip coatings on station platforms	5	2	High	
Medical Event	4	3	High	All staff trained in first aid. First Aid kit in Car, Driver's room, Control room and Waiting room. Portable kit in the Control Room for when working on the Track. These are checked monthly. Defibrillator in each car and ticket booth. Contact numbers of emergency services and local medical assistance posted on the safety notice board in Drivers' Room and Ticket Booth. A radio system operates between the two cars, Ticket Booth, Control Room, and Waiting Room.	3	3	High	
Confrontational Situations Public confrontation - physical & verbal threats or abuse.	3	4	High	De-escalation training United company stance that we do not tolerate abuse in the workplace Support to front line staff by ability to call on supervisors/manager for back up in confrontational situations	3	2	High	
Cable Car breakdown mid track	3	4	High	All employees attend evacuation practice conducted annually Torches and ladder carried on each car to assist with evacuations Preventative maintenance of Cable Car to lessen likelihood of breakdowns.	3	2	High	
General Public: On station platforms	4	3	High	Signs and markings on platforms to indicate risk to passengers Fences in locations away from stations where there is high risk (e.g. Clifton car park) Emergency stop buttons at all stations and in the ticket booth. Drivers trained to be observant, look out for potential issues. Cable Car reduces speed as it approaches stations	4	3	High	

## 8. APPENDIX TWO – FINANCIAL INFORMATION

Wellington Cable Car Limited - Business Plan  
Statement of Comprehensive Income for the years ending 30 June 2022, 2023 and 2024

	2022 - Qtr 1 \$000	2022 - Qtr 2 \$000	2022 - Qtr 3 \$000	2022 - Qtr 4 \$000	2022 - Total \$000	2023 \$000	2024 \$000
Cable Car Income	364	545	521	408	1,839	2,587	3,400
Cable Car Operations	88	93	89	84	353	371	391
Cable Car Maintenance	118	109	45	25	296	172	249
Cable Car Wages	298	300	304	298	1,201	1,283	1,371
Depreciation	75	75	75	75	300	300	300
Cable Car Expenses Subtotal	579	578	513	480	2,150	2,126	2,311
Cable Car Operating Surplus / (Loss)	(215)	(32)	8	(72)	(312)	460	1,089
<b>EXTERNAL ACTIVITIES</b>							
Sundry External Income	0	0	0	0	0	0	0
External Activities Operating Surplus / (Loss)	0	0	0	0	0	0	0
Administration Expenses	265	266	270	267	1,069	1,147	1,226
External Activities Division Surplus / (Loss)	(480)	(298)	(263)	(339)	(1,380)	(686)	(137)
<b>WELLINGTON CABLE CAR - TOTAL SURPLUS / (LOSS) BEFORE TAX</b>	<b>(480)</b>	<b>(298)</b>	<b>(263)</b>	<b>(339)</b>	<b>(1,380)</b>	<b>(686)</b>	<b>(137)</b>
Income Tax Expense/Benefit					0	0	0
<b>WELLINGTON CABLE CAR - TOTAL SURPLUS / (LOSS) AFTER TAX</b>	<b>(480)</b>	<b>(298)</b>	<b>(263)</b>	<b>(339)</b>	<b>(1,380)</b>	<b>(686)</b>	<b>(137)</b>
<b>The Total Surplus / (Loss) After Tax Consists of:</b>							
Total Income	364	545	521	408	1,839	2,587	3,400
Total Expenditure	845	843	784	747	3,219	3,273	3,537
	(480)	(298)	(263)	(339)	(1,380)	(686)	(137)

**Wellington Cable Car Limited - Business Plan**

**Statement of Movements in Equity for the years ending 30 June 2022, 2023 and 2024**

	Notes	2022 \$000	2023 \$000	2024 \$000
Opening Equity - 1 July		9,117	7,736	7,050
Net Surplus/(loss) for the period		(1,380)	(686)	(137)
Total Recognised Revenues and Expenses		<u>(1,380)</u>	<u>(686)</u>	<u>(137)</u>
Distribution to Owners		-	-	-
Closing Balance 30 June		<u>7,736</u>	<u>7,050</u>	<u>6,913</u>

**Represented by:**

		2022 \$000	2023 \$000	2024 \$000
<b>CURRENT ASSETS</b>				
Bank	1	1,603	1,239	1,413
Inventory		294	294	294
Accounts Receivable		29	31	47
		<u>1,926</u>	<u>1,564</u>	<u>1,754</u>
<b>FIXED ASSETS</b>	2	<u>7,010</u>	<u>6,710</u>	<u>6,410</u>
<b>TOTAL ASSETS</b>		<u>8,936</u>	<u>8,274</u>	<u>8,164</u>
<b>CURRENT LIABILITIES</b>				
Accounts Payable/Accruals		296	311	327
Employee benefit liabilities and provisions		200	210	221
Taxes payable		-	-	-
		<u>496</u>	<u>521</u>	<u>548</u>

**Wellington Cable Car Limited - Business Plan**

**Statement of Financial Position for the years ending 30 June 2022, 2023 and 2024**

	Notes	2022 \$000	2023 \$000	2024 \$000
<b>NON CURRENT LIABILITIES</b>				
Deferred Tax Liability		704	704	704
		<u>704</u>	<u>704</u>	<u>704</u>
<b>NET ASSETS</b>		<u>7,736</u>	<u>7,050</u>	<u>6,913</u>
<b>SHAREHOLDERS' FUNDS</b>				
Represented by:				
Retained Earnings	3	<u>7,736</u>	<u>7,050</u>	<u>6,913</u>
		<u>7,736</u>	<u>7,050</u>	<u>6,913</u>

**Notes and Assumptions:**

- 1 Bank balance has been taken as the balancing figure and includes any short term deposits and the Cable Car self
- 2 The 2022 balance sheet is the forecast position as at the time of completing this Statement of
- 3 No distribution to owners based on the Company accumulating funds for further capital replacements required however will be assessed on an annual basis.

**Wellington Cable Car Limited  
Statement of Cash Flows  
For the years ended 30 June 2022, 2023, 2024**

	Year Ended 30 June 2022	Year Ended 30 June 2023	Year Ended 30 June 2024
<b>Cash flows from operating activities</b>			
<u>Cash was received from:</u>			
Operating receipts	1,839	2,587	3,400
Interest received	-	-	-
<u>Cash was disbursed to:</u>			
Payments to suppliers and employees	(2,923)	(2,950)	(3,226)
Net cash inflow / (outflow) from operating activities	(1,085)	(363)	174
<b>Cash flows from investing activities</b>			
<u>Cash was received from:</u>			
Investments	-	-	-
Sale of Fixed Assets	-	-	-
<u>Cash was applied to:</u>			
Purchase of fixed assets	-	-	-
Net cash inflow / (outflow) from investing activities	-	-	-
<b>Cash flows from financing activities</b>			
<u>Cash was received from:</u>			
Term Loan	-	-	-
<u>Cash was applied to:</u>			
Payment of Dividend	-	-	-
Term Loan	-	-	-
Payment of Tax	-	-	-
Subvention Payment	-	-	-
Net cash inflow/(outflow) from financing activities	-	-	-
Net Increase/(decrease) in Cash held	(1,085)	(363)	174
Opening Cash Balance	2,688	1,603	1,239
Closing Cash Balance	1,603	1,239	1,413
Closing cash balance per GL	1,603	1,239	1,413



# Wellington Cable Car Limited Statement of Intent FY2021/22

Presented to  
Wellington City Council  
in line with the Local Government Act (2002)





experience  
**Wellington**  
wellington museums trust



**EXPERIENCE WELLINGTON  
2021-22 STATEMENT OF INTENT**

Presented to Wellington City Council pursuant to  
Section 64 of the Local Government Act 2002

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This Statement of Intent (SOI) reflects the relationship and interest that the Wellington City Council (Council) has in Experience Wellington as a Council Controlled Organisation and our contribution to Council's vision for the future of Wellington. It responds to Council's Letter of Expectations (LOE) of 22 December 2020 (pages 32-34). On pages 8-12 we outline our specific response to the LOE and how each expectation directly relates to one of our four strategic pou. Council owns the heritage buildings that house five of our visitor experiences and will provide around 72% (\$10.249m) of our 2021-22 budgeted revenue, with the other 28% (\$3.996m) coming from cultural grants, fundraising and trading revenues.

To achieve the best results for Wellington we will continue to work with Council and other Council Controlled Organisations (CCOs), other visitor experiences, tertiary education partners and relevant national organisations.

We have a contract with **Creative New Zealand** that supports the delivery of the Capital E National Theatre for Children and the biennial Capital E National Arts Festival for Children. The learning experiences we offer are supported through **Ministry of Education Learning Experiences Outside the Classroom (LEOTC)** contracts. We also regularly receive support from the **City Gallery Wellington Foundation** for City Gallery's programme. The **Carter Observatory Trust** supports our fundraising activities for Space Place.

## **INTRODUCTION | He Whakatakinga**

On behalf of the Board of Trustees I am pleased to present Experience Wellington's Statement of Intent which outlines our strategic direction and operating intentions for the 2021-22 financial year and Forecast Financial Statements for the three years to 30 June 2024. As incoming Board Chair, I am excited about the opportunities for our experiences - Capital E, Space Place, City Gallery Wellington, Nairn Street Cottage, Wellington Museum and the Cable Car Museum to enrich lives and deliver a programme that boosts Wellington's economic, cultural and social success.

When COVID-19 first hit our shores we met the challenges of the pandemic: delivering for audiences in new and different ways. Many of the innovations we adopted, including an increased digital presence, are woven throughout our revised Strategic Plan which sets our direction for the next three years. The four strategic pou of the plan: Wheako Pōneke (enriching lives through our experiences); Ma te huruhuru te manu ka rere (embracing Te Ao Māori); Tukua kia rere (our organisation flourishes) and Mahi Tahi (working together as one team), underpin the vibrant programme of projects, events and activations we will host in 2021-22.

With international tourists unlikely to return in the short to medium term, our focus is on strengthening Wellington: sparking curiosity and connecting communities, people and ideas. This includes the extraordinary upcoming exhibition Hilma af Klint: The Secret Paintings opening in December 2021. At a time when borders are closed, we will bring an international show which has sold out in New York and London to Wellington: its only stop in Aotearoa. Hilma will be a driver of domestic tourism and bolster the capital's reputation as a leader in arts experiences.

We also have an exciting line-up supporting the work of local arts practitioners and businesses: helping Wellington's creative community to thrive. This includes initiatives like Creative Collider, a Capital-E led partnership programme which works with art practitioners to build skills and confidence in developing youth-focused content.

Museums Wellington is building upon a vibrant programme that will engage, entertain and educate audiences including 'Wellington on a Good Day' a new exhibition that celebrates what it means to be a Wellingtonian through a creative lens. Another exciting collaboration is our first home-grown planetarium show, The Navigators which will launch at Space Place. Talented local experts, master navigators, artists, film-makers and musicians, have been brought together by Experience Wellington to tell the story of navigation to Aotearoa in a family-friendly immersive show.

In partnership with Wellington City Council, we will continue planning for strengthening The Bond Store. This project presents a unique opportunity to enhance the museum experience by celebrating and amplifying the voices and stories of our diverse communities.

We will further develop our Māori strategy and capability to ensure our experiences more deeply connect audiences with Te Ao Māori. Environmental sustainability will be an ongoing focus through events such as the Great Big Waterfront Clean-Up, coupled with content that sparks public interest in preserving our planet and awareness of climate change.

While we are excited about our future and the opportunities to showcase Wellington's unique creative talent, there are challenges in the coming year. Our trading revenue will take longer to normalise due to the continued absence of international visitors. There is also a downturn in larger venue hire bookings and decrease in overall fundraising revenue. Core costs for insurance, cleaning and operating continue to grow. We will therefore continue to refine our operating model and improve systems & processes to streamline our business - targeting a return to a break-even position without Council CCO Resilience Fund support in 2022-23.

Working together to deliver extraordinary experiences that strengthen Wellington remains our focus, and we will do so smartly and prudently. We thank Wellington City Council for their on-going support and will prioritise collaborations with Council, our CCO whānau, and the city's creative ecosystem that use Experience Wellington's resources to nurture the social, cultural, environmental and economic wellbeing of Wellingtonians - more important than ever in our current environment\*.

**Jane Wrightson**  
**Chair, Experience Wellington**

*[\\*see operating environment for more details](#)*

Experience Wellington Statement of Intent 2021-22

pg.3

**OUR INTENT IN 2021-22 | Tā Mātou Whāinga ki 2021-22**

**OUR FOCUS:**

Our [Strategic Plan](#) was revised in the wake of Covid-19 to include:

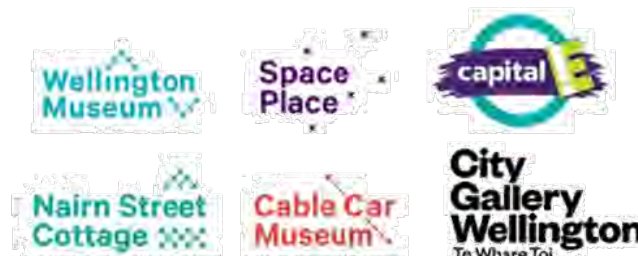
- A three-year, rather than a 10-year plan to facilitate flexibility in a COVID-19-affected operating environment.
- Alignment with Council's 'Three Strategies' project, with our Chief Executive being a member of this steering group.
- A focus on measurable changes to ways of working.
- Emphasis on a whole-of-organisation, whole-of-customer-journey approach.
- Clear through-lines from the strategic plan to the work of all our teams.
- Reinforcing a positive and mutually supportive culture.

Our mahi is aligned to Council's vision, 2040 Smart Capital, the Four Wellbeings, and the Three Strategies Project.

**WE ARE LOOKING FORWARD TO:**

- Continued conversations and collaboration with Council, our CCO whānau, and the city's creative ecosystem: leveraging positive relationships, and providing innovative ways to attract visitors to our city.
- Resolving issues around the strengthening and redevelopment of Wellington Museum Te Waka Huia o Ngā Taonga Tuku Iho.
- Working with Council's Te Ngākau Civic Square Planning Team to return Capital E Nōku Te Ao to Te Ngākau Civic Square, potentially as part of the Te Matapihi Central Library Project, alongside City Gallery Wellington Te Whare Toi.
- Attracting art lovers to Wellington for our third high profile international art exhibition at City Gallery Wellington Te Whare Toi from December 2021.
- Working closely with WellingtonNZ to revitalise the city we love.
- Building our cultural competency including the use of Te Reo and Tikanga Māori.
- Implementing customer relationship management (CRM) systems to streamline our engagement with supporters and funders.
- Continuing to review and streamline our business processes to achieve the best possible financial outcome.
- Accessing third party funding to leverage and fund Council's assets for the benefit of all Wellingtonians.

*Please refer to the section on Council's Expectations on [pages 9-12](#) for more information on our plans.*



**Our key programmes in 2021-22**

**HILMA AF KLINT: THE SECRET PAINTINGS**

This is the third in a series of high value exhibitions that bring the best of international art to New Zealand audiences. Exhibitions of this kind serve to affirm Wellington’s status as the creative capital, add to the quality of life for the city’s residents, and make a valuable economic contribution. The discovery of visionary Swedish artist Hilma af Klint (1862-1944) has turned art history on its head by establishing a new, and female, pioneer of twentieth-century abstract art. Unprecedented in scale and ambition, and hidden from view for decades, these paintings embody arts potential to inspire, transport and confront viewers. Hosting this exhibition is a coup for Wellington and will provide visitors from across the country with a once-in-a-lifetime opportunity to see af Klint’s work here.

**THE NAVIGATORS**

Space Place’s first full production planetarium show will launch during Matariki 2021. Having won support from the government’s TUIA 250 Encounters fund, Space Place presents Moko’s journey as she learns how to navigate the mighty Pacific Oceans. We have brought together a Wellington collective of film makers, writers, actors, animators and musicians to bring the story of Moko to life. We travel from today, where Moko is floating in the sea learning the names of the stars of Aotearoa into the vast oceans of the Pacific aboard a waka houroa. Before our eyes she travels to the time of Lieutenant James Cook and is aboard the Endeavour, seeing a sextant in use. Through stop motion filming and the latest in digital technology Moko’s story is one of wonder and beauty, as she moves through centuries to tell us how Aotearoa was sought and found by her tipuna and pakeha explorers.

**LEAVING HOME**

In the hopes that sufficient funding is secured to strengthen the Wellington Museum, we will continue to actively engage with our communities as the construction work is carried out. Though the building itself will be closed, the engagement and offerings of the Museum will remain open. *Leaving Home* will be a time of community outreach for Wellington Museum, to have a presence in, and impact on, the cultural life of the city representing our city’s diverse voices and perspectives.

**MATURAU (WORKING TITLE)**

Opening free in April 2022, *Maturau (working title)*, curated by Wellington-based Māori artist, educator, curator, and writer Shannon Te Ao, will bring together new and existing artworks that examine what it means to be an artist working within Te Ao Māori at a time of COVID-19. A time when the world, and world views are shrinking and changing exponentially. *Maturau* asks what role Māori art and artists can play in our new reality.



**CREATIVE COLLIDER**

At Experience Wellington we recognise how developing programmes for children and young people requires specialist skills and expertise. Often, this audience can be overlooked, or the appropriate skills under-valued. Creative Collider is our response to this. Bringing together Wellington’s creative sector with experts, mentors and tamariki we will host a residency to help artists and performers to shape their ideas for new work for children, leveraging the expertise of Capital E. Some emerging concepts will be seed-funded for testing further. Down the track some may be fully commissioned into our National Arts Festival for Children or beyond. Together we will collaborate, develop and test new and exciting works for children, and provide artists with creative opportunities to develop and showcase their mahi, with children and young people being part of the conversation.

**WELLINGTON ON A GOOD DAY (WORKING TITLE)**

Driven by the opportunity of the return of significant objects on loan, Experience Wellington will refresh the exhibitions on the ground floor of Wellington Museum. A humorous and wide-ranging look at Wellington through the saying, ‘You can’t beat Wellington on a good day’, it takes the opportunity to showcase the creative community of Wellington, whether in the arts or the wider community.

**NATIONAL THEATRE FOR CHILDREN**

Every year, the National Theatre for Children introduces tens of thousands of tamariki and rangatahi to their first experiences of performing arts, in way that speaks to them and their place in the world. In 2021-22, the company will be touring a favourite show: *Seasons*. This new iteration of a much-loved show will bring together an innovative approach to digital puppetry and soundscapes to bring the experience to life for a new generation of youngsters. For older children, *Story Studio Live*, a work that has been developed with young people to place children’s voices at its heart will visit schools across the country. The show will explore through young people’s eyes the way we and our planet interconnect, and how delicate that relationship truly is.



**OUR PERFORMANCE** is measured by our Key Result Indicators (KRI).

In 2021-22 we expect to:

- **Raise \$3.996m (28%) of our operating costs from trading initiatives and fundraising.**
- **Receive a 90% approval rating from our visitors for the quality of their experience at our institutions.**
- **Expand our reach via our websites and social media channels to engage with over 200,000 visitors.**
- **Attract over 480,000 on-site visitors, of which, around 38,000 will be children and young people visiting for a learning experience.**

**OUR FINANCIAL PERFORMANCE** Due to the impacts from COVID-19 and the expectation that international visitors will be significantly restricted for 2021-22, we are forecasting a break-even budget on the basis that \$0.917m is received from the Council's CCO Covid-19 Resilience Fund. The 2021-22 Budget is based on the following assumptions:

- Experience Wellington will receive \$10.561m from Council (\$7.875m in operating grants, \$0.917m from the CCO Covid-19 Resilience Fund, and \$1.769m accommodation rental subsidy) in 2021-22, for the operation of Experience Wellington inclusive of Space Place Te Ara a Whānui Kī Te Rangi. The \$0.184m annual cash underwrite for Space Place is additional to the operating grant and accommodational rental subsidy.
- There is a modest inflation-indexed increase to the prior financial year's operating grant, noting any new investment that does not align closely with Council's priorities is unlikely to be supported.
- Our 2021/22 visitor target is 480,420 people, representing an 84% increase on our 2020/21 forecast.
- Cruise ship business does not resume until Q3 2023.
- The Trans-Tasman air travel bubble mooted from Q1 will have a minimal effect on our visitor numbers.
- International borders are unlikely to open until Q3 2021-22 for restricted travel. Therefore, we anticipate significantly reduced non-cruise ship international visitors.
- Domestic visitors are expected to return to BAU levels.
- Regional education groups and national school groups are expected to return to BAU levels.
- Experience Wellington expect to generate \$3.996m non-Council revenue in 2021-22, representing a 14% increase on our 2020-21 forecast of \$3.511m, underscored by the Navigators Project, Hilma af Klint, and a more certain operating environment for domestic visitation. Retail offerings have been modified for the domestic market and are predicted to achieve \$0.621m.
- \$0.283m is realised from venue hire, based on a downturn in larger bookings.
- We achieve \$0.312m from sponsorship, \$0.258m via donations and \$1.328m in grant revenue. We expect to raise a further \$0.440m from general cultural and community grants. We expect 2021-22 fundraising (\$1.897m) to exceed 2020-21 (\$1.660m) by 14%, reflecting an improved operating environment, nil additional lockdowns, the Navigators and Hilma af Klint projects.
- Scheduling funding per the Creative NZ contract (\$0.533m) and the LEOTC contracts with the Ministry of Education (\$0.336m) will continue in 2021-22.
- Reduced access to, and delays receiving, international content.

*The Forecast Financial Statements are provided in Appendix 1 (pages 24-27). Accounting policies are provided in Appendix 2 (pages 28-32).*



2021-24 Revised Strategic Plan



**EXPERIENCE WELLINGTON MAHERE RAUTAKI 2021-2024**

**COUNCIL'S EXPECTATIONS | He Kawatau ō Te Kaunihera**

Our response to Council's 2021-22 Letter of Expectation is drawn from our revised **2021-24 Strategic Plan** and reflects alignment with Council's goals for Wellington as being a people-centred, connected, dynamic, and sustainable central city. Our ability to respond to Council's expectations depends on our financial position.

**Council's Expectations**

**Experience Wellington's Response**

Local Government's Four Wellbeings	Our Alignment through our 2021-24 Strategic Plan
<p><b>Cultural Wellbeing</b> <i>An innovative, inclusive quirky city.</i></p> <p>Wellington is a vibrant, creative city with the energy and opportunity to collaborate, explore identities and openly express, preserve and enjoy their arts, culture and heritage.</p>	<p>Experience Wellington is a mainstay of the capital's arts, culture and heritage landscape. We are passionate about vibrant programmes that strengthen the city we love; reflecting and connecting our citizens. Our <b>Enriching Lives</b> pou has a strong audience focus, with our visitors at the heart of everything we do. We will continue to connect with communities onsite, through programmes such as Gallery Seniors and Gallery Babes at City Gallery Wellington, online and through our social media channels, and via outreach.</p> <p>Listening to what our audiences want and keeping our spaces current and exciting gives our visitors a reason to return. In 2021 we will be opening Te Wheke at Wellington Museum, a dynamic community space for creative enjoyment and participation for all ages. PlayHQ at Capital E develops themed safe learning spaces for our youngest tamariki, where the installation changes regularly. And of course, the exhibitions at City Gallery Wellington are constantly showcasing new talent.</p> <p>In response to the current environment, we will continue to actively support artists whose livelihoods have been affected by Covid-19.</p>
<p><b>Social Wellbeing</b> <i>A people friendly, compact, and accessible capital city.</i></p> <p>An inclusive, liveable and resilient city where people, mana whenua, Māori and communities can learn, are connected, well housed, safe and healthy.</p>	<p>Council's social wellbeing strongly aligns with our purpose: <b>Working together, with and for Wellington, to create remarkable experiences that generate vitality: strengthening the city we love.</b></p> <p>We are active participants in the Council's consultations on the future of Te Ngākau Civic Square and Te Matapihi Central Library and use our ability to leverage funding to enhance and re-imagine Council's assets, such as Wellington Museum.</p> <p>Our Access &amp; Inclusion Committee leads our organisation in continuously improving ways we can connect with new audiences to ensure that all visitors feel welcomed and accepted at our sites, without barriers to accessibility. While our Health, Safety &amp; Wellbeing Committee ensures we are able to provide safe social spaces where audiences can continue to socially distance, while enjoying a sense of normality in public spaces.</p> <p>A strong part of our social wellbeing is the learning offerings we provide to tamarki and rangatahi, through works like the National Theatre for Children: Seasons &amp; Story Studio 2021. School holiday programmes are also a regular feature at Wellington Museum and City Gallery Wellington to engage our youngest audiences, while providing parents with something new and exciting to keep their children entertained.</p> <p>Our <b>Embracing Te Ao Māori</b> pou aligns with Council's many initiatives to acknowledge Te Tiriti o Waitangi including Te Tauihu Te Reo Māori Policy. We strive to have a Māori dimension in everything we do, and we support Council's aspiration to be a Te Reo Māori city by 2040.</p>

<p><b>Economic Wellbeing</b> <i>A dynamic and sustainable economy.</i></p> <p>The city is attracting and developing creative talent to enterprises across the city, creating jobs through innovation and growth while ensuring what we make is being reused.</p>	<p>Under our pou, <b>Experience Wellington Flourishes</b> we strive for business sustainability, effective operating systems, financial viability, and nurturing stakeholder relationships.</p> <p>We will work alongside Council and WellingtonNZ to support our city as it rebounds from the effects of COVID-19. As active supporters of the artists and businesses that make up our ecosystem, we will continue to leverage funding and profile, attracting domestic visitors to ensure the city's reputation as the Arts Capital of New Zealand is retained.</p> <p>Part of our strategy to attract new visitors to Wellington is the high-value international art exhibition Hilma af Klint, which will draw audiences from all over Aotearoa. We will be partnering with Wellington NZ, the International Arts Festival, and local suppliers across the city to promote this unique event.</p>
<p><b>Environmental Wellbeing</b> <i>A sustainable, natural Eco city.</i></p> <p>A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is adapting to climate change – for now and future generations.</p>	<p>Our <b>Experience Wellington Flourishes</b> pou, not only covers business sustainability but also environmental sustainability. The impact we have on the environment around us is considered as part of our programme plan for every show or exhibition we create. Our Environmental Sustainability Committee lead and encourage initiatives for staff including environmental workshops, competitions and events, and actively support the reduction of waste and availability of recycling.</p> <p>We welcome the opportunity to work with Council's City Resilience and Sustainability Team, leveraging ideas and opportunities as to how together we can become more sustainable workplaces.</p>

**Council's Expectations**

**Experience Wellington's Response**

Letter of Expectation	Our alignment through the experiences we provide
<p><b>Council is working on new strategies in the areas of economic development, arts and culture, and children and young people.</b></p> <p><i>Council plans to engage with the Trust in the development of these new strategies and the Trust will be part of the implementation of any new strategic outcomes.</i></p>	<p>We welcome Council's new strategies in the areas of economic development, arts and culture, and children and young people. Our team have been involved in the development and consultation regarding these strategies, with our Chief Executive sitting on the steering committee. We will align our work with the three new guiding documents.</p>
<p><b>Plans for fundraising for the Bond Store strengthening and redevelopment project, on the basis that this project receives funding through Council's 2021-31 Long Term Plan.</b></p> <p><i>Discuss plans for the Wellington Museum during the expected building closure for the construction works.</i></p>	<p>A proposal has been submitted to Council for consideration in the Long-Term Plan process to complete the earthquake strengthening and redevelopment of the visitor experience at Wellington Museum, giving new life to Council's category one heritage building, and ensuring its landmark status on the city's world-renowned waterfront.</p> <p>An integrated fundraising plan for exhibition content is underway. Our approach will include activity across fundraising revenue streams, including targeting the New Zealand Lottery Grants Board and other grant-giving bodies, as well as approaches to corporates and individuals.</p> <p>While strengthening is underway, the Wellington Museum team will launch <i>Leaving Home</i> - while the building is closed the Museum won't be. Wellington Museum will 'leave home' for the period of the building works while still 'sharing the stories and objects of Wellington' and being Wellington's Museum. The planning includes delivering more activities across our other Experience Wellington sites as well as outreach, and pop ups across the city through partnerships with other events and sites across the Wellington City Council network.</p>
<p><b>A focus on robust financial management and delivering services in a financially sustainable and affordable manner both for Council and for the Trust.</b></p>	<p>We are grateful for an inflation indexed increase on the current year's operating grant. We are aware that any new investment that does not align closely with Council's priorities is unlikely to be supported and appreciate the financial challenges that Council is facing due to COVID-19 revenue losses and essential investment across the city.</p> <p>In 2021-22 we will complete the implementation of our business systems projects: rolling out integrated CRM, retail and bookings software. Also, a new fundraising strategy will be launched, our procurement processes will be reviewed, and we will continue our review of systems and processes to ensure the most effective use of resources.</p>
<p><b>Improving accessibility to Council's activities and services will continue to be an immediate focus for the Council and it is expected that the Trust will continue to support this by planning to improve accessibility and its facilities where possible</b></p>	<p>Our Accessibility and Inclusion Committee lead our commitment to the principle that access is a human right not a privilege or favour, and that an environment of accessibility and inclusion has universal benefit.</p> <p>Experience Wellington has a kaupapa that enables and facilitates access and inclusion for visitors and staff. Initiatives include multi-language brochures, sign language introductions at each venue and a commitment to ensure that</p>

	<p>facilities, exhibitions, and public programmes are welcoming and accessible, accommodating all abilities.</p> <p>Being accessible is a long-term commitment and an on-going process of improvement. We regularly undertake audits to improve facilities for staff and visitors. We are grateful to Council as buildings owner for its support.</p> <p>As part of expanding our reach, we also continue to grow and develop our digital content, including new online offerings for schools.</p> <p>Working in consultation with Blind Citizens Aotearoa, we have developed and completed a pilot programme for a City Gallery tour designed for the low vision community. If successfully received, the intention is to offer a low vision tour of each season of shows exhibited at City Gallery Wellington.</p> <p>Work is underway with Altogether Autism to provide an appropriate introduction to City Gallery for the autistic community and carers. This includes a gallery map available at our front desk providing the locations of high sensory areas.</p> <p>Our outreach to these communities ensures we are flexible and inclusive, and creating enriching connections.</p>
<p><b>Play an important role in supporting Council's Te Atakura First to Zero Strategy to support Wellington and Council's carbon reduction goal.</b></p> <p><i>This will include working with Council on First to Zero waste minimisation plans and strategies.</i></p>	<p>We are pleased to have achieved Toitū Carbon Zero accreditation under Wellington City Council's programme and will continue to work with Council to meet the goals outlined in <i>Te Atakura, the First to Zero</i> Policy and look forward to working with Council on First to Zero waste minimisation plans and strategies.</p> <p>A key contributor is the reduction in electricity use through Council &amp; BECA's review of climate control systems at Wellington Museum and City Gallery Wellington. This project will continue at other Experience Wellington sites in 2021-22.</p> <p>We are continuously looking at ways to reduce waste and increase recycling across the organisation. Initiatives like these are supported by our Environmental Sustainability Committee: passionate staff who promote environmental best-practice across Experience Wellington, encouraging staff to make sustainable choices.</p>
<p><b>Challenge us with ideas for the future of the Trust</b></p>	<p>Experience Wellington will continue to play a significant role in the city's ecosystem: driving events, adding vibrance, attracting talent and contributing to the 'Wellington story'.</p>

### Governance

As a leading governance group with the health, safety and wellbeing of our people of the utmost importance, the Board of Trustees is confident that it will comply with Council's expectations regarding legislative compliance including the Health and Safety at Work Act 2015. Our legislative compliance schedule is reviewed annually by the Board and our compliance is closely monitored through a rolling audit programme.

Our health and safety goal is a zero-harm culture and our Key Result Indicator is no notifiable incidents. We have adopted rigorous systems and processes to ensure Health and Safety compliance, and we work closely with Council to ensure that our approach is consistent with its expectations. This is particularly relevant in the context of building management where our Health and Safety obligations overlap.

The Board maintains a high degree of awareness of the legislation related to its activities. This includes a Health and Safety Management Framework that identifies and prioritises the management of critical areas of risk. This is regularly reviewed, monitored, and verified for effectiveness. Where Council and the Trust have shared responsibilities and overlapping duties, then all parties ensure there is effective consultation and co-operation to eliminate or minimise the risks and keep all those in the vicinity of our workplaces safe.

As requested in Council's Letter of Expectation, a skills matrix in relation to board composition has been created. A copy of this will be provided to Council by 31 March 2021 and updated annually thereafter.

The Sections on the Board's Approach to Governance ([page 20](#)) and Management, Organisational Health, Capability and Risk Assessment ([pages 22-23](#)) cover these expectations in more detail.

### **OPERATING ENVIRONMENT UPDATE | Te Taiāo Lalanel**

Forecasting performance amid a pandemic is challenging with a number of unknowns impacting our operating environment. Overall a significant reduction in international visitation and associated visitor spend is predicted. In planning for events and programmes, we continue to factor in the possibility of changing advice on public health measures, such as social distancing guidelines. Following consultation with Wellington NZ, we note the following as part of our visitor forecasts:

- Our domestic and education visitors to return to BAU levels from July 2021 (Q1).
- Cruise ship visitors are not expected to return until summer of 2022-23, with small ships likely to return first.
- The impact of a Trans-Tasman bubble opening at the beginning of Q1 (July 2021) will be minimal. The initial influx of Australian visitors is anticipated to be travelling for family or business purposes. International borders may open toward the end of 2021, again with initial numbers of tourists to Wellington being small. We have therefore modelled 20% of typical non-cruise ship international tourists returning across Q3 & Q4.

Resurgence of COVID-19, delays to vaccine rollout, border opening, or the international vaccine passport system could all affect the expectations underpinning this Statement of Intent. We remain alert to the possibility of further lockdowns, so our digital offerings are a significant aspect of our delivery for 2021-22 and beyond. The fundraising landscape is also uncertain. COVID-19 has sparked a number of novel funding opportunities - however, the initial trend of untagged recovery funds has shifted to project or innovation-based ones which does not address our core operating challenges. We also acknowledge the impact that this changed operating environment has had on many artists and businesses. As a leader in Wellington's arts, culture and heritage sector, we will take a 'Wellington first' approach to our decision-making in order to maximise our contribution to the capital's creative ecosystem.

In spite of this, the year ahead presents many opportunities for Experience Wellington to work with partners and stakeholders to influence the future of the city as seminal projects start to take shape:

- We are committed to ensuring that Te Ngākau Civic Square reclaims its status as the heart of the city and will continue to be involved in its master-planning. However, we note that construction work will be a feature of Te Ngākau Civic Square for the next five years, which brings ongoing wayfinding and operational challenges to City Gallery. Our goal remains to deliver a vibrant gallery programme that encourages people to visit and enlivens the square, and we will maintain a dialogue with Council about actions to ameliorate this.
- Council's visioning process for a reimagined Te Matapihi Central Library including a possible permanent home for Capital E Nōku Te Ao is a collaborative approach that draws together Experience Wellington and Council expertise. This project presents a wealth of possibilities for Wellington's youngest citizens with potential to deliver a truly innovative approach. The path we take together will guide Experience Wellington's offering for children and young people until 2025 when Te Matapihi opens, as we pilot new ways of working.
- With the possible closure of Wellington Museum Te Waka Huia o Ngā Taonga Tuku Iho for earthquake strengthening, the two-year-long 'Leaving Home' project will ensure that there is still access to Wellington's heritage collections and stories while the building is closed. To prepare for this, during 2021-22 we will build a network of partners to help us deliver the Museum's activities via outreach and pop ups across the city: a unique, community-focussed approach to our work that will strengthen our collaborative base. However, closing the Museum will affect our revenue-generating capability for the duration of the construction work.

We welcome opportunities to engage with Council and our CCO colleagues to support this mahi and reflect Council's new Aho Tini, economic development & children & young people's strategies. With Council's support, we remain committed to providing remarkable experiences of contemporary art, history, and science for our visitors to explore our Wellington stories and the southern skies, and to bring out their creativity and spark learning.

### PERFORMANCE MEASUREMENT | Pāearu Mahi

We will continue to refine performance measurement over the planning period to better reflect the needs of stakeholders for information that helps to assess the impact Experience Wellington makes on Wellington's prosperity and liveability. Any changes will be made in consultation with Council.

The impacts of COVID-19 on visitation and our financial position are reflected in the following performance measures.

*Note: The necessary earthquake strengthening and upgrade of Wellington Museum would mean a period of closure of two years which would affect visitation results and revenue generation. Impacts from the proposed closure are not reflected in the numbers presented below.*

#### Our City

##### Key Result Indicators

**City Residents' Awareness:** The number of Wellingtonians who know about our institutions as assessed through the Annual Residents' Survey conducted by Council.

Residents' Awareness	2019-20 Actual	2020-21 SOI	2021-22	2022-23	2023-24
City Gallery Wellington	89%	95%	95%	95%	95%
Wellington Museum	91%	95%	95%	95%	95%
Capital E	75%	90%	90%	90%	90%
Cable Car Museum	93%	95%	95%	95%	95%
Space Place	89%	92%	92%	92%	92%
Nairn Street Cottage	50%	54%	54%	54%	54%

#### Our Visitors

##### Key Result Indicators

**Physical Visitation:** The total number of on-site visits to institutions including general public, education and function attendees. The annual target is reviewed each year and benchmarked against the average visitation for the institution during the previous three years. Due to border closures we are expecting negligible international visitors for the 2021-22 year.

Visitor Numbers	2019-20	2020-21	2021-22	Q1	Q2	Q3	Q4	2022-23	2023-24
	Actual	SOI		Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun		
City Gallery Wellington	111,365	56,200	150,250	25,000	34,750	67,500	23,000	112,700	114,900
Wellington Museum	100,165	56,000	100,000	23,000	27,000	30,000	20,000	110,000	120,000
Capital E	86,821	45,500	59,770	17,400	16,000	11,370	15,000	100,000	70,000
Cable Car Museum	192,915	79,000	125,000	25,000	35,000	45,000	20,000	152,000	175,000
Space Place	43,449	24,000	44,000	11,000	10,500	13,000	10,500	46,500	50,000
Nairn Street Cottage	706	1,000	1,400	0	400	600	400	1,600	1,800
<b>Experience Wellington Total</b>	<b>535,421</b>	<b>261,700</b>	<b>480,420</b>	<b>101,400</b>	<b>123,650</b>	<b>166,470</b>	<b>88,900</b>	<b>522,800</b>	<b>531,700</b>

*Adjustments to visitation reflect the impact of Covid-19 - rescheduling the 3<sup>rd</sup> high value art exhibition and construction works on Te Ngākau Civic Square. The 10th Capital E National Arts Festival for Children will take place in 2023 deferred from 2021.*



**Virtual Visitation:** The total number of unique user visits to institutional web/mobile sites.

Virtual Visitor Numbers	2019-20 Actual	2020-21 SOI	2021-22 SOI	2022-23	2023-24
City Gallery Wellington	86,579	78,000	90,000	80,800	81,610
Museums Wellington	110,444	110,000	100,000	101,000	102,010
Capital E	34,990	35,000	38,000	38,380	38,765
<b>Experience Wellington Total</b>	<b>232,013</b>	<b>223,000</b>	<b>218,000</b>	<b>220,180</b>	<b>222,385</b>

**Social Media Profile:** A snapshot of Facebook friends, Instagram and Twitter followers.

Social Media Numbers	2019-20 Actual	2020-21 SOI	2021-22 SOI	2022-23	2023-24
City Gallery Wellington	41,078	41,500	45,000	45,430	45,865
Museums Wellington	14,387	13,500	15,120	15,270	15,425
Capital E	9,123	9,500	10,000	10,100	10,200
Space Place	10,283	10,800	10,910	11,020	11,130
<b>Experience Wellington Total</b>	<b>74,871</b>	<b>75,300</b>	<b>79,030</b>	<b>79,820</b>	<b>80,620</b>

**Quality of Visit:** Visitor feedback based on comfort, access, experience, knowledge gained, the friendliness of staff, the length of visit and overall enjoyment.

Quality of the Visitor Experience	2019-20 Actual	2020-21 SOI	2021-22 SOI	2022-23	2023-24
City Gallery Wellington	85%	88%	88%	88%	88%
Wellington Museum	92%	90%	90%	90%	90%
Capital E	93%	90%	90%	90%	90%
Cable Car Museum	78%	80%	80%	80%	80%
Space Place	91%	90%	90%	90%	90%
Nairn Street Cottage	98%	90%	90%	90%	90%

**Children & Young People Visiting for a Learning Experience:** The number of students (aged 0-18 years) participating in a learning experience organised by their education provider. After a disruptive 2020-21 year, we are now expecting school visitation to return to "normal" from Q1 of 2021.

Learning Experience Visitors	2019-20 Actual	2020-21 SOI	2021-22 SOI	2022-23	2023-24
City Gallery Wellington	2,410	4,500	4,500	4,500	4,500
Museums Wellington	3,136	3,500	7,000	7,000	7,000
Capital E	31,995	10,000	23,400	36,200	23,400
Space Place	4,585	3,000	3,500	3,500	3,500
<b>Experience Wellington Total</b>	<b>42,126</b>	<b>21,000</b>	<b>38,400</b>	<b>51,200</b>	<b>38,400</b>

Figures include curriculum aligned learning experiences which are supported by the Ministry of Education through its LEOTC programme and self-directed and outreach learning experiences. The 10<sup>th</sup> Capital E National Arts Festival for Children will take place in 2023 deferred from 2021 owing to COVID-19 increasing visitation in that year. Museums Wellington includes the Wellington Museum, Cable Car Museum and Nairn Street Cottage.

*Our Sustainability, Key Result Indicators*

**Financial Performance:** We are initially forecasting a deficit budget for 2021-22 of \$917k due to the impact of Covid-19 and will be seeking support from WCC to cover this shortfall.

**Non-Council Revenue:** The total amount of revenue (net of costs) generated from non-Council sources:

Trading includes admissions, retail, venue hire, sub-letting, and interest.

Fundraising includes donations, sponsorships, other grants and cultural grants (CNZ and MoE for LEOTC). Retail sales and venue hire are significantly reduced in line with forecast visitation.

Trading (\$'000)	2019-20 Actual \$000	2020-21 SOI \$000	2021-22 \$000	2022-23 \$000	2023-24 \$000
City Gallery Wellington	235	99	740	120	219
Museums Wellington	808	144	536	398	754
Capital E	297	127	138	338	277
Space Place	469	136	190	300	438
<b>Sub Total</b>	<b>1,808</b>	<b>506</b>	<b>1,904</b>	<b>1,156</b>	<b>1,688</b>
Sub-letting, Interest & Other	932	30	30	30	30
<b>Experience Wellington Total</b>	<b>2,741</b>	<b>536</b>	<b>1,934</b>	<b>1,186</b>	<b>1,718</b>
Fundraising (\$'000)	2019-20 Actual \$000	2020-21 \$000	2021-22 \$000	2022-23 \$000	2023-24 \$000
City Gallery Wellington	165	395	560	198	198
Museums Wellington	152	100	116	99	99
Capital E	534	942	623	602	602
Space Place	81	485	78	78	78
Trust Office	0	0	520	543	543
<b>Experience Wellington Total</b>	<b>932*</b>	<b>1,921</b>	<b>1,897</b>	<b>1,520</b>	<b>1,520</b>

\*Museums Wellington includes the Wellington Museum, Cable Car Museum and Nairn Street Cottage.

The 10th Capital E National Arts Festival for Children will take place in 2023 deferred from 2021 owing to COVID-19, increasing visitation in that year.

The trading figures from 2020 are shown net of cost of sales.

**Spend per Visitor:** Visitor related revenue.

Spend per Visit (\$)	2019-20 Actual \$	2020-21 SOI \$	2021-22 \$	2022-23 \$	2023-24 \$
City Gallery Wellington	2.11	1.76	4.89	1.06	1.91
Museums Wellington	2.75	1.06	1.17	1.51	2.54
Capital E	3.42	2.79	2.31	3.38	3.96
Space Place	10.79	5.67	11.14	6.45	8.76
<b>Experience Wellington Total</b>	<b>3.38</b>	<b>1.93</b>	<b>3.86</b>	<b>2.21</b>	<b>3.17</b>

Museums Wellington includes Wellington Museum, Cable Car Museum and Nairn Street Cottage.

Capital E will present the Capital E National Arts Festival for Children in 2022-23.

Experience Wellington Statement of Intent 2021-22

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## Our People

### Key Result Indicators

**Health and Safety:** No notifiable incidents involving workers or visitors as defined by the Health and Safety at Work Act 2015.

Number of Notifiable Incidents	2019-20 Actual	2020-21 SOI	2021-22	2022-23	2023-24
Experience Wellington Total	0	0	0	0	0

**Staff Satisfaction:** At least 80% of staff are engaged with the organisation as indicated through the annual Staff Engagement Survey.

Staff Satisfaction	2019-20 Actual	2020-21 SOI	2021-22	2022-23	2023-24
Experience Wellington Total	%	77%	80%	80%	80%

## Our Heritage

### Key Result Indicators

**Collection Development:** Our Heritage Collections contribute to our understanding of Wellington's identity; its history, art and creativity which include visitors to some of Wellington's most important heritage sites (see Visitor Number KRI).

Collection Development	2019-20 Actual	2020-21 SOI	2021-22	2022-23	2023-24
New to the Collection	25	200	100	100	100
Collection Assessment	2,189	800	800	800	800
Collection Accessibility	7%	10%	10%	10%	10%

*New to the Collection: Commissions, acquisitions or donations of an item or a collection of items that have been accessioned into the collection.*

*Collection Assessment: The number of items (individual or type e.g. lifebuoys) that are reviewed for retention or disposal.*

*Collection Accessibility: The % of the Collection that is on display, on loan, used for research purposes or accessed through other mediums such as online.*

### Council's Subsidy per Visit

The Council subsidy per physical visitor (excluding online engagement) is calculated first by dividing the number of forecast visits into the operating grant received from Council (Table 1). Council's ownership costs such as insurance, maintenance and depreciation are then added (Table 2) to provide an estimate of the full subsidy per visit. The information regarding ownership costs is supplied by Council.

**Table 1: Operating subsidy per visit**

Subsidy per Visit (\$)	2019-20 Actual \$	2020-21 SOI \$	2021-22 \$	2022-23 \$	2023-24 \$
City Gallery Wellington	22.07	43.34	17.54	22.10	21.43
Museums Wellington	7.25	15.52	10.15	8.19	7.19
Capital E	21.74	39.26	32.52	18.26	25.79
Space Place	12.63	23.56	8.82	8.37	7.79
<b>Experience Wellington Total</b>	<b>14.55</b>	<b>29.47</b>	<b>18.30</b>	<b>15.84</b>	<b>15.41</b>

Subsidy per Visit forecast is based on the probable percentage of the operating grant received from Council as follows:

City Gallery Wellington – 30%

Museums Wellington (Wellington Museum, Cable Car Museum and Nairn Street Cottage) – 26%

Capital E – 22%

Space Place – 4.9% plus the cash underwrite

Central services provided through the Executive Office – 17.1%

Capital E will present the Capital E National Arts Festival for Children in 2022-23.

**Table 2: Full subsidy per visit inclusive of Council's ownership costs**

Full Subsidy per Visit (\$)	2019-20 Actual \$	2020-21 SOI \$	2021-22 \$	2022-23 \$	2023-24 \$
City Gallery Wellington	24.20	46.87			
Museums Wellington	10.49	16.79			
Capital E	23.25	42.46			
Space Place	20.60	23.56			
<b>Experience Wellington Total</b>	<b>20.00</b>	<b>31.93</b>			

Council's estimated ownership costs are supplied by Council.

The 10th Capital E National Arts Festival for Children will take place in 2023 deferred from 2021 owing to COVID-19.

### BOARD'S APPROACH TO GOVERNANCE | Ta Poari Rapunga Whakaaro

Trustees are appointed by Council and are standard-bearers for our vision. The Board is responsible for setting the strategic direction and approving the Statement of Intent (SOI) and the Strategic Plan. The Board monitors organisational performance, the organisation's on-going viability and the maintenance of its competitiveness. It delegates the day-to-day operation to the Chief Executive, who reports to the Board.

The Board meets no fewer than nine times per year and operates three committees (listed below) which review relevant matters prior to consideration by the full Board. In addition, the Board will convene *ad hoc* working groups to consider specific issues. Guidance in specialist areas is also provided as appropriate.

#### Board Committees

**Audit and Risk (A&R) Committee** assists the Board in carrying out its duties regarding financial reporting, risk management and legislative compliance.

**Chief Executive Performance and Remuneration (CEP&R) Committee** to advise the Chair in connection with the performance and remuneration of Experience Wellington's Chief Executive.

**People, Performance and Safety (PPS) Committee** supports the Chief Executive in carrying out their responsibilities as the employer of all staff and assists the Board to meet its due diligence responsibilities regarding Experience Wellington's compliance with the Health and Safety at Work Act 2015.

#### Board Membership

Trustee	Term Expires	Committees
Jane Wrightson, Chair	31 December 2021	Chair CEP&R and <i>ex officio</i> of PPS and A&R
Rachel Farrant	30 June 2021	Chair A&R and member of CEP&R
Peter Jackson	31 May 2022	Chair PPS
Peter Johnston	31 May 2022	Member of A&R, and CEP&R
Diane Calvert	31 October 2022	

#### Board Performance

The Board strives to meet best practice governance standards and will undertake an annual review of the overall Board, individual Trustees, and the Chair's performance, and report to the Chief Executive of Council by 30 September 2021.

**COUNCIL RELATIONSHIP PRINCIPLES | He Mātāpono**

The principles governing the relationship with Council as our primary stakeholder include:

- Operating on a "no surprises" basis so that any significant event that may affect either party is brought to their attention as soon as it can be reasonably done.
- Open and frank communication will occur between Experience Wellington and Council.
- Provide advice to Council on the management and development of museums, art galleries, space science and other relevant services within Wellington.
- Full disclosure of information will be provided to Council from Experience Wellington as deemed necessary by Council to ensure its interests are upheld.
- Disclosing within the Experience Wellington's Strategic Plan any significant transactions that are planned.

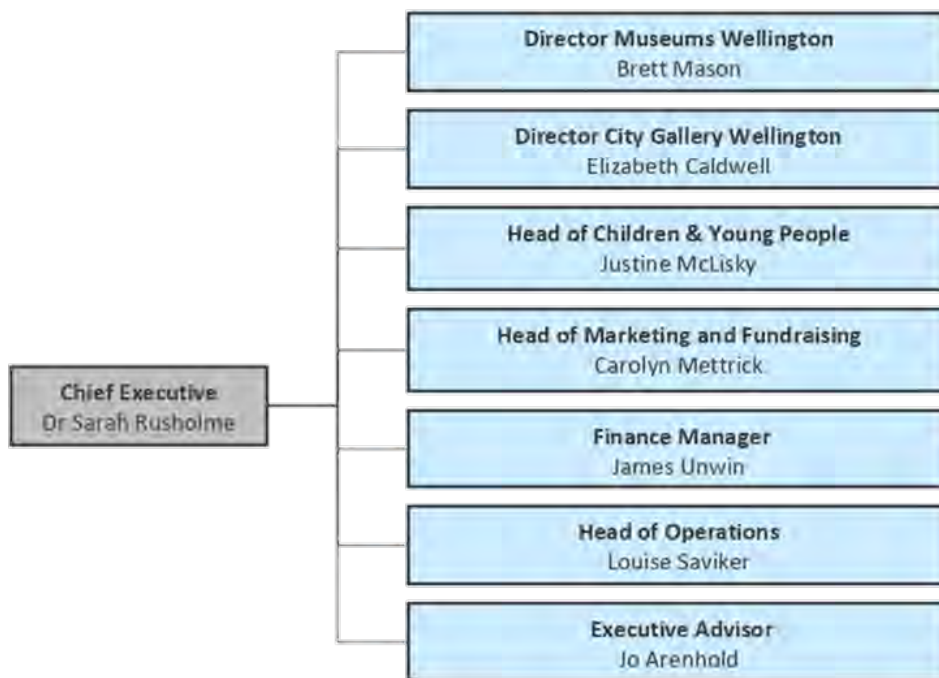
**MANAGEMENT, ORGANISATIONAL HEALTH, CAPABILITY AND RISK ASSESSMENT |**

**Te Ora o Wheako Pōneke**

**Management**

Our values: *Connected, Quality First, Boldness and Leading* are the quadrants of our balanced scorecard and describe the strategies, performance monitoring and reporting that together describe how we wish to go about our business and how we measure performance and success. Central to this is the ability to create and sustain an operating environment that supports the achievement of a high performing organisation.

The senior team reporting to the Chief Executive is outlined below:



**Organisational Health and Wellbeing**

We are committed to continuous improvement of our organisation effectiveness with the objective of being an employer of choice demonstrating whanaungatanga.

Our wellbeing strategy aims to build a positive working environment. We have invested in training to support managers navigating wellbeing with their teams, and to increase awareness and skill including mental health training programmes.

Our people remain our greatest asset and in response to the COVID-19 crisis we have managed and implemented plans responding to the risks and needs of wellbeing, health and safety. These plans have included mechanisms to support remote working, redeployment to alternate work programmes, and considered health and safety procedures at each Alert Level.

### Capability

Our commitment to presenting thought-provoking and entertaining visitor experiences relies on our staff who bring to their work: leadership; strategic thinking; knowledge of heritage collections, art, science and creativity; commitment to audiences; networks and contacts; and professional standards.

We are a highly motivated organisation and rely on our workforce to be flexible and to go the extra mile. Our Executive Team is highly experienced in their respective fields.

Training and professional development is a priority and an annual resource is set aside for this purpose.

We are committed to the principle of collaboration and shared services and we are committed to working with Council, its associated organisations, and sector partners.

### Risk Management and Business Continuity

Our Risk Profile is reviewed regularly and identifies events and or circumstances and the impact that these have on our operation using a system that ranks the probability and level of impact of the event. It includes risk management strategies such as recovery plans for specific events which carry high risk values.

Our ability to continue to operate following a major event will depend on factors outside of our control such as the extent of material damage to buildings. Business Continuity Plans are being developed at all sites.

We acknowledge that under the Health and Safety at Work Act 2015 we share Person Conducting a Business or Undertaking (PCBU) responsibilities with Council regarding Council buildings we manage and occupy.

Assessed risks which carry a lower risk value tend to be within our operational purview except for risks associated with buildings maintenance and plant performance issues which are Council's responsibility. Building and plant issues that are likely to affect business continuity or present a risk to health and safety of workers and visitors are immediately brought to Council's attention.

### Insurance

We have adequate insurance cover to meet specific business needs and deductibles are in line with generally accepted risk management principles and affordability.



**APPENDIX 1: FORECAST FINANCIAL STATEMENTS**

**Āpitihanga 1: He Matapae Mō Ngā Tauāki Pūtea**

*FORECAST FINANCIAL STATEMENTS*

Forecast	STATEMENT OF FINANCIAL PERFORMANCE	Budget Qtr to	Budget Qtr to	Budget Qtr to	Budget Qtr to	Total YE	Total YE	Total YE
30/06/21	Expenditure Wellington Total (\$'000)	30/09/21	31/12/21	31/03/22	30/06/22	30/06/22	30/06/23	30/06/24
<b>Revenue</b>								
984	Trading Income (Net)	256	380	433	367	1436	869	1,269
7,794	Council Operating Grant	1969	1969	1969	1969	7875	8,033	8,194
950	Council Resilience Fund	200	200	200	317	917	250	0
1,769	Council Rental Grant	442	442	442	442	1,769	1,769	1,769
1,452	Grants	336	328	326	338	1328	1,312	1,312
208	Sponsorships and Donations	88	47	32	404	569	208	208
1	Investment Income	11	4	11	4	30	30	30
187	Other Income	23	73	21	205	321	338	338
<b>13,345</b>	<b>Total Revenue</b>	<b>3,325</b>	<b>3,443</b>	<b>3,434</b>	<b>4,046</b>	<b>14,245</b>	<b>12,809</b>	<b>13,120</b>
<b>Expenditure</b>								
6961	Employee Costs	1842	1841	1850	1852	7385	6,750	6,810
1339	Council Rent	335	335	335	335	1339	1,339	1,339
2207	Exhibitions & Programmes	490	296	522	1239	2547	1,815	2,066
400	Marketing & Promotions	131	133	132	132	528	485	485
1233	Occupancy Costs (excluding Council Rent)	284	293	392	397	1341	1,366	1,366
101	Communication Costs	19	19	19	19	101	76	76
96	Trustee Fees & Expenses	24	24	24	24	94	94	94
207	Technology Costs	30	30	30	30	119	119	119
120	Professional Fees	26	26	26	26	103	77	77
169	Administration Expenses	46	46	42	43	175	175	175
512	Depreciation	128	128	128	128	513	513	513
0	Interest	0	0	0	0	0	0	0
<b>13,345</b>	<b>Total Expenditure</b>	<b>3,355</b>	<b>3,171</b>	<b>3,500</b>	<b>4,225</b>	<b>14,245</b>	<b>12,809.00</b>	<b>13,120.00</b>
<b>0</b>	<b>Net Surplus/(Deficit) before Taxation</b>	<b>(30)</b>	<b>272</b>	<b>(66)</b>	<b>(179)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Taxation Expense</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Net Surplus/(Deficit)</b>	<b>(30)</b>	<b>272</b>	<b>(66)</b>	<b>(179)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Operating Margin</b>	<b>(0.9%)</b>	<b>0</b>	<b>(1.92%)</b>	<b>(4.42%)</b>	<b>0</b>	<b>0</b>	<b>0</b>

There has been a reallocation of costs from Exhibitions & Programmes to Employee Costs following a legal review where the status of a number of casual contractors has been changed to part-time employees.

30/06/21	Experience Wellington Trust (NZ\$'000)	30/09/21	31/12/21	31/03/22	30/06/22	30/06/22	30/06/23	30/06/24
<b>Shareholder/Trust Funds</b>								
2,390	Share Capital/Settled Funds	2,390	2,390	2,390	2,390	2,390	2,390	2,390
0	Revaluation Reserves	0	0	0	0	0	0	0
447	Restricted Funds	447	447	447	447	447	447	447
1,881	Retained Earnings	1,851	2,123	2,057	1,881	1,881	1,881	1,881
<b>4,718</b>	<b>Total Shareholder/Trust Funds</b>	<b>4,688</b>	<b>4,960</b>	<b>4,894</b>	<b>4,718</b>	<b>4,718</b>	<b>4,718</b>	<b>4,718</b>
<b>Current Assets</b>								
40	Cash and Bank	40	40	40	40	40	40	40
600	Accounts Receivable	435	770	631	600	600	325	325
189	Other Current Assets	186	191	184	189	189	150	150
<b>829</b>	<b>Total Current Assets</b>	<b>661</b>	<b>1,001</b>	<b>855</b>	<b>829</b>	<b>829</b>	<b>515</b>	<b>515</b>
<b>Investments</b>								
1438	Deposits on Call	2677	980	2883	738	738	930	930
0	Other Investments	0	0	0	0	0	0	0
<b>1,438</b>	<b>Total Investments</b>	<b>2,677</b>	<b>980</b>	<b>2,883</b>	<b>738</b>	<b>738</b>	<b>930</b>	<b>930</b>
<b>Non-Current Assets</b>								
4335	Fixed Assets	4335	4335	4335	4,335	4335	4335	4,335
260	Other Non-current Assets	260	260	260	260	260	260	260
<b>4,595</b>	<b>Total Non-current Assets</b>	<b>4,595</b>	<b>4,595</b>	<b>4,595</b>	<b>4,595</b>	<b>4,595</b>	<b>4,595</b>	<b>4,595</b>
<b>6,862</b>	<b>Total Assets</b>	<b>7,933</b>	<b>6,576</b>	<b>8,333</b>	<b>6,162</b>	<b>6,162</b>	<b>6,040</b>	<b>6,040</b>
<b>Current Liabilities</b>								
1826	Accounts Payable and Accruals	2923	1295	3129	1122	1122	1000	1,000
318	Other Current Liabilities	322	321	310	322	322	322	322
<b>2,144</b>	<b>Total Current Liabilities</b>	<b>3,245</b>	<b>1,616</b>	<b>3,439</b>	<b>1,444</b>	<b>1,444</b>	<b>1,322</b>	<b>1,322</b>
<b>Non-Current Liabilities</b>								
0	Loans - WCC	0	0	0	0	0	0	0
0	Loans - Other	0	0	0	0	0	0	0
0	Other Non-Current Liabilities	0	0	0	0	0	0	0
<b>0</b>	<b>Total Non-Current Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>4,718</b>	<b>Net Assets</b>	<b>4,688</b>	<b>4,960</b>	<b>4,894</b>	<b>4,718</b>	<b>4,718</b>	<b>4,718</b>	<b>4,718</b>
<b>0.39</b>	<b>Current Ratio</b>	<b>0.20</b>	<b>0.62</b>	<b>0.25</b>	<b>0.57</b>	<b>0.57</b>	<b>0.39</b>	<b>0.39</b>
<b>0.69</b>	<b>Equity Ratio</b>	<b>0.59</b>	<b>0.75</b>	<b>0.59</b>	<b>0.77</b>	<b>0.77</b>	<b>0.78</b>	<b>0.78</b>

Forecast 30/06/21	<b>STATEMENT OF CASH FLOWS</b> Expenditure Wellington Total (\$ '000)	Budget Qtr to 30/09/21	Budget Qtr to 31/12/21	Budget Qtr to 31/03/22	Budget Qtr to 30/06/22	Total YE 30/06/22	Total YE 30/06/23	Total YE 30/06/24
<b>Operating Cash Flow</b>								
<i>Cash provided from:</i>								
984	Trading Receipts	256	380	433	367	1,436	869	1,269
10,513	WCC Grants	4,580	642	4,580	759	10,561	10,052	9,963
1,002	Other Grants	336	328	326	338	1,328	1,312	1,312
208	Sponsorships and Donations	88	47	32	402	569	208	208
1	Investment Income	11	4	11	4	30	30	30
187	Other Income	23	73	21	204	321	338	338
12895		5294	1474	5403	2074	14245	12,809	13,120
<i>Cash applied to:</i>								
6,961	Payments to Employees	1,842	1,841	1,850	1,852	7,385	6,750	6,810
5,756	Payments to Suppliers	2,085	1,202	1,522	2,235	7,047	5,354	5,797
0	Net GST Cash Flow	0	0	0	0	0	0	0
0	Interest Paid	0	0	0	0	0	0	0
12,717		3,927	3,043	3,372	4,087	14,432	12,104	12,607
178	<b>Total Operating Cash Flow</b>	1,367	(1,569)	2,031	(2,016)	(187)	705	513
<b>Investing Cash Flow</b>								
<i>Cash provided from:</i>								
6	Sale of Fixed Assets	0	0	0	0	0	0	0
0	Other	0	0	0	0	0	0	0
6		0	0	0	0	0	0	0
<i>Cash applied to:</i>								
259	Purchase of Fixed Assets	128	128	128	129	513	513	513
0	Other	0	0	0	0	0	0	0
259		128	128	128	129	513	513	513
(253)	<b>Total Investing Cash Flow</b>	(128)	(128)	(128)	(129)	(513)	(513)	(513)
<b>Financing Cash Flow</b>								
<i>Cash provided from:</i>								
0	Drawdown of Loans	0	0	0	0	0	0	0
0	Other WCC Financing	0	0	0	0	0	0	0
0		0	0	0	0	0	0	0
<i>Cash applied to:</i>								
0	Repayment of Loans	0	0	0	0	0	0	0
0	Other	0	0	0	0	0	0	0
0		0	0	0	0	0	0	0
0	<b>Total Financing Cash Flow</b>	0	0	0	0	0	0	0
(75)	<b>Net Increase/(Decrease) in Cash Held</b>	1239	(1,697)	1903	(2,145)	-700	192	0
1,553	<b>Opening Cash Equivalents</b>	1,478	2717	1020	2923	1478	778	970
1478	<b>Closing Cash Equivalents</b>	2717	1020	2923	778	778	970	970

The closing cash needs to include \$478k of tagged funds that if not used for earthquake strengthening will need to be repaid to MCH.

Forecast 30/06/21	<b>CASH FLOW RECONCILIATION</b> <i>Expenditure Wellington Trust (\$ '000)</i>	Budget Qtr to 30/09/21	Budget Qtr to 31/12/21	Budget Qtr to 31/03/22	Budget Qtr to 30/06/22	Total YE 30/06/22	Total YE 30/06/23	Total YE 30/06/24
0	Operating Surplus/(Deficit) for the Year	(30)	272	(66)	(179)	0	0	0
<i>Add Non-Cash Items:</i>								
512	Depreciation	128	128	128	128	513	513	513
0	Other	0	0	0	0	0	0	0
512		98	400	62	(51)	513	513	513
<b>Movements in Working Capital</b>								
(278)	(Increase)/Decrease in Receivables	165	(335)	139	31	0	275	0
6	(Increase)/Decrease in Other Current Assets	3	(5)	7	(5)	0	(39)	0
201	Increase/(Decrease) in Accounts	0	0	0	4	0	78	0
(263)	Increase/(Decrease) in Other Current Liabilities	1,101	(1,629)	1,823	(1,995)	(700)	(122)	0
(334)		1269	(1,969)	1969	(1,965)	-700	192	0
<b>Net Gain/(Loss) on Sale:</b>								
0	Fixed Assets	0	0	0	0	0	0	0
0	Investments	0	0	0	0	0	0	0
0		0	0	0	0	0	0	0
178	Net Cash Flow from Operations	1,367	(1,569)	2,031	(2,016)	(187)	705	513

**APPENDIX 2: ACCOUNTING POLICIES | Āpitihanga 2: Nga Ture Kaute**

**Significant Accounting Policies**

The following accounting policies which have a material effect on the measurement of results have been adopted by Experience Wellington.

**1. Reporting entity**

The Wellington Museums Trust Incorporated, trading as Experience Wellington, is a Registered Charity CC22571 under the Charities Act 2005. It is a Council Controlled Organisation (CCO) in terms of the Local Government Act 2002.

The forecast financial statements of Experience Wellington for 2020-21 onwards includes the activities of the following business units - the Experience Wellington Executive Office, Capital E, City Gallery Wellington, Museums Wellington covering Wellington Museum, Nairn Street Cottage, the Wellington Cable Car Museum, and Space Place at Carter Observatory.

The principal activity of Experience Wellington is to develop and manage Institutions and to operate them for the benefit of the residents of Wellington and the public generally. For the purposes of financial reporting, Experience Wellington is a public benefit entity (public sector).

Experience Wellington has no intention of subscribing for, purchasing or otherwise acquiring shares in any other company or other organisation.

**2. Basis of preparation**

**a) Statement of compliance and basis of preparation**

The forecast financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZGAAP). They comply with Tier 2 PBE Accounting Standards (Public Sector) and disclosure concessions have been applied.

Experience Wellington has elected to report in accordance with Tier 2 PBE Accounting Standards (Public Sector) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$30 million.

**b) Basis of measurement**

The forecast financial statements are prepared on the historical cost basis.

**c) Presentation currency**

These forecast financial statements are presented in New Zealand dollars (\$).

**3. Significant accounting policies**

The accounting policies set out below will be applied consistently to all periods presented in the financial statements.

**a) Property, plant and equipment**

Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses.

**(i) Subsequent costs**

Subsequent costs are added to the carrying amount of an item of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to Experience Wellington and the cost of the item can be measured reliably. All other costs are recognised in surplus/ (deficit) as an expense as incurred.

**(ii) Depreciation**

Depreciation is charged to surplus/ (deficit) using the straight-line method. Depreciation is set at rates that will write off the cost or fair value of the assets, less their estimated residual values, over their useful lives. The estimated useful lives of major classes of assets and resulting rates are as follows:

▪ Computer equipment	33% SL
▪ Office and equipment	25% SL
▪ Motor vehicles	20% SL
▪ Building Fittings	5%-25% SL
▪ Collections & artefacts	Not depreciated

The residual value of assets is reassessed annually.

**b) Collections and artefacts**

Collections are artefacts that are of cultural or historical importance. A substantial amount of Experience Wellington's Collections were acquired on 29 February 1996 from the Wellington Maritime Museum Trust (WMMT) with others added either as gifts or purchases since 1996. Collections are carried at historic cost as assessed at the time of transfer from the WMMT. All subsequent acquisitions to the collections are recorded at cost if purchased. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition. Where the fair value of the assets is not able to be reliably measured, they are recorded at nil. Because the useful life of the collections is indeterminate, they are not depreciated.

An external valuation of the Collections from an independent valuer is obtained on a periodic basis to ensure that the carrying value of the Collections that are held at cost does not exceed their fair value.

The Trustees obtained a valuation at 30 June 2014 and have confirmed that the carrying value at 30 June 2019 is appropriate and that no impairment has occurred.

**c) Intangible assets**

**Computer software**

Software applications that are acquired by Experience Wellington are stated at cost less accumulated amortisation and impairment losses.

Amortisation is recognised in surplus/ (deficit) on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated useful lives for the current and comparative periods are as follows:

▪ Computer software	33% SL
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**d) Trade and other receivables**

Trade and other receivables are measured at their cost less impairment losses.

**e) Inventories**

Inventories (merchandise) are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

**f) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits.

**g) Impairment**

The carrying amounts of Experience Wellington's assets other than inventories are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is also recognised in the surplus or deficit.

**h) Employee benefits**

**Long service leave:** Experience Wellington's net obligation in respect of long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value. The discount rate is the market yield on relevant New Zealand government bonds at the Statement of Financial Position date.

**i) Provisions**

A provision is recognised when Experience Wellington has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market rates and, where appropriate, the risks specific to the liability.

**j) Trade and other payables**

Trade and other payables are stated at cost.

**k) Revenue**

**(i) Funding**

Experience Wellington's activities are supported by grants, sponsorship, admissions and other trading activities. Grants received that have an obligation in substance to return the funds if conditions of the grant are not met are initially recognised as a liability and revenue is recognised only when the services are performed, or conditions are fulfilled.

Funds received that have no such obligation attached and merely a restriction imposed on the use of funds, are recognised as revenue when they become available.

**(ii) Services provided**

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. Income is recognized as the service is provided (e.g. exhibition run). Where exhibitions are not scheduled to run until the following fiscal year, revenue is deferred and amortized to income throughout the period of the exhibition.

**(iii) Donations**

Cash donations from the community are recognized in the Income Statement at the point at which they are received into Experience Wellington's bank account.

**(iv) Sale of merchandise**

Revenue from the sale of merchandise is recognised in surplus/ (deficit) when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of the merchandise, or where there is continuing management involvement with the merchandise.

**l) Expenses**

**(i) Operating lease payments**

Payments made under operating leases are recognised in surplus/ (deficit) on a straight-line basis over the term of the lease. Lease incentives received are recognised in surplus/ (deficit) over the lease term as an integral part of the total lease expense.

**(ii) Finance income and expenses**

Finance income comprises interest income. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in surplus/ (deficit) using the effective interest method.

**m) Availability of future funding**

Experience Wellington is reliant on the Wellington City Council for a large part of its income and operates under a Funding Deed with the Council. The Funding Deed is for a period of three years and is extended annually for a further year subsequent to the initial 3-year term.

If Experience Wellington was unable to continue in operational existence for the foreseeable future, adjustments may have to be made to reflect the fact that assets may need to be realized other than at the amounts stated in the balance sheet. In addition, Experience Wellington may have to provide for further liabilities that might arise, and to reclassify property, plant and equipment as current assets.

**n) Income tax**

Experience Wellington is a Registered Charity and is exempt from income tax. Experience Wellington is not exempt from indirect tax legislation such as Goods and Services Tax, Fringe Benefit Tax, PAYE or ACC and accordingly it is required to comply with these regulations.

**o) Goods and services tax**

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

**4. Ratio of Total Assets: Liabilities**

- Experience Wellington prefers to remain debt-free.
- Debt may not be raised to finance operating expenses.
- Experience Wellington has a policy ratio of total assets to total liabilities of 3:1.

**5. Activities for which compensation from Council is sought**

Experience Wellington seeks funding of \$7,720K for the core operation including Space Place at Carter Observatory and an accommodation rental subsidy of \$1,769K for the 2020-21 financial year and an extension of the Wellington Museums Trust Funding Deed executed on 28 October 1999 in accordance with clause 5.2 of the Deed.



**6. Ratio of Shareholders' funds to total assets**

Based on the forecasted Statement of Financial Position as at 30 June 2020 the ratio of shareholders' funds to total assets is 0.73 and this is maintained in the forecasted Statement of Financial Position as at 30 June 2021.

**7. Significant Obligations/Contingent Liabilities**

Experience Wellington currently holds no cash reserves to meet operational requirements and to mitigate risks.

Experience Wellington has no contingent liabilities.

**8. Distribution to Settlor**

Experience Wellington does not make a distribution to the Settlor.

**APPENDIX 3: COUNCIL LETTER OF EXPECTATION**  
**Āpitihangā 3: He Pānui o Kawatau ō Te Kaunihera**

22 December 2020



Jackie Lloyd  
Chair  
Wellington Museums Trust  
PO Box 893  
WELLINGTON 6140

By email only: [jackie.lloydnz@gmail.com](mailto:jackie.lloydnz@gmail.com)

Dear Jackie

**Re: 2021/22 Statement of Intent and Wellington City Council Expectations**

Once again, I would like to acknowledge the dedication and effort of all of your staff and volunteers across our WCC CCO whanau during 2020. I want to particularly thank you for the care you showed for the wellbeing of your staff during this stressful time. Together you moved your organisations to a level four lockdown at short notice. Your ability to reopen safely as we moved to lower alert levels gave our community a much-needed sense of normality and created spaces for us to begin to come together once more as a city. I'm deeply grateful for the contribution you made to the social wellbeing of our residents this year, over and above the usual benefits you deliver to our city.

Throughout all of this, you responded with innovation to seize new opportunities presented by this crisis, such as delivering greater online engagement, finding ways to operate more efficiently, and pivoting to target local audiences. This creativity and flexibility has contributed to all of our CCOs being ahead of their COVID-19 affected targets for this financial year.

As we look to the future to plan for 2021/22 we will need you to continue showing this same can-do attitude to tackle the challenges of managing both the immediate responses to the pandemic and the longer-term economic recovery.

Council is committed to building on Wellington's strengths as a wild, creative, and quirky city. Our 2021-31 Long Term Plan will focus on our vision for *Wellington 2040: An inclusive, creative capital where people like to live – inclusively and sustainably*. The community outcomes underpinning this vision include:

- **Environmental wellbeing:** *A sustainable, natural Eco city.* A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is adapting to climate change – for now and future generations.
- **Social wellbeing:** *A people friendly, compact, and accessible capital city.* An inclusive, liveable and resilient city where people, mana whenua, Maori and communities can learn, are connected, well housed, safe and healthy.
- **Cultural wellbeing:** *An innovative, inclusive quirky city.* Wellington is a vibrant, creative city with the energy and opportunity to collaborate, explore identities and openly express, preserve and enjoy their arts, culture and heritage.

Wellington City Council

100 Wellington Street  
Private Mail Bag Wellington 6140  
New Zealand

Phone: 04 479 4300  
Teletext: 04 479 4322  
Wellington.govt.nz

- **Economic wellbeing:** *A dynamic and sustainable economy.* The city is attracting and developing creative talent to enterprises across the city, creating jobs through innovation and growth while ensuring what we make is being reused.

I am excited to see how the Trust's plans will contribute to achieving these outcomes for our city. While this letter sets out the Council's expectations for the Trust in the coming year, I also invite you to challenge us with ideas you have for the future of the Trust. Our relationship is one of strategic partnership, and I believe that the process of setting your SOI should be one of conversation and co-creation. This conversation will need to take place within the context of the financial challenges that Council is facing due to COVID-19 revenue losses and essential investment across the city as we tackle historic underinvestment in key infrastructure, plan for population growth, increase resilience and transition to a low carbon city. This will require a focus on robust financial management and delivering services in a financially sustainable and affordable manner both for the Council and for the Trust.

The Trust should plan on receiving a modest inflation indexed increase on the current year operating grant. However, given the challenges facing Council, new investment that does not align closely with the Council's priorities is unlikely to be supported. Where the Trust is facing challenges to third party revenue or managing cost pressures over and above the Council operating grant, you will need to have robust plans to manage these pressures.

The Trust has an important role to play in the implementation of Te Atakura First to Zero strategy to achieve Wellington's carbon reduction goal (43% reduction by 2030) and the Council's carbon reduction goal (net zero by 2050). These goals cannot be achieved by Council or our CCOs alone. We will need to provide a leadership role and develop relationships with many other organisations across the city to achieve this transformational change. In many cases our CCOs have expertise on a low carbon journey that can help Council.

This will include working with the Council on First to Zero waste minimisation plans and strategies. The Trust will be expected to demonstrate how it plans to, or already contributes to Council achieving its targets for Te Atakura and waste minimisation.

Council is working on new strategies in the areas of economic development, arts and culture, and children and young people. Council plans to engage with the Trust in the development of these new strategies and the Trust will be part of the implementation of any new strategic outcomes.

Improving accessibility to Council's activities and services will continue to be an immediate focus for the Council and it is expected that the Trust will continue to support this by planning to improve accessibility at its facilities where possible.

The Trust's SOI should discuss its plans for fundraising for the Bond Store strengthening and redevelopment project, on the basis that this project receives funding through Council's 2021-31 Long-term Plan. It should also discuss the Trust's plans for the Wellington Museum during the expected building closure for the construction works.

#### Governance

The Council expects the Trust to maintain a high degree of awareness of legislation that is applicable to its activities and in particular on relevant Health and Safety legislation. While this is an enduring Council expectation, this needs to be a key focus given the amount of construction work happening at the Basin Reserve.

The Council expects the Trust to comply with its obligations under the Health and Safety at Work Act 2015. This includes having in place an effective health and safety management framework that identifies and

prioritises the management of critical areas of health and safety risk and that this management framework is reviewed, monitored and verified for effectiveness. Where the Council and the Trust have shared responsibilities and overlapping duties as they relate to the health and safety risks of the activities and services of the Trust and the Council, then all parties will ensure that there is effective consultation, co-operation and co-ordination of activities and responsibilities to eliminate or minimise the health and safety risks and that our organisations are aligned and influencing good outcomes that keep all those in or in the vicinity of our workplaces safe and free from harm.

The Trust board is expected to meet best practice governance standards and, in support of this, to undertake a performance review of the overall board, individual board members and the board chair. On completion of this review, the Council's Chief Executive should receive an update that describes the form the review took and the outcomes of the review in relation to the Council appointed Trustees. The review is to be completed by 30 September 2021.

It is good governance for an entity to maintain a skills matrix in relation to its board of directors or trustees. The link below is a useful document regarding creating and disclosing a board skills matrix (noting it is a Governance Institute of Australia publication). <https://www.asx.com.au/documents/asx-compliance/creating-disclosing-board-skills-matrix.pdf>

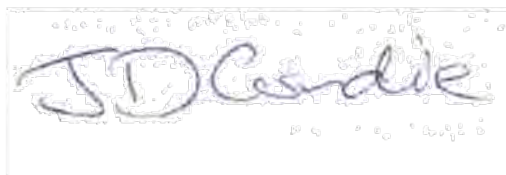
Council would like to receive a copy of the Trust's skills matrix by 31 March 2021 and updated annually thereafter.

#### Timetable

We look forward to receiving the Trust's draft Statement of Intent no later than 1 March 2021. Please refer to the reporting timetable attached for other reporting dates.

Should you have any queries or comments regarding this letter or wish to discuss the Council's strategies and the outcomes we are seeking in more detail, please contact Warwick Hayes in the first instance on 021 247 8377.

Yours sincerely



Cr Jenny Condie  
**Chair, Council-controlled Organisations Subcommittee**  
Ph: (021) 972 763  
Email: [jenny.condie@wcc.govt.nz](mailto:jenny.condie@wcc.govt.nz)

cc: Sarah Rusholme, Chief Executive  
[sarahr@experiencewellington.org.nz](mailto:sarahr@experiencewellington.org.nz)

**EXPERIENCE WELLINGTON DIRECTORY**  
**Te papatohu ō Wheako Pōneke**

**Experience Wellington Executive Office**

Level 8, AMI Plaza, 342 Lambton Quay  
PO Box 893, Wellington  
P: 04 471 0919  
E: [experience@experiencewellington.org.nz](mailto:experience@experiencewellington.org.nz)  
[www.experiencewellington.org.nz](http://www.experiencewellington.org.nz)

**City Gallery Wellington Te Whare Toi**

*'A contemporary art gallery with an international reputation the hub of art-life in New Zealand's capital'*  
Te Ngākau Civic Square  
101 Wakefield Street  
PO Box 893, Wellington  
P: 04 913 9032  
E: [citygallery@experiencewellington.org.nz](mailto:citygallery@experiencewellington.org.nz)  
[www.citygallery.org.nz](http://www.citygallery.org.nz)

**Capital E Nōku Te Ao**

*'Ignites and fuels children's creative spark'*  
4 Queens Wharf  
PO Box 893, Wellington  
P: 04 913 3740  
E: [capitale@experiencewellington.org.nz](mailto:capitale@experiencewellington.org.nz)  
[www.capitale.org.nz](http://www.capitale.org.nz)

**Space Place Te Ara a Whānui Ki Te Rangi**

*'Transports visitors from Wellington to outer space.'*  
Botanic Gardens  
PO Box 893, Wellington  
P: 04 910 3140  
E: [spaceplace@experiencewellington.org.nz](mailto:spaceplace@experiencewellington.org.nz)  
[www.museumswellington.org.nz/space-place](http://www.museumswellington.org.nz/space-place)

**Wellington Museum Te Waka Huia o Ngā Taonga Tuku Iho**

*'Shares the stories and objects of Wellington.'*  
The Bond Store, Queens Wharf  
PO Box 893, Wellington  
P: 04 472 8904, F: 04 496 1949  
E: [museumswellington@experiencewellington.org.nz](mailto:museumswellington@experiencewellington.org.nz)  
[www.museumswellington.org.nz/wellington-museum](http://www.museumswellington.org.nz/wellington-museum)

**Cable Car Museum**

*'Encourages visitors to explore and share the technology, history and experience of Wellington's Cable Car'*  
1 Upland Road  
PO Box 893, Wellington  
P: 04 475 3578  
E: [cablecar@experiencewellington.org.nz](mailto:cablecar@experiencewellington.org.nz)  
[www.museumswellington.org.nz/cable-car-museum](http://www.museumswellington.org.nz/cable-car-museum)

**Nairn Street Cottage**

*'Illustrates the story of Wellington through the Wallis family.'*  
68 Nairn Street  
PO Box 893, Wellington  
P: 04 384 9122  
E: [cottage@experiencewellington.org.nz](mailto:cottage@experiencewellington.org.nz)  
[www.museumswellington.org.nz/nairn-street-cottage](http://www.museumswellington.org.nz/nairn-street-cottage)

**Plimmer's Ark Galleries**

Old Bank Arcade (timbers *in situ*)

**New Zealand Cricket Museum Ngā Taonga Kirikiti**

The Old Grandstand, Basin Reserve  
PO Box 578, Wellington  
P: 04 385 6602  
E: [cricket@experiencewellington.org.nz](mailto:cricket@experiencewellington.org.nz)  
<http://nzcricketmuseum.co.nz/>

**Note:** The New Zealand Cricket Museum is currently closed for redevelopment.

*Our Experiences*





**WELLINGTON REGIONAL ECONOMIC  
DEVELOPMENT AGENCY LIMITED**

# **STATEMENT OF INTENT 2021-2024**

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WREDA STATEMENT OF INTENT 2021-2024

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WREDA STATEMENT OF INTENT 2021-2024

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## Mihi

E tu noa ana ngā maunga whakahi i te rohe whānui o Te Upoko o te Ika a Maui. Mihi atu ana ki ngā iwi, ngā manawhenua o Te Whanganui a Tara, o Te Awakairangi, o Wairarapa, o Kāpiti, o Porirua hoki.

Ngā mihi hoki ki ngā iti, ki ngā rahi e noho ana i ngā takiwā nei. Koutou hoki ngā taurahere me te hunga o te Moana Nui a Kiwa.

Rātou te hunga mate, kua poto ki tua o te ārai, e moe, okioki e.

Te hunga ora e kawē ana ngā ahi kā, me te kaupapa toi, te auaha pai me te whai rawa o Te Upoko o te Ika, tēnā koutou katoa.

*The many mountains of Te Upoko o te Ika a Maui (from Head of the Fish of Maui) stand proud. We acknowledge the mana whenua people of the region, of Wellington, Hutt Valley, Wairarapa, Kāpiti and Porirua. We acknowledge all peoples and the many communities of the Pacific Islands.*

*To those that have passed - we acknowledge you in your eternal rest.*

*To those who maintain the fires of residence, the pursuit of innovation and creativity here in the wider Wellington region, we acknowledge you too.*

WREDA STATEMENT OF INTENT 2021-2024

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## Introduction

*In accordance with the Local Government Act 2002, this Statement of Intent (SOI) states the planned activities, intentions and performance measures for the Wellington Regional Economic Development Agency (WREDA) for the next three years. It is written in response to the Wellington Regional Strategy (WRS) Committee's December 2019 Letter of Expectation and covers both WREDA Ltd (WellingtonNZ) and its subsidiary CreativeHQ Ltd.*

### **Tēna koutou e ngā rangatira**

The Wellington region has demonstrated its resilience in the face of the Covid pandemic and is well placed for the future.

There are two key reasons for this. Firstly, we have a diversified economy built around Government, professional services specialised manufacturing, the screen industry and technology. Secondly, we are a place where talented, creative people choose to live. This reflects the topography of the place, the accessibility of coast and hills and the energy which comes from Wellington being a centre of government, a place of learning and ideas and, as the poet Lauris Edmond put it, “a city of action – the world headquarters of the verb”. Creativity and innovation are central to making the region a magnet for talent as are the dynamic hospitality and events scenes. However, we cannot be complacent and to thrive, action is required.

As is outlined in the Wellington Regional Strategy Committee's letter of expectation to WellingtonNZ, although Covid19 presents many challenges for the region's economy it also provides an opportunity to reflect, reset and reimagine. This SOI responds to this challenge identifying the important role WellingtonNZ can play in helping build a thriving regional economy with increasing numbers of people participating in the benefits it delivers.

For WellingtonNZ to achieve our ambition of making the Wellington region wildly famous, we need to support our innovators to commercialise ideas and grow businesses that can boost exports, create jobs and help address challenges – such as the transition to a low carbon economy – that are essential for sustainable growth. We need to get behind our artists, performers, film makers and other creatives to help tell the stories of this place in new and unique ways. We need to recognise the strength being the nation's capital brings – the debate, policy, innovation, thinking and government institutions, and leverage these to benefit everyone. Lastly, we must celebrate the people of this place – mana whenua, Pasifika and the diverse communities whose talent, passion and ambition will help shape our future and create opportunity for us all.

WellingtonNZ exists to facilitate and help bring this future to life, through storytelling, events and experiences, in supporting talent and jobs for the future, and in attracting investment in region.

This is a place that has always been filled with creative people doing wildly creative and innovative things across all sectors. We are surrounded by dramatic landscapes. We host electrifying events. We are the seat of government, and the centre for much academic, entrepreneurial and scientific endeavour. Despite the global, national, and local challenges of 2020, we are wildly ambitious for the Wellington region, and proud of our role in furthering its success.

Tracey Bridges  
**Chair of the Board**

June 2021

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## 1. About WellingtonNZ

### 1.1 Who we are

WellingtonNZ is the Wellington region's economic development and promotions agency.

WellingtonNZ is a Council Controlled Organisation (CCO) with our shareholders being Wellington City Council (WCC – 80%) and Greater Wellington Regional Council (GWRC – 20%). We are governed by an independent Board of Directors who are appointed by the shareholders. WellingtonNZ reports through to the Wellington Regional Strategy Committee (WRS) which consists of mayors from Territorial Authorities across the region, and WCC and GWRC councillors. It is the WRS Committee that has provided the Letter of Expectation that has shaped this Statement of Intent, and that reviews and recommends the approval of this Statement of Intent to the shareholders.

Funding for WellingtonNZ activities comes from the two shareholding councils, from central government agencies who contract WellingtonNZ to perform specific services, and a range of private sector partners.

WellingtonNZ is also the owner of a subsidiary company, Creative HQ Ltd. Creative HQ provides business incubation, acceleration and innovation services. Creative HQ has its own independent Board, including a WellingtonNZ Director and the WellingtonNZ CEO.

### 1.2 Our purpose

Our purpose is to **make the Wellington region wildly famous**. This purpose reflects our central role in placemaking and storytelling, and in attracting people to our region, as the best place in New Zealand to visit, host an event, start and sustain a business, make a film, study, migrate to or invest in. By making our region wildly famous, we create a platform for the region to prosper – both economically but also in terms of vibrancy and liveability.

We believe that the region – which includes Kāpiti, Porirua, the Hutt Valley, Wairarapa and Wellington city - is greater than the sum of its parts and that by working to develop and tell a compelling and unifying regional story, we amplify the potential of this place.

Our vision is that **the Wellington regional economy is thriving with more people participating in the benefits**. This means more opportunities for people – to study, work and enjoy and participate in all that the region has to offer.

We have identified three focus areas, to support this kaupapa and to reflect the expectations of our shareholders:

- **Jobs for the future** - Support businesses to grow, innovate and meet future workforce needs
- **Placemaking** - Enhance Wellington's reputation as New Zealand's creative heart
- **Collaboration and Engagement** - Working in partnership to support investment in the region

WREDA STATEMENT OF INTENT 2021-2024

### 1.3 Our role in reactivating the Wellington region

This is a three-year SOI. We expect that the impact of Covid-19 will be felt throughout this period with border restrictions, international uncertainty and market volatility impacting our country and region. Aotearoa is well positioned to ride out these challenges, and Wellington particularly so.

We have already stepped up our activity following the impact of Covid19 on our economy. In the 2019/2020 financial year we supported thousands of businesses and facilitated:

- **\$115m** in direct economic impact from WellingtonNZ activities
- **\$1.4m** in professional service vouchers to support business
- **\$2.3m** in research and development grants to drive innovation
- **\$91m** in out of region spend from major events, and events in our venues
- **\$30m** in equivalent advertising value from positive media coverage about Wellington
- **\$2.2m** in investment into Creative HQ incubated businesses

There is much work still to do and WellingtonNZ must play a leading role in re-establishing and sustaining confidence within the region. To be successful, this mahi must be done in partnership with local and central government, mana whenua, the private sector and wider community to create a collective vision – and action plan for the region.

The Government has announced significant new funding to support the Covid recovery process and promote regional development. We will be actively working with stakeholders to define our regional economic strategy and secure funding support for priority projects in our region.

### 1.4 Creative HQ

Creative HQ Ltd is a wholly owned subsidiary of WREDA Ltd. It has its own Board of Directors, including three independent Directors (one of whom is Chair), a Director from the WellingtonNZ Board and the Chief Executive of WellingtonNZ.

Creative HQ is New Zealand's leading provider of incubation, acceleration and innovation programmes. Since its formation in 2003, CreativeHQ has worked with over 300 start-ups and high growth ventures to develop their business concepts and commercialise opportunities.

In addition to CreativeHQ's strong track record in start-up innovation, incubation and acceleration, the company has also established a leadership position in structured innovation programmes (including corporate accelerators and design sprints) Creative HQ has also led the charge on GovTech – defined as breakthrough innovation in Government and the public service - with CreativeHQ pioneering the first acceleration programme for Government in 2014 and establishing Wellington as a global GovTech hub.

Creative HQ has played a critical role in supporting companies to respond to the many challenges of Covid-19. The opportunity now exists to ramp up this activity to support more start-ups, more entrepreneurs, more innovation, and in doing so to support the creation of jobs in our community.

The focus for CreativeHQ growth during this next SOI period will continue to be in four core areas:

- Incubation services and associated eco-system services for start-up ventures
- Acceleration programmes
- Structured innovation training and associated enterprise capability services (targeting customers from start-ups to corporates)
- Public sector innovation through leveraging GovTech expertise

WREDA STATEMENT OF INTENT 2021-2024

The core funding provided by WellingtonNZ to CreativeHQ is used to support these services in the Wellington region. In addition, CreativeHQ is building its market reach by providing services nationally and internationally. Activities outside of the Wellington region are funded by third party and commercial partners/contracts.

## 2. Programme of Activity

### 2.1 Key Programmes of Work

#### JOB FOR THE FUTURE

**Objective: Support businesses to grow, innovate and meet future workforce needs, to ensure more businesses are succeeding and employing more people.**

<b>Maori Economic Development and Business Support</b>	We are actively building our relationships with Mana Whenua to better understand their ambitions and priorities across the region and to position ourselves to help support them in achieving these. This will see a focus on supporting Maori business, working with mana whenua to help tell the stories of this place and a focus on developing and supporting Maori entrepreneurial activity and skills. As part of this we will be looking at how to grow our specific support for Maori Businesses via our Kaiwhakatupu Pakihi Māori (Māori Business Growth Advisor).
<b>Screen Wellington</b>	In our role operating the Wellington regional film office, we will leverage New Zealand's status as a safe, attraction film destination to attract and support screen activity in the region. We will work directly with the local industry to build capability, investment, digital export and infrastructure growth.
<b>Regional Business Partnership Programme - Enhancement</b>	The RBP and Business Growth teams proved their value in supporting businesses through the initial response phase to Covid-19. The opportunity is now to build on the strengthened relationships to deliver greater value to business. This will be a focus as we renegotiate the current RBP contract in 2021.
<b>Intern Programmes and Pathways to Employment</b>	In line with our involvement in the Regional Skills Leadership Group, we will continue to support programmes that are targeted at providing intern opportunities for students and create pathways to full employment. Currently we support the Summer of Tech and Young Enterprise programmes and will be considering ways that we can continue to grow the scale and impact of these.
<b>Creative HQ – Incubation Services and Innovation Ecosystem Support</b>	Creative HQ is an asset, enabling WellingtonNZ to support and grow the region's start up and entrepreneurial activity. We will be looking to expand its activities in both business incubation and corporate (and Government) innovation. We want to see growth in the number of business start-ups in the region and the range of support available to founders as they scale their businesses.
<b>Wellington Regional Growth Framework</b>	Work is underway on a Regional Growth Framework - a joint local government, central government and iwi project to develop a region wide spatial plan for the next 30 years which will include a programme of projects to resolve growth issues and other challenges. We will work alongside the other stakeholders in supporting the development of this framework and the projects that evolve as part of it.

WREDA STATEMENT OF INTENT 2021-2024

<b>Wellington Convention Bureau</b>	Business Events will continue to play an important role in the Wellington economy, with a near term focus on attracting conferences and business events locally, nationally and trans-Tasman, while also creating a strong international pipeline for when international travel starts again. This is particularly important with Tākina – the new Wellington Convention and Exhibition Centre - coming on-stream in 2023.
<b>Supporting Wellington businesses to reactivate</b>	Leveraging the Love Local campaign, which we developed during the initial Covid response phase to “get the tills ringing”, we will continue to lead a programme of promotions, and activations to help businesses get back on their feet and rebuild consumer confidence in a welcoming, safe and creatively Wellington way.

**PLACEMAKING**

***Objective: Enhance Wellington as New Zealand’s creative heart to drive more locals and visitors to participate in events and experiences, and drive visitation into local businesses and attractions.***

<b>Programme</b>	<b>Overview</b>
<b>Major Events</b>	WellingtonNZ will continue to support and invest in a programme of Major Events for Wellington City, taking a portfolio approach to ensure the best value to residents and business, generating economic, cultural and social benefit. In this SOI period our WellingtonNZ Major Events team will also administer and monitor the Wellington Regional Events Fund, provided as part of the New Zealand Government’s Tourism Recovery Package. The fund will focus on securing events for the Wellington region that will drive domestic visitation to the region, increasing tourism spend.
<b>Destination marketing</b>	WellingtonNZ plays a leading role in marketing Wellington and telling the story of the Wellington region via marketing campaigns, travel trade outreach, editorial media outreach, digital platforms and activations. As the storytelling engine for the region, we will be increasing our activity in this space, ensuring that we are telling a coordinated, compelling and future focused story to all key audiences – including residents, so they understand the opportunities, benefits and future potential of our region, and be vocal advocates for it.
<b>Investment attraction</b>	Attracting and facilitating investment that will support business attraction, retention and growth, to drive job opportunities and economic growth across the region.
<b>Wellington City i-Site</b>	Operating the Wellington City i-Site (visitor information centre) and associated Wellington City Ambassador volunteer programme.
<b>Venues Wellington</b>	WellingtonNZ manages the operation of the Wellington city venues under the Venues Wellington brand – including sales, facilities management, event operations and customer experience. This SOI period will see us working with WCC to drive investment in our civic venues to ensure they are fit for purpose and meet changing audience trends and expectations.
<b>UNESCO City of Film</b>	In 2019 Wellington was named a UNESCO City of Film. WellingtonNZ is the lead agency in coordinating leveraging this accolade through storytelling and working with the screen industry, and local and central government. The programme aims to contribute to a more vibrant, sustainable and inclusive screen sector and city.
<b>Wellington Regional Trails Framework</b>	Continuing to be the facilitation and project management lead on execution of the Regional Trails Framework and the promotion of Trails in the region under the Find Your Wild brand.

WREDA STATEMENT OF INTENT 2021-2024

**COLLABORATION AND ENGAGEMENT**

***Objective: Work in partnership to support investment in the region to unlock the best outcomes and opportunities for all.***

<b>Wellington Regional Economic Plan</b>	This plan will recognise capabilities across the region and align and leverage them to maximise long-term benefits for all. We will work closely with GWRC, Territorial Authorities, Mana Whenua and other stakeholders to deliver a plan that is action focused and which identifies and prioritises the work required to ensure a sustainable future for the region.
<b>Regional Infrastructure and Economic Development Projects</b>	We will continue to work with and support local TA (Territorial Authority) Economic Development teams on the execution of their Economic Development strategies, within the context of our wider regional mandate. We are actively working with TAs to ensure we are reflecting their priorities and requirements in our work programmes. We will identify specific projects in individual TAs that we can support. We are also exploring different resourcing models to make our support across the region more visible and effective.
<b>Regional Workforce and Skills Development</b>	A considerable emphasis is being placed by the Government on regional development, supported by significant funding for critical infrastructure projects and a focus on skills development. WellingtonNZ is actively involved in the Regional Skills Leadership Group and will help develop specific proposals as priorities are determined. A particular area of focus is likely to be supporting Mana Whenua and Pasifika communities with skills development programmes for their rangatahi.
<b>Mana Whenua Partnerships</b>	We will continue to deepen relationships with mana whenua to ensure our work supports their goals and we're working in partnership to deliver for the people of this region.
<b>The Creative Sector</b>	The arts and creative sectors play a critical role in defining, energising and shaping our city and region. We are actively working with WCC on the development of the city's arts, economic and young peoples' strategies. We are also working to support our creative practitioners, engaging them directly to help tell our stories, develop events and sustain the vibrancy of the city. This includes advocating for investment in arts infrastructure that can be utilised to showcase our artists and bring vibrancy to our region.

**2.2 Supporting Sustainability and a Low Carbon Economy**

The Government and Councils within the Wellington region have announced a climate change emergency and have (or are) developing low carbon-based strategies, plans and policies. One example is Wellington City, which has adopted *Te Atakura - First to Zero*, a plan that aims to ensure Wellington is a net zero emission city by 2050, with a commitment to making the most significant cuts in the first 10 years.

As the economic development agency for the region, we recognise that we have a role to play in supporting these policies, and that they will be an important focus in the post Covid recovery period. There are significant opportunities to establish and grow new companies focusing on the low carbon economy (CoGo, Mevo, and Hot Lime Labs are just a few examples) We will tell stories of world leading research from our universities, CRIs and major energy companies, the development our trails, the work of Zealandia and our predator free programme.



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WREDA STATEMENT OF INTENT 2021-2024

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In addition, over the SOI period we will be taking the following actions:

**Regional Business Partnership (RBP) Programme**

- Our team engage with Wellington businesses every day through the RBP programme. This provides the opportunity to emphasise the importance of sustainability in business planning, identifying sustainability as an important component of a business's development and provide guidance on how to transition to a low-carbon business model. Over the course of this SOI period we will examine ways that we can make this a more overt part of our programme delivery.

**Tourism Sustainability**

- While Tourism will be impacted and reimagined by the Covid 19 situation, people will continue and issues the environmental impact will remain. WellingtonNZ will continue to participate in initiatives that address this at a national level. This includes supporting the Tourism Industry Aotearoa Sustainability Commitment and being a participant in MBIE's Sustainable Tourism Framework development.
- The development of work from our Destination Plan will include focus on developing sustainable/low-carbon tourism business that reduce the environmental impact of visitors.

In addition to the above, we will continue to focus on our own internal activities:

- In 2019 we developed our Sustainability Policy. Amongst other things we committed to:
  - Reducing waste in all forms across our business wherever.
  - Monitoring and reducing our carbon footprint to lessen our impact on the world around us.
  - Seeking out partners with sound sustainable and environmental practices.
  - Sourcing local when possible and having a focus on sustainable procurement.
- In 2021/22 we will focus on:
  - Continuing to reduce waste across all our operations and ensuring good recycling practices, with a particular focus on working with WCC to improve the performance of the Venues we manage on their behalf. In doing this we will note the guidance from the Wellington Region Waste Management and Minimisation Plan.
  - Work with our Venues delivery partners (e.g. catering partners) to minimise waste and ensure good recycling practices across their operations within the Venues.
  - Continuing to work with WCC across our Venues operations to improve the performance in relation to energy consumption.
  - Reducing our Carbon Footprint and off-setting where reduction is not possible to be Carbon Zero.
- WellingtonNZ will also participate in the Wellington Region Climate Change Working Group (WRCCWG).

WREDA STATEMENT OF INTENT 2021-2024

### 3. Performance Metrics

In 2019/20, WellingtonNZ reviewed its performance framework with the aim of:

- Reducing the number of metrics;
- Ensuring metrics are linked to factors which WellingtonNZ can control and which measure WellingtonNZ's direct impact;
- Measuring outcomes not just outputs;
- Providing greater clarity on the region's return on investment.

This remains challenging given the range of activities undertaken by WellingtonNZ and the varying levels of influence that WellingtonNZ has over ultimate outcomes. The impact of Covid-19 further complicated the situation, which has made both existing benchmarks less relevant and forecasting targets in an uncertain future very challenging.

For this reason, we made further adjustments and reductions to our performance metrics in 2020/21 to provide a small number of headline measures. We have refined the measures for 2021/22. However, at the time of writing this SOI, we still do not have clarity about the operating environment in 2021/22 and therefore, we will continue to refine the measures as we gain more clarity.

Note that in addition to these headline measures we will continue to measure a range of operational metrics including those that relate directly to our WCC, Major Events and Venues Wellington funding (aligned to the expectations of the Funding Agreements), and a range of historical metrics.

#### Key Headline Performance Indicators

KPI	Explanation	2020/21 Forecast	2021/22 Target
<b>JOBS FOR THE FUTURE</b>			
<b>KPI 1: Direct economic impact of WellingtonNZ's activities and interventions</b>	This is a measure we introduced in 2019/20. It is designed to provide a dollar value indication of the impact of WellingtonNZ activities by collating the value of those activities that we directly influence and impact (where we have data to support that).	\$ 115 million	\$150 million
<b>KPI 2: Number of businesses engaged by a WellingtonNZ intervention or programme</b>	This is a measure we introduced in 2019/20. It is designed to provide an indication of the number of businesses that we have directly impacted on by either being part of a WellingtonNZ programme or a direct WellingtonNZ activity or intervention	3,200 (note that this is larger than expected due to the impact of Covid-19 Response activities)	2,000

WREDA STATEMENT OF INTENT 2021-2024

PLACEMAKING			
<b>KPI 3: Equivalent Advertising Value (EAV) from media activity</b>	This is a measure we introduced in 2019/20. A key activity for WellingtonNZ is creating external stories and media content. Equivalent Advertising Value (EAV) is an accepted industry estimate of the value of media coverage that results from public relations and media activity. EAV is based on the equivalent cost to purchase the same reach and coverage results. This is a combination of TNZ (International media EAV) and Domestic Media	\$25 million	\$25 million
<b>KPI 4: Value of expenditure generated from events (including business, performance, and major events)</b>	Currently we measure out of region spend events at both Wellington city venues (covering both performance and business events) and Major Events. It is calculated using agreed methodology that is consistent across New Zealand. In light of Covid-19 and an increased domestic focus, we will measure the local audience at events to reflect the full impact.	\$45M (note that this is out of region only)	\$75M (depending on Covid alert levels and viability of events)
<b>The number of Wellington Region residents that attend events</b>		480,000	500,000
COLLABORATION & ENGAGEMENT			
<b>KPI 5: Stakeholder engagement</b>	This is a measure of the engagement we have with our wide and varied stakeholders, and the quality of those relationships.	80%	Increase

In addition to the above we have 3 key internal facing KPIs:

KPI	Explanation	2020/21 Forecast	2021/22 Target
<b>KPI 1: Financial Management</b>	Budget on track – income, expenditure and surplus.	On Track	To Budget
<b>KPI 2: Funding Diversification</b>	% of revenue from commercial/non council funding and commercial activity (combined WELLINGTONNZ and CHQ)	25%	30%
<b>KPI 3: Employee Engagement</b>	As measured by our CultureAmp employee surveys	65%	68%

WREDA STATEMENT OF INTENT 2021-2024

**Indirect Measures of Impact**

We will continue to measure, monitor, and report on a range of metrics which indicate how the region is performing in key areas of WellingtonNZ interest, but for which WellingtonNZ only has a partial or no direct impact. These include measures that are specifically requested as part of the WCC funding agreements.

Measure	Actual (19/20)	Forecast (20/21)	Projected (21/22)
International Arrivals through Wellington International Airport	International 160,162 Australian 114,336	International 4 Australian 2	International 50,000 Australia 30,000
Visitor spend (Domestic & Other)	Domestic \$758m Other \$238m	Domestic \$900m Other \$100m	Domestic \$927m Other \$140m
Total Visitors' nights to our Wellington Region	Dataset Change	2,236,000	2,375,000
Share of multi-day conferences reported in the Wellington Region	Dataset Change	22%	22%

We will also continue to collect and share data on the performance of the Wellington region including, but not limited to:

Population Growth due to migration to Wellington Region	7,138	8,000	11,000
Wellington Region GDP	2.6% (Sep 2019 figures from Infometrics)	2%	1.5%
Number of Filled Jobs in our Region	246,296 as of June 2020	251,000	255,000
Number on Jobseeker Support benefit – Work Ready	13,677 as of June 2020	14,500	12,500
Mean Annual Earnings of people in employment in the Wellington region	Workforce \$69,222 Maori Workforce \$64,587	Workforce \$70,814 <small>Treasury forecast are only for entire NZ workforce</small>	Workforce \$72,372 <small>Treasury forecast are only for entire NZ workforce</small>

\* WellingtonNZ will ensure that comparative (historical) figures are included in the company's reporting on its performance framework.

## 5. WellingtonNZ Operations

### 5.1 Living Wage

In September 2019 WellingtonNZ implemented the living wage for all employees. WellingtonNZ remains committed to paying the living wage and will ensure employees are continued to be paid at least the current living wage as calculated independently by the New Zealand Family Centre Social Policy Unit, ensuring all staff can fully participate as active citizens within the community.

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WREDA STATEMENT OF INTENT 2021-2024

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## **5.2 Diversified Revenue Sources**

WellingtonNZ receives its primary funding from its shareholding councils. It also receives funding from commercial and government partners. Examples of this include:

- \* NZTE and Callaghan for the RBP programme;
- \* Educational institutions for the WISGP programme;
- \* Partnerships with tourist operators and hotels to support destination marketing and business events attraction;
- \* Commercial engagements via CreativeHQ.

As well as supplementing core funding, commercial funding partnerships connect us more directly with relevant sectors and ensures the work we do is relevant and accountable to those sectors.

In this next SOI period we will continue to look for opportunities to grow funding partnerships outside of our core funding, and to commercialise our own activities as appropriate.

## **5.3 Te Reo Māori**

In line with the WCC policy – and Wellington’s aim to be a Te Reo Māori City – WellingtonNZ will be seeking opportunities to support and raise the presence of Te Reo Māori through our storytelling activities and our own day to day operations. This includes:

- \* A commitment to work in partnership with Mana Whenua to share their stories, support their tourism initiatives and enhance the skills of their emerging entrepreneurs;
- \* A commitment to facilitating the upskilling of our team in both Te Reo and Tikanga Māori;
- \* Introducing Te Reo into communications and marketing material where appropriate;
- \* Incorporating a Māori perspective and particularly that of mana whenua into our business growth work as appropriate.

## **5.4 Health, Safety and Wellbeing**

WellingtonNZ has a commitment to the Health, Safety and Wellbeing of our employees and, given that we operate public venues, the Health and Safety of our venue hirers and patrons. We are committed to continuing to develop a working environment where positive Health and Safety is part of our culture, what we do, rather than a compliance task.

This is reflected in the following policy statement which has been signed by the WellingtonNZ Board:

*WREDA will take every reasonably practicable step to ensure the health and safety of all our employees, contractors, visitors and venue hirers and patrons.*

*WREDA recognises that effective health and safety leadership involves an integrated framework of values, operating procedures and behaviours across the whole organisation. The role of the WREDA Board is to ensure that a positive and robust governance culture is in place to provide a strategic and structured health and safety management system that aligns to the organisational goals of WREDA.*

*Through monitoring the performance of WREDA health and safety practices, the WREDA Board will guide the CEO and Senior Leadership Team to ensure WREDA operates both ethically and morally in meeting its compliance obligations with respect to New Zealand laws and regulations. The Board will undertake an annual review of how they are meeting their accountabilities and legal responsibilities based on established best practise guidelines.*

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WREDA STATEMENT OF INTENT 2021-2024

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To ensure a safe and healthy work environment management has developed and maintains Health and Safety Management systems to:

- Set health and safety objectives and performance criteria for all work areas;
- Review health and safety objectives and performance annually;
- Actively encourage the accurate and timely reporting and recording of all accidents, incidents and hazards;
- Investigate all reported accidents, incidents and hazards to ensure all contributing factors are identified and, where appropriate, plans are formulated to take corrective action;
- Actively encourage the early reporting of any pain or discomfort;
- Participate in rehabilitation of employees to ensure an early and safe return to work;
- Identify all existing and new hazards and take all practicable steps to eliminate, isolate or minimise the exposure to any hazards;
- Ensure that all employees are made aware of the hazards in their work area and are adequately trained to enable them to perform their duties in a safe manner;
- Encourage employee consultation and participation in all matters relating to health and safety;
- Promote a system of continuous improvement in Health and Safety practises;
- Meet our obligations under the Health and Safety at Work Act 2015 and its associated regulations, codes of practise and any relevant standards or guidelines

A Health and Safety Report is prepared regularly for each Board meeting or Board Risk and Audit Committee. The Risk and Audit Committee also undertakes an annual deep dive review of management practices.

## 5.5 Harassment

WellingtonNZ is committed to maintaining a safe and discrimination-free environment that encourages respect for the dignity of each individual. We endeavour to maintain an environment free from harassment based on gender, race, colour, religion, national origin, ancestry, age, marital status, sexual orientation, pregnancy, physical or mental disability, or citizenship.

We are particularly aware of the risk of harassment of patrons at events that are managed in our venues. To that end we have evolved our Standard Operating Procedures to address this issue, including communications to patrons, specific training for staff on how to handle incidents, and incident response procedures.

## 5.6 People and Culture

We recognise that our people are at the centre of our business.

We are committed to creating a positive environment that allows our people to thrive personally and professionally, and which enables them to bring their full selves to the workplace.

Key initiatives which have started and will continue into 2021/22 include:

- Cultural Capability
- Leadership development programmes;
- A continued focus on improving engagement;
- A focus on diversity;
- Succession planning and readiness;
- Enhancing recruitment methodologies to ensure we attract the best candidates;

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WREDA STATEMENT OF INTENT 2021-2024

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- Enhancing our wellness offering, with a focus on all pillars of wellbeing;
- Embedding our flexible working policies, normalising the approach and acceptance of flexible practises;
- Embedding our values and behaviours:
  - Doing it together
  - Showing the passion
  - Finding the fun
  - Focusing on the customer
  - Daring to be different.

### **5.7 Operational Efficiencies**

WellingtonNZ seeks continuous improvement in its operational management.

With all IT platforms now consolidated on the core WellingtonNZ system, our focus will move to enhancing these core systems to ensure we operate with the appropriate hardware and software for staff to operate in the most effective manner. We will also look to continue to find ways to share services with CreativeHQ as appropriate.

We continue to assess each purchasing decision and contract negotiation we make to ensure it is appropriate with a level of probity expected in the public sector. We will continue to enhance our environmental and climate considerations for all purchasing and operational practises.

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## 6. Financial Summary

STATEMENT OF FINANCIAL PERFORMANCE			
	2021/22	2022/23	2023/24
<b>REVENUE</b>			
Revenue from Shareholders	19,424,796	19,770,883	20,015,783
Other Revenue	7,943,255	10,272,581	12,161,906
<b>TOTAL REVENUE</b>	<b>27,368,051</b>	<b>30,043,463</b>	<b>32,177,689</b>
<b>EXPENDITURE</b>			
Cost of Goods Sold in ISITE	25,000	27,500	30,250
Personnel Costs	12,771,155	13,355,434	14,126,320
Investment in Projects and Events	12,088,643	14,043,276	15,195,866
Other Expenditure	2,333,253	2,462,253	2,675,253
<b>TOTAL EXPENDITURE</b>	<b>27,218,051</b>	<b>29,893,463</b>	<b>32,027,689</b>
<b>SURPLUS</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>
<b>STATEMENT OF FINANCIAL POSITION</b>			
	2021/22	2022/23	2023/24
<b>SHAREHOLDER FUNDS</b>	<b>2,850,000</b>	<b>3,000,000</b>	<b>3,150,001</b>
<b>ASSETS</b>			
Current Assets	4,159,536	4,522,403	4,649,102
Investments	1,569,540	1,569,540	1,569,540
Other Non Current Assets	1,215,627	1,314,420	1,306,015
<b>TOTAL ASSETS</b>	<b>6,944,703</b>	<b>7,406,363</b>	<b>7,524,657</b>
<b>CURRENT LIABILITIES</b>	<b>4,094,703</b>	<b>4,406,363</b>	<b>4,374,656</b>
<b>NET ASSETS</b>	<b>2,850,000</b>	<b>3,000,000</b>	<b>3,150,001</b>
<b>STATEMENT OF CASHFLOWS</b>			
	2020/21	2021/22	2022/23
<b>OPENING CASH</b>	<b>3,500,000</b>	<b>4,060,000</b>	<b>4,410,000</b>
Operating Cash Receipts	27,368,051	30,043,463	32,177,689
Operating Cash Payments	27,218,051	29,893,463	32,027,689
Other Receipts/Payments	410,000	200,000	- 100,000
<b>NET CASHFLOW</b>	<b>560,000</b>	<b>350,000</b>	<b>50,000</b>
<b>CLOSING CASH</b>	<b>4,060,000</b>	<b>4,410,000</b>	<b>4,460,001</b>



WREDA STATEMENT OF INTENT 2021-2024

Notes:

- Financial Summary is a consolidated view (Parent and Subsidiary - CreativeHQ)
- Revenue forecasts from our Shareholders are reflective of funding agreements in place.
- Other Revenue reflects revenue from third parties and commercial activity, and the revenue achieved by CreativeHQ resulting from its commercial activities.
- Investments represents the value of the investments from CreativeHQ in the companies that it incubates and retains a shareholding.

## 7. Risks to KPI achievement

There are several risks which could impact on the success of WellingtonNZ. Many of these are outside of our direct control, such as the impact of geo-political factors, changes to government policy settings, or macro-economic factors which impact on the economy as a whole (including pandemics and natural disasters).

In terms of being successful in our 3 key areas of focus and achieving our Key Performance Indicators, we note the following specific risks and how these will be mitigated:

Area of Risk	Risk Description	Mitigation
Reviews of Economic Development Activities	GWRC has indicated that it will be reviewing its role in Economic Development activities which may impact on its funding of WellingtonNZ.	<ul style="list-style-type: none"> <li>• Continue to be actively involved in conversations with GWRC and WRS Committee on value from WellingtonNZ activities.</li> </ul>
Availability of shareholder and partner funding	Partner funding is provided for a number of WellingtonNZ and CHQ programmes of activities – from shareholders, and from other public and private sources. This funding is subject to agreements of various lengths and criteria which may or may not be renewed depending on a range of a factors that may or may not be within WellingtonNZ’s direct control.	<ul style="list-style-type: none"> <li>• Ensure delivery is in line with partner expectations.</li> <li>• Maintain a regular schedule of communications with and reporting to partners.</li> <li>• Engage major partners in planning sessions to ensure programmes meet their expectations.</li> <li>• Review partner funding arrangements on a regular basis.</li> <li>• Seek new commercial revenue sources.</li> </ul>
Scope of WellingtonNZ operations	WellingtonNZ has limited human and financial resources to allocate to the wide scope of activities that it is involved in or asked to be involved in.	<ul style="list-style-type: none"> <li>• Ensure that resources are appropriately allocated to activities that contribute to the 3 key SOI focus areas and specifically to those activities which deliver projects and programmes of work that have tangible outcomes and impacts on the region.</li> <li>• Ensuring that interventions that are made are targeted and timebound and are in situations where there is a specific ability to create an impact or to kickstart an opportunity.</li> </ul>
Health, Safety and Wellbeing	Given that a large part of WellingtonNZ’s activity is operational – especially within the Venues Wellington operation - there are inherent health and safety risks which could impact on the wellbeing of our people.	<ul style="list-style-type: none"> <li>• WellingtonNZ has an appropriate fit for purpose Health and Safety programme in place, which is governed by the WellingtonNZ Board.</li> </ul>

WREDA STATEMENT OF INTENT 2021-2024

<p><b>Venue Availability and Suitability</b></p>	<p>During much of this SOI period the St James Theatre will remain closed, and existing venues will be under pressure (including the MFC which will be impacted by the ongoing construction work on the Town Hall). We will therefore be working with constrained and aging venue inventory.</p>	<ul style="list-style-type: none"> <li>WellingtonNZ will work with WCC to ensure appropriate capex is allocated to renewals within existing venues so that they remain fit for purpose during this period.</li> <li>WellingtonNZ will work proactively with core hirers to find solutions that meet their needs, both within existing venues and other venues in the city.</li> <li>WellingtonNZ will communicate proactively with the market on the status of Venues.</li> </ul>
<p><b>Maintaining strong working relationships across the Wellington region</b></p>	<p>As an organisation that is invested in and works for the whole Wellington region it is critical that WellingtonNZ maintains appropriate stakeholder engagement processes</p>	<ul style="list-style-type: none"> <li>WellingtonNZ will work with both its shareholders and the other Councils within the region in a structured and proactive manner such that both elected officials and officers of these organisations are well informed of WellingtonNZ's programme of activities at all times.</li> <li>WellingtonNZ will participate in appropriate work groups across the Wellington region to support economic development activity.</li> </ul>
<p><b>Covid</b></p>	<p>Continued border restrictions impact student, tourist, and talent numbers required to deliver and sustain regional economic growth</p>	<ul style="list-style-type: none"> <li>Close cooperation with Auckland Unlimited, ChristchurchNZ and key business and education leaders to ensure Government is aware of the impacts of its decisions and consider all options to safely increase capacity at the border and enable increased numbers of students, tourists and skilled workers into the country</li> </ul>
<p><b>Access to Government funding</b></p>	<p>We are unable to access Government funding to support Covid recovery, our arts and innovation sectors and essential infrastructure investment</p>	<ul style="list-style-type: none"> <li>We will work with GWRC and the TAs to develop a regional economic plan and to build the relationships necessary to both align the region around specific priorities and to secure necessary funding</li> </ul>
<p><b>Technology sector growth</b></p>	<p>That we fail to seize the opportunities presented by our screen, VR, gaming and technology sector to grow export oriented businesses of scale</p>	<ul style="list-style-type: none"> <li>We will work across the sector to tell its stories and promote investment and collaboration. We will also work with CreativeHQ, the universities and CRI; and entrepreneurs and provide them with the skills and support necessary to build businesses of scale</li> </ul>

In addition to the above, WellingtonNZ has a strategic and operational risk framework which is governed by the Risk and Audit Committee of the WellingtonNZ Board. To be successful we need to be well connected, trusted, well informed and action oriented.

WREDA STATEMENT OF INTENT 2021-2024

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## Appendices:

### Appendix 1 - Governance and Accounting

WellingtonNZ is a Council Controlled Organisation as defined by the Local Government Act 2002. WellingtonNZ is owned 80% by the Wellington City Council and 20% by the Greater Wellington Regional Council.

#### Governance Board

The Board is responsible for the strategic direction of WREDA's activities. The Board guides and monitors the business and affairs of WREDA, in accordance with the Companies Act 1993 and the Local Government Act 2002, the Company's constitutions and this Statement of Intent.

All current Board directors are independent and appointed by our shareholders. The Board meets 5 to 6 times a year. The Board has 2 sub-committees, Risk and Audit; and People & Culture.

#### Wellington Regional Strategy Committee (WRSC)

The WRSC is made up of ten local body elected members.

The role of the WRSC is to:

- Review the performance of WellingtonNZ and the Board, and report to the Shareholders on that performance on a periodic basis,
- Make recommendations to Shareholders as to the appointment, removal and replacement of directors;
- Make recommendations to Shareholders as to any changes to policies, or the SOI, requiring their approval.

The Board aims to ensure that the WRSC and the Shareholders are informed of all major developments affecting WellingtonNZ's state of affairs, while at the same time recognising that commercial sensitivity may preclude certain information from being made public. WellingtonNZ will adhere to a 'no surprises' approach in its dealings with its Shareholders and WRSC. It is anticipated that a new structure will replace the WRC during this SOI period. This is currently being discussed with the GWRC and the regional TAs.

#### Reporting

By 1 March in each year WellingtonNZ will deliver to the Shareholders its draft **Statement of Intent** for the following year in the form required by Clause 9(1) of Schedule 8 and Section 64 (1) of the Local Government Act 2002.

Having considered any comments from the WRS Committee received by 30 April, the Board will deliver the completed SOI to the Shareholders on or before 30 June each year.

By 31 October and 30 April each year, WellingtonNZ will provide to the Shareholders a **quarterly report**. The quarterly report will include WellingtonNZ's commentary on operations for the relevant quarter and a comparison of WREDA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances.

By the end of February each year, WellingtonNZ will provide to the Shareholders a **Half Yearly Report** complying with Section 66 of the Local Government Act 2002.

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June 2021

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WREDA STATEMENT OF INTENT 2021-2024

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By the end of September each year, WellingtonNZ will provide to the Shareholders an **Annual Report** on the organisations operations during the year. This will include audited financial statements prepared in accordance with New Zealand Generally Accepted Accounting Practice and that also comply with Public Benefit Entity Standards. The Annual report shall also contain an Auditor's report on both those financial statements and the performance targets and other measures by which performance was judged in relation to that organisation's objectives.

### **Accounting Policies**

WellingtonNZ has adopted accounting policies that are in accordance with New Zealand Generally Accepted Accounting Practices and Public Benefit Entity Standards. The detailed policies are as disclosed in WellingtonNZ's 2019/20 Annual Report.



**Wellington Regional Stadium Trust  
Statement of Trustees Intent  
For the year ending 30 June 2022**

Registered Office:	Sky Stadium 105 Waterloo Quay Wellington
Chair:	John Shewan
Chief Executive:	Shane Harmon

The Wellington Regional Stadium Trust (the Trust) was established by the Wellington Regional Council (Stadium Empowering) Act 1996. The Settlers of the Trust are the Wellington City Council and the Greater Wellington Regional Council.

The Trust recognises the interest that the ratepayers of Wellington City Council and the Greater Wellington Regional Council have in the Trust and its activities and have agreed to be subject to the reporting requirements of both Councils and their monitoring procedures. The Trust is not a Council Controlled Organisation, for the purposes of the Local Government Act 2002.

May 2021



## **1. INTRODUCTION**

The financial year ending 30 June 2022 has the potential to be a very active year but is heavily reliant on open borders from Q2. The Trust remains optimistic of a vibrant event calendar when borders eventually reopen. As was the case in 2020/21, the 2021/22 period will remain heavily impacted by the challenges caused by the pandemic. Although the financial and operating impacts of Covid-19 will still be around for much of the coming year, the Trust has a better understanding of the impacts than it did a year ago.

Matters raised in Letters of Expectation from both the Wellington City Council and the Wellington Regional Council are addressed in the Statement of Intent.

Covid-19 remains an ongoing and acute risk to the business given that the stadium can only operate in Alert Level 1 with no restrictions on gatherings. Guns n' Roses is booked for November 2021 and the Trust expects to host an All Blacks rugby test match. All of this is dependent on Wellington remaining in Alert Level 1 with no restrictions on public gatherings.

Event enquiries, particularly for concerts have been strong for the summer of 2021/22, but again this will depend on the ongoing management of the pandemic, the worldwide rollout of the vaccination programme, and easing of New Zealand's border restrictions.

With the ongoing Covid-19 related disruptions to borders and events, the outlook remains challenging and uncertain, but the Trust remains committed to keeping the Stadium in event ready mode, and able to host a variety of events.

This means uncertainty around revenue streams. 85% of the Trust's revenues are linked to events; either directly (rentals, catering, event parking, hospitality) or indirectly (memberships, box licenses, sponsorship). In a normal year, at this stage of planning, the Trust would have significantly greater certainty around its event calendar for the coming twelve months.

Despite these challenges the Trust has continued work on major infrastructure projects to enhance the Stadium facility and experience, and to improve the resilience of the facility. In 2021/22 the Trust intends to continue to invest in the facility. The building is now 21 years old and requires increasing investment in preventative maintenance. The concourse upgrade is near completion. In 2021/22 the priority will be to install digital displays through the retail areas, followed by recoating the concourse floor in 2022/23.

Seismic strengthening work continues on the Fran Wilde walk and in the coming year the Trust will finalise its plans to provide additional resilience to the Stadium building. The Trust has requested that financial support from the Settlers be considered as part as their Long Term Plans.

The Trust continues to enjoy a collaborative and supportive relationship with the Greater Wellington Regional Council (GWRC) and Wellington City Council (WCC) as well as WellingtonNZ. Wellington is in a good position to emerge as a revitalised events capital of New Zealand and the Trust is very keen to play a strong role in this. Since the Stadium opened in 2000 over 2.5 million people have attended events here from outside the Wellington region, spending over \$1.3bn. We encourage our Settlers to consider the events sector as a key platform for economic recovery.



## **STRATEGIC DIRECTION**

### **a) CORE PURPOSE**

The objectives of the Wellington Regional Stadium Trust as set out in the founding Trust Deed established by the Wellington City and Greater Wellington Regional Councils ('the Councils') are as follows:

- To own, operate and maintain the Stadium as a high-quality multi-purpose sporting and cultural venue.
- To provide high quality facilities to be used by rugby, cricket and other sports codes, musical, cultural and other users including sponsors, event and fixture organisers and promoters so as to attract to the Stadium high quality and popular events for the benefit of the public of the region; and
- To administer the Trust's assets on a prudent commercial basis so that the Stadium is a successful, financially autonomous community asset.

The Councils have also established general objectives for the Trust. These are that it should:

- Adopt a partnership approach in dealing with the Councils and their associated entities.
- Have a regional focus where this is appropriate.
- Appropriately acknowledge the contribution of Councils.
- Achieve maximum effectiveness and efficiency of, and concentrated focus on service delivery.
- Operate at better than breakeven after depreciation expense.

The Trust strives to meet all the general objectives of the Councils noting that the overriding requirement of the Trust Deed means that the Trust must generate sufficient profit to repay loans and finance capital expenditure. This has not been possible in 2019/20 and 2020/21 due to the challenges created by the pandemic.

### **b) OPERATING ENVIRONMENT INCLUDING COVID-19 ENVIRONMENT**

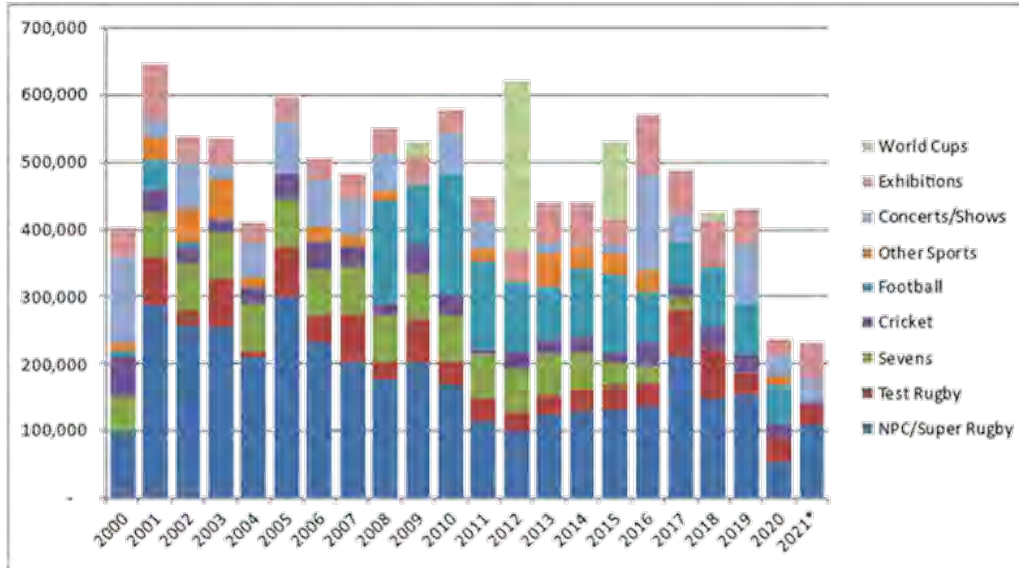
The operating environment remains extremely challenging. Attendances and event days for the 2020 and 2021 financial years are less than half the long-term average.

Prior to Covid-19 the Stadium boasted a strong events calendar. The events outlook for 2020/21 was very positive pre-pandemic. The success of recent concerts such as Eminem and Queen + Adam Lambert had reaffirmed Wellington as one of the premium major concert cities in New Zealand. The positive news is that promoter interest in hosting major events remains strong and we remain optimistic of securing major events in 2021/22 should the opportunity present itself. The Trust works in close partnership with WellingtonNZ to secure events.

The Trust intends to continue scheduled capital expenditure including seismic upgrades and completing the remainder of the concourse upgrade. The Trust has flagged with Settlor's risks around these projects due to affordability and has requested consideration of support in the Long-Term Plan process in either the current period or the following one. Further capital investment is likely to be beyond the means of the Trust for the foreseeable future.

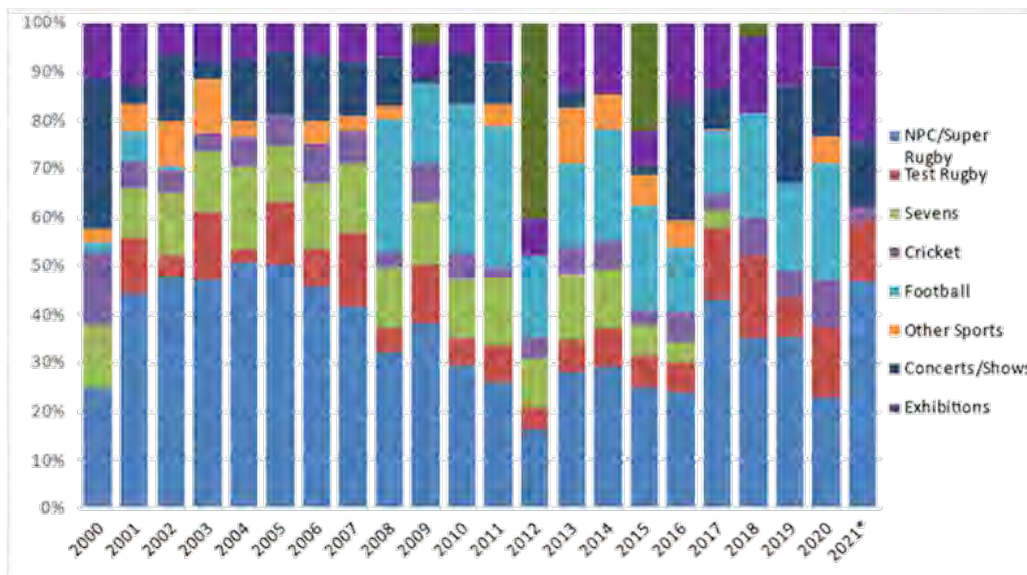


The following table highlights annual crowds by event type since the Stadium opened. The chart shows the stark reality of the impact of Covid-19.



\*2021 estimate

The mix of events has changed significantly since the Stadium opened, and in non-Covid-impacted years, it is less reliant on any one code or event for its attendances. The following table highlights the diverse mix of attendances over the years represented as a percentage of the overall attendance in any given year.



\*2021 estimate





**c) STRATEGIC FRAMEWORK**

The Trust's objectives are:

1. To be viewed by the residents of the region and other stakeholders as a valued and essential asset.
2. To operate the best venue in New Zealand measured by:
  - Satisfaction of hirers
  - Patron satisfaction
  - Event calendar and diversity
  - Calibre of international events held
  - Environmental impact
  - Relationship with our neighbours
  - Adherence to world's best practice
3. To remain financially autonomous
4. To provide a full and balanced event calendar to patrons
5. To maintain and enhance the facility to the standard of international best practice
6. To be a good employer and provide personal development opportunities to employees
7. To provide and maintain a safe and healthy working environment for employees, visitors and all persons using the premises as a place of work

The board undertakes a strategic planning day in March of each year to reassess priorities and strategic direction.

**2. NATURE AND SCOPE OF ACTIVITIES**

The nature and scope of the Trust's activities are dictated in the first instance by the Trust Deed, settled with both Councils.

To meet its obligations under its Trust Deed, the Trust identifies the key objectives of:

- Presenting a full and balanced event calendar;
- Maintaining and enhancing the facility;
- Achieving a level of profitability that finances continuing capital expenditure and meets debt reduction obligations.

The Board and management have taken a longer-term view of the Stadium's business.

In line with the obligations listed above under its Trust Deed, in 2018 the Trust has refreshed its strategic priorities centred on the following areas:

1. Deliver great customer experiences



2. Grow commercial revenues
3. Invest in and improve our facilities
4. Value our people, our community and our stakeholders
5. Operate a safe building
6. Operational excellence
7. Attract and deliver world class events
8. Sustainability

For the 2021/22 year the Trust's focus is on the following areas as outlined in the Letters of Expectations:

#### **Environmental Wellbeing**

This section covers areas raised in the letters of expectations including Waste Minimisation, Te Atakura First to Zero Policy and Carbon Neutrality.

The Trust is committed to developing ways to reduce, recover, recycle, or re-use waste in all aspects of our business, including considering and integrating environmental factors in our decision-making process.

Over the past two years, the Trust has been investigating and implementing new waste minimisation and sustainability practices suitable for the venue. The key aim of this work has been to reduce the amount of waste generated at events and to redirect the waste that is generated away from landfill.

Recently the Trust has introduced the following processes:

- PET volumes being sent directly to Flight Plastics have risen due to new processes being implemented by our onsite cleaning team. Cleaners are removing all recycling from clear plastic bags, sorting recycling on site, removing PET and putting in bags for Flight Plastics. This process has reduced our recycling volumes as we have removed dead space in the bins, caused by the bags being full of air.
- All empty clear bags that are used for events are recycled.
- Introduction of clear soft plastics and pallet wrap recycling.
- E-Waste Recycling through RemarkIT.

Considerable progress has been made on reducing waste to landfill. On average 75% of waste generated is recycled or composted. We believe we can increase that further in coming years.

The next key focus for this piece of work is on the cups that used to serve beer and wine in. The Trust has considered several alternatives over the last year and work is ongoing. The current cups used at Sky Stadium are single use cup made from PET (1) plastic. These cups are all recycled locally in Wellington by Flight Plastics. Our long-term preference is a solution that can be shared across venues and events in Wellington and work continues on this.

In the coming year, the Trust will commit to determining what would be required to be a carbon neutral venue. It already reports emissions to the Wellington City Council. It will undertake an exercise to benchmark its current emissions. The Trust would be keen to work with both our Settlers to understand its plans and how the Stadium can be incorporated into them.



### **Social and Cultural Wellbeing**

One of the key objectives of the Trust is to be viewed by the residents of the region and other stakeholders as a valued and essential asset.

The Stadium is a true multi-purpose venue, and the range of events ensures there is something for all Wellingtonians to enjoy in any given year. Two areas of priority for the Trust have been on inclusivity and accessibility.

There have been several conversations between Stadium management and the Wellington City Council, as to how the Stadium can demonstrate its support for the Te Reo Māori Strategy – Te Tauihu. With the rebrand to Sky Stadium, the Trust has taken the opportunity to replace all wayfinding and introduce bilingual signage in English and Te Reo Māori throughout the venue. The Trust's appointed signage designers have utilised the design principles as outlined in the Te Puni Kōkiri Bilingual Signage Guidelines.

More recently the Trust launched public loudspeaker messaging in both Te Reo and English. The bilingual entry and safety messaging plays over loudspeakers on the Fran Wilde Walkway as fans make their way into the stadium. The initiative is a collaboration between WellingtonNZ, Sky Stadium and the Māori Language Commission.

The opportunity to integrate Te Reo into the Stadium's signage and messaging is a necessary step toward a stronger cultural engagement and we are keen to support the Councils in strengthening those relationships.

The Trust fully supports the Accessible Wellington action plan.

The Stadium has a Gold rating for accessibility as awarded by Be.Lab (formerly known as Be.Accessible).

The Trust held an accessible workshop for staff earlier this year with the aim to be a role model and lead in inclusive and accessible practices in venues.

We intend to conduct community stakeholder consultation in the next year, working alongside Be. with the aim of applying for Platinum status.

### **Economic Wellbeing**

In our first twenty years over 10.2 million people have attended 700 events at the Stadium over 830 event days. Of these attendees, almost 2.4 million people came from outside the Wellington region.

Over the 20 years the Stadium has been open the direct expenditure in the Wellington region by these visitors has been \$1.3 billion.

The Trust's continued focus lies particularly on those events that will fill the Stadium and generate economic return for the region. The Stadium has contributed to the post lockdown recovery through providing a variety of events for residents and visitors to the region to attend. These included an All Blacks Test match, Super Rugby Aotearoa, Mitre 10 Cup rugby and a wide range of exhibitions. The Stadium also hosted 32,000 fans at the recent SIX60 concert, the largest concert anywhere in the world in nearly 12 months.



The Trust has taken a commercial approach to attracting events over the last five years, putting skin in the game with event promoters and owners. Major events such as the Cricket World Cup, the Edinburgh Military Tattoo, the FIFA intercontinental play-offs, moving to two Rugby Test matches in most years and a string of successful concerts have delivered tens of millions of dollars of economic benefit to the city and the region. All Blacks test matches bring up to 15,000 out of region visitors to our region. The Eminem concert generated 28,000 out of region visitors.

Most of these large events have been supported financially by WellingtonNZ and would not have occurred without that support. We are operating in an increasingly competitive environment. The Trust is working on a large number of potentially stadium filling events from the second half of 2022 onwards. Key to recovery will be a well-funded events sector. We encourage our Settlers to consider the events sector as a key platform for economic recovery.

#### **Invest in and improve our facilities**

Continued investment in the Stadium is vital to ensure events are not lost to new facilities.

The Trust has done well in its first 20 years and has been able to remain financially autonomous and largely continue to self-fund its capex and maintenance. However, the Stadium is an ageing facility, and having reach its third decade of continual use, major items of plant will need to be replaced in the coming years. Much of this will be beyond the means of the Trust.

The ability of the Trust to self-fund its capex has been further negatively impacted by:

- Recent earthquakes and seismic improvements subsequently required.
- The Impact of earthquakes on insurance premiums.
- Disruptions to event calendar from Covid-19.

The financial projections contained in this SOI include capital expenditure (capex) of \$25.3m across a five-year period. Last year's projections had \$20m of capex across the five years. As the Stadium approaches 25 years much of the plant equipment and fixtures are from the original build and replacement is required due to age of equipment and obsolescence of parts for repairs. More has been included for plant replacement in the current projections.

The Trust expects to complete the second phase of the concourse upgrade prior to the end of June 2021. This phase has seen:

- Enhancement and renovation of food and beverage outlets.
- Cladding of some of the current grey concrete walls and pillars.
- Development of a consistent look and feel and way finding around the concourse.
- Making the space more suitable for exhibition clients.
- Improved lighting.

In FY2022 we intend to replace signage and menu boards with digital displays. The final phase of the concourse upgrade will be refurbishment of parts of the concourse floor. This is planned to commence in the 2022/23 year once the detail of the seismic improvement works is known.

Some other significant capex additions since last year's projections are:



- \$3.6m to convert tower lights to LED. These has been included in FY2025 but *may* be a FIFA requirement in which case we will need to seek external funding support.
- \$0.5m for hostile vehicle mitigation work.
- \$0.75 for kitchen equipment replacement in concourse outlets.

The Trust is part way though seismic strengthening of the Fran Wilde Walk. We are also awaiting final engineering plans for adding further resilience to the Stadium floors on all levels. While the building has performed well in recent earthquakes and has a rating of between 70 and 80% at IL3, the advice from engineers is that we should consider further improvements. These projections contain \$7m for seismic improvements work, although we do not yet have confirmed costs.

The Trust has discussed this with Settlers and has sought consideration for this project as part of Councils' Long Term Plan processes. We have included \$4.6m of funding from both Settlers spread across years FY2023 to FY2025, although this has not yet been confirmed.

Apart from the completion of the corbels project, none of this capex is currently committed.

Funding options and considerations are discussed further in the operating profitability section.

#### **Long term strategic asset management**

The Trust maintains a robust asset management programme that prioritises maintenance based on a 5-year asset condition report compiled by WPS Opus on behalf of the Trust.

#### **Maintaining a safe and healthy working environment**

The Trust is committed to providing and maintaining a safe and healthy working environment for its employees, visitors, and all persons using the premises as a place of work as well as event attendees.

To ensure a safe and healthy work environment, the Trust maintains a Health and Safety Management System. In addition, the Trust has an established Health and Safety Committee which comprises three Trustees that meets on a regular basis to review and measure crucial areas of health and safety.

The Trust has developed a detailed list of KPI measures which are reported to the Board Health and Safety Committee on a quarterly basis. In our six-monthly reporting to you we will report on injury rates and contractor compliance in the relevant six month period.

#### **Operating Profitability**

The Trust Deed requires the Trust to be financially autonomous. This requires the generation of sufficient profits to meet loan repayments and provide funds for the capital replacement and development programmes that are necessary to enable the Trust to meet its obligation to maintain the building to the standard of international best practice.

Financial projections remain challenging to prepare in the current climate. These projections assume a relatively normal event calendar, that New Zealand remains at level 1 and no further restrictions



affecting mass gatherings are put in place. They also assume the Trans-Tasman bubble remains active so that Australasian teams can travel freely, and that from the summer of 2021-22 international concert tours are able to progress in this part of the world. If these settings change, they will likely have an impact on the event calendar and the achievement of these projections.

Expenditure has generally been budgeted for on a business-as-usual scenario.

The projections show that positive operating surplus and operating cash flows are generated. However, net accounting losses are forecast for each of the next 5 years, due to increasing depreciation charges from recent and projected capex works.

Excluding insurance and capex, the Trust still generates positive operating cash flows (\$2.7m average per year). It can cover most insurance and regular maintenance but not substantial capex items, such as seismic resilience requirements.

Therefore, continuing to fully invest in the Stadium so that that it operates to best practice as an operationally efficient, safe, and welcoming venue for patrons and hirers, is beyond the means of the Trust alone.

In these projections:

- Operating cash flows of \$13.4m are generated (before insurance)
- Cumulative insurance premia absorb \$9.0m
- Capex \$25.3m
- Settlor contribution to seismic capex \$4.6m (applied for but unconfirmed)

The result is an increase in net debt of \$16.3m, with no loan repayments able to be made during the period. Additional support would therefore be required to complete the rest of the planned capex programme. Discussions will be held with relevant stakeholders in the coming year to progress this.

Many Stadiums in Australia and New Zealand built around the same time have received or are currently earmarked for substantial upgrades or in some cases replacement.

The Trust is able to meet its cash outflow requirements for FY2022 through drawing on its existing approved Settlor loan facility, assuming that events take place as budgeted.



**PROJECTED EVENTS SCHEDULE**

**12 months ending 30 June**

<b>CONFIRMED</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Rugby Union	5		
Concert	1		
Exhibition Days	5		
<b>Total Confirmed</b>	<b>11</b>	<b>0</b>	<b>0</b>
<b>UNCONFIRMED</b>			
Rugby	9	13	12
Cricket	2	2	2
Football	10	10	17
Other Sporting Events	1	1	1
Concerts/Other Events	1	2	2
Exhibition Days	8	13	13
<b>Total Unconfirmed</b>	<b>31</b>	<b>41</b>	<b>47</b>
Community Events	5	5	5
<b>Total Events</b>	<b>47</b>	<b>46</b>	<b>52</b>
Days reserved for semi's & finals	11	11	11



**SUMMARY STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE THREE YEARS ENDING 30 JUNE**

	2022 \$m	2023 \$m	2024 \$m
<b>Revenue</b>			
Events	5.52	5.14	5.95
Members Boxes & Sponsorship	3.77	3.68	3.70
Other	2.88	2.96	2.96
<b>Total Revenue</b>	<b>12.17</b>	<b>11.78</b>	<b>12.61</b>
<i>Less:</i>			
Event Operating Costs	2.96	2.72	2.31
Other Operating Costs	8.03	7.70	8.58
Interest	0.15	0.28	0.41
<b>Total Operating Expenses</b>	<b>11.14</b>	<b>10.70</b>	<b>11.30</b>
<b>Operating Surplus before depreciation</b>	<b>1.03</b>	<b>1.08</b>	<b>1.31</b>
<i>Less:</i>			
Depreciation	4.27	4.40	4.54
<b>Net Surplus/(Deficit)</b>	<b>(3.24)</b>	<b>(3.32)</b>	<b>(3.23)</b>
<i>Plus:</i>			
Grant income (for capital expenditure)		1.55	1.55
<b>Total Surplus/(Deficit)</b>	<b>(3.24)</b>	<b>(1.77)</b>	<b>(1.68)</b>

Net operating cash flows	0.42	0.98	1.23
Surplus cash at the end of each year	0.90	1.04	1.02
Loans at year end	6.70	10.10	11.40
Net debt (Loan less cash)	5.80	9.06	10.38





**SUMMARY STATEMENT OF CASHFLOWS  
FOR THE THREE YEARS ENDING 30 JUNE**

	2022 \$m	2023 \$m	2024 \$m
Cashflows provided from operating activities	11.66	11.67	12.53
Cashflows applied to operating activities	(11.24)	(10.70)	(11.30)
<b>Net cashflows from operating activities</b>	0.42	0.98	1.23
Cashflows from grants (to be used for capital expenditure)		1.55	1.55
Cashflows applied to investing activities	(3.99)	(5.79)	(4.09)
<b>Net cashflows from investing activities</b>	(3.99)	(4.24)	(2.54)
Cashflows provided from financing activities	2.40	3.40	1.30
<b>Net cashflows from financing activities</b>	2.40	3.40	1.30
<b>Net increase (decrease) in cash</b>	(1.17)	0.13	(0.01)
Opening balance brought forward	2.07	0.90	1.04
<b>Cash at year end</b>	0.90	1.04	1.02



**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE**

	2022	2023	2024	2025	2026
	\$m	\$m	\$m	\$m	\$m
<b>Trust Funds</b>					
Retained Surpluses	46.56	44.79	43.10	40.68	36.69
Limited Recourse Loans	40.39	40.39	40.39	40.39	40.39
	86.95	85.18	83.49	81.07	77.08
<b>Non Current liabilities</b>					
Loan - bank/other	2.50	5.90	7.20	14.50	15.35
Loan - Councils	4.20	4.20	4.20	4.20	4.20
	6.70	10.10	11.40	18.70	19.55
<b>Current Liabilities</b>					
Revenue in Advance	1.49	1.38	1.31	1.31	1.27
Payables	1.69	1.69	1.69	1.69	1.69
	3.18	3.07	3.00	3.00	2.96
<b>Total Funding</b>	<b>96.82</b>	<b>98.35</b>	<b>97.89</b>	<b>102.76</b>	<b>99.59</b>
<b>Represented by:</b>					
Property Plant & Equipment	93.33	94.72	94.28	99.19	96.00
Current Assets	3.49	3.63	3.61	3.57	3.59
<b>Total Assets</b>	<b>96.82</b>	<b>98.35</b>	<b>97.89</b>	<b>102.76</b>	<b>99.59</b>



**PERFORMANCE MEASURES**

**Non-Financial Performance Measures**

Measure	How Measured
<ul style="list-style-type: none"> <li>Deliver a strong Rugby international test programme for 2021 and 2022</li> </ul>	<ul style="list-style-type: none"> <li>Key stakeholders are satisfied with management of the test operation</li> <li>40% out of region visitors</li> </ul>
<ul style="list-style-type: none"> <li>Deliver more large-scale non-sporting events</li> </ul>	<ul style="list-style-type: none"> <li>Secure at least two concerts in 2021/22</li> <li>Secure at least two other events outside the traditional rugby and football regular season calendar per year</li> </ul>
<ul style="list-style-type: none"> <li>Continued investment in stadium infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Concourse upgrade is completed</li> <li>Resilience plans finalised and shared with council partners.</li> </ul>
<ul style="list-style-type: none"> <li>Deliver a full event calendar</li> </ul>	<ul style="list-style-type: none"> <li>Securing 45-50 event days per year. (Depending on Covid-19 restrictions).</li> </ul>
<ul style="list-style-type: none"> <li>Host unique events that deliver economic benefit to the region</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining economic benefit to the Region at an average of \$40 million per year</li> <li>Working with promoters to deliver special events to Wellington</li> </ul>
<ul style="list-style-type: none"> <li>Sustainability</li> </ul>	<ul style="list-style-type: none"> <li>Reduce single use plastic</li> <li>Benchmark current emissions</li> </ul>
<ul style="list-style-type: none"> <li>Support the Te Reo Māori Strategy</li> </ul>	<ul style="list-style-type: none"> <li>Be recognised as an advocate and supporter for the Region's Te Reo Strategy</li> </ul>
<ul style="list-style-type: none"> <li>Health and Safety Reported Injury rates</li> </ul> <p>Contractors and hirers</p>	<ul style="list-style-type: none"> <li>Trust Worker reported injury rate of 2 or less per year.</li> <li>Contractor Worker Lost Time Injury rate of 2 or less in a year.</li> <li>Hirer (And Hirer Contractor) Worker Lost Time Injury rate of 2 or less in a year.</li> <li>A reported patron injury rate of less than 0.01% of the total number of patrons attending the venue (events and functions).</li> <li>100% of contractors working at the Stadium have 'approved' status before any work is commenced, and upon each annual review.</li> <li>An agreed H&amp;S plan is in place with 100% of Stadium hirers prior to any work on site commencing.</li> </ul>



#### **Financial Performance Measures**

The key performance indicators agreed with the Wellington City Council and Greater Wellington Regional Council are:

- Revenue – total, and event
- Net surplus (deficit)
- Net cash flow
- Liquidity ratio
- Bank borrowing to total assets
- Capital expenditure

We have reviewed these indicators and believe these are appropriate to the purpose of the Council's monitoring the Trust performance. They are reported on by the Trustees in their six-monthly reports.

### **3. BOARD APPROACH TO GOVERNANCE**

#### **Role of the Board**

The Board of Trustees is responsible for the proper direction and control of the Trust's activities. This responsibility includes such areas of stewardship as the identification and control of the Trust's business risks, the integrity of management information systems and reporting to stakeholders. While the Board acknowledges that it is responsible for the overall control framework of the Trust, it recognises that no cost effective internal control system will prevent all errors and irregularities. The system is based on written procedures, policies and guidelines, and an organisational structure that provides an appropriate division of responsibility, sound risk management and the careful selection and training of qualified personnel.

#### **Board Operation**

The Board has three Standing Committees that focus on specific areas of the Board's responsibilities. These Committees are the Finance Committee, the Audit Committee and Health & Safety Board Sub-Committee.

The Board meets eight times per year. The Finance Committee meets when required. The Audit Committee meets biannually. The Health & Safety Committee meets quarterly and prior to significant events such as concerts.

#### **Board Performance**

The policy of the Board has been that the Chairman conducts an interview with each Board member prior to the expiry of their term. Each new Board member undertakes an induction program to familiarise themselves with the Stadium, its operation and Board issues. Given the experience of the current Board it has been deemed that a Board development program is not necessary. If there are any Board performance issues, the Chair will bring them to the attention of the Mayor of WCC and the Chair of GWRC.

At the first meeting of the new financial year, the Chair of the Audit Committee conducts a review of the Chair's performance.



The Chair will provide the Settlers with a board skills matrix annually. The Chair will provide early notification of upcoming board vacancies and work with Settlers to ensure that at least three potential candidates are presented for each vacancy that occurs.

A Board performance review will be provided by 30 September 2021.

#### **Board Membership**

The Trust Deed states that there shall be not less than five, nor more than eight Trustees.

The Trustees are appointed jointly by the Settlers (Wellington City Council and Greater Wellington Regional Council).

The Wellington City Council and the Greater Wellington Regional Council can each independently appoint one of their elected Councillors as a Trustee.

The current Trustees are:

<b>Name</b>	<b>Appointed until:</b>
John Shewan	30 June 2021
Steven Fyfe	30 June 2022
Sean Rush	formal declaration of results of WCC 2022 elections
Glenda Hughes	formal declaration of results of GWRC 2022 elections
Nicola Crauford	31 December 2022
Rachel Taulelei	30 June 2023
Tracey Bridges	31 December 2023
Steve Tew	31 December 2023

#### **4. ORGANISATIONAL HEALTH, CAPABILITY AND RISK ASSESSMENT**

##### **Health & Safety**

The Trust has well developed health & safety policies which were reviewed by an external consultant and are regularly updated.

Staff who have influence over Health and Safety matters are required to acquire and keep up to date with Health and Safety matters including attendance at relevant course and conferences.

All staff receive regular training in respect of health & safety procedures.

A Health & Safety booklet has been produced which includes Stadium policies, the roles for staff and contractors, incidents and accident investigation, general site safety, emergency procedures and induction.

There are three Committees with a health and safety focus:

- Emergency Control Organisation/Emergency Planning Committee (meets ahead of each major event);
- Health and Safety Committee which includes key the Trust staff as well as contractors and tenant organisations (meets monthly);



- Board Health and Safety Committee (meets at least quarterly with additional meetings prior to major events).

All contractors coming on-site are required to:

- Complete a health & safety agreement
- Complete a health & safety induction plan
- Provide a contractors safety plan
- Operate safely and report any hazards, near misses and injuries.

## **RISK MANAGEMENT**

### **Earthquakes**

Prior to construction (July 1995), the Trust commissioned a full geo-technical report on the site. The ground was improved with vibro-replacement producing gravel columns at spacing of two to three metres to mitigate the effect of earthquakes.

The Trust has used the learnings from the recent earthquakes to strengthen its crowd control and evacuation procedures.

The Trust has conducted a study to enable the Stadium to better understand its current percentage of New Building Standard (% NBS), the interaction between the reclaimed land and the building structure, the differential lateral spread expected and as well as a building seismic assessment. While no significant issues emerged, we will be implementing some resilience works that will enhance the structures.

### **Insurance**

The Stadium insurance programme is managed by Marsh. The Trust operates a maximum first loss policy that provides cover for fire, earthquake, and other perils.

The Trust has insurance cover for the Stadium asset with a combined maximum policy limits of \$200m for material damage and business interruption. This is less than the building reinstatement value which was last assessed in September 2019 at \$302m. The Trust is required to cover the first \$25 million of any earthquake claim.

Insurance premiums have become increasingly unaffordable for the Trust in recent years. This year the Trust explored options to mitigate the increasing premium and accepted the following key changes (to the Material Damage and Business Interruption policy) from prior years:

- \$200m of insurance cover (reduced from \$230m in the prior year)
- \$25m deductible for natural disaster (previously \$7m)
- Aggregate limit for fire cover of \$100M (previously full cover from fire up to insured limit of \$200M).

The Trust has kept Settlers informed on all decisions related to insurance.

### **Business Continuity Plan**

The Trust has a Business Continuity Plan. The Trust has ongoing interactive training sessions with all staff to reinforce the content and requirements of the plan.



**Communication and Access to Information**

The Trust enjoys a positive and open relationship with both of its Settlers, and both Settlers have representation on the Board of Trustees. The Trustees confirm they intend to continue to operate on a "no surprises" basis with communication of any significant event likely to impact on either party made as soon as possible. This has worked well in the past.

**5. ADDITIONAL INFORMATION**

**Reporting**

The Trustees will present a six monthly report to both Councils, which will include a written report on agreed key performance indicators and financial statements for the period. The Trust will provide a formal briefing to both Councils, twice a year, on activities to date and review the outlook.

Audited financial statements will be available on completion of the annual audit.

The Trustees will inform the Councils of any significant expected obligations or contingent liabilities to third parties.

**Major Transactions**

There are no major transactions likely to occur in the planning period that are not identified in the Business Plan.

Any particularly contentious transactions will be brought to attention of the Council at the earliest opportunity.

**Accounting Policies**

General accounting policies of the Trust are set out in the Statement of Significant Accounting Policies. These policies are consistent with the policies applied in the previous year, apart from the presentation change relating to the limited recourse loans.

**OTHER ITEMS TO BE INCLUDED IN THE STATEMENT OF INTENT**

**Ratios**

The ratio of Trust Funds to Total Assets is expected to be:

30 June 2022	48%
30 June 2023	46%
30 June 2024	44%

The ratio of total Trust Assets to Trust Liabilities is expected to be:

30 June 2022	193%
30 June 2023	184%
30 June 2024	179%

Trust Funds are defined as the residual interest in the assets of the Trust after the deduction of its liabilities.



Assets are defined as service potential or future economic benefits controlled by the Trust as a result of past transactions or other past events.

Liabilities are defined as future sacrifices of service potential or of future economic benefits that the Trust is presently obliged to make to other entities as a result of past transactions or other past events.

**Distributions to Settlers**

Section 5 of the Trust Deed sets out the powers of the Trustees regarding the income of the Trust.

The Trust is required to pay surplus funds to the Wellington City Council and Wellington Regional Council in reduction of their limited recourse loans after meeting costs, liabilities, and debt reductions and after allowing for the appropriate capital expenditure and transfers to reserves.

The Trust does not expect to have surplus funds available for repayment in the years covered by this Statement of Intent.

No other distributions to Settlers are intended to be made.

**Investments in other organisations**

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

**Compensation from local authority**

There are no activities for which the Trust seeks compensation from any local authority.

**Trust's estimate of the commercial value of Settlor's investment in the Trust**

Not applicable

**Other matters as set out in the Funding Deed**

***Significant Third Party Obligations***

There are no significant third party obligations other than those disclosed in the Financial Statements.

***Relevant Legislation***

The Trustees confirm that the Trust will comply with all relevant legislation affecting the conduct of this business.





#### **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Reporting Entity and Period**

Wellington Regional Stadium Trust Incorporated (the Trust) is a charitable trust established by the Wellington City Council ('WCC') and Greater Wellington Regional Council ('GWRC'). The Trust is domiciled in New Zealand.

The Trust is responsible for the planning, development, construction, ownership, operation and maintenance of the Sky Stadium, Wellington, as a multi-purpose sporting and cultural venue.

The Trust was incorporated under the Charitable Trust Act 1957. The Trust is also a charitable entity under the Charities Act 2005, registration CC10754.

##### **Statement of Compliance and Basis of Preparation**

The financial statements have been prepared in accordance with the Trust Deed which requires compliance with generally accepted accounting practice in New Zealand.

As the primary purpose of the Trust is to provide a community and social benefit, it is a public benefit entity for financial reporting purposes.

The financial statements of the Trust comply with Public Benefit Entity (PBE) standards.

The financial statements have been prepared in accordance with Tier 2 PBE Standards. The Trust meets the requirements for Tier 2 reporting as it does not have public accountability and is not large (as defined by XRB A1).

The financial statements have been prepared on an historical cost basis, except for interest rate swaps.

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (000) unless otherwise stated.

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

##### **Revenue**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliability measured. It is recognized at the fair value of the consideration received. Specific recognition criteria apply to the following income streams as noted below.

##### **Revenue from Exchange transactions**

###### *Corporate Box, Memberships & Sponsorship Revenues*

Licenses for Corporate boxes are issued for terms of between four and six years. Signage and sponsorship properties are sold for a range of terms of between one and six years. The related license fees/revenues are paid annually and initially recorded as Revenue in Advance with the revenue recognised on a straight-line basis throughout the term.



Stadium memberships have been sold for terms ranging between two and five years. Payment may be made upfront or in a series of instalments. The payments received are recorded as Revenue in Advance and recognised on a straight-line basis over the term of the membership.

*Rental income*

Rents are recognised on a straight-line basis over the term of the lease.

**Revenue from Non-Exchange transactions**

*Grant income*

Grants are recognized as income once the conditions of the grant are met.

**Expenses**

Expenses are recognised on an accrual basis when the goods or services have been received.

*Interest*

Interest expense is accrued using the effective interest rate method. The effective interest rate exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount. The method applies this rate to the principal outstanding to determine interest expense each period.

**Taxation**

As a Charitable Trust, the Trust meets requirements for exemption from income tax and accordingly no provision for income tax is recorded in the financial statements.

All items in the financial statements are exclusive of GST, except for receivables and payables, which are stated as GST inclusive.

**Financial Instruments**

The Trust classifies its financial assets and financial liabilities according to the purpose for which they were acquired. The Trust determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

**Non-derivative Financial Instruments**

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs. After initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Trust becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Trust's contractual rights to the cash flows from the financial assets expire or if the Trust transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Purchases and sales of financial assets in the ordinary course of business are accounted for at trade date. Financial liabilities are derecognised if the Trust's obligations specified in the contract expire or are discharged or cancelled.



*Financial Assets*

Cash and cash equivalents comprise cash balances and call deposits with up to six months' maturity. These are recorded at their nominal value.

Trade and other receivables are stated at their cost less impairment losses.

*Financial Liabilities*

Financial liabilities comprise trade and other payables and borrowings and are all classified as other financial liabilities. Financial liabilities with a duration of more than 12 months are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Amortisation is recognised in the Statement of Comprehensive Revenue & Expense as is any gain or loss when the liability is derecognised.

Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

***Derivative Financial Instruments***

Derivative financial instruments are recognised at fair value as either assets or liabilities. The Trust does not hold any derivatives that qualify for hedge accounting. Derivatives that do not qualify for hedge accounting are classified as held for trading financial instruments with fair value gains or losses recognised in the Statement of Comprehensive Revenue & Expense. Fair value is determined based on quoted market prices.

***Employee Entitlements***

Employee entitlements that the Trust expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These benefits are principally annual leave earned but not yet taken at balance date, and bonus payments.

No provision for sick leave is accrued, as past experience indicates that compensated absences in the current year are not expected to be greater than sick leave entitlements earned in the coming year.

***Other Liabilities & Provisions***

Other Liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

***Leases***

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased items are classified as operating leases. Payments made under these leases are expensed in the Statement of Comprehensive Revenue & Expense in the period in which they are incurred. Payments made under operating leases are recognised in the Statement of Comprehensive Revenue & Expense on a straight-line basis over the term of the lease.



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

#### *Recognition*

Expenditure is capitalised as property, plant and equipment when it creates a new asset or increases the economic benefits over the total life of an existing asset and can be measured reliably. Costs that do not meet the criteria for capitalisation are expensed.

#### *Measurement*

Items of property, plant and equipment are initially recorded at cost.

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 and that can be measured reliably is capitalised. Borrowing costs are not 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. Losses resulting from impairment are reported in the Statement of Comprehensive Revenue & Expense.

#### *Disposal*

Gains and losses arising from the disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Revenue & Expense in the period in which the transaction occurs.

#### *Depreciation*

Depreciation is provided on all property, plant and equipment, with certain exceptions. The exceptions are land, some aspects of the pitch and 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 major classes of property, plant and equipment are as follows:

Land	indefinite
Pitch	10 years to indefinite
Buildings	8 to 70 years
Replay screen & production equipment	3 to 25 years
Fitout	5 to 50 years
Fittings	3 to 20 years
Plant & machinery & equipment	2 to 70 years

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each balance date.



*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.

**Critical accounting estimates and assumptions**

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. 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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*Estimating useful lives and residual values of property, plant, and equipment*

At each balance date, the useful lives and residual values of property, plant, and equipment are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by the Trust, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the statement of comprehensive revenue and expense, and carrying amount of the asset in the statement of financial position. The Trust minimises the risk of this estimation uncertainty by regular physical inspection of assets, including periodic independent review, and a planned preventative maintenance and asset replacement programme.

**Statement of Cash Flows**

The statement of cash flows has been prepared using the direct approach. Operating activities include cash received from all income sources of the Trust, record cash payments made for the supply of goods and services and include cash flows from other activities that are neither investing nor financing activities. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to the funding structure of the Trust.

**Changes in Accounting Policies**

There have been no changes in accounting policies.

**John Shewan  
Chair  
FOR THE TRUSTEES  
WELLINGTON REGIONAL STADIUM TRUST**



**Statement of Intent and Business Plan  
2021-22  
Wellington Zoo Trust  
Me tiaki, kia ora!**

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



*Image of the Snow Leopard lower visitor viewing area from Architecture Workshop Developed Design drawings*

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## 1. INTRODUCTION

Wellington Zoo is the Zoo with the biggest heart – a creative, innovative and progressive zoo which exists to create community value and to solve important social and environmental problems. We have local and global influence in animal welfare, sustainability initiatives, community engagement and conservation outcomes. We live by the kaupapa of **Me tiaki, kia ora!** This means that we **must** care for the planet so that life will thrive.

Wellington Zoo is one of the most sustainable zoos in the world. The World Association of Zoos and Aquariums inaugural **Environmental Sustainability Award** was awarded to Wellington Zoo in 2018. We believe that sustainability is an integral part of being an iconic organisation in our livable city, a city **where people live inclusively and sustainably**. 84% of residents surveyed by Wellington Zoo rate building a sustainable future as important to them. Our success as a cause-related business continues through prudent management and we work hard to be connected and accessible to our diverse community of all ages and cultures locally and beyond. 80% of residents surveyed rate spending time as a family as important to them. The animals who are cared for at Wellington Zoo are given the best lives possible and we take pride in being an **Animal Welfare Accredited Zoo** through the Zoo and Aquarium Association Australasia. 89% of residents surveyed rate animal welfare as important to them and 85% rate wildlife conservation as important to them.

Planned capital investment through upgrades and renewals will ensure the Zoo remains leading edge and we believe the introduction of animals, such as **Snow Leopards, Wellington Green Geckoes and Ring-tailed Lemurs**, allows us to tell both local and global conservation stories which will drive positive action for the environment within our community. We see our capital investment and asset planning as a response to community expectations of a progressive and professional zoo and to create **ongoing resilience** for one of our city's most iconic places.

In view of the pressure of City Council funds **we have reduced our Capital Upgrades bid** in the LTP by removing the Savannah Survival project that was included in the last LTP but we have requested additional \$300k pa for Renewals. Our plan is to keep the Zoo well maintained over the life of the LTP and use renewals to complete smaller projects such as Ring-tailed Lemurs and wombats. After Snow Leopards is completed we will not have any major Capital Upgrades in the LTP.

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



## 2. CONTRIBUTION TO OUR CITY

Wellington 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 cause-related business with talented people, to the thriving cultural and natural heritage of Wellington as a liveable and sustainable city. The Zoo contributes strongly to liveability outcomes by being an integral part of the well-being of people that Wellington is renowned for amongst New Zealand cities.

We are working with WellingtonNZ and other partners to ensure economic growth for our city. As previous winners of the Green Gold and Vibrant Gold in the Wellington Gold Awards and the Supreme Award winner of the Wellington Region Business Awards, we believe we are perfectly placed to add value to the economy of our region.

**As always, we are more than willing to work with WCC or the other CCOs to drive strategic outcomes for the city. We understand that a workshop for CCOs will be convened for te ao Māori strategic alignment. We are keen to share our knowledge in a leadership role or as a member of any team. We have experience in sustainability, visitor understanding, capital projects and safety that the city can draw on if required.**

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 business activity, events, connections, inclusivity and engagement for children and their families and other members of our society.**
- **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.**
- **An important part of the regional fabric that stimulates overall wealth creation, social stability and connects people to conservation and environmental issues. As our region's only zoo we are a unique asset for a vision for a sustainable city.**

### 3. STRATEGIC DIRECTION

Wellington Zoo's strategy 2019-23 integrates te ao Māori, the Global UN Sustainable Development Goals (SDGs) and the key strategic focus areas for the Zoo. The strategy outlines the strategic why, how, what approach we have taken, the SDG materiality undertaken with stakeholders and Toitū Envirocare and the te ao Māori approach completed with Neavin Broughton from Taranaki Whānui ki Te Upoko o Te Ika. The Wellington Zoo strategy is in line with Wellington City Council's 2040 Vision, Te Tauihu Te Reo Māori Policy; Te Māpihi Maurea Naming Policy and Te Atakura, First to Zero strategy.

The five-year strategy (below) blends the major outcomes for the Zoo into key areas - it embraces our role as an inclusive community organisation, the capital city Zoo and as an organisation that values its people. Using the inspiration of Atua and Māori concepts we are able to define our areas of focus over the coming years. It is an exciting vision for the Zoo and creates a strategic context for our kaupapa.

Wellington Zoo's strategy is about the Wellington Zoo of the 21st century and seeks to take us into a new realm, building on our success of the past few years. We will be using the Zoo's rebuilt physical platform to unlock the potential for Wellington Zoo to be seen as a leader and trusted voice in the conservation of species, engagement with community, excellence in animal welfare and sustainability outcomes. We have combined a global vision with local action so that we can be change makers for a better planet. **This aligns with Council's Aho-Tini Strategy and vision for Wellington as a creative city.**



As a sustainable organisation we must consider the UN Sustainable Development Goals (SDGs) in our approach. These 17 global goals set the framework for global prosperity - the very things we all want for our city. While we would aspire to address all 17 goals, we are realistic and feel that we are in the best position to address many but not all. Sustainability is more than environmental initiatives and the SDGs frame that bigger picture.

The newly launched World Association of Zoos and Aquariums sustainability strategy, *Protecting Our Planet*, will inform and assist us in this work. We will focus on the SDGs listed in the above strategy under Whānau, as prioritised by our stakeholder engagement results.

To achieve our strategic direction we will be continuing our commitment to sustainability and our Toitū carbonzero certification continues with projects such as the solar power installation in as many Zoo buildings as we can. **As a Toitū carbon zero certified organisation since 2013** we will continue to reduce our waste to landfill and work with officers to meet the **Regional Waste Management and Minimisation Plan and the Te Atakura, First to Zero plan**. As we seek to continually reduce waste to landfill we will be revisiting our contractual agreements in 2021-22 to find better solutions than we had in previous waste management contracts.

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 Taranaki Whānui ki Te Upoko o Te Ika to ensure the correct te ao Māori concepts reflect our intentions. **Our Kanohi Kitea programme over the next five years and beyond will transform us into a bicultural organisation - as is expected of the capital city Zoo and will recognise the importance of Tikanga Māori in the way the Zoo works.**



## **Core Business**

The Trust will continue to provide the core business services that the Zoo has historically delivered to Wellington as part of our **Contract for Services** with Wellington City Council. These can be summarised as follows:

- Strategic direction and operational management of the Zoo.
- Development and maintenance of animal habitats which offer engaging 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 contributing citizens.
- A safe and inspiring place for family engagement and community learning.
- Care of the Zoo's 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 field conservation programmes and sustainable management practices.
- Participation in collaborative inter-zoo, and other conservation agency, programmes.
- 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.

## **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; and
- 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.”

### **Operating Environment**

As New Zealand's capital city Zoo we believe we should be providing a uniquely Wellington experience for families, school groups and other visitor groups from our region and across the country - quirky, fun, professional, creative and personal.

We always face challenges as a fixed cost organisation, especially in areas such as annual salary increases, cost increases from suppliers and other operational costs increases. We support the Living Wage ethos and all Wellington Zoo employees are paid at, or above, the Living Wage. This will be part of our ongoing remuneration strategy for the Trust.

We are well aware of the impacts of COVID-19 on our revenue and we have made adjustments to our experience offerings to negate this as much as possible. Our visitation is holding well, and we expect the new visitor experiences to drive revenue from local visitation and domestic tourism. We will be in our **rebuild and regenerate** phases of response to the COVID-19 crisis in 2021-22 and we plan to drive new business ideas to take us to pre COVID-19 levels by the end of 2022, such as new marketing ideas for our venues and functions bookings. New animal habitats for Snow Leopards, Lace Monitors and Ring-tailed Lemurs will help drive visitation in the 2021-22 year. Indications are that fundraising may be tighter in the coming three years but we will continue to work hard to raise funds as we can and we will be changing the catering model to have an exclusive caterer who can drive business.

### **Aligning with Council Strategy**

The work of the Zoo supports the 2040 vision for our city – an inclusive, creative capital where people like to live – inclusively and sustainably. Wellington Zoo's strategy reflects the expected WCC community outcomes underpinning this vision- environmental, social, cultural and economic wellbeing. The Zoo is an iconic asset for our city and as our city 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 and actions.

**Wellington Zoo Trust's strategic areas are aligned to:**

***Environmental Wellbeing***

Our end game is to **save wildlife and wild places, locally and globally**. We have a global conservation remit. We strive to show thought leadership in global conservation and sustainability by involvement with global partners and by taking leadership roles in the world and regional zoo professional community. We are respected in the zoo profession for our success in sustainability and we are a leading example of conservation investment and on ground conservation outcomes.

In 2020 we launched our **Conservation Strategy**, aligned with our overarching strategy, which focuses on our conservation efforts, resources and investment until 2023. The Conservation Strategy reinforces *Me Tiaki, Kia Ora!* as our kaupapa and brings together conservation and sustainability for saving wildlife and wild places.

It sets out measurable actions in five areas: recognition and involvement of the Zoo's conservation expertise; effective field partnerships for long-term conservation outcomes; focused investment in conservation innovations; and integrating the UN SDGs.

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, across New Zealand and beyond.

Our **Species Plan** focuses on the number of critically endangered, endangered and vulnerable species we care for at the Zoo and those we support through our conservation programmes in the animal's range state. This plan is reviewed annually and redefined as we better align the animals we care for to the critical need in the wild.

The **field conservation programmes** for critically endangered, endangered and vulnerable species in their range state that we support are: Sumatran Tigers through Wildcats Conservation Alliance; 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; White-cheeked Gibbons through Fauna and Flora International, Vietnam; Cheetah through Cheetah Outreach; Kea through Kea Conservation Trust; North Island Kākā through breed for restoration programmes; Grand and Otago Skinks with DOC; Kororā and Tawaki through West Coast Penguin Trust and Golden Lion Tamarins through Associação Mico-Leão Dourado. The planned acquisition of Snow Leopards, Ring-tailed Lemurs and endangered Southern Hairy-nosed Wombats in the future will provide further opportunities for our community to engage with global conservation issues for endangered species.

In late 2019 we launched our inaugural **local conservation grants** programme benefitting smaller conservation projects locally including: New management tools for small scale lizard conservation (Kāpiti); *Ex situ* conservation of *Dactylopsilus taylorii* (Otari Wilton's Bush); Kohanga o Porokapa 2020 (Makara Peak); Trialling the world's first "no-dig" live capture trap for lizards (Wellington); Monitoring prevalence and distribution of *P. oppidanus* snail (Te Ahumairangi) and Chatham Islands Tāiko Conservation (Chatham Islands) – the Chatham Islands were included as they sit within the boundaries of the Rongotai electorate.

**The Nest Te Kōhanga**, our state-of-the-art veterinary hospital, works with a variety of indigenous species. Indigenous wildlife cases now make up 70% of the veterinary medicine case load – including many who are critically endangered. Our success in this area of successfully releasing injured indigenous wildlife back to the wild is above world standard for zoo veterinary hospitals and we take great pride in this achievement.

**Climate Action** is one of SDG focus areas for our strategy and we have already developed a Climate Action Position Statement and species such as Snow Leopards, which are climate change refugee species, enable us to tell the story of climate change and its impacts on the environment.

### ***Social Wellbeing***

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. Our visitor feedback is positive and people are enjoying the continual change in the Zoo.

Our commitment is to ensure continual improvement in visitor experience to achieve wider engagement within the community. 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.**

**We have achieved Be:Accessible Gold rating** and we continue to improve the Zoo experience for all visitors, so that many more people have access to the Zoo in the ways that best suit them. We have embraced accessibility for the whole community by investing in recommendations from Be:Accessible to improve the experience for all people. **This aligns with Accessible Wellington, The Accessible Journey Action Plan 2019.**

Programmes such as: The Warehouse Zoofari to support **low decile schools** in our region to have free transport costs and Zoo admission; LEOTC school discounted entry; free **Neighbours' Night** for our Newtown and Melrose locals in conjunction with City Housing and Newtown New World; other discounted entry opportunities ensure accessibility for a wider segment of the community. In post COVID lockdown period from mid-May to the end of June over 50,000 people were able to visit the Zoo at no cost, highlighting how important a visit to the Zoo is for Wellington locals and families.

Zoo Crew membership is continually increasing. This is a strategic aim for us as Zoo Crew provides an excellent value proposition for Wellington city ratepayers and residents who visit the Zoo often throughout the year. During our lockdown period last year, we extended all Zoo Crew memberships by the length of lockdown and our free-entry period. We know that Zoo Crew members visit on average four to five times per year (many individuals visit more often) so this offering makes a Zoo visit far more possible for many people.

As a child friendly city it's important for Wellington to cater for young people and their families, and for the Council this means providing safe, accessible and enjoyable places for recreation and play, and offering community events and activities that are suitable for all. **Our own school holiday programmes are well attended and many other external holiday programmes visit the Zoo as part of their offering to the community.**

We have over **70 volunteers** who give their time to help the Zoo achieve its outcomes. We value the assistance we receive from our volunteers and they feel they can add value to the community by being involved with the Zoo.

We have increased our charitable support this year to broaden accessibility. In addition to Ronald McDonald House and the Wellington Children's Hospital we have partnered with **Wellington City Mission** and **Change Makers Refugee Forum** to provide accessibility and support more broadly in the community.

### ***Cultural Wellbeing***

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 approximately 250,000 visitors on-site and many more online. We create compelling stories with clear calls to action and we craft community campaigns that move beyond simply raising awareness of an issue to driving lasting change and building a better world. Our target market of families, young people and children are engaged in conservation and sustainability messaging and experiences at Wellington Zoo.

Wellington Zoo will continue to build its reputation as a **creative and innovative zoo** by including more opportunities for our visitors to experience multi-layered and multi-sensory learning experiences. We have rich content for storytelling and engagement with communities. We design creative and profound visitor experiences which connect people and animals in ways which inspire communities to take positive action for the environment.

As one of the key environmental education providers in Wellington, the Zoo has a Learning Experience Outside the Classroom (LEOTC) contract with the Ministry of Education (MOE). Over **10,000 school children** annually experience a learning session with our conservation education experts at Wellington Zoo.

The Ministry of Education measures the success of the learning programmes at Wellington Zoo and we continue to receive positive feedback on our educator-led learning sessions and our innovative programmes that align with the Ministry's target areas, including improving education outcomes for Māori and Pasifika learners, special education learners and those from low socio-economic backgrounds. We are investigating ways for us to fund a Māori educator and our Kanohi Kitea programme will give our educators even more skills and knowledge to embrace multicultural outcomes.

Wellington Zoo's ***Bush Builders*** is a unique environmental literacy programme that helps children to discover for themselves the wonder of the world around them, in their own schools and homes, and to empower them to take positive action in their own communities. This successful programme has influenced over 4,000 students in our region. ***Bush Builders*** emphasises the importance of building habitats for animals. The importance of plants within the animal habitats as well as in the visitor space is reflected in the beautiful gardens and native plants throughout the Zoo.

Our **relationships and MoUs** with Massey and Victoria Universities, Department of Conservation, Zealandia, Ngāti Koata and Taranaki Whānui ki Te Upoko o Te Ika have enabled collaborative partnerships for conservation medicine, veterinary learning, animal welfare and visitor experience and learning.

### ***Economic Wellbeing***

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 100 people (82 FTE) and by being one of the largest employers in Newtown.

We contribute to the economic success of our **suppliers** from free range egg suppliers to architects. As a well-recognised Zoo we attract both **international and domestic tourists** and support the liveability objectives the city has for its citizens.

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 without further draw on the rate payers.



**Snow Leopards**

The completion of the Zoo Capital Programme (ZCP) in 2016 saw the Zoo transform itself into a vibrant attraction with facilities that meet modern standards. **We have not indicated any additional major Capital Upgrade investment for the new LTP being developed.** Investment of \$3.702 million of capital expenditure in year two to four of the current LTP is planned to upgrade facilities at the Zoo to accommodate Snow Leopards. Wellington Zoo will fundraise \$925,500 towards this project cost. We have already received funds towards this and progress is being made on the detailed design and demolition on site.

The Trust has been successful in obtaining grants from Trusts and Foundations for capital works, and we plan to seek this type of funding for the Snow Leopard project alongside other funding opportunities as appropriate. We have had success in fundraising for both smaller and larger capital projects, including raising more than the required 25% of the total capital expenditure for the ten year ZCP project through to 2015/2016. More recently we raised \$500,000 for the \$1.3 million Chimpanzee Park renewal project in 2017/2018, \$400,000 for the Giraffe habitat project renewal in 2019/2020, and \$100,000 for the Wellington Green Gecko Visitor experience and Te Hononga Tuatara Management facility in 2019/2020. We are confident the ongoing development of the Zoo through the LTP and our engagement with Trusts and Foundations, in addition to the support of our broader community, will ensure this fundraising success continues.

The Snow Leopard project is currently in its detailed design phase, with the design consultant team, Architecture Workshop. The interpretive designer, Story Inc, has developed the story line and interpretive elements. Work is now progressing with technical investigations, consenting and site preparations with construction starting in early 2021. Construction is projected to take up to 12 months, so Snow Leopards can be expected to be seen by Zoo visitors in 2022.

Capital Upgrades	19/20	20/21	21/22	TOTAL
<p><b>Snow Leopards</b></p> <p>Snow Leopards are endangered in the wild and are a climate change refugee species, with a population of less than 4,000 thought to exist in their mountainous range state.</p> <p>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 direct conservation action.</p>	308,000	1,677,000	1,717,000	\$3.702m Included in the LTP



*Snow Leopard cubs we are to receive from Melbourne Zoo*



*Image of the lower visitor viewing area from Architecture Workshop Developed Design drawing*

**Renewals**

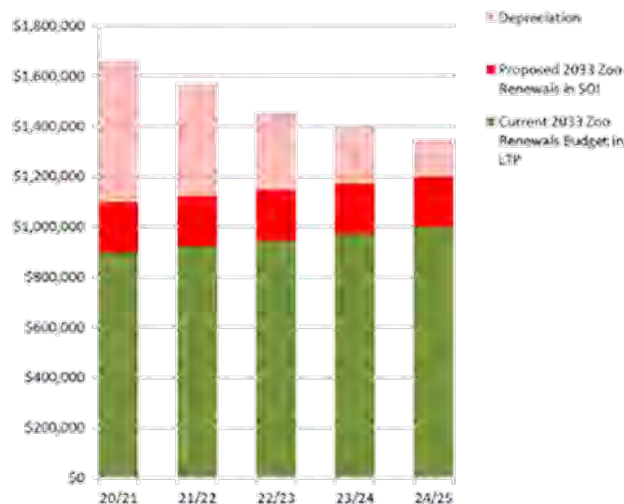
The renewals budget allows us to maintain a resilient asset for the city. We have given the Renewals budget precedence in the coming LTP as we know that reasonably small, enhancing changes can give us excellent animal, staff and visitor outcomes.

The Zoo is developing a detailed Asset Management Plan (AMP) linked to WCC AMP processes to ensure the ongoing maintenance and renewal of the Zoo asset and that we are executing our obligations under the **Contract for Services**. The AMP will enable the Zoo to: manage asset lifecycles for a whole-of-life approach with due consideration given to WCC and Zoo joint objectives; provide assurance of funding required to cover existing and future asset renewals and avoid critical failure of ageing infrastructure assets; update any assets not fit for purpose from an animal welfare standard; and resolve any potential Health and Safety issues and the associated reputational risk these issues could bring.

To date, we have completed a realignment of the Zoo’s existing assets into the WCC asset structure which will improve ongoing detailed financial reporting for the Zoo asset for WCC officers. We will continue to work with WCC officers to develop our detailed asset management plan in line with Council processes for asset renewals, business continuity and earthquake resilience in readiness for the Council Long-Term Plan development.

One of the challenges of maintaining the Zoo asset is the variable lifecycle ages of structures and animal habitats. As our knowledge of the animals in human care increases, previous habitats and animal care and welfare practices become outdated. Zoos’ internationally now consider 20 years to be too long and in global experience it is more realistic to plan for a **ten-year life expectancy** for zoo animal habitat assets.

The Trust’s position is that the current infrastructure renewals budget is insufficient to cover required asset renewals. In the 2017/18 SOI we estimated additional funding of \$300k per annum was required to assist a programme of asset renewals, including animal habitats, visitor areas and pathways, buildings and essential plant and equipment.



The shortfall in the graph (above in red) indicates the propensity of the Zoo to achieve a total AMP result. In terms of maintaining current levels of service, this shortfall could result in a failure of ageing infrastructure assets, meaning assets are not fit for purpose, and could create potential H&S and animal welfare issues. We are working with the WCC Asset project team to develop a detailed AMP, along with the revaluation and condition rating of the current asset. This will allow the Zoo and WCC to interrogate the reported shortfall in greater detail, focusing on critical assets as a priority.

Working with WCC officers, we intend to carry out revaluation and condition rating of all Zoo assets in line with Renewals requirements. The **significant planned Renewal projects** for the next three years are:

- **Ring Tailed Lemur** habitat - endangered species which will tell the Madagascar story in the Africa precinct - to be completed April/May 2021
- **Lace Monitor Habitat** - iconic Australian animal which will be the introductory species for the *Neighbours* precinct - to be completed July/August 2021
- **Southern Hairy Nosed Wombat Habitat** - endangered species and iconic Australian animal in the *Neighbours* precinct
- **Green Zoo, Green You** refurbishment – emphasis on Climate Action messaging and action
- **Staff Office and Wellbeing** improvements - as our staff numbers grow the requirement is becoming more pressing for better staff office areas, accommodation and break spaces
- **Sustainability** Improvements – supporting water and electricity independence and asset resilience
- **River Trail & Gibbon Viewing** – improving the entry precinct of the Zoo and improved viewing of the Monkey Island areas
- **Perimeter Fence & Security** – to complete the fence renewal and improve security coverage for the Zoo site
- **Venues** improvements – to Kamala's, Archibald Centre and Wild Theatre to provide a wider range of venue offerings and improve the Zoo's financial sustainability
- **Electronic admissions** access - to electronically capture visitor numbers to the Zoo
- **Earthquake prone buildings** – removal of and improvements to earthquake prone buildings and walls

## 4. PERFORMANCE MEASUREMENTS

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

WCC Performance Measures					
Measure	Frequency of Measure	Target 21-22	Target 2022-23	Target 2023-24	Notes
Visitors	Quarter*	255,936	256,000	257,000	
Student and education visits	Annual	20,000	21,000	21,500	Conservation education programmes and student self-guided visits.
Council operating grant per visitor	Annual	\$14.05	\$14.45	\$14.81	
Full cost to Council	Annual	<i>Not available from Council for Draft SOI</i>	<i>Not available from Council for Draft SOI</i>	<i>Not available from Council for Draft SOI</i>	This target is generated by Council and is not controlled by the Trust. It includes depreciation and shared services costs, CCO team costs, insurance, CAPEX interest and the OPEX grant.
Trading Revenue per visit (exc. grants and interest)	Annual	\$17.83	\$18.59	\$19.10	
Non-Council donations and funding	Annual	\$387k	\$324k	\$324k	Non-Council operational grants, donations, sponsorships and bequests. This target does not include any capital funding.
Percentage of operating costs generated by the Trust	Annual	59%	58%	58%	
Trust generated income as percentage of the Council grant	Annual	146%	140%	138%	

\*Target Visitor Numbers by Quarter 2021-22

Q1	Q2	Q3	Q4	Total
49,535	63,858	77,810	64,733	255,936

Additional Zoo Performance Measures					
Measure	Frequency of Measure	Target 2021-22	Target 2022-23	Target 2023-24	Notes
Measure visitor feedback and satisfaction	Annual	8.5	8.5	8.5	This target is based on the overall experience rating which is measured out of ten.
Number of vulnerable, endangered or critically endangered species (IUCN Red List and DOC National list) at the Zoo	Annual	25	25	25	
Percentage of indigenous animals released to the wild after triage and treatment by The Nest Te Kōhanga (TNTK)	Annual	50	50	50	Post 72-hour triage period.
Percentage of OPEX directly contributed to field conservation	Annual	7%	7.5%	8%	This measure uses the Zoo Aquarium Association (ZAA) Australasia Framework to measure direct contributions to field conservation.
Number of field conservation projects supported for vulnerable, endangered or critically endangered species (IUCN Red List and DOC National list) at the Zoo	Annual	12	12	12	
Participate in zoo-based research projects, scientific papers and presentations	Annual	10	10	10	These projects are directly related to conservation medicine, biological sciences, animal husbandry, animal welfare science and visitor engagement research.
Maintain Zoo and Aquarium Association animal welfare accreditation	Annual	Achieved	Achieved	Achieved	
Maintain Toitū carbonzero certification	Annual	Achieved	Achieved	Achieved	
Implementing <i>Kanohi Kitea</i> cultural competency programme	Annual	Achieved	Achieved	Achieved	New measure linked to the implementation of this bicultural competency programme.
Safety Improvement Team meeting attendance	Annual	80%	80%	80%	Measured against those staff available to attend meetings.
Successful emergency drill/incident debriefs held	Annual	8	8	8	Debriefings delivered to Zoo staff following emergency drills, trial evacuations and real incidents.
Volunteer engagement survey	Annual	1	1	1	This annual survey measures the satisfaction levels of those volunteering across the organisation.
Staff recognition programme	Annual	1	1	1	This measure refers to the year-long recognition of staff excellence at full staff meetings and culminates in the annual staff awards event in September.
Staff learning and development sessions held	Annual	10	10	10	In house learning opportunities from both internal and external speakers.

## 5. APPROACH TO GOVERNANCE

Wellington Zoo Trust is a Council-Controlled Organisation (CCO) 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 Measures. 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 and Wellington City Council Chief Executive on a regular basis. The Wellington Zoo Chief Executive meets regularly with Council officers for CCOs and other Council management when appropriate. The Chair and Chief Executive attend the CCO Performance Committee 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.

Wellington Zoo always publicly acknowledges Council's contribution to the Zoo as much as possible. We are grateful for Council support and seek to acknowledge this at events, animal habitat openings and other appropriate opportunities.

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; and
- Provision of quarterly reports against agreed KPMS and an annual report within three months of balance date.

### Board Membership

Name	Term Expires
Craig Ellison ( <i>Chair</i> )	31 December 2023
Raewyn Bleakley	31 December 2021
Nina Welanyk Brown	31 December 2021
Fleur Fitzsimons	20 October 2022
Michael Potts	31 December 2022
Ben Bateman	30 June 2023

All Board members are non-executive.

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### **Board Committees**

The Board operates one committee - the Finance, Audit and Risk Committee.

### **Board Development**

The Board conducts an annual review of overall Board performance which determines individual and chair 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 ten hours a year on this at Board meetings and additional workshops and discussions. **A report will be tabled to the Wellington City Council Chief Executive on the Board review and outcomes by 30 September 2021.**

### **Board Skills Matrix**

**This matrix will be provided separately by March 31, 2021 and updated annually.**

## 6. HEALTH, SAFETY AND RISK

Wellington Zoo Trust Board has a Finance, Audit and Risk Committee which meets quarterly throughout the year. The Board monitors our Risk Analysis and Mitigation Plan at least annually and this document is updated as required. Health and Safety (H&S) is currently managed via the GM Safety, Assets and Sustainability who is a direct report to the Chief Executive. The H&S Advisor 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 Strategic Management Team (SMT) and by the Board at their regular meetings. An Annual H&S action plan is developed with the SMT and progress is reviewed against these actions at each Board meeting.

**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 is well managed and that the Trust meets the required reporting, monitoring and reviewing of H&S objectives.

The Zoo's **Risk Matrix** highlights the criticality of maintaining a resilient asset for the City. Impacts of a natural disaster, serious incidents and reputational falter are all potential risks if we are not able to adequately manage or resource the asset management programme and appropriately fund the renewals programmes sufficiently.



### Risk Analysis & Mitigation Plan for Wellington Zoo Trust

Risk Identification	Unmitigated Risk			Risk Mitigation	Risk after Mitigation			Accountability	Responsibility
	Probability	Impact	Risk Value		Probability	Impact	Risk Value		
Natural disasters impacts	0	7	7	Business Continuity Plan. Emergency Management Plans. All documents reviewed annually. Regular practice drills carried out. Once emergency is over, a tactical marketing and communications plan implemented. Internal communications plans enacted.	0	6	6	CE & Board	Board, SMT
Loss of business due to extreme or prolonged event, eg pandemic, terrorism, civil unrest, climate change event, prolonged inclement weather	-1	7	6	Implement tactical marketing and pricing. Implement a targeted communications plan. Emergency logistics, animal management and procurement plans put into effect. Review and revise budgets, reduce spending and investigate new revenue raising initiatives. Strong relationship management with WCC. Internal communications plans enacted. See also Business Continuity Plan.	-1	6	5	CE & Board	Board SMT
Serious incident (including animal related incidents) where there is the risk of the loss of life (human or animals)	-2	7	5	Emergency Management Plans, Health & Safety Management System, Communications Plans reviewed annually. Regular practice drills carried out. Monitored Fire Alarms in all people occupied buildings and where possible in animal housing depending on risk. Building WOFs. Annual MPI audit and Containment Standards maintained. Inductions of staff and contractors. Monitor competency of staff and contractors. Two keeper system in place. Board and SMT site reviews.	-3	7	4	CE & Board	Board, SMT
Infectious disease impact on animals	-1	6	5	Health & Safety Management Plan. EPA/MPI policies. Infectious Diseases Policy. Veterinary protocols and pre-import and pre-export screenings. Animal Human interaction protocols. Communication Plan.	-2	6	4	CE & Board	Board GMAC&S, GMSAS
Attraction and retention of key staff	-1	6	5	Learning and Development strategy and opportunities. Career progression initiatives such as the Learning and Development Framework. HR Policies & Remuneration Policy. Review Remuneration strategy. Engagement through shared values. Employee Experience Journey protocols, eg advertising, induction.	-2	6	4	CE & Board	Board CFO
Reputation Falls	-1	6	5	Communications protocols to communicate with key stakeholders, media and community. Strong relationship management with partners and stakeholders eg. DOC, MPI, WCC. Animal Welfare Accreditation. Euthanasia Policy. Code of Conduct. Media Relations Policy. Electronic Communications and Internet Usage Policy. Use of Social Media Policy. Disciplinary Policy. H&S Policy. Seek appropriate and timely advice.	-2	5	3	CE & Board	Board, SMT
Withdrawal or significant reduction of support or unfunded compliance costs from WCC	-2	7	5	WZT Statement of Intent. WCC Contract for Services. Relationship plans where appropriate and regular meetings with key contacts at WCC such as The Mayor, Deputy Mayor, Portfolio leaders, Councillors, Chief Executive and ELT. Reporting at relevant WCC Committee meetings. Relationships developed between relevant officers across WCC and related Zoo portfolio managers. Regular reporting on Zoo-based activities.	-3	4	1	CE & Board	CEBoard
Loss of Business Due to Economic Downturn	-1	5	4	Operating environment evaluated annually. Tactical marketing and pricing put into effect and tempered by prudent financial management.	-1	4	3	CE & Board	CE Board
Inability to source and import animals	-1	5	4	Zoo Species Plan continually updated. Animal Science Manager responsible for sourcing animals. Strong relationships with ZAA and WAZA members and with other zoos around the world to source animals through programmes such as ASMP. Strong relationship management with DOC, MPI and EPA.	-2	5	3	CE & Board	Board GMAC&S
Cyber-Security Failure / Privacy Breach	-1	5	4	WCC ICT system and policies eg. secure password management. Review third-party providers to ensure they have robust cyber-security systems, policies and procedures in place - particularly storage of sensitive information and payment protocols.	-2	5	3	CE & Board	Board GMB&P CFO
Animal Welfare compromised	-2	6	4	ZAA Accreditation evaluates the Zoo's animals' welfare state. Husbandry Manuals and SOPs regularly reviewed and updated. Governed by WZT Animal Welfare Committee. Animal Care & Science team development, recruiting and retaining skilled staff.	-3	5	2	CE & Board	Board GMAC&S
Utilities Infrastructure Loss and Failure	-1	4	3	WZT Business Continuity Plan. WCC Business Continuity Plan. Minor Works programme to ensure maintenance up to date. Connection to WCC systems where appropriate to utilise WCC back-up systems.	-1	3	2	CE & Board	Board SMT
Project Design, Development and Delivery Risk	-1	5	4	Project Management Process as agreed with the Board. Follow 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.	-3	5	2	CE & Board	BoardGMSAS
Inappropriate procurement processes followed	-2	6	4	Procurement Policy. Delegations Policy. Register of Interests. Delegations for approvals. Board approval process for capital procurement and WCC signoff for Capital Procurement for major capital projects.	-3	4	1	CE & Board	Board CFO
Fraud and Theft	-1	5	4	CCTV at front entrance monitored weekly by SMT members and Sales and Services Manager. Code of Conduct. Financial management procedures. Daily banking checks by Finance and Administration Advisor with written procedures for following up variances. Annual audit by Audit NZ. Pre-employment Criminal checks.	-2	3	1	CE & Board	Board GMBP/CFO
Security Breach / Vandalism	-1	4	3	CCTV System and Security Alarms in all our buildings and where applicable in animal areas. Weekly perimeter checks. Maintenance of Perimeter Fence. Routine nightly security checks. After hours doors and security gate monitoring.	-2	3	1	CE & Board	Board GMSAS







**Risk Analysis Scale**

**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.

## 7. 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 and Accounting Policies included.

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 \$3,595,815 operational funding in the *current* Long-Term Plan.

The Board acknowledges the \$920,486 included in the *current* Long-Term Plan for Zoo Asset renewals for 2021-22. However, we note that in the full cost of the Zoo measure calculated by WCC, depreciation for the Zoo asset is running at \$1.66m pa in 2020/21. This is considerably more than the renewals funding we receive. We have had ongoing discussions in this regard and our LTP bid for additional Renewals funding indicates the urgency we place on this request. We believe that uplift in renewals would enable the Trust to better maintain the Zoo asset and would reduce the need for large capital investment in the coming 10-20 years.

The Board acknowledges the \$1,717,000 included in the *current* Long-Term Plan for the Snow Leopard Project in 2021-22.

f) **Estimate of commercial value of shareholders investment**

Not applicable.

g) **Other matters (if applicable), eg water supply services LGA requirements**

Not applicable.

h) **Supplementary information the entity wishes to include**

Not applicable.

## 8. ACCOUNTING POLICIES

### Reporting Entity

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 re-negotiated to 30 June 2021. Ongoing funding for the Trust has been approved in the 2018/2028 Long Term Plan. The Trust has made a further going concern assessment in Note 20.

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 Trust meets this criteria as is not a large public sector entity with total expenses  $\geq$  \$30million and is not publicly accountable.

The reporting period for these financial statements is for the year ended 30 June 2020. The financial statements were authorised for issue by the Board of Trustees on 21 August 2020.

### Statement of Compliance

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with 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 2007. 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

Debtors 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.

### Investments

Term deposits are initially measured at the amount invested.

### 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 consist 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.

#### **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 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.

#### **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 terminate employment. 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.

#### **Revenue in Advance**

The Trust has received non-exchange funds for specific purposes with conditions that would require the return of the monies if the Trust is not able to fulfil the agreement. The revenue from these agreements will only be recognised as the conditions are fulfilled over time.

The Trust has received non-exchange funds which apply to periods beyond the current year with conditions that would require the return of the monies if the Trust is not able to fulfil 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.

#### **Animals**

In accordance with customary practice among Zoological organisations, animals are not recorded as there is no objective basis for establishing value. Additionally, animals have numerous attributes, including species, age, sex, relationship and value to other animals, endangered status and breeding potential whereby it is impracticable to assign value. Expenditure related to animal acquisitions is expensed in the period of acquisition.

#### **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.

#### **Changes to Accounting Policies**

There have been no changes in accounting policies this year.



## 9. FORECAST FINANCIAL STATEMENTS

CCO: Wellington Zoo Trust Business Plan 2021/22		SNZ000's						
Estimate 30-Jun-21	EARNINGS STATEMENT	Qtr to 30-Sep-21	Qtr to 31-Dec-21	Qtr to 31-Mar-22	Qtr to 30-Jun-22	Total YE 30-Jun-22	Total YE 30-Jun-23	Total YE 30-Jun-24
	<b>Revenue</b>							
4185	Trading Income	891	1244	1333	944	4,412	4,660	4,700
3494	WCC Grants	899	899	899	899	3,596	3,700	3,805
842	Other Grants	84	21	21	21	147	84	84
211	Sponsorships and Donations-Operational	70	70	70	70	280	280	280
54	Sponsorships and Donations-Capital	0	0	0	0	0	0	0
13	Investment Income	2	3	2	3	10	20	20
99	Other Income	98	114	106	100	418	150	150
8,898	<b>Total Revenue</b>	<b>2,044</b>	<b>2,351</b>	<b>2,431</b>	<b>2,037</b>	<b>8,863</b>	<b>8,894</b>	<b>9,039</b>
	<b>Expenditure</b>							
6,092	Employee Costs	1,568	1,561	1,558	1,552	6,239	6,244	6,389
2,344	Other Operating Expenses	622	639	666	697	2,624	2,650	2,650
0	Depreciation	0	0	0	0	0	0	0
0	Interest	0	0	0	0	0	0	0
538	Vested Assets/Restricted Funds spend	0	0	0	0	0	0	0
8,974	<b>Total Expenditure</b>	<b>2,190</b>	<b>2,200</b>	<b>2,224</b>	<b>2,249</b>	<b>8,863</b>	<b>8,894</b>	<b>9,039</b>
	<b>(96) Net Surplus/(Deficit) before Taxation</b>	<b>(146)</b>	<b>151</b>	<b>207</b>	<b>(212)</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	Taxation Expense	0	0	0	0	0	0	0
408	<b>Operating Surplus (Deficit)</b>	<b>(146)</b>	<b>151</b>	<b>207</b>	<b>(212)</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>(96) Net Surplus/(Deficit)</b>	<b>(146)</b>	<b>151</b>	<b>207</b>	<b>(212)</b>	<b>0</b>	<b>0</b>	<b>0</b>
4.6%	<b>Operating Margin</b>	<b>-7.1%</b>	<b>6.4%</b>	<b>8.5%</b>	<b>-10.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

Estimate 30-Jun-21	<b>STATEMENT OF FINANCIAL POSITION</b>	As at 30-Sep-21	As at 31-Dec-21	As at 31-Mar-22	As at 30-Jun-22		As at 30-Jun-23	As at 30-Jun-24
	<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
1,176	Restricted Funds	1,176	1,176	1,176	1,176		1,176	1,176
250	Retained Earnings	104	257	462	250		250	250
1,426	<b>Total Shareholder/Trust Funds</b>	1,280	1,433	1,638	1,426		1,426	1,426
	<b>Current Assets</b>							
2,816	Cash and Bank	3,412	2,664	3,613	2,502		2,500	2,520
150	Accounts Receivable	150	150	150	150		150	150
102	Other Current Assets	100	100	100	100		100	100
3,068	<b>Total Current Assets</b>	3,662	2,914	3,863	2,752		2,750	2,770
	<b>Investments</b>							
0	Deposits on Call	0	0	0	0		0	0
0	Other Investments	0	0	0	0		0	0
0	<b>Total Investments</b>	0	0	0	0		0	0
	<b>Non-Current Assets</b>							
0	Fixed Assets	0	0	0	0		0	0
0	Other Non-current Assets	0	0	0	0		0	0
0	<b>Total Non-current Assets</b>	0	0	0	0		0	0
3,068	<b>Total Assets</b>	3,662	2,914	3,863	2,752		2,750	2,770
	<b>Current Liabilities</b>							
742	Accounts Payable and Accruals Provisions	782	600	650	650		700	750
900	Other Current Liabilities	1,600	883	1,575	676		624	594
1,642	<b>Total Current Liabilities</b>	2,382	1,483	2,225	1,326		1,324	1,344
	<b>Non-Current Liabilities</b>							
0	Loans - WCC	0	0	0	0		0	0
0	Loans - Other	0	0	0	0		0	0
0	Other Non-Current Liabilities	0	0	0	0		0	0
0	<b>Total Non-Current Liabilities</b>	0	0	0	0		0	0
1,426	<b>Net Assets</b>	1,280	1,431	1,638	1,426		1,426	1,426
1.9	<b>Current Ratio</b>	1.5	2.0	3	2.1		2	2.1
46.5%	<b>Equity Ratio</b>	35.0%	49.1%	42.4%	51.8%		51.9%	51.5%

Estimate 30-Jun-21	<b>STATEMENT OF CHANGES IN EQUITY</b>	As at 30-Sep-21	As at 31-Dec-21	As at 31-Mar-22	As at 30-Jun-22		As at 30-Jun-23	As at 30-Jun-24
	<b>Equity Opening Balances</b>							
342	Accumulated Comprehensive Revenue and Expense	250	104	255	462		250	250
1,280	Restricted Funds	1,176	1,176	1,176	1,176		1,176	1,176
1,522	<b>Total Equity Opening Balance</b>	1,426	1,280	1,431	1,638		1,426	1,426
	<b>Comprehensive Revenue</b>							
408	(Deficit) Surplus for the year to retained earnings	(146)	151	207	(212)		0	0
408	<b>Total comprehensive revenue</b>	(146)	151	207	(212)		0	0
	<b>Equity Closing Balances</b>							
250	Accumulated Comprehensive revenue and expense	104	255	462	250		250	250
1,176	Restricted Funds	1,176	1,176	1,176	1,176		1,176	1,176
1,426	<b>Total Equity-Closing Balance</b>	1,280	1,431	1,638	1,426		1,426	1,426

Estimate 30-Jun-21	<b>STATEMENT OF CASH FLOWS</b>	Qtr to 30-Sep-21	Qtr to 31-Dec-21	Qtr to 31-Mar-22	Qtr to 30-Jun-22	Total YE 30-Jun-22	Total YE 30-Jun-23	Total YE 30-Jun-24
	<i>Cash provided from:</i>							
4,183	Trading Receipts	991	1,244	1,333	944	4,412	4,660	4,700
3,494	WCC Grants	1,641	0	1,641	0	3,282	3,700	3,805
842	Other Grants	84	21	21	21	147	82	82
265	Sponsorships and Donations	70	70	70	70	280	280	280
13	Investment Income	2	3	2	3	10	20	20
99	Other Income	98	114	106	100	418	150	150
8,898		2,786	1,452	3,173	1,138	8,549	8,892	9,037
	<i>Cash applied to:</i>							
6,092	Payments to Employees	1,568	1,561	1,558	1,552	6,239	6,244	6,389
2,344	Payments to Suppliers	622	639	666	697	2,624	2,650	2,628
	Net GST Cashflow					0	0	0
558	Other Operating Costs (VESTING)			0	0	0	0	0
	Interest Paid	0				0	0	0
8,994		2,190	2,200	2,224	2,249	8,863	8,894	9,017
(96)	<b>Total Operating Cash Flow</b>	596	(748)	949	(1,111)	(314)	(2)	20
	<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>							
0	Purchase of Fixed Assets					0	0	0
0	Other -vesting Cash for Capital Projects					0	0	0
0		0	0	0	0	0	0	0
0	<b>Total Investing Cash Flow</b>	0	0	0	0	0	0	0

Estimate 30-Jun-21	<b>STATEMENT OF CASH FLOWS (CONT)</b>	Qtr to 30-Sep-21	Qtr to 31-Dec-21	Qtr to 31-Mar-22	Qtr to 30-Jun-22	Total YE 30-Jun-22	Total YE 30-Jun-23	Total YE 30-Jun-24
	<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
(96)	<b>Net Increase/(Decrease) in Cash Held</b>	596	(748)	949	(1,111)	(314)	(2)	20
2,912	Opening Cash Equivalents	2,816	3,412	2,664	3,613	2,816	2,502	2,500
2,816	Closing Cash Equivalents	3,412	2,664	3,613	2,502	2,502	2,500	2,520

Estimate 30-Jun-21	<b>CASH FLOW RECONCILIATION</b>	Qtr to 30-Sep-21	Qtr to 31-Dec-21	Qtr to 31-Mar-22	Qtr to 30-Jun-22	Total YE 30-Jun-22	Total YE 30-Jun-21	Total YE 30-Jun-21
408	Operating Surplus/(Deficit) for the Year	(146)	151	207	(212)	0	0	0
	Add Non-Cash Items							
0	Depreciation	0	0	0	0	0	0	0
(504)	Other (Restricted Funds movement)	0	0	0	0	0	0	0
(96)		(146)	151	207	(212)	0	0	0
	<b>Movements in Working Capital</b>							
150	(Increase)/Decrease in Receivables	0	0	0	0	0	0	0
(13)	(Increase)/Decrease in Other Current Assets	2	0	0	0	2	0	0
197	Increase (Decrease) in Accounts Payable	40	(182)	50	0	(92)	50	50
(332)	Increase/(Decrease) in Other Current Liabilities	700	(317)	692	(899)	(234)	(52)	(30)
0		742	(899)	742	(899)	(514)	(2)	20
	<b>Net Gain/(Loss) on Sale:</b>							
	Fixed Assets	0				0		
	Investments	0				0		
0		0	0	0	0	0	0	0
(96)	<b>Net Cash Flow from Operations</b>	596	(748)	949	(1,111)	(314)	(2)	20



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





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## **BASIN RESERVE COMMERCIAL NAMING RIGHTS PARTNER**

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### **Purpose**

1. To note a new commercial naming rights sponsor at the Basin Reserve.

### **Summary**

2. The Basin Reserve Trust (the Trust) has been seeking a commercial naming rights sponsor for the Basin Reserve for several years. The Trust is negotiating a commercial arrangement with Cello Communications, a Wellington based network solutions provider.
3. Officers have reviewed the arrangement in terms of Council's naming policy Te Māpihi Maurea and confirm that the naming right sponsorship complies with this policy.

### **Recommendations**

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.
2. Note that Basin Reserve Trust will agree to commercial terms with Cello in return for naming rights at the Basin Reserve.
3. Note that naming the Basin Reserve on commercial terms complies with Council's naming policy Te Māpihi Maurea.

### **Background**

4. Cello is a business network provider and a relatively new entrant to the Wellington market and is seeking to increase its profile. The business has origins that have emerged from the former senior leadership and ownership of FX Networks (sold to Vocus Communications in 2015).
5. Council has been encouraging the Basin Reserve Trust to find a replacement for the naming rights at the Basin Reserve since the last sponsorship agreement was terminated. The last agreement was with Hawkins Construction and this terminated in April 2014.
6. Council has requested that the Trust renew the commercial naming right for the Basin Reserve in the annual Letter of Expectations, and the Trust has approached over 70 businesses with commercial proposals without success, prior to negotiating this arrangement with Cello.

### **Discussion**

7. Officers have reviewed Council's naming rights policy Te Māpihi Maurea and confirm that the proposal does comply with the Council policy and the policy intentions regarding commercial sponsorship.

- 
8. The term of the agreement is for 2 years, beginning 1 October 2021. The value of the sponsorship is confidential and includes 'in kind' support for the Basin Reserve by way of the supply of network infrastructure and services to the ground.
  9. Officers support the Trust's efforts in securing a naming rights partner and recommend that Council notes the new sponsor for the ground will be Cello Communications. The naming of the ground is expected to be the Cello Basin Reserve.

## Attachments

Nil

Author	Warwick Hayes, Project Manager Economic & Commercial
Authoriser	Claire Richardson, Chief Operating Officer



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## **SUPPORTING INFORMATION**

### **Engagement and Consultation**

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

### **Treaty of Waitangi considerations**

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

### **Financial implications**

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

### **Policy and legislative implications**

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

### **Risks / legal**

Not applicable.

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

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

### **Communications Plan**

Not applicable.

### **Health and Safety Impact considered**

Not relevant.



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## QUARTER 3 REPORT 2020/21

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### Purpose

1. This report asks the Pūroro Tahua | Finance and Performance Committee to receive and note the Quarter Three (Q3) report for the 2020/21 financial year. The report is for the quarter 1 January 2021 to 31 March 2021 and the first nine months of the financial year 1 July 2020 to 31 March 2021.

### Summary

2. The result highlights that Council is making reasonable progress on delivering on its key performance indicators (KPIs) set through its 10-Year Plan.
3. Most significant projects are in delivery phase, with nine managing material risks.
4. The financial position for year to date (YTD) shows net operating costs favourable to target, and officers are also forecasting a full year net operating deficit of \$30.7m which is \$22.5m (42%) ahead of budgeted deficit of \$53m.
5. Revenue is currently on budget and forecast to be within 0.7% of budget by year end.
6. Year to date capital expenditure is under budget by 31% (\$83.2m) with forecast year-end position is \$74.5m (21%) underspent.
7. The KPI results for the quarter was 75% (63 out of 84) of KPIs with an available result were within 10% of target.
8. Twenty-one KPIs did not meet target by greater than 10%, twenty of these were also reported in quarter two. The main KPI challenges for the quarter were:
  - the ongoing impacts of COVID-19: participants in education programmes, occupancy of community halls and centres, rec centre visits, food premises inspections, library utilisation,
  - year to date performance in the three waters area highlights ongoing concerns in service delivery (7 KPIs)
  - delivery challenges in the consenting area (LIMs resource and building consents), and
  - weekend city parking occupancy.

### Recommendation/s

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.
2. Note the contents of the Summary of performance
3. Note the contents of the Quarter Three 2020/21 summary (Attachment 1) and report (Attachment 2)
4. Note the Financial and Performance Measure variances.

5. Approve the Quarter Three 2020/21 report.
6. Note that there will be unbudgeted expenses in Activity 2.5 *Stormwater* in Quarter Four of the financial year of approximately \$4.9m.

## Background

### Exception reporting

9. This report continues the emphasis on exception reporting. The aim is to enable Council to have informed and focused discussions on KPI and budget variances that matter i.e. where targets or budgets have been exceeded or not met for the quarter.
10. Appendix one of Attachment 2 has a detailed list of the KPI and the budget results by activity for your information. Results for KPIs that are reported annually (in the Annual report) are not included.

## Discussion

### Quarter three performance

#### KPI performance

11. As at the end of quarter three (31<sup>st</sup> March 2021) the Council has achieved (within 10% of target) 75%, 63 out of 84 non-financial performance KPIs with available data. Any significant variance of greater than or less than 10% off target are explained in *Section One: Activity area performance* of the attached report.
12. Items of note in this quarter include:
  - *Wellington Water:*
    - represents fifteen exceptions that were also reported in quarter two (7 not met and 8 exceeded). Further information is on pages 19-21.
    - one performance measure improved - sites monitored for E.coli previously reported as 72% now 84% (against target of 90%).
  - *Consenting:* Although some improvements have been made, building consent timeliness was 11% below target. Further information is on page 34 of the report.
  - *Libraries:* utilisation represents four of the seven exceptions under the community support area. Website and e-library activity being exceeded and physical visits and programmes not meeting target. Further information is provided on pages 30 and 31.
  - Other areas of non-performance are likely to be COVID-19 related – declining use of leisure card, lower weekend car parking, cancellation of some school programmes and community centre bookings, have impacted utilisation and occupancy rates.
13. The report includes a summary of the status of some of Council's significant projects. There are four projects with amber status meaning moderate to major risks are being closely monitored by governance:
  - *Let's Get Wellington Moving*

- *Single capital programme – deed of grant*
- *Town Hall seismic strengthening*
- *Cycleways – The Parade Island Bay*
- *St James Theatre seismic strengthening*

14. As at end of the quarter (31 March 2021) the Council has achieved (i.e. within 10% of target or exceeded 10% above target) 75% or 63 of the 84 non-financial KPIs with available data for the quarter. Any significant variances of greater than or less than 10% off target are explained in Section One: Activity area performance.
15. There were 6 KPIs that had no data available and 21 that were more than 10% below target or not met. The majority of the KPIs that were not met for the quarter were in Environment (three waters), Social and Recreation (related to utilisation of services) and Urban Development (consenting services).
16. The list of all reported KPIs and year-to-date results are included in Attachment 2.

### **Financial performance**

17. The snapshot of financial performance details financial performance for the period 1 July 2020 to 31 March 2021.
18. The year-to-date result shows an operating deficit of \$7m, which is \$35m favourable to budget.

### **Revenue**

19. Year-to-date total revenue is above budget by \$0.9m (0%).
- Revenue from operating activities is \$0.7m below budget due to Smart Council which is under budget by \$6.6m, largely offset by favourable variances in Parking, Parks, Sports and Recreation, and City Consenting and Compliance (CCC).
  - Development Contributions are \$1m higher than budget.

### **Expenses**

20. Year-to-date total expenses are under budget by \$34m (8%):
- Contract services and material expenses are \$28m favourable, primarily driven by Smart Council, Transport, Economic & Commercial and Finance and Business.
  - Depreciation and amortisation is \$4m under budget mainly driven by delays in the overall capex programme.

### **Net operating forecast**

21. The full year forecast Net Operating Deficit is currently \$25m favourable to Annual Plan.

### **Capital expenditure**

22. Capital expenditure for the first nine months of the financial year is \$183m. There has been a \$83m (31%) underspend compared to budget as detailed in the report.

### **Treasury Report**

23. All measures are compliant with the Treasury Management Policy at quarter end.
24. Liquidity levels at 31 March 2021 were 125%, better than the policy floor of 115% providing \$207m of extra facility headroom. Debt funding and fixed interest maturities were all within the annual forecast bands. Counterparty credit risk limits were within policy limits.
25. There were \$266m of deposits at quarter end including \$120.5m held for pre-funding of debt maturities.
26. The net debt position decreased during the quarter from \$720m to \$694m. This was lower than budgeted due to the capital expenditure being \$83m under budget.

#### **Quarter Four expected overspend**

27. In February an unexpected void developed on Jervois Quay. It was determined that a 100-year-old earthenware stormwater pipe had collapsed, risking the safety of drivers and increasing the risk of flooding in the CBD. Crews initially installed a temporary fix and backfilled the void, allowing Jervois Quay to be reopened and options for a repair/replacement to be investigated.
28. Over the following months work has been done to try to repair the pipe without the need to dig a trench the full length of the road and replace the pipe. When attempting to replace a temporary section the pipe further collapsed, meaning that it could no longer be repaired and would need a full replacement.
29. The expected cost of this is approximately \$4.9m, \$4.3m of capital and \$0.6m of operational expenditure.

#### **Options**

N/A

#### **Next Actions**

30. Monitoring of performance continues, and the 2020/21 Annual Report is due in September 2021.

#### **Attachments**

Attachment 1.	Quarter 3 A3 Performance Summary	Page 337
Attachment 2.	Q3 Quarterly Report 2020/21	Page 339

Authors	Bronwen Green, Senior Advisor, Planning and Reporting Deirdre Reidy, Manager, Finance Business Partnering
Authoriser	Baz Kaufman, Manager Strategy and Research Stephen McArthur, Chief Strategy & Governance Officer Sara Hay, Chief Financial Officer

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## **SUPPORTING INFORMATION**

### **Engagement and Consultation**

This is a monitoring report and contributes to the transparency and accountability of the Council. It does not require engagement or consultation.

### **Treaty of Waitangi considerations**

N/A

### **Financial implications**

The report provides financial performance information for the year to date as at 31 March 2021.

### **Policy and legislative implications**

N/A

### **Risks / legal**

N/A

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

N/A

### **Communications Plan**

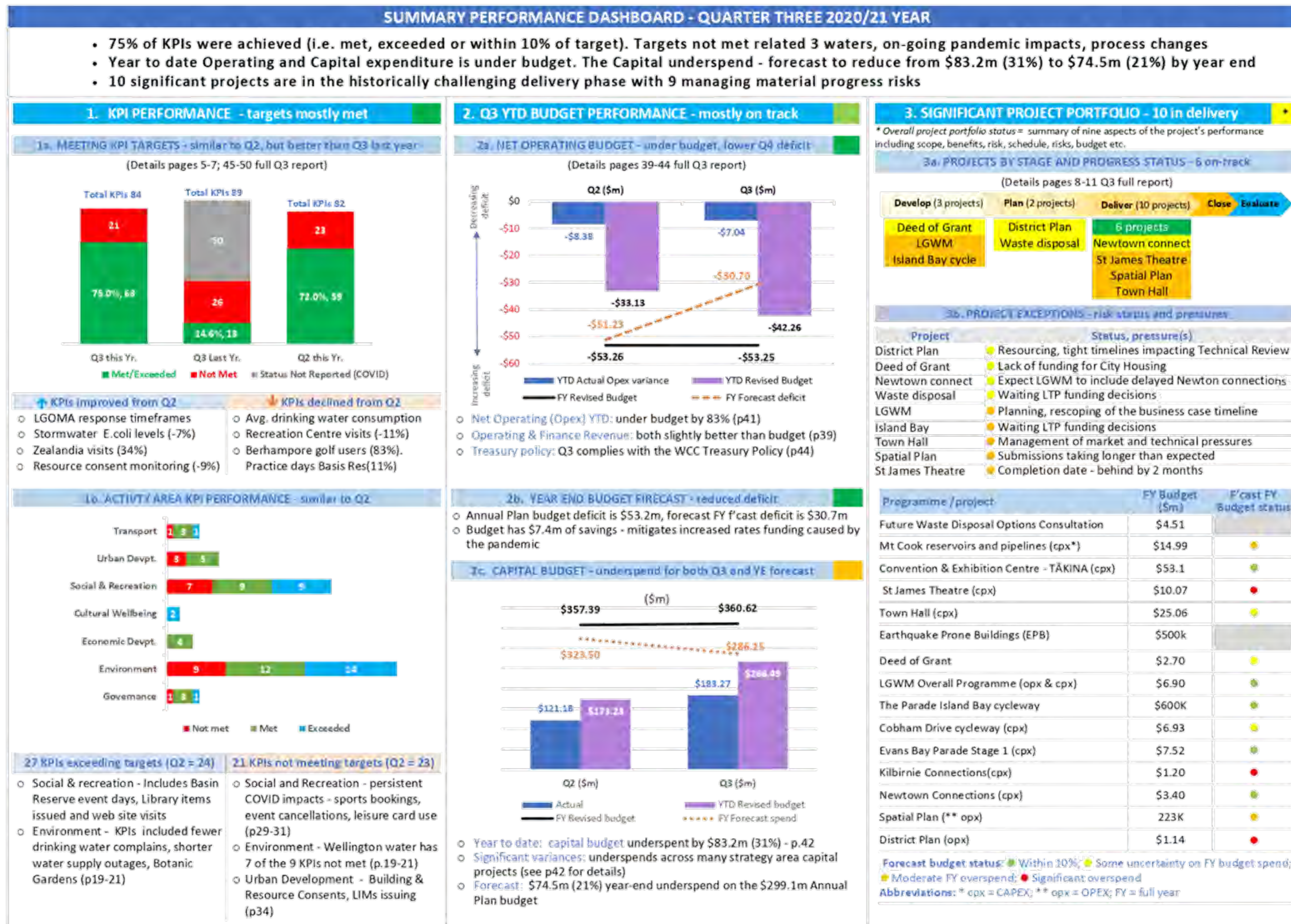
N/A

### **Health and Safety Impact considered**

N/A









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# Quarterly Performance Report

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**Quarter Three 2020/21**

**(YTD 1 July 2020 - 31 March 2021)**

## **Nau mai | Welcome**

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This report provides a summary of Wellington City Council's (the Council) operating performance for the 2020/21 financial year, up to the end of the relevant quarter.

Quarterly reports reflect the Council's current 10-year plan and annual plan. These documents are published on the Council's website ([www.wcc.govt.nz](http://www.wcc.govt.nz)). Our 10-year Plan has full details on our outcome indicators, performance measures and strategic priorities and supporting key projects.

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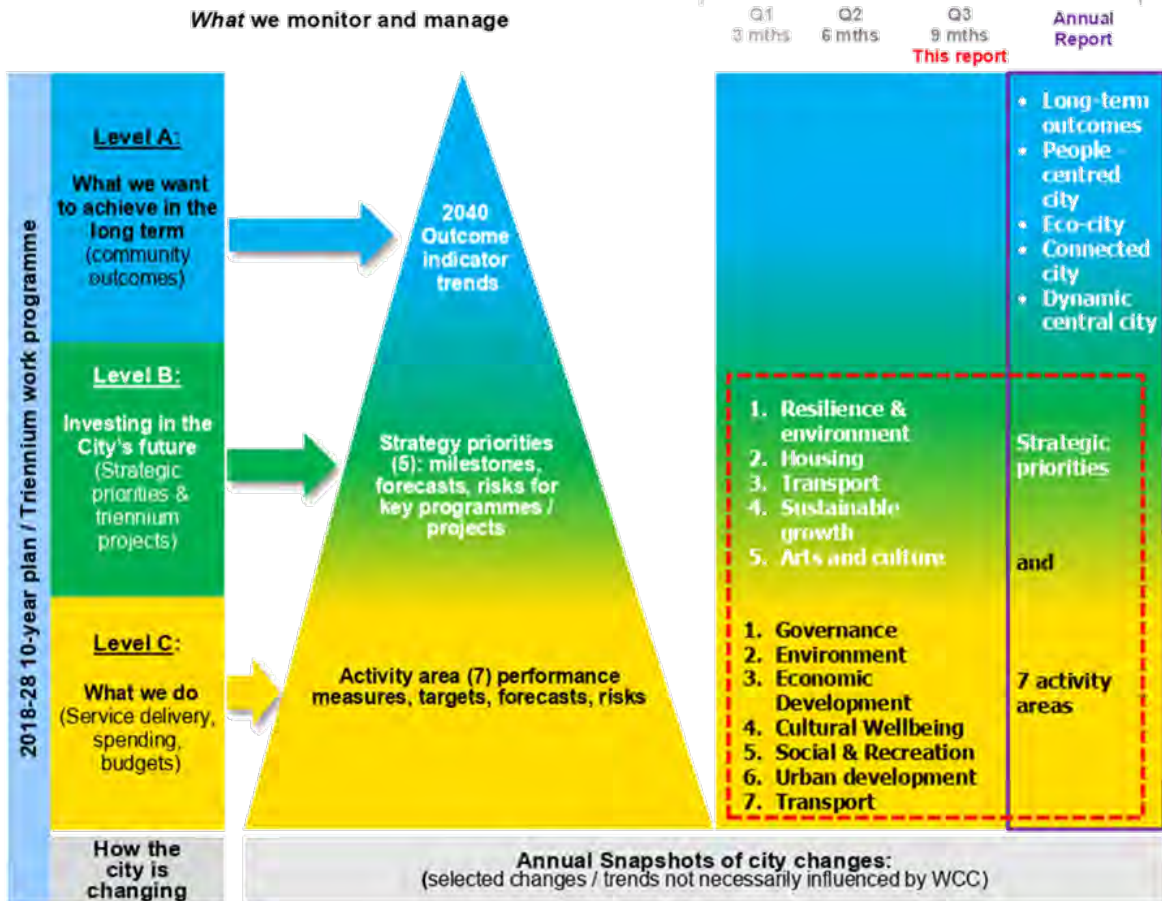
# Introduction: What we report

Quarterly reports focus on operating performance, which is level B and C in our Performance Framework (Figure 1 below). The report includes commentary on what we did, status updates on key projects, material changes in performance measures (KPIs) and budgets, forecasts, and any risks that may influence future performance. Forecasts are based on an informed view of conditions that may influence future performance or results.

### Exception reporting

Quarterly results are reported by exception and include KPI, achievements and budget performance. As the year progresses, we include prior quarter(s) non-financial performance status for comparison.

**Figure 1: Council's Performance Framework**



## How to read this report

### ***What's being reported?***

This report includes:

- a) progress updates for the significant projects in Our 10-Year Plan 2018-28
- b) performance KPI targets and budgets, key achievements, challenges /risks and where possible, year-end forecasts for our seven activity areas
- c) consolidated financial performance

The aim is to inform three key questions:

- Are we tracking as expected?
- Are we expecting to achieve year-end target?
- Are our responses to challenges sufficient to mitigate any undesirable impacts?

### ***What information we include?***

In general, the information in the report covers relevant financial and non-financial information relating to operating performance. Activity area KPIs cover quality, timeliness, affordability and utilisation.

### ***Structure of this report***

The summary and snapshots provide an overview of performance for the year up to the relevant quarter - drawing on the information in the following sections and appendices:

- [Summary of key headlines](#) contains snapshots of significant projects, performance measures and financial performance.
- [Activity area performance](#) contains details on financial and non-financial performance (by exception) for each of the Council's seven key strategy areas.

### ***How we rate status***

To decide what is significant and therefore what to focus on in this report we use the status definitions that are defined in tables at the start of each section. The statuses use colours to clearly identify the projects, budget items or performance measures that need attention.

### ***Reporting by exception***

In general, only exception items are reported (with a status of red, amber, green or blue) in Sections 1 and 2. In general, our approach in this report is to focus on over and/or under performance (or by 'exception'). The blue highlight indicates over performance and the red highlight indicates under performance. Using a range for "met" of +/-10% allows for seasonal changes in performance. Amber is used for financial reporting where variance is >\$500k OR >10% off target.

### ***Performance data***

Results are reported year-to-date. All information is current as at the end of the relevant quarter. A number of KPI results are gathered annually e.g. from an annual residents' monitoring survey. All performance measure data for the full financial year is published in the Council's Annual Report

Performance summary

Section 1: activity area  
performance

Section 2: financial  
performance

Appendices

## Performance Summary - Quarter Three

### Executive Summary

Overall performance in the third quarter shows progress towards the Annual Plan objectives has improved for a few performance activities, capital expenditure underspend remains around 30% however operating expenditure is performing well against revised budget at \$35m favourable.

#### Performance Measures

As at the end of March 2021, 63 out of 84 (75%) performance measure results were achieved (within 10% over or under target). There were 21 (25%) performance measures that did not meet target, 20 of these were unchanged from quarter two.

KPI achievement improved 2.6% from Q2 2020/21 and was well ahead when compared to Q3 2019/20 (66% achieved and impacted by the pandemic).

Three performance measures improved from "not met" last quarter: monitored sites (%) that have a rolling 12 month median value for E.coli (dry weather samples) that do not exceed 1000 cfu/100ml – improved from 72% to 84%; resource consents (%) that are monitored within 3 months of project commencement increased from 89% to 91% achieved and number of education visits to ZEALANDIA jumped by over 5000 in Q3 (see page 22 for further details).

Only one measure dropped from 'mostly met' to 'not met' since last quarter - recreation centre visits – directly related to changing Covid levels continuing to impact on number of teams and no spectators (see page 31 for further details.)

	Not met	Mostly met	Met	Exceeded	Grand Total
Governance	1	1	2	1	5
Environment	9	4	8	14	35
Economic Development			4		4
Cultural Wellbeing				2	2
Social and recreation	7	3	6	9	25
Urban Development	3	3	2		8
Transport	1	1	2	1	5
<b>Grand Total</b>	<b>21</b>	<b>12</b>	<b>24</b>	<b>27</b>	<b>84</b>

#### Financial Results

Capital Expenditure shows an underspend of \$83.2m, a 31% variance to target. The major variances are occurring in the St James theatre strengthening, Basin Reserve, Bond Store, Community Halls, Te Ngakau programmes of works and parts of the Transport and Property programmes. Social Housing upgrades being on hold while the financial sustainability is addressed. The Kilbirnie Stage 2 project delayed as it is under review due to a Councillor resolution.

The Quarter 3 year-to-date result shows Operational Revenue at \$0.9m under budget (0%) and Operating Expenditure \$34.3m (8%) lower than budget (underspend) YTD March, creating a \$33.6m favourable net position YTD.

The year-end forecast is expected to result in a deficit of \$30.7m, \$22.5m less than the budget. The Budget already includes \$7.4m of savings to reduce rates funding after COVID-19 impacts.

Performance summary























Section 1: activity area performance

Section 2: financial performance









Appendices

## Summary of key headlines

Below is a summary of significant projects, performance measures and financial information. Details of these areas are in the two snapshots that follow this summary. More details on what we did, spent and how we performed in the quarter can be found in Section: Activity Area Performance.

Activity area	Projects	Performance Measures	Financial Performance
<b>Total</b>	No projects are rated Red this quarter. There are five projects assessed as Amber, and four Yellow.	 63 out of 84 KPIs (75%) were on track.  21 out of 84 (25%) did not meet target.	 Gross operating expenditure budget was underspent by 8% (\$34.3m).  Revenue was 1% lower than budget (\$0.7m).  Capital expenditure was underspent by 31% (\$83.2m).
<b>Governance</b>	No significant projects in progress this quarter.	 4 out of the 5 KPIs with an available result met or exceeded target at the end of the quarter.  1 result from contact centre responses within timeframe, showed as "not met".	 Operating expenditure budget was mostly met at 7% underspent (\$1m). There was no capital spending during the quarter.
<b>Environment</b>	Work progressed on <i>Future Waste Disposal Options Consultation</i> and one <i>Waters</i> project, (details p. 8,9)	 26 out of the 35 KPIs with an available result met or exceeded target at the end of the quarter.  9 results from 3 waters, energy, and waste programmes were not met.	 Operating expenditure budget was mostly met at 5% underspent (\$6.7m).  Capital budget was underspent by 13% (\$6.9m).
<b>Economic development</b>	Work progressed on <i>Convention &amp; Exhibition Centre - Tākina</i> , (details p.9)	 All 4 measures are on track, there are no exception to report.	 Operating expenditure budget was met with immaterial variance.  Capital budget was underspent by 87% (\$10.6m).
<b>Cultural wellbeing</b>	No significant projects in progress this quarter.	 Both performance measures with an available result exceeded target.	 Operating expenditure budget was met with minor unfavourable variance (\$0.4m).  Capital budget was underspent by 11% (\$4.6m).
<b>Social and recreation</b>	Work progressed with improved status this quarter for <i>Single Capital Programme - Deed of Grant</i> , (details p.10)	 18 out of 25 measures were on track.  7 measures were not met. One (rec centre visits) was a decline from last quarter.	 Operating expenditure budget was underspent by 16% (\$11.3m).  Capital budget underspent by 61% (\$19.6m).








Performance summary			
Section 1: activity area performance		Section 2: financial performance	
Activity area	Projects	Performance Measures	Financial Performance
<b>Urban development</b>	Work progressed on <i>St. James Theatre, Town Hall Seismic Strengthening, Earthquake Prone Buildings (EPB), and the Planning for growth - Spatial and District Plans</i> , (details p11) Status downgraded for <i>Planning for Growth Spatial Plan</i> and improved for <i>St. James Theatre</i> .	 5 of the 8 measures were on track.   The 3 timeliness KPIs for issuing consents and LIMs were not met in Q2.	 Operating expenditure budget was mostly met at 7% underspent (\$1.3m).   Capital budget was underspent by 21% (\$8.1m).
<b>Transport</b>	Work progressed on <i>Let's Get Wellington Moving Programme</i> and five <i>Cycleways</i> projects, (details p.10,11) Status downgraded for the <i>Cycleways</i> project <i>Newtown Connections</i> .	 4 out of 5 measures were on track.   Parking occupancy continues below target.	 Operating expenditure budget was underspent by 27% (\$12.2m).   Capital budget was underspent by 36% (\$22.9m).

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## a) Snapshot of significant projects

This snapshot summarises the progress status of the significant projects supporting our strategic priorities that are *underway* in the quarter. Status indicators are:



Progress status for current phase	Status definition
 Green	Generally, on track with no major risks identified
 Yellow	There is a level of uncertainty / risk present that is being monitored by governance
 Amber	Moderate to major risks are being closely monitored by governance
 Red	Significant risks are present that require intervention
	Current programme / project phase and progress status colour

The investment in Council programmes or projects is assessed, managed and governed in phases. This ensures that there is a sustained focus on delivering the planned benefits over the life of the project. Significant programmes and projects receive on-going management focus. Investments are classified as 'significant' based on criteria including effort, impact, risk, cost, stakeholder interest and urgency.

Note: A programme generally has multiple projects. The Forecast status is the expected progress status for the next quarter.

### Significant Projects/Programmes (as at the end of Q3)

#### Environment

Programme, project or work stream (WS)	Project Phases: progress and budget status	Budget (Capital Expenditure = capex FY = Full year WOL = whole of project life)
<b>Future Waste Disposal Options Consultation (formally named 'Southern Landfill extension')</b>		
Previous progress status: <b>yellow</b>		FY capex budget: \$4.51m FY capex forecast: \$200k
<b>Status Comment:</b> The future of the Southern landfill is linked to the treatment of wastewater (sewage) sludge. Funding decisions on wastewater sludge treatment are to be made as part of the development of the 2020/21 LTP. LTP decisions on the funding of sludge treatment will be followed by further public consultation on a specific proposal on how waste will be treated. This consultation is scheduled for October 2021, with a final Council decision by February 2022. The proposal to treat sewage sludge will aim to reduce the amount of waste going to landfill by about one third.		
<b>MI Cook reservoirs and pipelines</b>		
Omāroro Reservoir Previous progress status: <b>green</b>		FY capex budget: \$14.995m WOL capex forecast: \$52m
<b>Status Comment:</b> The construction works are progressing ahead of the approved programme due to earlier completion of earthworks. Excavation for the reservoir is complete along with the bulk water pipelines across the playing fields. Preparation of precast concrete walls for access tunnel is on track. The pace of progress is increasing and will result in an increased spend for the FY20/21.		

<b>Performance summary</b>	Section 1: activity area performance	Section 2: financial performance	Appendices
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### Economic development

Programme, project or work stream (WS)	Project Phases: progress and budget status	Budget (Capital Expenditure = capex Operational expenditure = opex FY = Full year, WOL = whole of life for the project)
<b>Convention &amp; Exhibition Centre - TĀKINA</b>		
Previous progress status: <span style="color: green;">green</span>		FY capex budget: \$53.1m FY capex forecast: \$43.1m WOL capex budget: \$157.8m WOL capex forecast: \$159m
<p><b>Status Comment:</b> The construction programme remains on track. Through March the civil works continued with Wakefield St connections now complete, and Cable Street connections due for completion in 2 weeks. Roof steel installation has commenced, and sections of the roof trusses have been installed. Ground floor internal walls are well underway, and high-level services on ground floor are now 30% complete. Internal Fitout design works is all on track.</p>		

### Resilience

Programme, project or work stream (WS)	Project Phases: progress and budget status	Budget (Capital Expenditure = capex Operational expenditure = opex FY = Full year, WOL = whole of project life)
<b>St James Theatre</b>		
Previous progress status: <span style="color: red;">red</span>		WOL capex budget: \$36.8m WOL capex forecast: \$36.7m
<p><b>Status Comment:</b> The programme continues to be under pressure due to construction issues uncovered as the project has progressed, as well as delays with procurement of plant and equipment from overseas. These risks are being closely managed and the main contractor has increased resources on site, however as a direct result of the structural issues uncovered, additional budget has been sought through the current LTP process.</p>		
<b>Town Hall seismic strengthening</b>		
Previous progress status: <span style="color: orange;">amber</span>		WOL capex budget: \$136.7m WOL capex forecast: \$142.7m
<p><b>Status Comment:</b> The project is 18 months into construction with another 2.75 years to complete. Good progress has been made with piling and concrete structure installation. The team continues to address issues and risks relating to asbestos removal, post COVID lockdown impacts and delays of some material supplies from overseas. Earlier process and site improvements are now starting to benefit the work programme. We expect to fully utilise the budgets and are managing market and technical pressures that are adding risk to the project. The next programme progress update cycle (including any changes to forecast completion date) is in Q4.</p>		
<b>Earthquake Prone Buildings (EPB)</b>		
Previous progress status: <span style="color: green;">green</span>		
<p><b>Status Comment:</b> EPB Methodology. 5 buildings have notices expiring in 2021, and 3 of these are likely to apply for an extension of time. The Building Resilience Fund opened on 9 Feb 2021 and closed 31 March 2021 for a decision from the Grants Subcommittee in May 2021.</p>		

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### Social and Recreation

Programme, project or work stream (WS)	Project Phases: progress and budget status	Budget Capital Expenditure = capex Operational expenditure = opex FY = Full year)
<b>Single Capital Programme</b>		
<b>Deed of Grant</b> Previous progress status: <i>amber</i>		FY capex budget: \$2.7m FY capex forecast: \$3.3m
<p><b>Status Comment:</b> In the previous quarter the Ministry of Housing and Urban Development (HUD) reported back confirming compliance with Deed of Grant for phase 1 of the Housing Upgrade Programme. Phase 2 Housing Upgrade Programme is in planning stage and awaiting decisions on funding through the LTP. Work on Healthy Homes legislative requirements and other upgrade work continues. The key risk is the current lack of funding for City Housing to meet upgrade requirements under the Deed of Grant. This means work can be planned but not undertaken until funding is secured (through Council decision on alternative funding models).</p>		

### Transport

Programme, project or work stream (WS)	Project Phases: progress and budget status	Budget Capital Expenditure = capex Operational expenditure = opex FY = Full year)
<b>Let's Get Wellington Moving Programme</b>		
<b>LGWM Programme Summary</b> Previous progress status: <i>amber</i>		FY capex budget: \$6.931m FY capex forecast: \$- FY opex budget: \$8.2m FY opex forecast: \$5.9m
<p><b>Status Comment:</b> Following the publication of the programme health check, the whole of programme review was completed by the end of February 2021. A performance improvement plan was also developed to address the health check recommendations. In Q3, the programme undertook discussions with the Minister of Transport regarding programme direction and Ministerial priorities for LGWM. The Programme Director left the programme in March 2021, with the Deputy director appointed to temporarily act in the role. Planning for the revised short term programme of work took place as well as establishing the scope and timeline for the business case completion.</p>		
<b>Cycleways programme (5 projects)</b>		
1. <b>The Parade Island Bay</b> Previous progress status: <i>amber</i>		FY capex budget: \$600k FY capex forecast: \$600k
<p><b>Status Comment:</b> Waka Kotahi (WK) has informed that they will not consider funding the project before the whole route from the city is planned and approved. Options are being developed. The project is now waiting LTP decisions on funding as a part of the cycleways budget for 2021/22 and beyond. Interim minor safety improvements are also planned to be delivered by the end of 2021 as a part of the planned maintenance resealing work.</p>		
2. <b>Cobham Drive Cycleway</b> Previous progress status: <i>green</i>		FY capex budget: \$7.8m FY capex forecast: \$7.8m
<p><b>Status Comment:</b> This project is substantially completed and was officially opened and blessed in March. Works remaining are planting (due in May) which include environmental enhancements to increase biodiversity and encourage sea life to establish in the inter-tidal zone. The project has delivered a two-way bike path and separate footpath; landscaping and planting along Cobham Drive; landscaping, seats and bike parking around wind sculptures; off-street parking area near the Troy Street roundabout has been upgraded with new bike parking and carparks.</p>		
3. <b>Evans Bay Parade Stage 1</b>		FY capex budget: \$7.5m FY capex forecast: \$7.6m

Performance summary		Section 1: activity area performance	Section 2: financial performance	Appendices
<b>Programme, project or work stream (WS)</b>	<b>Project Phases: progress and budget status</b>			<b>Budget</b> Capital Expenditure = capex Operational expenditure = opex FY = Full year)
<i>Previous progress status: green</i>	<p><b>Status Comment:</b> Project is still on track for completion. Work is now in the final stages for the Kio Bay section which includes the proposed driveway modification for residents. Completion of this section is expected early Q4. A communication plan has been developed for the implementation phase.</p>			
<b>4. Kilbirnie Connections</b> <i>Previous progress status: green</i>				<b>FY capex budget: \$1.2m</b> <b>FY capex forecast: \$250K</b>
	<p><b>Status Comment:</b> The Kilbirnie cycleway network is mostly complete with exception of the Coutts St. section, which has been put on hold. Council Officers are developing options to upgrading the Onepu / Rongotai / Evans Bay Parade intersection. Business case completion for Rongotai Road is expected May 2021.</p>			
<b>5. Newtown Connections</b> <i>Previous progress status: green</i>				<b>FY capex budget: \$3.4m</b> <b>FY capex forecast: \$250k</b>
	<p><b>Status Comment:</b> LGWM is expected to include the delayed Newtown connections project in their recommended programme of work. The delivery of Adelaide Rd between the Basin and John St is now sitting with LGWM. Riddiford in Newtown is now part of MRT.</p>			

**Urban planning and development**

<b>Programme, project or work stream (WS)</b>	<b>Project Phases: progress and budget status</b>			<b>Budget</b> Capital Expenditure = capex Operational expenditure = opex FY = Full year)
<b>Planning for growth</b>				
<b>Spatial plan</b> <i>Previous progress status: yellow</i>				<b>FY opex budget: \$223K</b> <b>FY opex forecast: \$471k</b>
	<p><b>Status Comment:</b> Submissions processing took much longer than expected (due to volume and detail) and is complete. We received almost 3000 submissions with over 20,000 points of comment. Risk management is focusing on managing community expectations of work particularly clarifying what the programme aims to achieve. Key community groups continue to make enquiries and express concerns about the plan. During the quarter progress was made on incorporating more mana whenua content into the final spatial plan (reflecting the engagement undertaken with mana whenua over the last 6 months). The completion of the spatial plan project is now forecast to be June 2021, when it will be presented to council for final adoption.</p>			
<b>District Plan</b> <i>Previous progress status: yellow</i>				<b>FY opex budget: \$1.14m</b> <b>FY opex forecast: \$2.7m</b>
	<p><b>Status Comment:</b> Drafting is underway; the draft District Plan reflects the outcomes of City-wide engagement on the draft Spatial Plan. The drafting of the District Plan content is being prioritised to ensure progress. The first two Technical Review Panel workshops have been completed and the following are scheduled early Q4. Resourcing and tight timeframes continue to be closely managed. The extension of the timeframe to finalise the Spatial Plan in June means that the draft District Plan consultation will need to be pushed out to October-November 2021.</p>			

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## b) Snapshot of performance measures

### Performance Measures (KPIs) Status

	Target not met by >10%	Target met – within +/-10% of target	Target exceeded by >10% target	Status not applicable*
<b>Total Q3 performance measures:</b> 84 of 90 measures reported this quarter	21	36	27	6
<b>1. Governance:</b> 5 KPIs reported Not met and exceeded commentary on <a href="#">p.15</a> .	1	3	1	0
<i>Favourable variance for the quarter due to proactive preparation in advance of deadlines (provision of meeting agendas at least 4 days prior to meeting). Contact Centre call response time measure impacted by new request management system.</i>				
<b>2. Environment:</b> 35 KPIs reported Not met and exceeded commentary on <a href="#">p.19</a> .	9	12	14	0
<i>KPIs with favourable variance related to visitor numbers at Botanic Gardens and Otari Wilton's Bush, 8 related to 3 waters, Conservation education programmes for the Zoo and ZEALANDIA, plus and increased Zealandia membership programme.</i> <i>KPIs with unfavourable variances related to participants in Waste Minimisation and Education programmes; increased energy use for pools and venues and seven measures related to 3 waters timeliness and overflows.</i>				
<b>3. Economic development:</b> 4 KPIs reported. There are <a href="#">no exceptions</a> to report this quarter.	0	4	0	1
<i>These KPI results are indicative only as the targets are set annually. Year to date results from WellingtonNZ (WREDA) indicate that SOI activities delivering value and supporting businesses are on track.</i>				
<b>4. Cultural wellbeing:</b> 2 KPIs reported Not met and exceeded commentary on <a href="#">p.26</a> .	0	0	2	0
<i>KPIs with favourable variance for the quarter are again related to museum visits and grant outcomes achieved.</i>				
<b>5. Social and recreation:</b> 25 KPIs reported Not met and exceeded commentary on <a href="#">p.29</a> .	7	9	9	3
<i>There are two new KPIs with favourable variances this quarter related to successful Basin Reserve practice facility usage and Berhampore Golf Course usage increased due to disc-golf.</i> <i>There was one new KPIs with an unfavourable variance related to COVID-based restrictions impacting sports bookings and number of teams and no spectators (mainly during February).</i>				
<b>6. Urban development:</b> 8 KPIs reported Not met and exceeded commentary on <a href="#">p.34</a> .	3	5	0	0
<i>KPIs with unfavourable variances for the quarter were once again related to challenges with increasing demand for consenting services, however some improvements are being made.</i>				
<b>7. Transport:</b> 5 KPIs reported Not met and exceeded commentary on <a href="#">p.36</a> .	1	3	1	2
<i>KPIs with favourable variance for the quarter related to number of passenger trips for the Cable Car.</i> <i>KPIs with unfavourable variances for the quarter related to low weekend city parking occupancy.</i>				





\* "Not applicable" means either the KPI data was unavailable at the time of publication or that it was not appropriate to compare the result against target (e.g. target not set, status inconclusive).




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## Section One: Activity area performance

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This section provides the end of quarter results **by exception** for performance measure and financial budget in each of the Council's activity areas. The results are reported using the following definitions:

Key Performance indicator	Definition
 Blue	Target exceeded (i.e. the actual result is <b>greater than</b> 10% over target)
 Green	Target met or mostly met (i.e. actual result <b>is between</b> 10% under and 10% over target)
 Red	Target not met (i.e. the actual result is <b>greater than</b> 10% under target)
 Not applicable	Status or data not reported or not measured against target (number of measures)

Financial indicator	Definition
 Green	On track with budget met (i.e. actual result <b>is between</b> 10% under and 10% over budget) – Not shown in this section as only exceptions are reported.
 Amber	Underspend/overspend/under-achieved/over-achieved with budget mostly met (i.e. actual result <b>is greater than</b> 10% under/over budget <b>OR</b> variance is greater than \$500k off budget).
 Red	Underspend/overspend/under-achieved/over-achieved with budget not met (i.e. the actual result is <b>greater than</b> 10% under/over budget <b>AND</b> greater than \$500k off budget).

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## Pārongo ā-tāone | Governance

**Aim:** Maintain confidence in decision-making and ensuring that the views of Māori and mana whenua are heard.

**Key activity groups:** Governance, information and engagement; Māori and mana whenua partnerships

There is a total of 17 non-financial performance measures in this activity area. 10 are only reported annually (of these three are mandatory measures required by statute), two measures are reported internally (without comparison to target, volumes of call and emails), and five are reported quarterly.

### Quarter 3 performance and budget overview

The overall operating budget was 7% favourable and there was no capital spend for year to date.

Non-financial performance		Financial performance against budget						
		Year to date (\$000s)			Full Year (\$000s)			
		Actual	Budget	Variance	Forecast	Budget	Comment	
Target not met by >10%	1							
Target met - Within +/- 10% of target	3							
Target exceeded by >10% target	1							
Not applicable	0							
		Revenue	(389)	(387)	3	(526)	(516)	Immaterial variance YTD.
		Expenditure	14,393	15,399	1,007	24,009	25,337	7% favourable YTD, predominantly due to lower than expected remunerations costs arising from vacancies.
		Net operating expenditure	14,003	15,012	1,009	23,483	24,821	7% favourable YTD, predominantly due to lower than expected remunerations costs arising from vacancies.
		Capital expenditure	0	0	0	0	0	No capital spend.

## What we did

### Governance

- Underway:* Implementation of recommended changes from review of Council's advisory groups, including initial work to establish a Rainbow Communities Advisory Group starting July 2021.

### Plans, policies and strategies

- Underway:* Early engagement on the 2021 LTP focusing on identifying city goals and priorities and making trade-offs.
- Completed development, early engagement and adoption for formal consultation on *Social Framework, Children and Young People Strategy* and draft 2030 *Aho Tini* (Arts and Culture Strategy).

### Contact Centre

- Managing ongoing impact of Q2 replacement of 3 core systems and related planned changes, i.e. approx. 2,000 additional IT help calls per month.

### City Archives

- Working with providers to increase the volume of scanning for *Digitisation of the Archive Collection* project.
- Completed processing of 2,656 access requests.

### Māori and mana whenua partnerships

- Completed opening of Te Rā o Waitangi public concert at Waitangi Park (6 Feb) by Iwi, with Te Kura Kaupapa Māori o Ngā Mokopuna performing kapa haka.

### Underway:

- Notice of motions for Māori Ward and Iwi representation on the Council.
- Agreement in principle by Council to establish a Māori ward, subject to engagement with the community, prompted by legislation change.
- Matariki ki Pōneke planning. Advice and direction by Iwi for playground, laneway and cycleway developments.



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## Detailed quarter performance by exception

The following budget item(s) and performance measure(s) are those with a result that is greater than 10 percent of target or 10 percent / \$500k off budget. Variances greater than 10 percent can indicate, for example, underutilised resources, insufficient capacity etc.

### Financial performance by exception

Operating expenditure by exception (> 10% / \$500k off budget)					
Activity	Year to date (\$000s)			Full year (\$000s)	
	Actual	Budget	Variance	Forecast	Budget
1.1 Governance information & engagement	13,836	14,774	938	23,164	24,504
<i>Underspend:</i> Expenditure 6% favourable predominantly due to lower than expected remunerations costs arising from vacancies.					
1.2 Maori Engagement (Mana Whenua)	168	238	71	319	317
<i>Underspend:</i> Expenditure 25% favourable YTD due underspends in the services space.					

### Capital expenditure by exception (> 10% / \$500k off budget)

There are no capital expenditure exceptions to report.

### Performance measures (KPIs) by exception

Performance measure	2019/20 Result	2020/21 Target	Actual	Target	Variance	Variance explanation (where target is not met by >10%)
<b>1.1 Governance information and engagement</b>						
<i>Facilitating democratic decision-making</i>						
Meeting and committee agendas (%) made available to the public at least 4 days prior to meetings	92%	70%	100%	70%	43%	Exceeding the target reflects the Democracy Services Team working proactively across the business to ensure reports for meetings are prepared on time and published in advance of the legislative deadline.
<i>Providing information and a point of contact</i>						
Contact Centre - Contacts responded to within target timeframes (calls answered within 30 seconds)	80.6%	85%	61%	85%	-28%	There was a large amount of change that affected the Contact Centre in Q2, including the replacement of 3 core systems. We also added workload by in-sourcing the IT Help Desk (approx. 2,000 additional calls per month). The system changes and the in-sourcing of IT Help will improve our ability to generate a positive customer and staff experience when using our services. Staff satisfaction has already significantly improved, and we are now in the process of creating customer records for all external callers so that we can reference previous conversations and improve the personalisation of the caller's experience. Bedding-in the changes creates short term workload and is taking time, hence the productivity impact in Q2 and Q3.

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## Taiao | Environment

**Aim:** Protect, restore and enhance Wellington's natural environment

**Key activity groups:** Gardens, beaches and green open spaces; Waste reduction and energy conservation; Water supply; Wastewater; Stormwater; Conservation attractions

There is a total of 53 non-financial performance measures in this activity area. 17 are only reported annually (of these, 26 are mandatory measures required by statute), two measures are only reported internally (without comparison to target), and 34 are reported quarterly.

### Quarter 3 performance and budget overview

The overall operating budget was 5% favourable and the capital budget was underspent by 13%.

Non-financial performance		Financial performance against budget (\$000s)						
Target not met by >10%	9	Year to date (\$000s)			Full Year (\$000s)		Comment	
		Actual	Budget	Variance	Forecast	Budget		
Target met - within +/- 10% of target	12	Revenue	(19,797)	(18,388)	1,408	(24,714)	(24,596)	8% favourable due to higher volumes of contaminated waste received at the landfill.
Target exceeded by >10% target	14	Expenditure	148,646	153,945	5,299	202,791	205,291	3% favourable due to lower than planned depreciation in Waters and CCOs and contracts costs in the street cleaning area.
Not applicable	0	Net operating expenditure	128,850	135,557	6,707	178,077	180,695	5% favourable due to lower than planned depreciation and contracts costs in the street cleaning area
		Capital expenditure	45,369	52,350	6,981	64,901	70,880	13% under budget due to the the Landfill Stage 4 project being on hold and delays to the Seatoun Wharf, Zoo and Zealandia projects. This is offset by overspend on the Mt Albert Wastewater Tunnel Repair project. The damage was more significant than had been anticipated and as a consequence the overall cost of the repair was \$3.8m more than initially planned, totalling \$8.8m.

### What we did

#### Parks

##### Underway:

- Ecological mitigation and compensation activities at Kiwipoint Quarry, scaled back to bare minimum due to delays with the quarry expansion.
- Patient Slip jetty demolition, delayed due to consenting requirements, however we continue to work with Heritage New Zealand to finalise our conservation plan.
- Planning for the Otari Visitor Centre fitout.
- Finalising of Seatoun Wharf renewal technical specification and contract documents.
- Small mammal control, in collaboration with Island Bay community group Mana Karioi.

Performance summary	<b>Section 1: activity area performance</b>	Section 2: financial performance	Appendices
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- Public consultation on weekday paid car parking at Botanic Garden, Anderson Park and Bolton Street Cemetery
- Stopping all parking on Truby King driveway and Access change for Antico St properties off Truby King driveway.

*Completed:*

- Track upgrade from Otari Troup Lawn to Ian Galloway Park
- Landscaping at Majoribanks Street entrance to Matairangi/Mt Victoria, mitigating track erosion and Trail developments in Totara Reserve, Johnsonville.
- Botanic Garden hosting of Gardens Magic concerts, with big crowd numbers this year.
- Extension of Animal Pest control network to Johnsonville, Khandallah, Owhiro Bay, Seton Nossiter Park.
- Removal of 200+ feral goats from high biodiversity areas near Makara, in collaboration with private landowners, DOC and other pest animal contractors.

**Waste Operations**

*Underway*

- Campaign launch to communicate changes for the new *Solid Waste Management and Minimisation Bylaw* (effective 25 Jan), requiring Southern Landfill users to separate out e-waste, green waste, tyres, batteries and recyclables.
- We commenced a strategic review of our waste operations and services.

**Climate Change Response**

*Underway*

- Review of carbon accounting processes, boundaries, and providers.
- Procurement activities for LTP climate change action investment package Te Atakura, specifically on:
  - deploying EV chargers collaboratively with Hutt City Council and a TBD delivery partner, and
  - further refining and developing "Climate Lab" proposal and Action Investigation programmes.

*Completed:*

- 247 home energy audits by the Sustainability Trust on behalf of the Council, towards 1000-audit target (doubling the number of residential energy audits required per year).
- Parking policy amendments to increase room for healthy streets.

- Implementation of a residential food waste trial.
- Annual *Climathon* event (19 March), sponsored by WCC and focused on three climate challenges: waste, transport and food systems.

**Water, Wastewater and Stormwater - Wellington Water Limited (WWL)**

*Underway:*

- Stormwater:* Construction works for Newcombe Crescent Stormwater Renewal; Construction works for Woodman Drive Flood Mitigation; Queen Street renewal project (no change); project closeout activities for Kent Terrace culvert renewal; patch repairs and lining work for Jervois Quay/Hunter Street Emergency Renewal.
- Wastewater:* Reinstatement works and project closeout steps for Dixon-Willis St Bypass Pipe; stage 2 construction for Broadway and Cavendish Square Wastewater Renewals; construction for Whitmore Street to Bowen Street Rising Main Renewal; construction for Queen Street Wastewater Renewal; construction works for Regional Lining Contract.
- Water:* Construction of Severn, Humber, Moselle and Derwent Streets Watermain Renewal, progressing slower than expected; construction for Small Area Monitors; construction and final tasks for Bowen Lane watermain project; completion activities and electrical connections for Khandallah Area Meter Installation project.

*Completed:*

- Stormwater:* Construction for Kent Terrace Culvert Renewal and Dixon-Willis St Bypass Pipe project.
- Wastewater:* Construction for Dixon-Willis St Bypass Pipe.
- Water:* Construction for Belvedere Road Watermain Renewal and Beauchamp Street Watermain Renewal.

**Wellington Zoo**

*Underway:*

- Detailed design and site clearing works for Snow Leopards project.
- Ring Tailed Lemurs new habitat being built for Q4 opening.

*Completed:*

- Approval of Resource Consent for Snow Leopards project.

**Zealandia**

*Underway:*

- First full-year programme for ZEALANDIA Youth Collective *Rāngai Rangatahi*, with 12 developing conservationists recruited.

Performance summary	Section 1: activity area performance	Section 2: financial performance	Appendices
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- Lowering of water level in lower reservoir for Roto Kawau project.

*Completed:*

- Summer season, with lower average spend per visitor uptake of tours, and retail store spend.
- Increased membership with 18,400+ members at end Q3 (vs 17,966 at end Q2).
- Successful bird breeding season for many species.
- Nature at your Place 2021* outreach, presented to 6 schools.

- Treatment of the sanctuary stream and wetland for *Roto Kawau*.

**COVID-19 impacts**

- Impact on retail revenue at Wellington Gardens resulting from lack of tourists continues.
- Continuing impact to resourcing of WWL/Waters projects (particularly to geotechnical engineering and surveying) due to COVID-19 redundancies or reduced working hours for panel consultants.

### Detailed quarter performance by exception

The following budget item(s) and performance measure(s) are those with a result that is greater than 10 percent of target or 10 percent / \$500k off budget. Variances greater than 10 percent can indicate, for example, underutilised resources, insufficient capacity etc.

### Financial performance by exception

Operating expenditure by exception (> 10% / \$500k off budget)					
Activity	Year to date (\$000s)			Full year (\$000s)	
	Actual	Budget	Variance	Forecast	Budget
2.1 Gardens, beaches and open spaces	28,896	33,464	4,569	41,124	44,505
<i>Underspend:</i> Expenditure 13% favourable YTD and FY predominantly due to contract changes leading to lower than budgeted street cleaning costs.					
2.2 Waste Reduction & Energy Conserve	(530)	1,059	1,589	3,142	1,375
<i>Over-achieved:</i> Revenue 7% favourable due to higher volumes of contaminated soil being received at the landfill. Contract and personnel costs are also lower than planned.					
2.3 Water supply	39,570	40,506	936	53,261	54,032
<i>Underspend:</i> Expenditure 2% favourable due to lower depreciation costs as well as bulk water costs which are currently tracking lower than planned. This is offset to some extent however by higher maintenance costs owing to volume and the complexity of the work. <i>Over-achieved:</i> Revenue 105% favourable due to unplanned duct lease revenue.					
2.4 Wastewater	36,345	38,335	1,991	47,514	51,160
<i>Underspend:</i> Expenditure 5% favourable due to lower rates (net across three waters), partially offset by higher than planned Waste Water treatment plant operating costs. <i>Over-achieved:</i> Revenue 26% favourable due to higher levels of Trade Waste and sludge income.					
2.5 Stormwater	19,214	16,942	(2,271)	25,777	22,627
<i>Overspend:</i> Expenditure 13% unfavourable due to higher than planned rates expenses. While under spending in network maintenance, investigation costs are currently over budget due to expenditure on the Owhiro Bay catchment freshwater analysis stemming from the Mayoral taskforce. <i>Under-achieved:</i> Revenue 27% unfavourable due to lower NZTA subsidies on sump clearing.					

Capital expenditure by exception (> 10% / \$500k off budget)					
Activity	Year to date (\$000s)			Full year (\$000s)	
	Actual	Budget	Variance	Forecast	Budget
2.1 Gardens, beaches and open spaces	3,331	7,421	4,090	8,029	10,487
<i>Underspend:</i> 55% under budget mainly due to delays in the Seatoun wharf project in relation to heritage, consenting, legal and tendering.					
2.2 Waste Reduction & Energy Conserve	2,779	5,143	2,364	2,957	7,444
<i>Underspend:</i> 46% under budget on the Landfill stage 4 development which is currently on hold.					
2.4 Wastewater	13,619	10,266	(3,353)	17,987	13,688
<i>Overspend:</i> 33% over budget as a consequence of work on completing the Mt Albert Tunnel project as well as reactive renewals being higher than planned.					
2.5 Stormwater	4,308	5,851	1,543	5,962	7,802

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Capital expenditure by exception (> 10% / \$500k off budget)					
Activity	Year to date (\$000s)			Full year (\$000s)	
	Actual	Budget	Variance	Forecast	Budget
<b>Underspend:</b> 26% under budget with work on the Kilbirnie Stage 2 project delayed as it is under review due to a Council resolution.					
2.6 Conservation attractions	1,297	3,673	2,375	1,701	4,797
<b>Underspend:</b> 65% under budget due to phasing of the spend in the Zoo and Zealandia projects, both of these areas are expecting to be under budget at year end.					

### Performance measures (KPIs) by exception

Performance measure	2019/20 Result	2020/21 Target	Actual	Target	Variance	Variance explanation (where target is not met by >10%)
<b>2.1 Parks, beaches and open spaces</b>						
<b>Utilisation</b>						
Number of visitors to the Wellington Botanic Gardens and Otari-Wilton's Bush	1,312,556	900,000	1,062,242	763,919	39%	Visitor numbers continue to exceed expectations, noting we have reduced targets due to Covid and loss of international visitors.
Number of formal education attendees at Council programmes (School & Community)	1,145	2,000	1785	1500	19%	Working closely with schools to promote the programme, and we have also tailored better to schools' needs. Getting good references by word of mouth.
<b>2.2 Waste reduction and energy conservation</b>						
<b>Waste minimisation activities</b>						
Number of participants in waste minimisation and education programmes	4,082	3,000	1,251	2,250	-44%	School holidays have reduced the opportunities for school participation. Additionally, our outsourced school education programme ended in late 2020, and we are still in the process of recruiting for more resources in this area
<b>Energy conservation</b>						
Estimated energy savings (kWh) 5% (NB now compared to 2018/19 because of COVID)	7,950,153	2,541,201	185,655	1,889,548	-90%	The total energy use for the quarter has increased by 21%. This is a significant increase in energy use, mainly due to buildings being more operational as these were starting to shut down in the 2019-20FY. Pools has seen a bit of an increase in use alongside the Venues.
<b>2.3 Water supply</b>						
<b>Meeting customer expectations</b>						
Number of complaints about the drinking water's clarity, taste, odour, pressure or flow, continuity of supply, and supplier responsiveness, expressed per 1000 connections*	12.79	<20/1000	9.27	15	38%	Last year, customer complaints reported to WWL by the Council's contact centre were under reported. We are participating in Taituarā to improve the complaint reporting procedures.
<b>Continuity of supply and resolution of faults</b>						
Median response time for attendance for urgent call outs*	144	≤60 minutes	86.3	60	-44%	The median attendance time in Q3 was 84 min, an increase from 66 min in Q2.

Performance summary	Section 1: activity area performance		Section 2: financial performance			Appendices
Performance measure	2019/20 Result	2020/21 Target	Actual	Target	Variance	Variance explanation (where target is not met by >10%)
Median response time for resolution for urgent call outs*	18.48	≤4 hours	13.2	4	-230%	The median resolution time in Q3 was 7 hours, a decrease from 14 hours in Q2.
Median response time for attendance for non-urgent call outs*	145.92	≤36 hours	80.966	36	-125%	The response time in Q3 was 88 hours, an increase from 68 hours in Q2.
Median response time for resolution for non-urgent call outs*	9.93	≤5 days	8.39	5	-68%	The median resolution time in Q3 was 9 days, an increase from 7 days in Q2.
Water supply interruptions (measured as customer hours)	0.35	<2	0.41	1.5	73%	Forecast to meet this target at year end.
<b>2.4 Waste water</b>						
<b>Compliance &lt; sustainability</b>						
Dry weather wastewater overflows, expressed per 1000 connections*	10.8	0	2.96	0	-100%	We continue to observe sewerage overflows caused by fat and sanitary product blockages, deteriorating pipes and tree root intrusions across the region. Active replacement of vulnerable pipes through the Preventative Maintenance Program and a prompt response to the reported incidents remain our primary methods to manage the sewerage overflows.
<b>Continuity of service and resolution of faults</b>						
Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)	0.65	≤0.8	0.405	0.6	33%	Ahead of target
Median response time for wastewater overflows* (attendance time)	2.16	≤60 minutes	98.35	60	-64%	The overall demand for reactive repairs across the region continued to increase over the summer quarter. In Wellington City, the number of customer service requests in Q3 increased by 3% compared to Q2. Leaking pipes and tobies remain the most prevalent issues across the city, accounting for over 76% of the Water Supply jobs. Drainage blockages and overflows accounted for almost half of the Wastewater Network jobs. WWL frontline staff are being stretched with the overall increased workload. WWL has improved its triaging process with a focus on the balance between customer expectations and network priorities. We have implemented a QA process to ensure the data collection is accurate. The median attendance time in Q3 was 102 min, an increase from 96 min in Q2.

Performance summary	Section 1: activity area performance		Section 2: financial performance			Appendices
Performance measure	2019/20 Result	2020/21 Target	Actual	Target	Variance	Variance explanation (where target is not met by >10%)
Median response time for wastewater overflows* (resolution time)	14.4	≤6 hours	23.23	6	-287%	The median resolution time in Q3 was 21 hours, a decrease from 27 hours in Q2.
<b>Meeting customer expectations</b>						
Number of complaints about the wastewater odour, system faults, blockages, and supplier responsiveness, expressed per 1000 connections*	17.18	<30/1000	16.13	23	28%	Last year, customer complaints reported to WWL by the Council's contact centre were under reported. We are participating in Taituarā to improve the complaint reporting procedures.
<b>2.5 Storm water</b>						
<b>Continuity of service and resolution of faults</b>						
Number of flooding events*	0	≤5 events	2	3.75	47%	No large flooding events occurred this quarter.
Number of pipeline blockages per km of pipeline	0.2	≤0.5	0.04	0.375	89%	Ahead of target.
Number of habitable floors per 1000 connected homes per flooding event*	0	<0.14	0.03	0.12	75%	No large flooding events occurred this quarter.
<b>Meeting customer expectations</b>						
Number of complaints about stormwater system performance per 1000 connections*	11.42	<20/1000	10.59	10	-6%	Last year, customer complaints reported to WWL by the Council's contact centre were under reported. We are participating with Taituarā (SOLGM) to improve the complaint reporting procedures.
<b>2.6 Conservation attractions</b>						
<b>Wellington Zoo</b>						
Wellington Zoo - Education visitors	8,058	20,000	16,531	15,000	10.2%	Zoo led Conservation education programmes and student self-guided visits. Its annual target is set to 20,000.
<b>Zealandia</b>						
Zealandia - Number of Visitors	143,367	70,000	156,377	55,862	180%	Visitation to ZEALANDIA over the summer period has tracked above budget. However, average spend per visitor has been lower than anticipated with lower uptake of tours and lower spend in the retail store.
Zealandia - Number of Education visits	8,051	9,000	9,105	6,716	34%	The full year target has been achieved year-to-date. Actual visitation is much stronger than expected. Education visits are also included in total visitor numbers.
Zealandia - Number of Individual memberships	14,021	11,200	18,502	11,200	65%	Zealandia's membership continues to grow strongly and visits from members increased by 25% to 10,724 visits in the March 2021 quarter.

\* Mandatory measures

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## Whanaketanga ōhanga | Economic development

**Aim:** Support city promotions, events and attractions, to enhance Wellington's reputation as a great place to live and visit.

**Key groups of activities:** City promotions and business support

There is a total of nine non-financial performance measures in this activity area. Six are only reported annually (of these, three are mandatory measures required by statute), and four are reported quarterly.

### Quarter 3 performance and budget overview

The overall operating budget was on target and the capital budget was underspent by 87%

Non-financial performance		Financial performance against budget (\$000s)						
		Year to date (\$000s)		Full Year (\$000s)		Comment		
		Actual	Budget	Actual	Forecast		Budget	
Target not met by >10%	0							
Target met - within +/-10% of target	4							
Target exceeded by >10% target	0							
Not applicable	1							
		Revenue	(4,805)	(11,458)	(6,653)	(5,960)	(15,277)	58% unfavourable due to COVID-19 impacts on Venue's revenues.
		Expenditure	23,562	30,282	6,720	31,206	40,212	22% favourable due to lower operating costs with the lack of Venues events tied to COVID-19. Grants payments in the Events fund are above budget mainly due payments being ahead of schedule.
		<b>Net operating expenditure</b>	<b>18,757</b>	<b>18,824</b>	<b>67</b>	<b>25,246</b>	<b>24,935</b>	Immaterial net variance.
		<b>Capital expenditure</b>	<b>1,542</b>	<b>12,181</b>	<b>10,639</b>	<b>3,961</b>	<b>16,241</b>	87% under budget, chiefly on the St James Theatre where earthquake strengthening will need to be completed before other renewal work can commence.

### What we did

**Underway:**

- Early engagement was completed with Wellington's economic sectors to inform the development of a new Wellington City Economic Strategy

**WellingtonNZ**

- A new regional economic strategy is being delivered, and background information gathering on that project also commenced.

**Completed:**

- Engaged with 3,131 Wellington Businesses YTD across WellingtonNZ's interventions.

- *Live in WLG* summer events marketing campaign supported ticket sales to *Six60*, *World of WearableArt-Up Close*, *Van Gogh Alive Synthony*, *Crowded House*, *Sol3 Mio*, *Bill Bailey*, *Yotam Ottolenghi*, and *Jersey Boys*.
- Hosting of *Van Gogh Alive* in the TSB Arena, Orchestra Wellington's *A Superhero Experience*, 35 business events, 31 Venues Wellington performance events; and large-scale community events, including annual *Chinese New Year celebrations*, *He Tangata*, *Out in the City*, and the biggest *Homegrown* to date.



Performance summary	<b>Section 1: activity area performance</b>	Section 2: financial performance	Appendices
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### **Economic & Commercial**

#### *Completed:*

- With support of the City Recovery Fund, delivered *NZ Road Cycling Championship*.
- *Marvel Superheroes in Concert*.
- *What If the City Was a Theatre?*
- *CubaDupa 2021* est. 120,000 attendees.

- *Wellington Dragon Boat Festival* (6-7 Mar): 40+ adult teams and reps from 30+ schools competing, and 10,000+ spectators attending over both days.
- *Zero Carbon Challenge* (Feb/March 2021).

#### **COVID impacts**

- WellingtonNZ international visitors through WIAL KPI will not be met.

## **Detailed quarter performance by exception**

The following budget item(s) and performance measure(s) below are those with a result for the quarter that is greater than 10% of target or within 10% / \$500k of budget. Variances greater than 10% can indicate (for example) underutilised resources, insufficient capacity etc.

### **Financial performance by exception**

Refer commentary in the table above.

### **Performance measures (KPIs) by exception**

No performance exceptions to report this quarter.

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## Oranga ahurea | Cultural wellbeing

**Aim:** Support arts activity that adds vibrancy to the city; promote inclusive, tolerant and strong communities.

**Key groups of activities:** Arts and cultural activities

There is a total of 13 non-financial performance measures in this activity area. Five are only reported annually (of these, three are mandatory measures required by statute), six are only reported internally (without comparison to target), and two are reported quarterly.

### Quarter 3 performance and budget overview

The overall operating budget was on target and the capital budget was underspent by 11%.

Non-financial performance		Financial performance against budget (\$000s)						
		Year to date (\$000s)		Full Year (\$000s)		Comment		
Target not met by >10%	0	Actual	Budget	Actual	Forecast		Budget	
Target met - within +/-10% of target	0							
Target exceeded by >10% target	2							
Not applicable	0							
		Revenue	(410)	(584)	(175)	(776)	(776)	30% unfavourable in the City Events area due to timing of income from the Wellington Regional Amenities Fund.
		Expenditure	16,942	17,076	134	22,176	21,909	1% favourable YTD with the City Events expenses below budget due to timing of the upcoming Sky Show and underspend on Very Welly Xmas and New Year celebrations. This is partially offset by the underwrite of the Space Place and Hannah's Playhouse. Unfavourable FY due to the underwrite of the Space Place and Hannah's Playhouse
		Net operating expenditure	16,532	16,491	(41)	21,400	21,134	Minor unfavourable variance YTD due the underwrite of the Space Place and Hannah's Playhouse. This is partially offset by the City Events expenses below budget due to timing of the upcoming Sky Show and underspend on Very Welly Xmas and New Year celebrations. Unfavourable FY due to the underwrite of the Space Place and Hannah's Playhouse.
		Capital expenditure	38,306	42,928	4,622	54,168	58,787	11% under budget on the Bond Store upgrade. This project is forecast to be under spent at year end - with the plans for the Bond Store yet to be finalised.

### What we did

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**City Arts**

*Underway:*

- Gordon Crook Textile Conservation Project.

*Completed:*

- Draft *Aho Tini 2030: Arts Culture and Creativity Strategy* targeted pre-engagement with disabled and deaf community and an indigenous arts advisory panel; Council approval for consultation; engagement plan development.
- Arts Programmes, including art on walls and international artist residencies: 14 murals in three locations, and Cuba Street traffic signal box art.
- Public Art Fund-supported projects: *Ho Sun Nian*, *Chinese New Year Zodiac Art Trail*, *Building Paper*, *PARKing Day*, *Masons Screen* video artworks (3), and an outdoor ceramic sculpture for the Terrace Tunnel park.
- Arts Funding for *Creative Communities Scheme* second round with \$107,605 provided to 31 artists or arts organisations, including \$33,000 of additional funding from Creative New Zealand COVID relief funding.

**City Events**

*Completed:*

- *Chinese New Year Festival, Island Bay Festival, Out in the City, Bowlzilla, \* Newtown Street Festival.\**
- Waterfront events, including *Wellington Wine & Food Festival, Performance Arcade, Round the Bays, Gindulgence, St. Patricks Day Parade, Homegrown, and Fried Chicken Festival.*
- *Gardens Magic, Kids Magic, Pasifika, Welly Weekend, Te Ra O Waitangi and Waitangi Whānau film night, Dragon Boat Festival,\* What if the City was a Theatre.*

\*Rescheduled due to COVID-19 Alert Level 2.

**Toi Pōneke**

*Completed:*

- Toi Pōneke Gallery exhibitions: *Slime Inheritance, Tree Museum, Tree Museum*
- Public Programmes: Open Day, Artist Talks, and performances *Acceptance* and *Superimpositions*.

**Wellington Museum Trust/Experience Wellington**

*Underway:*

- City Gallery Wellington openings: history of art exhibition *Every Artist*; solo artist show

*CREATURE* (Berlin-based artist Marianna Simnett – March); new initiative *A Curiously Good Art Club* (28 March, fully subscribed)

- Wellington Museum: *Planning for Wellington on a Good Day*

*Completed:*

- Wellington Museum events: *Women of Significance*, various Pride Month supporting events, *The Eternal Queers: New Zealand first all-queer, all-people of colour play.*
- Capital E: *The Lost Letter Office* (National Theatre for Children 2020 North Island tour at Te Papa Sounding Theatre); *Children's Day* programme (3000+ visitors and child-led performances); delivery of first of the *Baby Rock & Rhyme* programme series at PlayHQ as part of new weekly Term Time Activities in collaboration with Wellington City Libraries.
- School holiday programmes and family-friendly workshops provided over the summer period.

**COVID-19 impacts**

- Increased costs associated with COVID-19; uncertainty of alert levels (impacting event and local venue ticketed performances); and continual postponement of International Art Residencies, likely to impact for the rest of the calendar year.
- Reschedule of City Events due to COVID-19 Alert Level 2: *Bowlzilla, Newtown Street Festival, and Dragon Boat Festival.*
- Arts Funding for *Creative Communities Scheme* second round included \$33,000 of additional funding from Creative New Zealand COVID relief funding.
- Wellington Museums Trust 2020-21 targets not achieved in a COVID-19 operating environment of closed borders and no international visitors.
- Impact to Museums Wellington sites staffing due to extra precautions in COVID-19 environment, with opening hours and days of Nairn Street Cottage reduced at times to enable staff to be redeployed to busier sites, affecting visitor numbers.
- Continual postponement of International art residencies, likely for the rest of the calendar year resulting possible groups and individuals exiting the sector, leading to less gender and ethnic diversity in arts offerings, based on international evidence.

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## Detailed quarter performance by exception

The following budget item(s) and performance measure(s) below are those with a result for the quarter that is greater than 10% of target or within 10% / \$500k of budget. Variances greater than 10% can indicate (for example) underutilised resources, insufficient capacity etc.

### Financial performance by exception

Refer commentary in the table above.

### Performance measures (KPIs) by exception

Performance measure	2019/20 Result	2020/21 Target	Actual	Target	Variance	Variance explanation (where target is not met by >10%)
<b>4.1 Arts and cultural activities</b>						
<b>Funding success</b>						
Grant outcomes (%) achieved (through funded outcomes – four out of five - being met) - Arts and Culture Fund	91%	80%	89%	80%	12%	Arts and Culture Fund has achieved 89% for grants outcomes, 19 submitted 17 over 80% (4 out of 5). Officers were satisfied with quality and information provided by organisations in their reporting on grants in Q3.
<b>Wellington Museums Trust – utilisation</b>						
Total visitors Museums Trust	535,421	261,700	294,517	190,750	54%	Tracking well against a conservative target based on a COVID-19 operating environment of closed borders and no international visitors. Q3 recorded 294,517 visitors (a 113% of the 2020-21 annual target). This is mostly contributed by City Gallery Wellington events such as Open Late, Wellington Museum visitor numbers tracking well, assisted by venues hire and a vibrant programme of events, Capital E school bookings, PlayHQ and high attendance to Children's Day and Cable Car Museum. This is partially offset by Space Place and Nairn Street Cottage which is at times on reduced hours.

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## Kaupapa pāpori me ngā mahi a rēhia | Social and recreation

**Aim:** Provide a wide range of services throughout the city to encourage quality of life and healthy lifestyles.

**Key groups of activities:** Public Recreation promotion and support; Community support health and safety.

There is a total of 68 non-financial performance measures in this activity area. 29 are only reported annually (of these, three are mandatory measures required by statute), 12 measures are only reported internally (without comparison to target), and 27 measures are reported quarterly.

### Quarter 3 performance and budget overview

The overall operating budget was 16% favourable and the capital budget was underspent by 61%.

Non-financial performance		Financial performance against budget (\$000s)						
		Year to date (\$000s)		Full Year (\$000s)		Comment		
Target not met by >10%	7	Actual	Budget	Actual	Forecast		Budget	
Target met - within +/-10% of target	9	Revenue	(34,514)	(29,642)	4,872	(42,798)	(39,786)	16% favourable due to higher than expected revenue, noting budgets were reduced to recognise the likely impact of COVID-19.
Target exceeded by >10% target	9	Expenditure	94,806	101,246	6,441	132,129	133,470	6% favourable due to lower than planned Facilities Maintenance costs and due to operational changes with regards to the closure of Keith Spry pool.
Not applicable	3	Net operating expenditure	60,292	71,604	11,312	89,331	93,685	16% favourable as revenue is above budget, noting budgets were reduced to recognise the likely impact of COVID-19. Expenses are favourable due to lower than planned Facilities Maintenance costs and operational changes with regards to the closure of Keith Spry pool for planned maintenance.
		Capital expenditure	12,523	32,151	19,628	23,922	40,506	61% under budget primarily due to the re-phasing of the Basin Reserve (due to the availability of contracted services), Social Housing (on hold while the financial sustainability is addressed) and Community Halls programmes of works.

### What we did

#### Parks, Sport and Recreation

##### Underway:

- *Shift Social Sport Series* aimed at providing fun, accessible opportunities for young women to participate in sport.

##### Completed:

- 6 *Play Day* events, with support of 5 further Community-led *Play Days* across the City.
- *Welly Walks Campaign*, focussed on discovering local trails and showcasing local trail champions.
- Cummings Park playground renewal design.

Performance summary	Section 1: activity area performance	Section 2: financial performance	Appendices
<ul style="list-style-type: none"> <li>Finalisation of playground design for Shorland Park.</li> <li>Designs for Nuku Street, Elizabeth Street and Pembroke Road playgrounds, with works tendered.</li> <li>Opening of <i>Waiora</i> Sport and Community Hub at Alex Moore Park.</li> <li>Addition of 3 new Leisure Card Partners, taking our total number of partner organisations to 30.</li> <li>External funding secured to deliver women's-only swimming session at the Wellington Region Aquatic Centre.</li> <li>Key events hosted by ASB Sports Centre: <i>Ra Haka 2021 Kapa Haka event</i>; <i>Basketball NZ U19 Trials</i>; <i>College Sport Wellington Senior Regional Volleyball Champs</i>, <i>College Sport Wellington Regional Futsal Champs</i>; <i>NZ Secondary School Futsal Champs</i>, <i>NZ Secondary Schools Floorball Champs</i>.</li> </ul> <p><b>Basin Reserve Trust</b></p> <ul style="list-style-type: none"> <li>Events hosted: <i>Super Smash Grand Final Double Header</i>, <i>Blackcaps v Bangladesh ODI</i>, <i>Peachy Keen</i> concert.</li> </ul> <p><b>Libraries</b></p> <ul style="list-style-type: none"> <li>Consulted on <i>Te Matapihi</i> futures vision.</li> <li>72,538 visits to Johnsonville Library at Waitohi, continuing as our busiest branch.</li> </ul> <p><b>Community Centres</b></p> <p><i>Underway:</i></p> <ul style="list-style-type: none"> <li>Linden Community Centre <i>Weekly Kai Kitchen</i> feeding 30-50 people per week, and Citizen's Advice Bureau offering weekly service.</li> <li>Newlands Community Centre: Lunch and services offered by Downtown Community Ministry/DCM.</li> </ul> <p><i>Completed:</i></p> <ul style="list-style-type: none"> <li>Linden Community Centre: <i>Play Day</i> and <i>Neighbours Day</i> (approx. 200 people each event).</li> </ul> <p><b>City Housing</b></p> <p><i>Underway:</i></p> <ul style="list-style-type: none"> <li>Tenancies for Te Kāinga Aroha (39 of 52 units tenanted).</li> <li>Onsite preparation work for Harrison Street.</li> <li>New initiatives: seniors' games nights (Pukehinau), Somali school holiday programme (Te Ara Hou), women's group (Newtown Park), Tai Chi group (Central Park), youth group (restarted at Rintoul after stopping before lockdown last year).</li> </ul>	<ul style="list-style-type: none"> <li>Tenancy Reviews, including confirmation of contact information, updated income and asset information for all our tenants.</li> <li>Harrison Street detailed design, by the Build Wellington team in conjunction with City Housing.</li> <li>Planning for a Matariki celebration for all tenants at Central Park, led by Māori tenant volunteers.</li> </ul> <p><i>Completed:</i></p> <ul style="list-style-type: none"> <li>Processing of 140+ applications for Te Kāinga Aroha tenancies.</li> <li>Completion of MBIE Tenancy Services audit of CH Tenancy operations, with positive feedback.</li> <li>Events (all with very large turnouts): <i>Chinese New Year</i>, <i>Children's Day</i>, <i>Neighbours Day</i>.</li> <li>Community hui led by City Housing Manager with business unit partners across Council, generating 9 streams of potential projects for us to work better together to offer more services to our tenants.</li> <li>Tenant newsletter sent via email (Feb), and also made available via the website and hard copy in the community rooms.</li> </ul> <p><b>Community Support</b></p> <p><i>Underway:</i></p> <ul style="list-style-type: none"> <li>Safety improvements to Te Aro Park.</li> <li>Securing Saturday nights funding for Take 10's safety zone on Courtenay Place.</li> <li>Hospitality sector staff training and messaging.</li> <li>Improving access to support services for affected by sexual assault in the city.</li> <li>Community centre upgrades for Aro Valley, Newtown and Strathmore all on track.</li> </ul> <p><i>Completed:</i></p> <ul style="list-style-type: none"> <li><i>Neighbours Day</i>, with 34 public community events and Council programmes across the city, in collaboration with libraries and 9 community groups to deliver Growing Neighbourhood.</li> <li>0-week harm reduction <i>Know Your Limit</i> campaign, to raise awareness of the alcohol ban for new students and share sexual violence prevention messaging, in partnership with Police.</li> <li>Funding contracts for one year extended to 36 organisations.</li> <li>5 additional CCTV cameras added to City Safety CCTV.</li> </ul> <p><b>COVID-19 Impacts:</b></p> <ul style="list-style-type: none"> <li>Reduced events and participation at parks facilities, particularly ASB Sports Centre, due to</li> </ul>		

Performance summary	<b>Section 1: activity area performance</b>	Section 2: financial performance	Appendices
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- changing COVID alert levels. Some events have been cancelled, with restrictions on numbers (both participants and spectators).
- COVID Level 2 restrictions have resulted in fewer visitors to Libraries.

- Library programming not run during COVID level 2 restrictions, impacting year end KPIs for visitors and event attendees.
- Slow return for regular booked activities at Community Centres resulting from Level 2. Some groups have discontinued.

## Detailed quarter performance by exception

The following budget item(s) and performance measure(s) below are those with a result for the quarter that is greater than 10% of target or within 10% / \$500k of budget. Variances greater than 10% can indicate (for example) underutilised resources, insufficient capacity etc.

### Financial performance by exception

Operating expenditure by exception (>10% / \$500k off budget)					
Activity	Year to date (\$000s)			Full year (\$000s)	
	Actual	Budget	Variance	Forecast	Budget
5.1 Recreation Promotion & Support	23,258	27,429	4,170	34,778	36,230
<p><b>Underspend:</b> Expenditure 6% favourable YTD largely due to operational changes with regards to the closure of Keith Spry pool for scheduled maintenance.</p> <p><b>Over-achieved:</b> Revenue 31% favourable with higher than expected revenue, noting budgets were reduced to recognise the likely impact of COVID-19.</p>					
5.2 Community Support	26,853	33,013	6,160	40,289	42,588
<p><b>Underspend:</b> Expenditure 8% favourable predominantly due to lower than budgeted spend in the FM and depreciation space.</p> <p><b>Over-achieved:</b> Revenue 10% favourable mainly due to Te Mara rent being ahead of budget.</p>					
5.3 Public Health and Safety	10,180	11,162	982	14,263	14,867
<p><b>Over-achieved:</b> Revenue 30% favourable, noting budgets were reduced to recognise the likely impact of Covid-19.</p>					

Capital expenditure by exception (>10% / \$500k off budget)					
Activity	Year to date (\$000s)			Full year (\$000s)	
	Actual	Budget	Variance	Forecast	Budget
5.1 Recreation Promotion & Support	3,882	8,885	5,003	9,461	12,197
<p><b>Underspend:</b> 56% under budget mainly due to the re-phasing of the Basin Reserve (due to the availability of contracted services), which is now likely to be completed in 2021/22.</p>					
5.2 Community Support	4,465	18,466	14,001	8,896	22,398
<p><b>Underspend:</b> 76% under budget primarily due to the re-phasing of the Social Housing (on hold while the financial sustainability is addressed) and Community Halls programmes of works.</p>					
5.3 Public Health and Safety	4,174	4,800	626	5,565	5,911
<p><b>Underspend:</b> 13% under budget mainly in the Alex Moore Park project.</p>					

### Performance measures (KPIs) by exception

Performance measure	2019/20 Result	2020/21 Target	Actual	Target	Variance	Variance explanation (where target is not met by >10%)
<b>5.1 Recreation promotion &amp; support</b>						
<b>Utilisation</b>						
Artificial sports-field (%) utilisation - peak winter	84%	80%	59%	80%	-26%	Annual result due to COVID and restrictions on sports bookings. Target met June/July/August but not April/May during lockdown
Artificial sports-field (%) utilisation - off-peak winter	14%	25%	8%	25%	-68%	Annual result due to covid and restrictions on sports bookings. Average 12% during June/ July/

Performance summary	Section 1: activity area performance		Section 2: financial performance		Appendices	
Performance measure	2019/20 Result	2020/21 Target	Actual	Target	Variance	Variance explanation (where target is not met by >10%)
						August and no use in April/ May during lockdown.
Recreation centre visits (including ASB Sports Centre)	898,310	1,165,000	751,611	840,535	-11%	Q3 quieter than expected. Impact from changing Covid levels continues to impact events, tournaments & leagues. Especially where it has impacted on number of teams and no spectators (mainly in February).
Number of uses of Leisure Card	94,429	148,000	70,908	111,000	-36%	As per previous quarters, new booking system records Leisure Card use in a different way.
Berhampore Golf course users	2,859	1,770	3,239	1,770	83%	Great 3rd quarter. Lot of weekend play and disc golf continues to be very popular.
<b>Basin Reserve Trust</b>						
Basin Reserve - Total event days (excluding practice days and functions)	67	73	62	36	72%	Exceeds target with most of the domestic and international cricket fixtures scheduled in the quarter - 4 regular season Super Smash (T20 competition) doubleheader games for the Firebirds and the Blaze, Firebirds playing 4 Ford Trophy fixtures, the Blaze concluding the Hallyburton Johnstone Shield season with a round against Otago, and Firebirds playing final round of the Plunket Shield. The Super Smash Grand Final Double Header achieved a record NZ domestic crowd of 5,545. This is partially offset by Covid-19 impacts on the T20 international fixtures for the Blackcaps and White Ferns, winter sports starting in May and community events.
Basin Reserve - Number of function days	72	15	77	15	413%	Exceeded annual target mostly due to the NZ Blood Services venue use.
Basin Reserve - Practice facility usage days	73	100	111	100	11%	Exceeded annual target year-to-date with games rescheduled at Sky Stadium and the Basin Reserve utilised as a training venue for all four teams.
<b>5.2 Community support</b>						
<b>Libraries utilisation</b>						
Library items issued (e-library)	639,203	340,000	503,416	255,000	97%	Increasing demand for e-library collection access due to general publishing trends (covid also introduced more people to e-library collections).
Library physical visits	1,408,860	2,400,000	1,259,663	1,800,000	-30%	Promoting in library events and activities, or collection items is a key focus of our online services; target needs to be revised to be in step with current operating model.



Performance summary		Section 1: activity area performance		Section 2: financial performance		Appendices
Performance measure	2019/20 Result	2020/21 Target	Actual	Target	Variance	Variance explanation (where target is not met by >10%)
Library website visits	3,935,427	3,300,000	4,383,899	2,475,000	77%	Increased customer demand for online services.
<b>Libraries affordability</b>						
Cost to the ratepayer per library transaction	\$3.53	Baseline	\$2.71	<\$3.53	23%	Transactions have remained stable. Setup costs for transitional CBD branches were incurred in the last year and first quarter which are now operating as BAU.
<b>Community centres utilisation</b>						
Occupancy (%) of Council community centres and halls	34%	45%	29%	45%	-36%	Third quarter reflects quiet January as usual. Changes in COVID level caused cancellations later in quarter. CC's starting to see build up in business again. Wadestown at less than 2% occupancy.
<b>Funding success</b>						
Grants outcomes (%) achieved (through funded outcomes – four out of five – being met) - Social and Recreation Fund	90%	80%	100%	80%	25%	Social and Recreation Fund has achieved 100% for grants outcomes, 9 submitted accountabilities with all 9 over 80% (4 out of 5). Officers were satisfied with quality and information provided by organisations in their reporting on grants in Q3.
<b>5.3 Public health and safety</b>						
<b>Compliance</b>						
Food registrations - premises (%) inspected within Food Act regulation required timeframes (new business and existing businesses)	20%	100%	36%	100%	-64%	The team did 203 verifications with 44 (22%) of them being completed within target timeframes. The reasons for this are due primarily to (1) Backlog of verifications as a result of COVID19 lockdowns during 2020 and 2 staff departures during December 2020 and January 2021; (2) Period of nonproductivity in respect of verifications when new staff start to when they are able to verify independently; (3) As a result the backlog has increased slightly compared to previous quarter.
<b>Timeliness</b>						
Graffiti removal – response time frames (%) met	84%	80%	92%	80%	15%	Ongoing positive relationship management with partners who manage graffiti on their own assets such as NZ Post, various banks, and charities who use clothing bins. Also with construction companies aiming at preventing graffiti on construction hoardings.

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## Tāone tupu ora | Urban development

**Aim:** Embrace Wellington as a compact, vibrant, attractive and safe city that is built on a human scale and is easy to navigate

**Key groups of activities:** Urban planning, heritage and public spaces development; Building and development control

There is a total of 20 non-financial performance measures in this activity area. 12 are only reported annually (of these, three are mandatory measures required by statute), and eight measures are reported quarterly.

### Quarter 3 performance and budget overview

The overall operating budget was 7% favourable and the capital budget was underspent by 21%.

Non-financial performance		Financial performance against budget (\$000s)						
		Year to date (\$000s)		Full Year (\$000s)		Comment		
		Actual	Budget	Actual	Forecast		Budget	
Target not met by >10%	3							
Target met - within +/-10% of target	5							
Target exceeded by >10% target	0							
Not applicable	0							
		Revenue	(10,543)	(8,640)	1,903	(14,376)	(11,149)	22% favourable revenue in Consents, noting budgets were reduced to recognise the likely impact of COVID-19. Building consent volumes are higher than for the corresponding time last year.
		Expenditure	29,343	28,773	(570)	40,221	38,220	2% unfavourable due to higher than planned District Plan programme costs.
		<b>Net operating expenditure</b>	<b>18,800</b>	<b>20,133</b>	<b>1,333</b>	<b>25,845</b>	<b>27,071</b>	7% favourable as revenue is above budget in Consents, noting budgets were reduced to recognise the likely impact of COVID-19. Building consent volumes are higher than for the corresponding time last year. This is offset by higher than planned District Plan costs.
		<b>Capital expenditure</b>	<b>30,863</b>	<b>39,009</b>	<b>8,146</b>	<b>54,214</b>	<b>53,928</b>	21% under budget due to delays on Frank Kitts Park playground and North Lambton Quay project (part of the Central City Framework) where this will be aligned with the LGWM Golden Mile work stream, Suburban Centre upgrades and the Housing Investment Programme.

### What we did

Urban design and public spaces development



**Underway:**

- New draft Design Guides for draft District Plan.
- Spatial Plan: Framework development (Stage 1) of the *Your Place* Project, development of the *Green Network Plan*.
- Cable Car Lane Canopy nearly complete, with Code of Compliance underway.
- Detailed design of Swan & Garrett nearing completion.
- Kaori town centre upgrade Business Case under development.
- Innovating Streets Parklets installed in the Central City and Newtown.

**Completed:**

- Tawa plaza upgrade post-construction evaluation complete and shared with stakeholders.
- MOU agreement between WCC and Comerstone (developer) for Farmers Lane public tactical urbanism space upgrade.
- Record number of Resource Consent applications assessments (138 total applications/pre-applications), with 1,209 new residential units proposed.

**Urban Development / Planning for Growth**

**Underway:**

- Incorporation of consultation feed back into the spatial plan.
- Drafting of the district plan.

**Completed:**

- Submissions summaries for draft Spatial Plan.
- Nancy Northcroft Supreme Planning award received by The Place Planning Team for their work on *Planning for Residential Amenity*.

**Heritage (City Design and Place Planning)**

**Underway:**

- District Plan review of the heritage chapters commenced
- With The Place Planning team, consulting 380 owners of 76 proposed places and objects for District Plan Review. Includes 58 individual buildings, 10 new heritage areas, 4 heritage

objects and 4 amendments to existing scheduled buildings and areas.

- Continued advice on Council policies, including *Cemeteries Management Plan*, *Let's Get Wellington Moving* and *Planning for Growth*.

**Completed:**

- Specialist advice for Council projects: *Central Library*, *Oriental Parade Seawall*, *Embassy Theatre* and *St James Theatre*.
- Over 220 hours input by heritage advisors on at least 60 service requests for pre-application meetings and resource consent applications.

**Building Consents and Compliance**

**Underway:**

- IANZ accreditation assessment.

**Completed:**

- BCC customer survey
- Move to digital-only applications for Building Consents (from 1 April 2021).
- First quarterly BBC *Korero* bulletin launched (March), with positive initial feedback from stakeholders.

**Resource Consents**

**Underway:**

- Processed consent for 30 units at 166 and 170 Queens Drive/175-199 Sutherland Road.

**Completed:**

- Approved (non-notified) for the 7-unit development at 18 Inglis Street.
- Decision made to proceed on non-notified basis for social housing development at 40-46 Frederick Street/129-133 Taranaki Street.
- Publicly notified a proposed farm park at 252 Takarau Gorge Road, with 61 submissions received.

**COVID-19 Impacts**

- No impact to resource consent applications due to COVID.
- Return to average historical levels for demand-driven activity in building consent volumes, following April/May 2020 COVID-related dip.

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## Detailed quarter performance by exception

The following budget item(s) and performance measure(s) below are those with a result for the quarter that is greater than 10% of target or within 10% / \$500k of budget. Variances greater than 10% can indicate (for example) underutilised resources, insufficient capacity etc.

### Financial performance by exception

Operating expenditure by exception (> 10% / \$500k off budget)					
Activity	Year to date (\$000s)			Full year (\$000s)	
	Actual	Budget	Variance	Forecast	Budget
6.1 Urban planning and Policy	9,091	7,559	(1,532)	12,021	10,054
<p><b>Overspend:</b> Expenditure 12% unfavourable due to higher than planned District Plan programme costs. These are in part offset by lower costs in the Strategic Housing Investment Programme.</p> <p><b>Under-achieved:</b> Revenue 73% (\$0.6m) unfavourable due to tenants moving into the Te Kainga Strategic Housing Investment Programme accommodation (apartment conversions) later than planned.</p>					
6.2 Building & Development Control	9,709	12,574	2,865	13,824	17,016
<p><b>Over-achieved:</b> Revenue 31% favourable in Building Consents by \$2.2m and in Resource Consents by \$0.3m noting budgets were reduced to recognise the likely impact of Covid-19. Volumes are higher than at the corresponding time last year.</p>					

Capital expenditure by exception (>10% / \$500k off budget)					
Activity	Year to date (\$000s)			Full year (\$000s)	
	Actual	Budget	Variance	Forecast	Budget
6.1 Urban planning and Policy	1,753	11,678	9,925	3,105	17,486
<p><b>Underspend:</b> 85% under budget due to delays on Frank Kitts Park playground and North Lambton Quay project (part of the Central City Framework) where this will be aligned with the LGWM Golden Mile work stream, Suburban Centre upgrades and the Housing Investment Programme. All of these areas are forecasting to under spend.</p>					
6.2 Building and Development	29,111	27,332	(1,779)	51,109	36,442
<p><b>Overspend:</b> Over budget 7% YTD and 40% FY due to earthquake strengthening on both the St James theatre and the Town Hall.</p>					

### Performance measures (KPIs) by exception

Performance measure	2019/20 Result	2020/21 Target	Actual	Target	Variance	Variance explanation (where target is not met by >10%)
<b>6.2 Building and development</b>						
<b>Timeliness</b>						
Building consents (%) issued within 20 working days	79%	100%	89%	100%	-11%	The last 3 months have seen good progress towards reaching 95% by Q4 with 93%, 90% and 92% in each month.
Land Information Memorandums (LIMs) (%) issued within 10 working days	85%	100%	52%	100%	-48%	An all-time high in numbers of LIMS received in February and March. there was a significant improvement in performance as a result of employing additional resource.
Resource consents (non-notified) (%) issued within statutory time frames	92.53%	100%	87%	100%	-13%	Resource consent request demand continues to increase. Currently 3 vacancies mean the ability to process consents within statutory timeframes is unachievable. We have filled these vacancies, but the new team members don't start until mid-May and June, so timeframe will not be achieved before year end.

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## Waka | Transport

**Aim:** Manage the transport network so it's sustainable, safe and efficient

**Key groups of activities:** Transport, Parking

There is a total of 36 non-financial performance measures in this activity area. 26 are only reported annually (of these, three are mandatory measures required by statute), four are only reported internally, and six are reported quarterly.

### Quarter 3 performance and budget overview

The overall operating budget was 27% favourable and the capital budget was underspent by 36%.

Non-financial performance	Financial performance against budget (\$000s)							
		Year to date (\$000s)		Full Year (\$000s)		Comment		
		Actual	Budget	Actual	Forecast		Budget	
Target not met by >10%	1							
Target met – within +/-10% of target	3							
Target exceeded by >10% target	1							
Not applicable	2							
		Revenue	(29,836)	(27,109)	2,727	(42,867)	(38,546)	10% favourable owing to Parking revenue being above budget, noting budgets were reduced to recognise the likely impact of COVID-19. This is partially offset by lower than expected NZTA subsidies for opex.
		Expenditure	62,509	71,997	9,488	91,997	95,822	13% favourable due to delays on contract costs tied with LGWM, savings made in street cleaning and road maintenance costs and a delay on the Ngauranga to Petone cycleway.
		Net operating expenditure	32,673	44,887	12,215	49,130	57,276	27% favourable as expenses are under budget through delays on contract costs tied with LGWM, savings made in street cleaning and road maintenance costs and a delay on the Ngauranga to Petone cycleway. Revenue is above budget, noting budgets were reduced to recognise the likely impact of COVID-19.
		Capital expenditure	41,358	64,304	22,946	62,492	88,757	36% under budget on a number of projects. There has been minimal spend on LGWM projects and lower expenditure on the LED Streetlights programme which are contributing to the current position and forecast under spend. The Cycling programme is also forecast to be under budget.

### What we did

#### Cycleways

##### Underway:

- Construction on Miramar cutting and Evan's Bay Stage 1/part 4.
- Early targeted engagement with local businesses as part of Evan's Bay Stage 2 - Niwa to Cobham Drive works.
- LTP 21-31 planning across the CDPP and T&I business units.

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**Completed:**

- Cobham Drive Cycleway with Ministerial Opening (March).

**Transport and Infrastructure**

**Underway:**

- Projects: *Infill Street lighting* (Miramar 60% complete/Tawa 20% complete), *Lambton interchange toilets upgrade*.
- Visiting of residents' associations and community boards to share our road maintenance delivery processes.
- Launch of New Pedestrian safety campaign (Feb).

**Completed:**

- Pedestrian access on Victoria Street Footpath, *Esplanade Crossing Improvements*.
- Repaired 2,819 Street signs.
- Replaced 1.2km of handrails.
- Installed and repaired 201 Seats, 65 Litter Bins, 12 Cycle Racks and 12 Bollards.
- Achieved 76% of the Structures renewal and strengthening programme.
- Approved 661 Traffic Management Plans (TMPs).
- Near completion of Great Harbour Way/Te Ara Tupua cycling/walking path, from Oriental Bay to the Miramar cutting.

**Cable Car**

**Completed:**

- Hosted 12+ performances of *'What If the City Was a Theatre?'*

- Sold 462 tickets to *Take a Red Rocket to Space* combo.

**Parking Services**

**Underway:**

- Public consultation for proposed changes to the 2021/22 parking activity, as part of the LTP.
- Continued work to ensure implementation readiness for proposed changes to the 2021/22 parking activity.
- Preparations to transfer management of waterfront parking to Parking Services, including payment for paid parking and general enforcement services.
- Preparations with Council's Transport and Safer City teams for Q4 trial of alternative arrangements to the flow of public transport through Courtenay Place.
- Continued review and changes to how we operate to ensure service provision and staff safety, due to continued increase in number and overall severity of on-street incidents

**Completed:**

- Provided parking enforcement services at Newtown Fair, Cuba Dupa, Round the Bays and several other events.

**COVID-19 impacts**

- Cable Car continues to struggle with lack of passengers due to closed international borders and no cruise ships.
- Parking occupancy and revenue have returned to pre-COVID levels.

## Detailed quarter performance by exception

The following budget item(s) and performance measure(s) below are those with a result for the quarter that is greater than 10% of target or within 10% of budget. Variances greater than 10% can indicate (for example) underutilised resources, insufficient capacity etc.

### Financial performance by exception

Operating expenditure by exception (>10% / \$500k off budget)					
Activity	Year to date (\$000s)			Full year (\$000s)	
	Actual	Budget	Variance	Forecast	Budget
7.1 Transport	44,367	52,238	7,871	64,219	69,122
<p><b>Underspend:</b> Expenditure 15% favourable through delays on contract costs tied with LGWM, lower depreciation and road maintenance costs and a delay on the Ngauranga to Petone cycleway.</p> <p><b>Under-achieved:</b> Revenue 11% unfavourable due to lower than planned NZTA subsidies. Offsetting this to some extent are higher than planned pedestrian, bus shelter and bollard advertising revenue.</p>					
7.2 Parking	(11,695)	(7,351)	4,344	(15,089)	(11,846)
<p><b>Underspend:</b> Expenditure 7% favourable YTD due lower than budgeted personnel, contracts costs and general expenses.</p>					

Performance summary	<b>Section 1: activity area performance</b>	Section 2: financial performance	Appendices
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**Over-achieved:** Revenue 17% favourable noting budgets were reduced to recognise the likely impact of COVID-19.

Capital expenditure by exception (>10% / \$500k off budget)					
Activity	Year to date (\$000s)			Full year (\$000s)	
	Actual	Budget	Variance	Forecast	Budget
7.1 Transport	41,229	63,830	22,600	61,935	88,125
<b>Underspend:</b> 35% under budget on a number of projects. There has been minimal spend on LGWM projects and lower expenditure on the LED Streetlights programme which are contributing to the current position and forecast under spend. The Cycling programme is also forecast to be under budget.					
7.2 Parking	127	474	347	555	632
<b>Underspend:</b> 73% under budget due to re-prioritisation of capex programme.					

**Performance measures (KPIs) by exception**

Performance measure	2019/20 result	2020/21 target	Actual	Target	Variance	Variance explanation (where target is not met by >10%)
<b>7.1 Transport network</b>						
<b>Wellington Cable Car Limited</b>						
Cable Car - Total passenger trips	862,487	516,957	417,137	353,462	18%	Visitation was strong in January, but slowed down when kids returned to school in February. Also Auckland and Wellington returned to alert levels three and two, respectively, on 28 February to 7 March. The shutdown impacted visitation.
<b>7.2 Parking</b>						
<b>Availability</b>						
City parking occupancy during weekends (08:00-18:00)	42%	50-70%	49%	50-70%	-100%	Occupancy is low on weekends but is trending upwards, a further increase of 1% on the cumulative quarterly total.

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## Section Two: Financial performance

### Summary

#### **Net Operational Result**

The Quarter 3 year-to-date result shows Operational Revenue at \$0.9m under budget (0%) and Operating Expenditure \$34.3m (8%) lower than budget (underspent) YTD March, creating a \$33.6m favourable net position YTD.

The year-end forecast is expected to result in a deficit of \$30.7m, \$22.5m less than the budget. The Budget already includes \$7.4m of savings to reduce rates funding after COVID-19 impacts.

#### **Operating Expenditure**

At the end of March, operating expenditure is showing a favourable variance to budget of \$34.3m.

- Contracts, Services & Materials are \$27.5m (16%) favourable. Under spending is occurring across several business units, but particularly in the following areas:
  - Smart Council is \$5.6m favourable to budget. Since establishing the budget, Smart Council has undergone a transition to a new operating model, resulting in reduced expenses balanced by reduced revenue.
  - Economic and Commercial \$5.8 predominantly due to the COVID impact of Venues;
  - Finance and Business \$2.9m largely due to the timing of grants payments; and
  - City Transport \$4.0m which is mostly due to lower street cleaning, road maintenance and road marking spend.
- Depreciation is \$4.4m (4%) favourable due to delays in the overall capex programme.

#### **Capital Expenditure**

Capital Expenditure shows an underspend of \$83.2m, a 31% variance to target. The major variances are occurring in the St James theatre strengthening, Basin Reserve, Bond Store, Community Halls, Te Ngakau programmes of works and parts of the Transport and Property programmes. Social Housing upgrades being on hold while the financial sustainability is addressed. The Kilbirnie Stage 2 project delayed as it is under review due to a Councillor resolution.

The year-end forecast has been updated to underspend the revised budget by \$74.5m or 21%. The revised budget includes \$62m of extra capital expenditure, mainly due to underspent funds in 2019/20 being carried forward.



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## Consolidated financial performance 1 July 2020 - 31 March 2021

This section details the Councils consolidated financial performance for year to date. Numbers in brackets indicate an unfavourable variance from budget.

Net Operating Expenditure by Expenditure Type	YTD				Full Year	
	Actual \$000s	Revised budget \$000s	Non-Op Variance \$000s	Op Variance \$000s	Forecast \$000s	Revised budget \$000s
Rates & Levies revenue	256,821	257,991	0	(1,170)	343,988	343,988
Revenue from operating activities	106,420	105,504	0	916	135,111	144,229
Investments revenue	7,395	8,674	0	(1,279)	10,797	11,705
Finance revenue	1,699	10	0	1,689	1,355	13
Other revenue	27,629	27,993	973	(1,337)	43,074	38,447
Development Contribution revenue	2,616	1,500	1,116	0	2,292	2,000
<b>Total Revenue</b>	<b>402,580</b>	<b>401,672</b>	<b>2,089</b>	<b>(1,180)</b>	<b>536,616</b>	<b>540,381</b>
Personnel	95,111	96,027	0	916	128,892	127,780
Contracts, Services, Materials	140,160	167,696	0	27,536	198,972	225,900
Professional Costs	7,392	6,644	0	(748)	9,178	8,797
General expenses	57,614	59,899	(390)	2,674	79,424	80,129
Depreciation and amortisation	99,454	103,833	0	4,379	137,992	137,869
Interest expense	18,857	19,288	0	432	25,379	25,718
Internal recharge and recoveries	(8,963)	(9,451)	0	(488)	(11,688)	(12,554)
<b>Total expense</b>	<b>409,626</b>	<b>443,937</b>	<b>(390)</b>	<b>34,701</b>	<b>568,149</b>	<b>593,638</b>
Allocations	0	0	0	0	(829)	0
<b>Net operating surplus / (deficit)</b>	<b>(7,045)</b>	<b>(42,265)</b>	<b>1,699</b>	<b>33,521</b>	<b>(30,704)</b>	<b>(53,257)</b>

The major operational movements by account grouping and business unit for the nine months to March 2021 are outlined below.

### Year to date (YTD)

Revenue from Operating Activities \$0.7m (-1%) unfavourable due to Smart Council which is under budget by \$6.6m. Since establishing the budget, Smart Council has undergone a transition to a new operating model, resulting in reduced revenue balanced by reduced expenses. Economic and Commercial is also unfavourable by \$6.6m, due to the impact of COVID-19 in the venues area where planned events have not occurred.

This is largely offset by favourable variances in Parking \$3.1m, Parks, Sports and Recreation \$4.2m and City Consenting and Compliance (CCC) \$3.1m are all favourable. Budgets were reduced to recognise the likely impact of COVID-19 however actual revenues received have been far greater than anticipated however volumes in CCC are higher than what would be the normal case and compared to the same time last year.

Additional YTD variances include:

- Investment Revenue is \$1.3m (-15%) unfavourable and is mainly due to not receiving dividend revenue as a consequence of COVID-19.

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- Finance Revenue is favourable by \$1.7m which is due to interest revenue being ahead of budget.
- Other Revenue is \$1.3m (-1%) unfavourable, which is due to NZTA roading subsidies being lower than planned due to works programmes being behind schedule.
- Contracts, Services & Materials are \$27.5m (16%) favourable. Under spending is occurring broadly across the business in the following areas. Economic and Commercial \$5.8m predominantly due to the COVID impact of Venues, Smart Council \$5.6m (as above), Finance and Business \$2.9m largely due to the timing of grant payments and City Transport \$4.0m which is mostly due to lower street cleaning, road maintenance and road marking spend.
- General Expenses are under budget by \$2.3m (4%). Build Wellington have only commenced incurring rental costs on the Te Kaianga programme in March due to delays with a saving of \$0.6m (as a consequence, revenues are similarly behind). Across the rest of Council there are minor variances across multiple lines.
- Depreciation is \$4.4m (4%) favourable due to delays in the overall capex programme.

### **Forecast (Full Year/FY)**

The forecast for this report shows the full year expected results, including the following variances:

- Revenue from Operating Activities is \$9.1m (6%) unfavourable – largely due to projected losses in the Venues operation space (due to the impacts of COVID-19). This is in part offset by favourable forecast for CCC, Parks, Sports and Recreation, Parking and City Housing.
- Finance Revenue is favourable by \$1.3m which is due to interest revenue being ahead of budget.
- Other Revenue is \$4.6m (12%) favourable, which is due to additional NZTA revenue based on an approved increased capex spend.
- Contracts, Services & Materials are \$26.9m (12%) favourable. Under spending is occurring broadly across the business in the following areas. Economic and Commercial \$8.2m predominantly due to the COVID impact of Venues, Smart Council \$9.9m (as above), Finance and Business \$3.4m largely due to the timing of grant payments and City Transport \$2.3m which is mostly due to lower street cleaning, road maintenance and road marking spend.

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## Expenditure and borrowing

### Operating Expenditure

Net Operating Expenditure by Strategy Area	Annual Plan \$000s	YTD				Full Year			
		Actual \$000s	Revised budget \$000s	Var \$000s	%	Forecast \$000s	Revised budget \$000s	Var \$000s	%
Revenue	538,118	402,580	401,672	909	0%	536,616	540,381	(3,765)	(1%)
Expenditure	593,717	409,626	443,937	34,311	8%	567,320	593,638	26,318	4%
<b>Net surplus (deficit)</b>	<b>(55,599)</b>	<b>(7,045)</b>	<b>(42,265)</b>	<b>35,220</b>	<b>83%</b>	<b>(30,704)</b>	<b>(53,257)</b>	<b>22,553</b>	<b>42%</b>

Key: ( ) = deficit / overspend

The \$34.3m lower spend is mainly due to:

- Total contracts, services and materials being \$27.5m under budget:
  - Smart Council is \$5.6m favourable to budget. Since establishing the budget, Smart Council has undergone a transition to a new operating model, resulting in reduced expenses balanced by reduced revenue.
  - City Transport \$4.0m which is mostly due to lower street cleaning, road maintenance and road marking spend.
  - Economic and Commercial \$5.8m predominantly due to the COVID impact of Venues.
  - Finance and Business \$2.9m largely due to the timing of grants (Shelley Bay) payments.
- Depreciation (\$4.4m), mainly driven by delays in the overall capex programme

### Net Operating Expenditure

Net Operating Expenditure by Strategy Area	Annual Plan \$000s	YTD				Full Year			
		Actual \$000s	Revised budget \$000s	Var \$000s	%	Forecast \$000s	Revised budget \$000s	Var \$000s	%
Governance	24,629	14,003	15,012	1,009	7%	23,483	24,821	1,338	5%
Environment	180,648	128,850	135,557	6,707	5%	178,077	180,695	2,619	1%
Economic Development	25,465	18,757	18,824	67	0%	25,246	24,935	(311)	(1%)
Cultural Wellbeing	20,673	16,532	16,491	(41)	0%	21,400	21,134	(267)	(1%)
Social and Recreation	94,632	60,292	71,604	11,312	16%	89,331	93,685	4,354	5%
Urban Development	27,156	18,800	20,133	1,333	7%	25,845	27,071	1,226	5%
Transport	57,109	32,673	44,887	12,215	27%	49,130	57,276	8,146	14%
<b>Total all strategy areas</b>	<b>430,311</b>	<b>289,906</b>	<b>322,509</b>	<b>32,603</b>	<b>10%</b>	<b>412,512</b>	<b>429,616</b>	<b>17,105</b>	<b>4%</b>
Council	(374,712)	(282,861)	(280,244)	(2,617)	(1%)	(381,808)	(376,359)	(5,449)	(1%)
<b>Total surplus (deficit)</b>	<b>(55,599)</b>	<b>(7,045)</b>	<b>(42,265)</b>	<b>35,220</b>	<b>83%</b>	<b>(30,704)</b>	<b>(53,257)</b>	<b>22,553</b>	<b>42%</b>

Key: ( ) = deficit / overspend / under achieved, ( ) = revenue/ underspend

At the end of March, the YTD result shows a favourable variance to revised budget of \$35.2m. Areas of significant variance are:

- Governance is favourable YTD, predominantly due to lower than expected remunerations costs arising from vacancies.
- Environment is favourable due to lower than planned depreciation and contracts costs in the street cleaning area.
- Economic Development is unfavourable to budget due to the lack of Venues events owing to COVID-19.

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- Cultural Wellbeing is unfavourable YTD due the underwrite of the Space Place and Hannah's Playhouse. This is partially offset by the City Events expenses below budget due to timing of the upcoming Sky Show and underspend on Very Welly Xmas and New Year celebrations. Unfavourable FY due to the underwrite of the Space Place and Hannah's Playhouse.
- Social and Recreation is favourable as revenue is above budget, noting budgets were reduced to recognise the likely impact of COVID-19. Expenses are favourable largely due to lower than planned Facilities Maintenance costs and operational changes with regards to the closure of Keith Spry pool for planned maintenance.
- Urban Development is favourable as revenue is above budget in Consents, noting budgets were reduced to recognise the likely impact of COVID-19. Building consent volumes are higher than for the corresponding time last year. This is offset slightly by higher than planned District Plan costs.
- Transport is favourable as expenses are under budget through delays on contract costs tied with LGWM, lower street cleaning and road maintenance costs and a delay on the Ngauranga to Petone cycleway. Revenue is above budget, noting budgets were reduced to recognise the likely impact of COVID-19.

### Capital Expenditure

Capital Expenditure by Strategy Area	Annual Plan \$000s	YTD				Full Year			
		Actual \$000s	Revised budget \$000s	Var \$000s	%	Forecast \$000s	Revised budget \$000s	Var \$000s	%
Governance	-	-	-	-	-	-	-	-	-
Environment	64,872	45,368	52,350	6,982	13%	64,901	70,880	5,978	8%
Economic Development	12,809	1,542	12,181	10,639	87%	3,961	16,241	12,280	76%
Cultural Wellbeing	52,669	38,306	42,928	4,622	11%	54,168	58,787	4,618	8%
Social and Recreation	33,055	12,521	32,151	19,630	61%	23,922	40,506	16,583	41%
Urban Development	46,582	30,863	39,009	8,146	21%	54,214	53,928	(286)	(1%)
Transport	70,837	41,356	64,304	22,948	36%	62,490	88,757	26,267	30%
<b>Total all strategy areas</b>	<b>280,824</b>	<b>169,956</b>	<b>242,922</b>	<b>72,967</b>	<b>30%</b>	<b>263,656</b>	<b>329,098</b>	<b>65,441</b>	<b>20%</b>
Council	18,306	13,311	23,571	10,260	44%	22,495	31,526	9,030	29%
<b>Total Capital</b>	<b>299,130</b>	<b>183,267</b>	<b>286,493</b>	<b>83,226</b>	<b>31%</b>	<b>286,152</b>	<b>360,624</b>	<b>74,472</b>	<b>21%</b>

Key: Variance ( ) = overspend

At the end of March, the YTD underspend was \$83.2m. Areas of significant variances are:

- Environment is under budget due to the Kilbirnie Stormwater project being under review as a result of a Councillor resolution, the Landfill Stage 4 project being on hold and delays to the Seatoun Wharf, Zoo and Zealandia projects. This is offset by overspend on the Mt Albert Wastewater Tunnel Repair project. The damage was more significant than had been anticipated, and as a consequence, the overall cost of the repair was \$3.8m more than initially planned, totalling \$8.8m.
- Economic Development is under budget, chiefly on the St James Theatre where earthquake strengthening will need to be completed before other renewal work can commence.
- Cultural Wellbeing is under budget on the Bond Store upgrade. This project is forecast to be under spent at year end - with the plans for the Bond Store yet to be finalised.
- Social and Recreation is under budget primarily due to the re-phasing of the Basin Reserve (due to the availability of contracted services), Social Housing (on hold while the financial sustainability is addressed) and Community Halls programmes of works.
- Urban Development is under budget due to delays on Frank Kitts Park playground and North Lambton Quay project (part of the Central City Framework) where this will be aligned with the LGWM Golden Mile work stream, Suburban Centre upgrades and the Housing Investment Programme. Over budget on earthquake strengthening on both the St James theatre and the Town Hall.

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- Transport is under budget on a number of projects. There has been minimal spend on LGWM projects and lower expenditure on the LED Streetlights programme, which are contributing to the current position and forecast under spend. The Cycling programme is also forecast to be under budget.
- Council is under budget mainly due to delays in the Civic Precinct programme of works. Partially offset by increased spend on the ICT infrastructure and staff accommodation projects.

## Capital expenditure budget adjustments

Item	Allocation (\$)	Comment
<b>2020/21 Annual Plan</b>	<b>299,130,474</b>	
<b>Approved Changes: Quarter One 2020/21</b>		
<b>Year-end NET carry forwards from 2019/20</b>		
St James	8,346,730	
PSR Playground Renewals	2,041,100	
Community Halls	3,620,667	
Frank Kitts Park Playground	2,189,035	
Laneways	3,023,593	
Seawall Renewals	4,578,930	
Ngaio Gorge Rock Bluffs	2,907,784	
Wadestown Route Resilience Improvement	2,080,000	
Right Foundations ICT Services Transition	2,366,584	
Civic Property Renewals - General	2,292,148	
Civic Centre - MOB Redevelopment	3,720,774	
City Housing	1,050,000	
NET approved 'bring backs' from outer years	(1,153,765)	
<b>Total approved NET carry forwards from 2019/20</b>	<b>37,063,580</b>	
<b>Other Quarter One Budget Adjustments</b>		
City Housing	79,330	
Community Halls	(2,798,000)	Correction of carry forward/AP double up.
Information Management	2,500,000	Budget brought forward.
Tākina	3,500,000	Budget brought forward.
Tākina	2,348,436	Increase budget to include internal charges.
<b>Total Other Quarter One Budget Adjustments</b>	<b>5,629,766</b>	
<b>Total Quarter One Adjustments</b>	<b>42,693,346</b>	
<b>Approved Changes: Quarter Two 2020/21</b>		
Cycleways	12,374,623	The \$12.3m increase for cycleways was a budget uplift as approved by Councillors on October 8th 2020. It is made up of: <ul style="list-style-type: none"> <li>☐ \$6.7m uplift for Cobham Drive by reprioritising and bringing forward budget of the cycleway program from out years</li> <li>☐ \$5.1 m additional budget approved for Evans Bay (stage 1 and 2) and Miramar Town centre cycleways</li> <li>☐ \$0.6m uplift for Island Bay cycleway by bringing forward budget of the project from out years</li> </ul>
Street Lights	3,190,000	The increase in the street lights budget of \$3.2m was for the installation of in-fill and accessway lighting to ensure compliance to

Item	Allocation (\$)	Comment
		the national street lighting standard (AS/NZS 1158). Given this project is NZTA funded, an additional \$2.3m of NZTA income was budgeted.
<b>Total Quarter Two Adjustments</b>	<b>15,564,623</b>	
<b>Changes to be Approved at Quarter Three 2020/21</b>		
Frank Kitts Park Playground	3,000,000	This was included at quarter end as part of preparation for the LTP. This budget was removed from Year 1 in anticipation of the project being progressed in the current financial year.
3 Waters	235,159	This was not a request additional budget. This is an accounting system error which has now been corrected.
<b>Total Quarter Three Adjustments</b>	<b>3,235,159</b>	
<b>Revised 2020/21 Capital Budget (as at 31 March 2020)</b>	<b>360,623,602</b>	

## Treasury Report

All measures are compliant with the Treasury Management Policy at quarter end.

Liquidity levels at 31 March were 125%, better than the policy floor of 115% providing \$207m of extra facility headroom. Debt funding and fixed interest maturities were all within the annual forecast bands. Counterparty credit risk limits were within policy limits.

There were \$266m of deposits at quarter end including \$120.5m held for pre-funding of debt maturities.

The net debt position decreased during the quarter from \$720 to \$694m. This was lower than budgeted due to the capital expenditure being \$83m under budget.

### Summary

- All Policy Positions Compliant
- Funding headroom of \$207m
- Net interest expense is \$1.9m under budget YTD
- Capex programme was under budget by \$83 m (31%) year to date as March 2021

### Borrowings

- Total committed borrowing facilities as at the end of March were \$954.5m providing headroom of \$207m
- Our liquidity ratio under current policy is 125%
- Total net borrowings at the end of March were \$694m
- Gross borrowings were \$960.5m
- The next maturities are in April 2021 (\$20m), this has been pre-funded

### Investments

Deposits were at \$266m. \$120.5m will be held on deposit for prefunding until respective debt maturity dates, (\$20m April and \$28m May 2021).

### Cost of Funds

Net interest expense to end of Quarter 3 was \$17m compared to a plan of \$18.9. Interest costs year to date are \$1.9m under Budget.

# Appendix One: Detailed performance against target

Performance measure	Q3 YTD target	Q3 YTD result	Q3 YTD variance	YE '20	YTD Status 20/21		
					Q1	Q2 YTD	Q3 YTD
<b>Mana Whakahaere   Governance</b>							
<b>Performance measure</b>							
<b>1.1 Mana Whakahaere, Pārongo me ngā mahi whai wāhi   Governance, information and engagement</b>							
<i>Facilitating democratic decision-making</i>							
Meeting and committee agendas (%) made available to the public within statutory timeframes (2 working days prior to meeting)	100%	100%	0%				
Meeting and committee agendas (%) made available to the public at least 4 days prior to meetings	70%	100%	43%				
<i>Providing information and a point of contact</i>							
Contact Centre - Contacts responded to within target timeframes (calls answered within 30 seconds)	85%	61%	-28%				
Contact Centre - Contacts responded to (calls)		167,799					
Contact Centre - Contacts responded to within target timeframes (emails responded to within 24 hours)	100%	94%	-6%				
Contact Centre - Contacts responded to (emails)		14,984					
Official information requests (%) handled within Local Government Official Information and Meetings Act legislative timeframe	90%	91%	1%				
<b>1.2 Rangapū Māori/Mana Whenua   Māori and mana whenua partnerships</b>							
No quarterly measures							
<b>Taiao   Environment</b>							
<b>Performance measure</b>							
<b>2.1 Parks, beaches and open spaces</b>							
<i>Utilisation</i>							
Number of visitors to the Wellington Botanic Gardens and Otari-Wilton's Bush	763,919	1,062,242	39%				
Number of formal education attendees at Council programmes (School & Community)	1500	1785	19%				
<b>2.2 Waste reduction and energy conservation</b>							
<i>Waste minimisation activities</i>							
Volume of waste diverted from landfill (tonnes)	15,000	13,853	-8%				
Number of participants in waste minimisation and education programmes	2,250	1251	-44%				
<i>Energy conservation</i>							
Energy cost (\$)	\$ 4,642,198	\$ 4,307,052	7%				
Amount of energy used (kWh)	35,901,420	34,399,206	4%				

Performance measure	Q3 YTD target	Q3 YTD result	Q3 YTD variance	YE '20	YTD Status 20/21		
					Q1	Q2 YTD	Q3 YTD
Estimated energy savings (kWh) 5% (NB now compared to 2018/19 because of COVID)	1,889,548	185,655	-90%				
<b>2.3 Waimāori   Water supply</b>							
<b>Clean and safe</b>							
Compliance with Drinking Water Standards for NZ 2005 (revised 2008) (Part 4 bacterial compliance criteria)*	100%	100%	0%				
Compliance with Drinking Water Standards for NZ 2005 (revised 2008) (Part 5 protozoal compliance criteria)*	100%	100%	0%				
<b>Meeting customer expectations</b>							
Number of complaints about the drinking water's clarity, taste, odour, pressure or flow, continuity of supply, and supplier responsiveness, expressed per 1000 connections*	15	9.27	38%				
<b>Continuity of supply and resolution of faults</b>							
Median response time for attendance for urgent call outs*	60	86.3	-44%				
Median response time for resolution for urgent call outs*	4	13.2	-230%				
Median response time for attendance for non-urgent call outs*	36	80.966	-125%				
Median response time for resolution for non-urgent call outs*	5	8.39	-68%				
Water supply interruptions (measured as customer hours)	1.5	0.41	73%				
<b>Efficiency and sustainability</b>							
Average drinking water consumption litres per resident per day*	365	378.43	-4%				
<b>2.4 Waipara   Wastewater</b>							
<b>Compliance and sustainability</b>							
Dry weather wastewater overflows, expressed per 1000 connections*	0	2.96	-100%				
Compliance with the resource consents for discharge from the sewerage system, measured by the number of: abatement notices, infringement notices, enforcement orders and convictions*	0	0	0%				
<b>Meeting customer expectations</b>							
Number of complaints about the wastewater odour, system faults, blockages, and supplier responsiveness, expressed per 1000 connections*	23	16.13	28%				
<b>Continuity of service and resolution of faults</b>							
Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)	0.6	0.405	33%				
Median response time for wastewater overflows* (attendance time)	60	98.35	-64%				
Median response time for wastewater overflows* (resolution time)	6	23.23	-287%				
<b>2.5 Waiāwhā   Stormwater</b>							



Performance measure	Q3 YTD target	Q3 YTD result	Q3 YTD variance	YE '20	YTD Status 20/21		
					Q1	Q2 YTD	Q3 YTD
<b>Continuity of service and resolution of faults</b>							
Number of flooding events*	3.75	2	47%				
Number of habitable floors per 1000 connected homes per flooding event*	0.12	0.03	75%				
Number of pipeline blockages per km of pipeline	0.375	0.04	89%				
Median response time to attend a flooding event*	60	0	0%				
Days (%) during the bathing season (1 November to 31 March) that the monitored beaches are suitable for recreational use	90%	94.2%	5%				
Monitored sites (%) that have a rolling 12 month median value for E.coli (dry weather samples) that do not exceed 1000 cfu/100ml	90%	84%	-7%				
Compliance with the resource consents for discharge from the stormwater system, measured by the number of: Abatement notices, infringement notices, enforcement orders and convictions*	0	0	0%				
<b>Meeting customer expectations</b>							
Number of complaints about stormwater system performance per 1000 connections*	15	10.59	29%				
<b>2.6 Ngā painga kukume Papa Atawha   Conservation attractions</b>							
<b>Wellington Zoo</b>							
Wellington Zoo - Total number of visitors	184,381	172,058	-7%				
Wellington Zoo - Education visitors	15,000	16,531	10%				
<b>Zealandia</b>							
Zealandia - Number of Visitors	55,862	156,377	180%				
Zealandia - Number of Education visits	6,716	9,015	34%				
Zealandia - Number of Individual memberships	11,200	18,502	65%				
* = Mandatory measures							
<b>Whanaketanga ōhanga   Economic development</b>							
(Including Statement of Intent measures)							
<b>Performance measure</b>							
<b>3.1 City promotions and business support</b>							
<b>WREDA -WellingtonNZ</b>							
<i>WellingtonNZ is shaping and amplifying the regional destination/brand story</i>							
Equivalent Advertising Value (EAV) from media activity		0	0%				
Value of expenditure generated from events (including business, performance and major events)		42	0%				
<b>WellingtonNZ is delivering direct value/ROI on our shareholders investment</b> -Direct Economic Impact of WellingtonNZ's activities and interventions	0	121	0%				
The number of Wellington Region Residents that attend events	0	318,420	0%				

Performance measure	Q3 YTD target	Q3 YTD result	Q3 YTD variance	YE '20	YTD Status 20/21		
					Q1	Q2 YTD	Q3 YTD
<b>WellingtonNZ is supporting businesses to upskill and grow</b> -Number of different business engagements in WellingtonNZprogrammes		2,791	0%				
<b>Oranga ahurea   Cultural wellbeing</b>							
<b>Performance measure</b>							
<b>4.1 Arts and cultural activities</b>							
<b>Funding Success</b>							
Grant outcomes (%) achieved (through funded outcomes – four out of five - being met) - Arts and Culture Fund	80%	89%	12%				
<b>Wellington Museums Trust – utilisation</b>							
Total visitors Museums Trust:	190,750	294,517	54%				
City Gallery Wellington	38,000	63,955					
Wellington Museum	42,000	74,724					
Capital E	31,500	41,306					
Cable Car Museum	60,500	85,476					
Space Place	18,000	28,795					
Nairn Street Cottage	750	261					
<b>Kaupapa Pāpori me ngā Mahi a Rēhia   Social and recreation</b>							
<b>Performance measure</b>							
<b>5.1 Recreation promotion and support</b>							
<b>High quality experience</b>							
Scheduled sports games and trainings (%) that take place (all sportsfields winter)	0%	0%	0%				
<b>Utilisation</b>							
Artificial sports-field (%) utilisation - peak winter	80%	59%	-26%				
Artificial sports-field (%) utilisation - off-peak winter	25%	8%	-68%				
Swimming pool visits (by facility)	850,631	899,003	6%				
WRAC	369,653	411,918					
Tawa	56,574	71,109					
Freyberg	136,918	156,458					
Keith Spry	117,921	111,447					
Karori	121,773	100,501					
Thorndon	35,026	36,838					
Khandallah	12,766	10,732					
Marinas occupancy (%)	96%	96%	0%				
Recreation centre visits (including ASB Sports Centre)	840,535	751,611	-11%				
Karori Rec Centre	79,400	68,543					
Kilbirnie Rec Centre	57,400	46,712					
Nairnville Rec Centre	93,400	94,634					
Tawa Rec Centre	21,700	30,331					
ASB Sports Centre	588,635	511,391					
Number of uses of Leisure Card	111,000	70,908	-36%				
Berhampore Golf course users	1,770	3,239	83%				
<b>Basin Reserve Trust</b>							

Performance measure	Q3 YTD target	Q3 YTD result	Q3 YTD variance	YE '20	YTD Status 20/21		
					Q1	Q2 YTD	Q3 YTD
Basin Reserve - Total event days (excluding practice days and functions)	36	62	72%				
Basin Reserve - Attendance at all events	0	38,781	0%				
Basin Reserve - Practice facility usage days	100	111	11%				
Basin Reserve - Number of function days	0	77	413%				
<b>5.2 Community Support</b>							
<b>Libraries utilisation</b>							
Library items issued (physical)	1,650,000	1,566,791	-5%				
Library items issued (e-library)	255,000	503,416	97%				
Estimates of attendees of library programmes		32,364					
Library physical visits	1,800,000	1,259,663	-30%				
Library website visits	2,475,000	4,383,899	77%				
<b>Libraries affordability</b>							
Cost to the ratepayer per library transaction	\$ 3.53	\$ 2.71	23%				
<b>Community centres utilisation</b>							
Occupancy (%) of Council community centres and halls	45%	29%	-36%				
<b>Funding success</b>							
Grants outcomes (%) achieved (through funded outcomes – four out of five – being met) - Social and Recreation Fund	80%	100%	25%				
<b>Housing quality and usage</b>							
Occupancy rate of available housing facilities	90%	99%	10%				
All tenants (existing and new) housed within policy	98%	99%	1%				
<b>5.3 Public health and safety</b>							
<b>Compliance</b>							
Food registrations - premises (%) inspected within Food Act regulation required timeframes (new business and existing businesses)	100%	36%	-64%				
<b>Efficiency</b>							
Alcohol licences - high to very high risk premises (%) inspected during peak time		49.0%					
<b>Timeliness</b>							
Graffiti removal – response time frames (%) met	80%	92.1%	15%				
Dog control - urgent requests (%) responded to within 1 hour	100%	92%	-8%				
Dog control - non-urgent requests (%) responded to within 24 hours	99%	99%	0%				
Public toilets - urgent requests (%) responded to within 4 hours	100%	Data not available	NA				
Public toilets - non-urgent requests (%) responded to within 3 days	95%	Data not available	NA				
<b>Hygiene standard</b>							
Toilets (%) that meet required cleanliness and maintenance performance standards	95%	94%	-1%				
<b>Tāone tupu ora   Urban development</b>							
<b>Performance measure</b>							
6.1 Urban planning, heritage and public spaces development	No quarterly KPIs						

Performance measure	Q3 YTD target	Q3 YTD result	Q3 YTD variance	YE '20	YTD Status 20/21		
					Q1	Q2 YTD	Q3 YTD
<b>6.2 Building and development:</b>							
<b>Timeliness</b>							
Building consents (%) issued within 20 working days	100%	89%	-11%				
Code of compliance certificates (%) issued within 20 working days	100%	97%	-3%				
Land Information Memorandums (LIMs) (%) issued within 10 working days	100%	52%	-48%				
Resource consents (non-notified) (%) issued within statutory time frames	100%	87%	-13%				
Resource consents (%) that are monitored within 3 months of project commencement	100%	91%	-9%				
Subdivision certificates – Section 223 certificates (%) issued within statutory timeframes	100%	93%	-7%				
Noise control (excessive noise) complaints (%) investigated within 1 hour	90%	90.96%	1%				
<b>Customer focus</b>							
Customers (%) who rate resource consent service as good or very good	90%	93%	3%				
<b>Waka   Transport</b>							
<b>Performance measure</b>							
<b>7.1 Transport network</b>							
<b>Network condition and maintenance</b>							
Requests for service (%) response rate - urgent within 2 hours*	98%	Data not available	NA				
Requests for service (%) response rate - non-urgent within 15 days*	98%	Data not available	NA				
Footpaths (%) in average condition or better (measured against WCC condition standards*)	96%	93%	-3%				
<b>Wellington Cable Car Limited</b>							
Cable Car - Total passenger trips	353,462	417,137	18%				
Cable Car - Reliability (%)	99%	99.9%	1%				
<b>7.2 Parking:</b>							
<b>Availability</b>							
City parking occupancy during weekdays (08:00-18:00)	60%	52%	0%				
City parking occupancy during weekends (08:00-18:00)	60%	49%	-100%				

## Appendix Two: Detailed financial performance information

*Detailed operating and capital expenditure for 1 July – 31 March 2021*

Key: Actual, Budget and FY Budget () = net revenue, Variance () = deficit / overspend

### a) Operating expenditure

#### Governance

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
1.1	1000	Annual Planning	1,022	1,203	181	1,597	1,602	1,593
1.1	1001	Policy	1,017	1,088	71	1,391	1,448	1,417
1.1	1002	Committee & Council Process	5,419	6,671	1,252	7,819	8,889	8,440
1.1	1003	Strategic Planning	641	506	(135)	661	674	679
1.1	1004	Tawa Community Board - Discretionary	1	9	8	4	12	12
1.1	1005	Smart Capital - Marketing	0	0	0	0	0	0
1.1	1007	WCC City Service Centre	2,887	2,043	(844)	2,715	2,719	3,007
1.1	1008	Call Centre SLA	1	0	(1)	0	0	0
1.1	1009	Rating Property Valuations	105	417	312	557	557	557
1.1	1010	Rateable property data & valuation management	971	964	(7)	1,285	1,284	1,284
1.1	1011	Archives	1,309	1,746	437	2,136	2,319	2,322
1.1	1216	CCO Covid Response Support	461	127	(334)	5,000	5,000	5,000
1.2	1012	Funding agreements – Maori	131	157	26	210	210	210
1.2	1013	Maori Engagement	36	81	45	110	108	108
<b>Activity area total</b>			<b>14,003</b>	<b>15,012</b>	<b>1,009</b>	<b>23,483</b>	<b>24,821</b>	<b>24,629</b>

#### Environment

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
2.1	1014	Parks and Reserves Planning	553	788	236	1,052	1,051	1,050
2.1	1015	Reserves Unplanned Maintenance	107	151	45	202	202	201
2.1	1016	Parks Mowing- Open Space & Reserve Land	1,117	1,196	80	1,521	1,520	1,521
2.1	1017	Park Furniture and Infrastructure Maintenance	1,315	1,350	35	1,837	1,789	1,786
2.1	1018	Parks and Buildings Maint	905	884	(22)	1,121	1,164	1,190
2.1	1019	CBD and Suburban Gardens	1,455	1,604	149	2,098	2,143	2,148
2.1	1020	Arboricultural Operations	986	1,235	249	1,573	1,649	1,651
2.1	1021	Wellington Gardens (Botanic, Otari etc)	3,926	4,323	397	5,514	5,774	5,809
2.1	1022	Coastal Operations	933	1,284	351	1,589	1,650	1,645
2.1	1024	Road Corridor Growth Control	1,126	832	(294)	1,358	1,109	1,109
2.1	1025	Street Cleaning	4,567	6,508	1,941	6,087	8,677	8,677
2.1	1026	Hazardous Trees Removal	110	359	249	485	479	478
2.1	1027	Town Belts Planting	365	686	321	983	983	982
2.1	1028	Townbelt-Reserves Management	2,964	3,322	358	3,939	4,481	4,708
2.1	1030	Community greening initiatives	423	496	73	677	675	674
2.1	1031	Environmental Grants Pool	82	98	16	84	104	104
2.1	1032	Walkway Maintenance	796	919	123	1,171	1,226	1,223

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
2.1	1033	Weeds & Hazardous Trees Monitoring	839	590	(248)	828	780	781
2.1	1034	Animal Pest Management	1,076	1,225	149	1,622	1,634	1,633
2.1	1035	Waterfront Public Space Management	5,252	5,613	361	7,382	7,417	7,416
2.2	1036	Landfill Operations & Maint	(3,978)	(2,957)	1,021	(2,442)	(3,967)	(4,183)
2.2	1037	Suburban Refuse Collection	(325)	(440)	(116)	(75)	(588)	(586)
2.2	1038	Domestic Recycling	2,223	2,384	162	3,176	3,177	3,180
2.2	1039	Waste Minimisation	750	1,143	394	1,520	1,516	1,519
2.2	1040	Litter Enforcement	113	7	(106)	9	9	9
2.2	1041	Closed Landfill Gas Migration Monitoring	119	398	278	191	530	530
2.2	1042	EV Charging & Home Energy Audits	568	524	(44)	762	698	698
2.3	1043	Water - Meter Reading	71	103	32	138	138	138
2.3	1044	Water - Network Maintenance	6,002	4,564	(1,437)	6,085	6,085	6,085
2.3	1045	Water - Water Connections	(48)	(29)	19	(39)	(39)	(39)
2.3	1046	Water - Pump Stations Maintenance-Operations	763	856	93	1,142	1,141	1,141
2.3	1047	Water - Asset Stewardship	17,979	19,189	1,210	25,411	25,609	25,717
2.3	1048	Water - Reservoir-Dam Maintenance	47	218	171	291	291	291
2.3	1049	Water - Monitoring & Investigation	745	852	107	1,136	1,136	1,136
2.3	1050	Water - Asset Management	184	448	264	628	597	627
2.3	1051	Water - Bulk Water Purchase	13,827	14,305	478	18,470	19,073	19,073
2.4	1052	Wastewater - Asset Stewardship	12,903	15,880	2,977	17,870	21,212	21,184
2.4	1053	Wastewater - Trade Waste Monitoring & Investigation	3	13	9	17	17	17
2.4	1055	Wastewater - Network Maintenance	2,502	2,194	(308)	2,925	2,925	2,586
2.4	1057	Wastewater - Asset Management	287	916	630	1,222	1,222	1,222
2.4	1058	Wastewater - Monitoring & Investigation	723	1,278	554	1,703	1,703	1,703
2.4	1059	Wastewater - Pump Station Maintenance-Ops	1,303	1,255	(48)	1,674	1,674	1,674
2.4	1060	Wastewater - Treatment Plants	18,570	16,773	(1,798)	21,851	22,379	22,344
2.4	1062	Sewerage Disposal	53	26	(26)	252	29	252
2.5	1063	Stormwater - Asset Stewardship	15,459	12,593	(2,867)	19,948	16,828	16,728
2.5	1064	Stormwater - Network Maintenance	1,386	2,027	641	2,702	2,702	2,702
2.5	1065	Stormwater - Monitoring & Investigation	1,222	592	(630)	790	790	790
2.5	1066	Stormwater - Asset Management	367	581	214	804	774	804
2.5	1067	Drainage Maintenance	729	910	181	1,213	1,213	1,213
2.5	1068	Stormwater - Pump Station Maintenance-Ops	51	240	189	320	320	320
2.6	1069	Zealandia	1,086	1,145	60	1,527	1,527	1,527
2.6	1070	Wellington Zoo Trust	4,270	4,104	(166)	5,731	5,468	5,461
<b>Activity area total</b>			<b>128,850</b>	<b>135,557</b>	<b>6,707</b>	<b>178,077</b>	<b>180,695</b>	<b>180,649</b>

### **Economic Development**

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
3.1	1073	WellingtonNZ Tourism	4,402	4,402	0	5,869	5,869	5,869
3.1	1074	Events Fund	4,754	3,732	(1,023)	4,976	4,976	4,976
3.1	1075	Wellington Venues	4,294	2,468	(1,826)	5,677	3,290	3,501
3.1	1076	Destination Wellington	0	0	0	0	0	0
3.1	1077	CBD Free Wifi	266	368	102	491	490	779
3.1	1078	Wellington Convention & Exhibition Centre (WCEC)	1,674	2,149	475	2,086	2,865	2,865

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
3.1	1081	Economic Growth Strategy	316	700	384	631	947	947
3.1	1082	City Growth Fund	2,215	4,061	1,846	4,201	5,241	5,241
3.1	1085	Film Museum	0	0	0	0	0	0
3.1	1086	Westpac Stadium	0	0	0	0	0	0
3.1	1087	International Relations	579	688	108	973	916	945
3.1	1089	Business Improvement Districts	257	257	0	342	342	342
<b>Activity area total</b>			<b>18,757</b>	<b>18,824</b>	<b>67</b>	<b>25,246</b>	<b>24,935</b>	<b>25,465</b>

### Cultural Wellbeing

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
4.1	1090	Wellington Museums Trust	7,244	7,169	(75)	9,638	9,560	9,556
4.1	1091	Museum of Conflict	0	0	0	0	0	0
4.1	1092	Te Papa Funding	1,688	1,688	0	2,250	2,250	2,250
4.1	1093	Carter Observatory	696	519	(177)	870	692	691
	1095	City Events Programme	2,339	2,432	92	3,175	3,156	3,030
4.1	1096	WW1 Commemorations	0	0	0	0	0	0
4.1	1097	Citizen's Day - Mayoral Day	22	17	(5)	23	23	23
4.1	1098	Cultural Grants Pool	1,212	1,210	(2)	1,241	1,241	1,241
4.1	1099	Subsidised Venue Hire For Community Groups	90	150	60	200	200	200
4.1	1100	City Arts Programme	409	410	0	534	538	467
4.1	1101	NZSO Subsidy	171	186	15	216	216	216
4.1	1102	Toi Pōneke Arts Centre	944	1,076	132	1,349	1,348	1,108
4.1	1103	Public Art Fund	345	438	93	563	568	536
4.1	1104	New Zealand Ballet	160	160	0	160	160	160
4.1	1105	Orchestra Wellington	292	219	(73)	292	292	292
4.1	1106	Regional Amenities Fund	625	615	(10)	616	616	631
4.1	1207	Capital of Culture	0	0	0	0	0	0
4.1	1214	UNESCO Strategic City of Film	294	205	(89)	273	273	273
<b>Activity area total</b>			<b>16,532</b>	<b>16,491</b>	<b>(41)</b>	<b>21,400</b>	<b>21,134</b>	<b>20,674</b>

### Social and Recreation

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
5.1	1107	Swimming Pools Operations	11,921	14,534	2,613	18,383	14,534	19,349
5.1	1108	Natural Turf Sport Operations	2,590	2,675	85	3,541	2,675	3,540
5.1	1109	Synthetic Turf Sport Operations	734	1,082	348	1,221	1,082	1,366
5.1	1110	Recreation Centres	1,808	2,170	362	2,659	2,170	2,839
5.1	1111	ASB Sports Centre	3,594	4,276	682	5,369	4,276	5,573
5.1	1112	Basin Reserve Trust	1,417	1,110	(306)	1,494	1,110	1,477
5.1	1113	Recreational NZ Academy Sport	0	35	35	47	35	47
5.1	1114	Playground and Skate Facility Maintenance	757	794	37	1,055	794	1,053
5.1	1115	Marina Operations	27	196	169	223	196	292
5.1	1116	Municipal Golf Course	98	147	49	195	147	195
5.1	1117	Recreation Programmes	313	410	97	591	410	551
5.2	1118	Library Network - Wide Operation	9,916	11,629	1,712	14,677	11,629	15,538
5.2	1119	Branch Libraries	6,312	6,028	(284)	8,324	6,028	8,028
5.2	1120	Passport to Leisure Programme	82	98	16	130	130	130
5.2	1121	Community Advice & Information	1,171	1,171	0	1,537	1,560	1,641
5.2	1122	Community Group Relationship Management	110	200	90	175	248	248
5.2	1123	Support for Wellington Homeless	215	215	0	215	215	215
5.2	1124	Social & Recreational Grant Pool	3,933	4,350	417	4,569	4,569	4,569

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
5.2	1125	Housing Operations and Maintenance	(129)	4,139	4,268	3,603	5,487	6,049
5.2	1126	Housing Upgrade Project	348	45	(302)	60	60	89
5.2	1127	Community Property Programmed Maintenance	607	596	(11)	796	796	857
5.2	1128	Community Halls Operations and Maintenance	456	539	83	763	715	744
5.2	1129	Community Prop & Facility Ops	1,307	1,438	131	1,926	1,903	1,908
5.2	1130	Rent Grants For Community Welfare Groups	224	232	7	232	232	232
5.2	1208	CBD Library Services Network	2,300	2,333	34	3,282	3,109	2,996
5.3	1131	Burial & Cremation Operations	912	897	(15)	1,125	1,106	1,122
5.3	1132	Public Toilet Cleaning And Maintenance	3,027	2,849	(178)	3,900	3,811	3,948
5.3	1133	Public Health (Food & Alcohol Premises, Dog Registrations)	1,949	2,803	854	3,292	3,807	3,812
5.3	1134	Noise Monitoring	579	701	122	849	934	934
5.3	1135	Anti-Graffiti Flying Squad	633	731	99	974	974	968
5.3	1136	Safe City Project Operations	1,522	1547	25	2,046	2,056	2,134
5.3	1137	Civil Defence	1,534	1603	70	2,005	2,137	2,142
5.3	1138	Rural Fire	25	32	7	72	42	46
<b>Activity area total</b>			<b>60,292</b>	<b>71,604</b>	<b>11,312</b>	<b>89,331</b>	<b>93,685</b>	<b>94,632</b>

### Urban Development

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
6.1	1139	District Plan	4,271	2,860	(1,411)	5,584	3,764	3,765
6.1	1141	Build Wellington Developments	1,160	1,234	74	1,518	1,643	1,479
6.1	1142	Public Art and Sculpture Maintenance	233	307	74	341	410	411
6.1	1143	Public Space-Centre Development Plan	1,649	1,558	(92)	2,390	2,073	2,181
6.1	1144	Memorial Park	4	0	(4)	0	0	0
6.1	1145	City Heritage Development	983	797	(185)	1,062	1,062	1,062
6.1	1206	Housing Investment Programme	769	803	34	1,127	1,102	1,103
6.1	1215	Te Ngakau Programme	22	0	(22)	0	0	0
6.2	1146	Building Control and Facilitation	5,046	7,550	2,504	6,934	10,290	10,425
6.2	1147	Weathertight Homes	0	22	22	25	30	30
6.2	1148	Development Control and Facilitation	3,797	3,591	(206)	4,989	4,815	4,820
6.2	1149	Earthquake Assessment Study	68	70	2	93	93	93
6.2	1150	Building Consents EQPB Subsidy Fund	0	0	0	0	0	0
6.2	1151	Earthquake Risk Building Project	799	1,341	543	1,782	1,787	1,788
<b>Activity area total</b>			<b>18,800</b>	<b>20,133</b>	<b>1,333</b>	<b>25,845</b>	<b>27,071</b>	<b>27,157</b>

### Transport

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
7.1	1152	Ngauranga to Airport Corridor	(698)	481	1,179	815	642	642
7.1	1153	Transport Planning and Policy	397	1,095	698	884	1,459	1,460
7.1	1154	Road Maintenance	781	1,049	268	1,399	1,398	1,399
7.1	1155	Tawa Shared Driveways Maintenance	18	22	4	29	29	29
7.1	1156	Wall, Bridge & Tunnel Maintenance	208	169	(39)	226	226	226
7.1	1157	Drains & Walls Asset Management	5,554	5,105	(449)	6,583	6,822	6,780



Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
7.1	1158	Kerb & Channel Maintenance	312	362	49	437	482	483
7.1	1159	Vehicle Network Asset Management	18,094	18,931	837	25,241	25,308	25,135
7.1	1160	Port and Ferry Access Planning	0	54	54	6	73	73
7.1	1161	Cycleways Maintenance	17	70	52	78	93	93
7.1	1162	Cycleways Asset Management	22	962	940	1,283	1,282	1,282
7.1	1163	Cycleways Planning	153	2,182	2,029	517	2,909	2,909
7.1	1164	Lambton Quay Interchange Maintenance	112	349	236	173	465	465
7.1	1165	Street Furniture Advertising	(659)	(157)	501	(1,012)	(632)	(631)
7.1	1166	Passenger Transport Asset Management	603	794	191	1,051	1,060	1,057
7.1	1167	Bus Priority Plan	2	48	46	4	64	64
7.1	1168	Cable Car	9	9	0	12	12	12
7.1	1170	Street Furniture Maintenance	216	288	72	384	384	384
7.1	1171	Footpaths Asset Management	3,909	5,038	1,129	6,732	6,720	6,703
7.1	1172	Footpaths & Accessway Maintenance	376	355	(21)	543	473	474
7.1	1173	Footpaths Structures Maintenance	43	78	35	88	103	103
7.1	1174	Traffic Signals Maintenance	579	600	21	850	797	811
7.1	1175	Traffic Control Asset Management	2,511	2,205	(305)	2,626	2,752	2,749
7.1	1176	Road Marking Maintenance	496	687	191	916	916	916
7.1	1177	Traffic & Street Sign Maintenance	160	179	19	239	239	239
7.1	1178	Network Planning & Coordination	1,840	269	(1,570)	1,715	358	359
7.1	1179	Street Lighting Maintenance	849	921	72	1,085	1,227	1,228
7.1	1180	Transport Education & Promotion	207	488	281	637	650	650
7.1	1181	Fences & Guardrails Maintenance	157	228	71	239	304	304
7.1	1182	Safety Asset Management	2,324	2,749	424	3,879	3,667	3,656
7.1	1209	LGWM - Mass Rapid Transit	2,057	2,332	275	2,459	3,110	3,110
7.1	1210	LGWM - State Highway Improvements	1,563	1,832	269	1,831	2,442	2,442
7.1	1211	LGWM - Travel Demand Management	532	312	(220)	549	416	416
7.1	1212	LGWM - City Streets	940	1,513	573	1,102	2,017	2,017
7.1	1213	LGWM - Early Delivery	680	640	(40)	620	853	853
7.2	1184	Parking Services & Enforcement	(11,107)	(7,094)	4,012	(14,512)	(11,441)	(11,378)
7.2	1185	Waterfront Parking Services	(588)	(256)	332	(577)	(405)	(405)
<b>Activity area total</b>			<b>32,673</b>	<b>44,887</b>	<b>12,215</b>	<b>49,130</b>	<b>57,276</b>	<b>57,109</b>

**Council**

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
10.1	1186	Waterfront Commercial Property Services	1,369	1,679	310	1,944	1,894	2,294
10.1	1187	Commercial Property Management & Services	2,289	2,490	201	3,325	3,329	3,433
10.1	1188	Civic Centre Facilities Management	0	(188)	(188)	(210)	(239)	0
10.1	1189	Mail Service SLA	0	0	0	0	0	0
10.1	1190	Information Services SLA	0	0	0	1,443	1	0
10.1	1191	NZTA Income on Capex Work	(20,964)	(20,436)	529	(30,903)	(27,625)	(25,362)
10.1	1192	Quarry Operations & Maintenance	(7)	52	60	708	70	70
10.1	1193	Self Insurance Reserve	966	1,214	248	1,561	1,619	1,619
10.1	1194	Information Management	0	0	0	(15)	0	0
10.1	1196	External Capital Funding	(1,377)	(210)	1,167	(1,817)	(1,491)	(1,491)
10.1	1197	Plimmer Bequest Project Expenditure	0	2	2	(1,474)	(748)	(748)
10.1	1198	Waterfront Utilities Management	92	178	85	224	224	224
10.1	1200	ORG	0	1,039	1,039	(336)	1,361	0

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
10.1	1201	ORONA	(258,784)	(259,312)	(528)	(347,188)	(345,750)	(345,750)
10.1	1202	PPORGFloor	0	(1)	(1)	(78)	(1)	0
10.1	1203	PPORGGroundLease	(6,556)	(6,862)	(306)	(9,150)	(9,149)	(9,149)
10.1	1204	Sustainable Parking Infrastructure	113	120	7	160	160	160
10.1	1205	Shared Services Procurement	1	(8)	(9)	0	(12)	(11)
<b>Activity area total</b>			<b>(282,861)</b>	<b>(280,244)</b>	<b>2,617</b>	<b>(381,808)</b>	<b>(376,359)</b>	<b>(374,711)</b>
<b>Operating expenditure grand total</b>			<b>7,045</b>	<b>42,265</b>	<b>35,220</b>	<b>30,704</b>	<b>53,257</b>	<b>55,604</b>

Key: Actual, Budget and FY Budget ( ) = net revenue, Variance ( ) = deficit / overspend

## b) Capital Expenditure

### Governance

No capital expenditure planned.

### Environment

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
2.1	2001	Property Purchases - Reserves	4	0	(4)	1,214	0	0
2.1	2003	Parks Infrastructure	514	934	420	636	1,045	1,045
2.1	2004	Parks Buildings	144	438	294	424	717	603
2.1	2005	Plimmer Bequest Project	218	953	735	1,474	1,474	825
2.1	2006	Botanic Garden	493	976	483	800	1,240	920
2.1	2007	Coastal - upgrades	100	345	245	315	465	65
2.1	2008	Coastal	107	1,644	1,536	314	2,614	673
2.1	2009	Town Belt & Reserves	1,252	1,533	281	2,254	2,254	1,528
2.1	2010	Walkways renewals	499	598	99	599	679	679
2.2	2011	Southern Landfill Improvement	2,779	5,143	2,364	2,957	7,444	6,764
2.3	2013	Water - Network renewals	3,731	3,813	82	4,934	5,084	5,084
2.3	2014	Water - Pump Station renewals	1	299	298	398	398	398
2.3	2015	Water - Water Meter upgrades	703	385	(318)	514	514	514
2.3	2016	Water - Network upgrades	1,483	2,001	519	2,668	2,668	2,668
2.3	2018	Water - Network renewals	1,955	1,083	(872)	2,014	1,443	1,443
2.3	2019	Water - Reservoir renewals	323	111	(212)	148	148	148
2.3	2020	Water - Reservoir upgrades	11,838	12,305	466	17,589	16,406	16,319
2.4	2023	Wastewater - Network renewals	12,064	8,371	(3,693)	15,394	11,161	11,014
2.4	2024	Wastewater - Network upgrades	1,444	1,090	(354)	1,519	1,453	1,453
2.4	2026	Wastewater - Pump Station renewals	111	805	694	1,074	1,074	1,074
2.5	2028	Stormwater - Network upgrades	449	3,076	2,626	2,771	4,101	4,101
2.5	2029	Stormwater - Network renewals	3,859	2,776	(1,083)	3,191	3,701	3,701
2.6	2033	Zoo renewals	821	716	(104)	955	955	955
2.6	2034	Zoo upgrades	237	1,450	1,213	500	1,934	1,759
2.6	2135	Zealandia	240	1,506	1,266	246	1,908	1,139
<b>Activity area total</b>			<b>45,368</b>	<b>52,350</b>	<b>6,982</b>	<b>64,901</b>	<b>70,880</b>	<b>64,872</b>

### Economic Development

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
3.1	2035*	Wellington Venues renewals	1,542	12,181	10,639	3,961	16,241	12,809
<b>Activity area total</b>			<b>1,542</b>	<b>12,181</b>	<b>10,639</b>	<b>3,961</b>	<b>16,241</b>	<b>12,809</b>

\* read in conjunction with capital expense activity Earthquake Risk Mitigation code 2076 under Urban Development

### Cultural Wellbeing

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
4.1	2038	Gallery & Museum Upgrades	0	4,019	4,019	1,000	5,358	5,358
4.1	2040	Cable Car Precinct	0	32	32	43	43	0
4.1	2041	Te ara o nga tupuna - Maori heritage trails	0	103	103	0	137	0
4.1	2042	Arts Installation	0	92	92	(1)	122	33
4.1	2129	Wellington Convention and Exhibition Centre	38,306	38,682	377	53,126	53,126	47,278
<b>Activity area total</b>			<b>38,306</b>	<b>42,928</b>	<b>4,622</b>	<b>54,168</b>	<b>58,787</b>	<b>52,669</b>

### Social and Recreation

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
5.1	2043	Aquatic Facility upgrades	173	187	14	596	250	0
5.1	2044	Aquatic Facility renewals	1,230	1,715	485	4,005	1,835	1,657
5.1	2045	Sportsfields upgrades	472	294	(178)	548	548	479
5.1	2046	Synthetic Turf Sportsfields renewals	0	151	151	201	201	0
5.1	2048	Recreation Centre Renewal	40	60	20	81	81	81
5.1	2049	ASB Sports Centre	99	220	121	335	335	305
5.1	2050	Basin Reserve	433	3,616	3,183	900	4,822	4,822
5.1	2051	Playgrounds renewals & upgrades	1,252	1,582	330	2,134	2,864	1,965
5.1	2052	Evans Bay Marina - Renewals	55	694	639	253	703	703
5.1	2053	Clyde Quay Marina - Upgrade	127	364	237	409	559	559
5.2	2054	Upgrade Library Materials	1,118	1,735	617	2,028	2,314	2,314
5.2	2055	Upgrade Computer Replacement	28	80	52	107	107	89
5.2	2056	Central Library upgrades	580	443	(137)	590	590	19
5.2	2057	Branch Library upgrades	188	456	268	308	608	0
5.2	2058	Branch Libraries renewals	198	281	83	375	375	302
5.2	2059	Housing upgrades	600	1,210	610	1,432	1,614	0
5.2	2060	Housing renewals	1,017	7,254	6,237	2,001	9,672	10,157
5.2	2061	Community Halls - upgrades & renewals	736	7,006	6,270	2,056	7,119	6,296
5.3	2062	Burial & Cremations	458	339	(119)	645	645	388
5.3	2063	Public Convenience and pavilions	3,582	4,287	704	4,688	5,034	2,722
5.3	2064	Safety Initiatives	134	112	(21)	150	150	117
5.3	2065	Emergency Management renewals	0	62	62	82	82	82
<b>Activity area total</b>			<b>12,521</b>	<b>32,151</b>	<b>19,630</b>	<b>23,922</b>	<b>40,506</b>	<b>33,057</b>

### Urban Development

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
6.1	2067	Wgtn Waterfront Development	52	1,648	1,596	513	5,197	8
6.1	2068	Waterfront Renewals	909	1,656	747	1,259	2,009	1,100
6.1	2070	Central City Framework	143	4,337	4,194	337	4,642	528
6.1	2073	Suburban Centres upgrades	13	751	739	54	1,002	86
6.1	2074	Minor CBD Enhancements	0	47	47	63	63	63
6.1	2136	Housing Investment Programme	636	3,238	2,602	879	4,573	2,827
6.2	2076*	Earthquake Risk Mitigation	29,058	27,332	(1,727)	51,109	36,442	41,970
6.2	2139	BCC New Vehicles	52	0	(52)	0	0	0
<b>Activity area total</b>			<b>30,863</b>	<b>39,009</b>	<b>8,146</b>	<b>54,214</b>	<b>53,928</b>	<b>46,582</b>

\* read in conjunction with activity - Wellington Venues renewals code 2035 under Economic Development.

**Transport**

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
7.1	2075	Urban Regeneration Projects	66	362	296	0	483	256
7.1	2077	Wall, Bridge & Tunnel Renewals	4,534	5,029	496	6,196	6,706	8,640
7.1	2078	Asphalt & Other Seal Renewals	1,662	1,465	(197)	1,953	1,953	1,859
7.1	2079	Chipseal Renewals	2,378	2,024	(354)	2,699	2,699	2,527
7.1	2080	Preseal Preparations	2,836	2,883	47	3,844	3,844	3,844
7.1	2081	Shape & Camber Correction	3,635	3,597	(38)	4,796	4,796	4,796
7.1	2082	Drainage Renewals	184	217	33	290	290	258
7.1	2083	Wall Upgrades	1,410	1,165	(246)	1,824	1,553	2,392
7.1	2084	Service Lane & Road Boundary Upgrades	116	93	(23)	124	124	124
7.1	2085	Tunnel & Bridge Upgrades	1,033	704	(329)	977	938	1,963
7.1	2086	Kerb & Channels Renewals	1,855	1,902	47	2,567	2,536	2,344
7.1	2087	New Roads	0	84	84	0	112	52
7.1	2088	Emergency Route Walls Upgrades	3,435	3,852	416	5,135	5,135	4,907
7.1	2089	Roading Capacity Upgrades	33	696	663	0	927	370
7.1	2090	Roading Rebuild	360	727	367	969	969	969
7.1	2091	Port & Ferry Access Upgrades	0	118	118	0	157	157
7.1	2094	Cycling Network Renewals	8,998	16,177	7,179	15,765	24,056	8,888
7.1	2095	Bus Priority Planning	132	4,930	4,798	700	6,573	5,818
7.1	2096	Footpaths Structures Renewals & Upgrades	440	384	(56)	404	512	512
7.1	2097	Footpaths Renewals	3,478	3,334	(144)	4,546	4,446	3,880
7.1	2098	Footpaths Upgrades	62	386	324	257	515	515
7.1	2099	Street Furniture Renewals	116	229	113	305	305	305
7.1	2100	Pedestrian Network Accessways	136	189	53	252	252	252
7.1	2101	Traffic & Street Signs Renewals	572	915	343	1,164	1,220	1,220
7.1	2102	Traffic Signals Renewals	484	786	302	829	1,049	1,009
7.1	2103	Street Lights Renewals & Upgrades	904	2,920	2,017	1,801	4,426	1,236
7.1	2104	Rural Road Upgrades	4	209	205	0	279	112
7.1	2105	Minor Works Upgrades	997	1,391	394	1,935	1,855	1,855
7.1	2106	Fences & Guardrails Renewals	446	524	78	699	699	699
7.1	2107	Speed Management Upgrades	874	1,190	316	1,590	1,586	1,586
7.1	2134	Lambton Quay Interchange Upgrades	51	150	99	315	200	0
7.1	2141	LGWM - City Streets	0	1,154	1,154	0	1,539	1,539
7.1	2142	LGWM - Early Delivery	0	4,044	4,044	0	5,392	5,392
7.2	2108	Parking Asset renewals	0	381	381	421	509	438
7.2	2109	Parking Upgrades	127	93	(34)	134	123	123
<b>Activity area total</b>			<b>41,356</b>	<b>64,304</b>	<b>22,948</b>	<b>62,490</b>	<b>88,757</b>	<b>70,837</b>

**Council**

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
10.1	2111	Capital Replacement Fund	1,541	3,884	2,343	2,365	5,179	3,689
10.1	2112	Information Management	766	1,958	1,192	1,357	2,777	277
10.1	2114	ICT Infrastructure	5,907	3,826	(2,080)	6,448	5,033	2,667
10.1	2118	Health & Safety - Legislation Compliance	50	604	554	513	805	343
10.1	2119	Civic Property renewals	73	2,521	2,448	1,184	3,361	1,069
10.1	2120	Commercial Properties renewals	324	735	411	857	980	724
10.1	2121	Community & Childcare Facility renewals	252	1,033	781	1,096	1,378	600
10.1	2126	Business Unit Support	42	787	745	89	1,049	1,049
10.1	2127	Workplace	1,633	882	(751)	177	1,177	1,177

Group	Activity	Activity Description	YTD (\$000s)			Full Year (\$000s)		Annual Plan (\$000s)
			Actual	Budget	Variance	Forecast	Budget	
10.1	2128	Civic Campus Resilience and Improvements	931	6,415	5,484	3,328	8,553	4,202
10.1	2131	Smart Council	1,009	209	(800)	1,470	279	1,736
10.1	2132	Digital - Internet Intranet	28	0	(28)	0	0	0
10.1	2133	Quarry Renewals & Upgrades	7	266	258	3,069	354	173
10.1	2140	Security	407	450	43	540	600	600
10.1	2999	Earthquake - Capex	341	0	(341)	0	0	0
<b>Activity area total</b>			<b>13,311</b>	<b>23,571</b>	<b>10,260</b>	<b>22,495</b>	<b>31,526</b>	<b>18,306</b>
<b>Capital expenditure grand total</b>			<b>183,267</b>	<b>266,493</b>	<b>83,226</b>	<b>286,152</b>	<b>360,624</b>	<b>299,131</b>

**Key:** Actual, Budget and FY Budget ( ) = net revenue, Variance ( ) = deficit / overspend



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## **FORWARD PROGRAMME**

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### **Purpose**

1. This report provides the Forward Programme for the Pūroro Tahua | Finance and Performance Committee for the next two months.

### **Summary**

2. The Forward Programme sets out the reports planned for Pūroro Tahua | Finance and Performance Committee meetings in the next two months that require committee consideration.
3. The Forward Programme is a working document and is subject to change on a regular basis.

### **Recommendation/s**

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

### **Discussion**

4. Thursday 19 August 2021:
  - Annual Report Structure (Chief Strategy and Governance Officer)
  - Balance Sheet Review (Chief Financial Officer)
  - Green Financing (Chief Financial Officer)
5. Thursday 16 September 2021:
  - Procurement Strategy Update (Chief Financial Officer)
  - Sludge Financing and Funding (Chief Financial Officer)
  - Public Excluded: Draft Annual Report 2020/2021 (Chief Strategy and Governance Officer and Chief Financial Officer)

### **Attachments**

Nil

Author	Hedi Mueller, Democracy Advisor
Authoriser	Jennifer Parker, Democracy Services Manager

## **SUPPORTING INFORMATION**

### **Engagement and Consultation**

N/A

### **Treaty of Waitangi considerations**

N/A

### **Financial implications**

N/A

### **Policy and legislative implications**

Timeframes and deliverables are reliant on organisational resourcing and priorities.

### **Risks / legal**

N/A

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

N/A

### **Communications Plan**

N/A

### **Health and Safety Impact considered**

N/A



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## **REPORT OF THE KĀWAI MĀHIRAHIRA | AUDIT AND RISK SUBCOMMITTEE MEETING OF 9 JUNE 2021**

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**Members:** Councillor Condie (Deputy Chair), Councillor Pannett, Councillor Paul (absent – apologies accepted), Councillor Rush, Linda Rieper and Roy Tiffin.

**The Subcommittee recommends:**

### **HEALTH, SAFETY AND SECURITY REPORT**

#### **Recommendation/s**

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

Website link to the Kāwai Mahirahira | Audit and Risk Subcommittee meeting agenda and minutes:

<https://wellington.govt.nz/your-council/meetings/committees/audit-and-risk-subcommittee/2021/06/9>

#### **Attachments**

Nil.



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## 4. Public Excluded

### Recommendation

That the Pūroro Tahua | Finance and Performance Committee:

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

General subject of the matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
3.1 Chaffers Marina Limited Options	<p>7(2)(b)(ii) The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</p> <p>7(2)(c)(ii) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to damage the public interest.</p> <p>7(2)(i) The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>s48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.</p>

